

The Capitalist University

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The Transformations of Higher Education
in the United States since 1945

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Introduction

The fact that today there are over 4,000 colleges and universities in the United States represents an unparalleled educational, scientific, and cultural endowment. These institutions occupy a central place in American economic and cultural life. Certification from one of them is critical to the career hopes of most young people in the United States. The research produced in these establishments is likewise crucial to the economic and political future of the American state. Institutions of higher learning are of course of varying quality, with only 600 offering master's degrees and only 260 classified as research institutions. Of these only 87 account for the majority of the 56,000 doctoral degrees granted annually. Moreover, the number of really top-notch institutions based on the quality of their faculty and the size of their endowments is no more than 20 or 30. But still, the existence of thousands of universities and colleges offering humanistic, scientific, and vocational education, to say nothing of religious training, represents a considerable achievement. Moreover, the breakthroughs in research that have taken place during the last two generations in the humanities and social sciences, not to speak of the natural sciences, have been spectacular.

But the future of these institutions is today imperiled. Except for a relatively few well-endowed universities, most are in serious financial difficulty. A notable reason for this has been the decline in public financial support for higher education since the 1980s, a decline due to a crisis in federal and state finances but also to the triumph of right-wing politics based on continuing austerity toward public institutions. The response of most colleges and universities has been to dramatically increase tuition fees forcing students to take on heavy debt and putting into question access to higher education for young people from low- and middle-income families. This situation casts a shadow on the implicit post-war contract between families and the state which promised upward mobility for their children based on higher education. This impasse is but part of the general predicament of the majority of the American population, which has seen its income fall and its employment opportunities shrink since the Reagan era. These problems have intensified since the financial collapse of 2008 and the onset of depression or the start of a generalized capitalist crisis.

Mounting student debt and fading job prospects are reflected in stagnating enrollments in higher education, intensifying the financial difficulties of universities and indeed exacerbating the overall economic malaise.¹ The growing cost of universities has led recently to the emergence of Massive Online Open Courses whose upfront costs to students are nil, which further puts into doubt the future of traditional colleges and universities. These so-called MOOCs, delivered via the internet, hold out the possibility, or embody the threat, of doing away with much of the expensive labor and fixed capital costs embodied in existing university campuses. Clearly the future of higher education hangs in the balance with important implications for both American politics and economic life.

The deteriorating situation of the universities has its own internal logic as well. In response to the decline in funding, but also to the prevalence of neoliberal ideology, universities—or rather the presidents, administrators, and boards of trustees who control them—are increasingly moving away from their ostensible mission of serving the public good to that of becoming as far as possible like private enterprises. In doing so, most of the teachers in these universities are being reduced to the status of wage labor, and indeed precarious wage labor. The wages of the non-tenured faculty who now constitute the majority of teachers in higher education are low, they have no job security and receive few benefits. Although salaried and historically enjoying a certain autonomy, tenured faculty are losing the vestiges of their independence as well. Similarly, the influence of students in university affairs—a result of concessions made by administrators during the upheavals of the 1960s and 1970s—has effectively been neutered. These changes reflect a decisive shift of power toward university managers whose numbers and remuneration have expanded prodigiously. The objective of these bureaucrats is to transform universities as much as possible to approximate private and profit-making corporations, regarded as models of efficient organization based on the discipline of the market. Indeed, scores of universities, Phoenix University for example, have been created explicitly as for-profit businesses and currently enroll millions of students.

Modern universities have always had a close relationship with private business, but whereas in the past faculty labor served capital by producing educated managers, highly skilled workers, and new knowledge as a largely free good, strenuous efforts are now underway to transform academic employment into directly productive, i.e., profitable, labor. The knowledge engendered by academic work is accordingly being privatized as a commodity through patenting, licensing, and copyrighting

to the immediate benefit of universities and the private businesses to which universities are increasingly linked. Meanwhile, through the imposition of administrative standards laid down in accord with neoliberal principles, faculty are being subjected to unprecedented scrutiny through continuous quantified evaluation of teaching and research in which the ability to generate outside funding has become the ultimate measure of scholarly worth. At the same time, universities have become part of global ranking systems like the Shanghai Index or the Times Higher Education World University Rankings in which their standing in the hierarchy has become all important to their prestige and funding.

