Chapter 1

Neoliberlism and the University

Section 1 A Brief History of Neoliberlism

A. Neoliberalism: “Neoliberlism is “ (Harvey, Klein, Davis Planet of Slums, Chomsky Profit Over people)

1. Definition

2. The goal of Neoliberalism is to create a global environment for maximum profit taking by mnc which are dominant in the neoliberal power structure.

a. profit equals cheap resources

b. profit equals cheap labor

c. profit equals open markets

d. profit equals financial liberalization

3. The ideological basis and justification are Milton Friedman’s neo-classical economic theories.

1. Friedman’s theory is extreme laissez faire (explain Klein on Friedman)

b. Friedman’s conclusion: to achieve global free market and return to unfettered capitalism-impose three basic policies (of course Friedman argues that this will be good for everyone-in the long run)

i. privatization (explain)

ii. deregulation (explain)

iii. cutback in social services (explain)

3. Means

a. free trade (which is euphemism for free market)

b. global economic structures (world bank, IMF and WTO) controlled by first world and serving the interests of MNC

c. put country in debt (see Life and Debt, can be examples of all of this).

d. Impose structural adjustment plans (free market policies)

B. Neoliberalism and public universities

1. Neoliberalism took shape in the 1980s (Davis, Klein, Harvey) and was directed primarily at bringing former colonies into new system of domination and subordination.

2. As Richard Nixon said, the citizens of First world countries would not accept the changes being imposed on the third world

3. However, Margaret Thatcher discovered that disaster could be an ally in getting the people of the first world to accept Friedman’s policies. (war with Argentina)

4. Four significant factors have created the climate for neoliberal policies being imposed in the U.S.

1. the shock of 9-11
2. the debt creating cost of fighting the “global war on terror”

c. the Bush-Obama tax cuts

d. deindustrialization which destroyed U.S. manufacturing sector and middle class jobs, making middle class anxious, insecure, and selfish.

5. States have felt the impact the above four factors

a. state revenue has fallen, state politicians won’t raise taxes and continue

to compete trying to create an environment for corporations.

b. California is an example and budget shortfalls have had a serious negative impact on the Cal system of public education and higher education

6. Negative impact

1. decreased funding

i. increased tuition

ii. decrease in faculty and staff (increase admins0

iii. eliminate sections

iv. eliminate class offerings

v. eliminate courses from catalogues

vi. eliminate access of poor and minorities to system

viii. increase costs of attending: books, food, housing

(maximize students as revenue generators)

v. financial emphasis on infrastructure, technology and sports

b. Neoliberalism colonizes the idea of higher education

i. education becomes degree and degree is exchanged in the marketplace

ii. university controls supply (and it’s a sellers market)

iii. students, faculty, admin, public view higher education

as vocational training (or just a hurdle to get the degree)

iv. students attend university for degree and no longer value

humanities.

v. education is another exercise in self-interest and it reinforces neoliberal idea of human being-individual.

1. Public Education owned and controlled by corporations and their servants

i. funding from corporations and curriculum

ii. Boards of Trustees

iii. technology