Several intertwined questions emerge from this state of affairs. In the first place, given the rising expense and debt that attendance at university imposes and declining employment prospects especially for young people, will there continue to be a mass market for higher education? Is the model of the university or college traditionally centered on the humanities and the sciences with a commitment to the pursuit of truth compatible with the movement toward converting the universities into quasi- or fully private business corporations? Finally, what are the implications of changes in the neoliberal direction for the future production of objective knowledge, not to speak of critical understanding?

Universities during the Cold War produced an impressive amount of new positive knowledge, not only in the sciences, engineering, and agriculture but also in the social sciences and humanities. In the case of the humanities and social sciences such knowledge, however real, was largely instrumental or tainted by ideological rationalizations. It was not sufficiently critical in the sense of getting to the root of the matter, especially on questions of social class or on the motives of American foreign policy. Too much of it was used to control and manipulate ordinary people within and without the United States in behalf of the American state and the maintenance of the capitalist order. There were scholars who continued to search for critical understanding even at the height of the Cold War, but they largely labored in obscurity. This state of affairs was disrupted in the 1960s with the sudden burgeoning of Marxist scholarship made possible by the upsurge of campus radicalism attendant on the anti-war, civil rights, and black liberation struggles. But the decline of radicalism in the 1970s saw the onset of postmodernism, neoliberalism, and the cultural turn. As we will argue, postmodernism represented an unwarranted and untenable skepticism, while neoliberal economics was a crude and overstated scientism. The cultural turn deserves more respect, but whatever intellectual interest there may be in it there is little doubt that the net effect of all three was to delink

the humanities and social sciences from the revolutionary politics that marked the 1960s. The ongoing presence in many universities of radicals who took refuge in academe under Nixon and Reagan ensured the survival of Marxist ideas if only in an academic guise. Be that as it may, the crisis in American society and the concomitant crisis of the universities has become extremely grave over the last decade. It is a central contention of this work that, as a result of the crisis, universities will likely prove to be a key location for ideological and class struggle, signaled already by the growing interest in unionization of faculty both tenured and non-tenured, the revival of Marxist scholarship, the Occupy Movement, the growing importance of the Boycott, Divestment, and Sanctions movement, and heightening conflicts over academic freedom and the corporatization of university governance.

The approach of this work is to examine the recent history of American universities from the perspective of Marxism, a method which can be used to study these institutions critically as part of the capitalist economic and political system. Despite ongoing apologetics that view universities as sites for the pursuit of disinterested truth, we contend that a critical perspective involving an understanding of universities as institutions based on the contradictions of class inequality, the ultimate unity of the disciplines rooted in the master narrative of historical materialism, and a consciousness of history makes more sense as a method of analysis. All the more so, this mode of investigation is justified by the increasing and explicit promotion of academic capitalism by university managers trying to turn universities into for-profit corporations. In response to these policies scholars have in fact begun to move toward the reintegration of political economy with the study of higher education. This represents a turn away from the previous dominance in this field of postmodernism and cultural studies and, indeed, represents a break from the hegemonic outlook of neoliberalism.² On the other hand, most of this new scholarship is orientated toward studying the effects of neoliberalism on the contemporary university, whereas the present work takes a longer view. Marxist political economy demands a historical perspective in which the present condition of universities emerged from the crystallization of certain previous trends. It therefore looks at the evolution of the university from the beginning of the twentieth century, sketching its evolution from a preserve of the upper-middle class in which research played almost no role into a site of mass education and burgeoning research, and, by the 1960s, a vital element in the political economy of the United States.

In contrast to their original commitment to independence with respect to the state up to World War II, most if by no means all universities and

colleges defined their post-war goals in terms of the pursuit of the public good and were partially absorbed into the state apparatus by becoming financially dependent on government. But from start to finish twentieth-century higher education also had an intimate and ongoing relationship with private business. In the neoliberal period universities are taking this a step further, aspiring to turn themselves into quasi- or actual business corporations. But this represents the conclusion of a long-evolving process. The encroachment of private business into the university is in fact but part of the penetration of the state by private enterprise and the partial privatization of the state. On the surface this invasion of the public sphere by the market may appear beneficial to private business. We regard it, on the contrary, as a symptom of economic weakness and a weakening of civil society.

The American system of higher education, with its prestigious private institutions, great public universities, private colleges and junior colleges, was a major achievement of a triumphant American republic. It provided the U.S. state with the intellectual, scientific, and technical means to strengthen significantly its post-1945 power. The current neoliberal phase reflects an America struggling economically and politically to adapt to the growing challenges to its global dominance and to the crisis of capitalism itself. The shift of universities toward the private corporate model is part of this struggle. Capitalism in its strongest periods not only separated the state from the private sector, it kept the private sector at arm's length from the state. The role of the state in ensuring a level playing field and providing support for the market was clearly understood. The current attempt by universities to mimic the private sector is a form of economic and ideological desperation on the part of short-sighted and opportunistic university administrators as well as politicians and businessmen. In our view, this aping of the private sector is misguided, full of contradictions, and ultimately vain if not disastrous. Indeed, it is a symptom of crisis and decline.

The current overwhelming influence of private business on universities grew out of pre-existing tendencies. In Chapter 1 we note the already corporate nature of university governance both private and public, and the influence of business on universities in the first part of the twentieth century. In reaction there developed the concept of academic freedom as well as the establishment of the system of tenure and the development of a rather timid faculty trade unionism. We will stress the importance of private foundations in controlling the development of the curriculum and research in both the sciences and humanities. In their teaching, universities

were mainly purveyors of the dominant capitalist ideology. Humanities and social science professors imparted mainly liberal ideology and taught laissez-faire economics which justified the political and economic status quo. The development of specialized departments reinforced the fragmentation of knowledge and discouraged the emergence of a systemic overview and critique of American culture and society. There were, as noted earlier, a few Marxist scholars, some of considerable distinction, who became prominent particularly in the wake of the Depression, the development of the influence of the Communist Party, and the brief period of Soviet-American cooperation during World War II. But the teaching of Marxism was frowned upon and attacked even prior to the Cold War.

The post-1945 university was a creation of the Cold War. Its expansion, which sprang directly out of war, was based on the idea of education as a vehicle of social mobility, which was seen as an alternative to the equality and democracy promoted by the populism of the New Deal. Its elitist and technocratic style of governance was patterned after that of the large private corporation and the American federal state during the 1950s. Its enormously successful research programs were mainly underwritten by appropriations from the military and the CIA. The CIA itself was largely created by recruiting patriotic faculty from the universities. Much of the research in the social sciences was directed at fighting Soviet and revolutionary influence and advancing American imperialism abroad. Marxist professors and teaching programs were purged from the campuses.

Dating from medieval times, the curriculum of the universities was based on a common set of subjects including language, philosophy, and natural science premised on the idea of a unitary truth. Although the subject matter changed over the centuries higher education continued to impart the hegemonic ideology of the times. Of course the notion of unitary truth was fraying at the seams by the beginning of the twentieth century with the development of departmental specialization and the increasingly contested nature of truth, especially in the social sciences in the face of growing class struggle in America. However, the notion of the idea of the unity of knowledge as purveyed by the university was still ideologically important as a rationale for the existence of universities. Moreover, as we shall demonstrate, it was remarkable how similarly, despite differences in subject matter and method, the main disciplines in the humanities and social sciences responded to the challenge of Marxism during the Cold War. They all developed paradigms which opposed or offered alternatives to Marxism while rationalizing continued loyalty to liberalism and capitalism. As if on cue, sociology, psychology, literature, political science, and anthropology

all took sides by explicitly rejecting Marxism and putting forward viewpoints opposed to it. History itself stressed American exceptionalism, justified U.S. expansionism, minimized class conflict, and warned against revolution. Indeed, this work will focus on these disciplines because they defended the capitalist status quo at a deeper cultural and intellectual level than the ubiquitous mass media. As Louis Althusser pointed out, the teaching received by students from professors at universities was the strategic focal point for the ideological defense of the dominant class system. That was as true of the United States as it was of France, where institutions of higher learning trained those who would later train or manage labor. Criticizing the recent history of these disciplines is thus an indispensable step to developing an alternative knowledge and indeed culture that will help to undermine liberal capitalist hegemony.³

The approach of this work is to critically analyze these core academic subjects from a perspective informed by Pierre Bourdieu and Karl Marx. Bourdieu points out that the deep involvement of the social sciences (and the humanities) with powerful social interests makes it difficult to free their study from ideological presuppositions and thereby achieve a truly socially and psychologically reflexive understanding.⁴ But such reflexive knowledge was precisely what Marx had in mind more than a century earlier. Leaving a Germany still under the thrall of feudalism and absolutism for Paris in 1843, the young Marx wrote to his friend Arnold Ruge that

reason has always existed, but not always in a reasonable form ... but, if constructing the future and settling everything for all times are not our affair, it is all the more clear what we have to accomplish at present: I am referring to *ruthless criticism* of all that exists, ruthless both in the sense of not being afraid of the results it arrives at and in the sense of being just as little afraid of conflict with the powers that be.⁵

His task as he saw it was to criticize the existing body of knowledge so as to make it as reasonable as possible, i.e., to undermine its illusory and ideological character and substitute knowledge which was both true and helped advance communism. Such a project entailed deconstructing the existing body of knowledge through rational criticism, exposing its ideological foundations and advancing an alternative based on a sense of contradiction, social totality, and a historical and materialist understanding. It is our ambition in surveying and studying the humanities and social sciences in the period after 1945 to pursue our investigation in the same spirit. Indeed, it is our view that a self-reflexive approach to contemporary

knowledge, while woefully lacking, is an indispensable complement to the development of a serious ideological critique of the crisis-ridden capitalist society of today.

Marxism is still regarded with suspicion in the United States. As a matter of fact, anti-Marxism in American universities was not merely a defensive response to McCarthyism as some allege. Anti-communism was bred in the bone of many Americans and was one of the strongest forces that affected U.S. society in the twentieth century, including the faculty members of its universities. An *idée fixe* rather than an articulated ideology, it was compounded out of deeply embedded albeit parochial notions of Americanism, American exceptionalism and anti-radicalism.⁶ The latter was rooted in the bitter resistance of the still large American middle or capitalist class to the industrial unrest which marked the late nineteenth and early twentieth centuries and which had a strong bed of support among the immigrant working class. Nativism then was an important tool in the hands of this class in fighting a militant if ethnically divided working class. Moreover, the anti-intellectual prejudices of American society in general and the provincialism of its universities were ideal terrain for fending off subversive ideas from abroad like Marxism. Later, this anti-communism and hostility to Marxism became the rationale for the extension of American imperialism overseas particularly after 1945. The social origins of the professoriate among the lower middle class, furthermore, and its role as indentured if indirect servants of capital, strengthened its position as inimical to Marxism. Just as careers could be lost for favoring Marxism, smart and adroit academics could make careers by advancing some new intellectual angle in the fight against Marxism. And this was not merely a passing feature of the height of the Cold War: from the 1980s onward, postmodernism, identity politics, and the cultural turn were invoked to disarm the revolutionary Marxist politics that had developed in the 1960s. Whatever possible role identity politics and culture might have in deepening an understanding of class their immediate effect was to undermine a sense of class and strengthen a sense of liberal social inclusiveness while stressing the cultural obstacles to the development of revolutionary class consciousness.

This overall picture of conformity and repression was, however, offset by the remarkable upsurge of student radicalism that marked the 1960s, challenging the intellectual and social orthodoxies of the Cold War. In reaction to racism and political and social repression at home and the Vietnam War abroad, students rebelled against the oppressive character of university governance and by extension the power structure of American

society. Overwhelmingly the ideology through which this revolt was refracted was the foreign and until then largely un-American doctrine of Marxism. Imported into the universities largely by students, Marxism then inspired a new generation of radical and groundbreaking scholarship. Meanwhile it is important to note that the student revolt itself was largely initiated by the southern civil rights movement, an important bastion of which were the historically black colleges of the South. It was from the struggle of racially oppressed black students in the American South as well as the growing understanding of the anti-colonial revolutionaries of Vietnam that the protest movement in American colleges and universities was born. Equally important was the Free Speech Movement at Berkeley. Indeed, it is the contention of this work that the issues raised at Berkeley over democracy in the universities and the free expression of ideas not only shaped the student movement of that time but are still with us, and indeed are central to the future of universities and intellectual life today.

At the heart of the Berkeley protest lay a rejection of the idea of a university as a hierarchical corporation producing exchange values including the production of trained workers and ideas convertible into commodities. Instead the students asserted the vision of a democratic university which produced knowledge as a use value serving the common good. It is our view that this issue raised at Berkeley in the 1960s anticipated the class conflict that is increasingly coming to the fore over so-called knowledge capitalism. Both within the increasingly corporate neoliberal university and in business at large, the role of knowledge and knowledge workers is becoming a key point of class struggle. This is especially true on university campuses where the proletarianization of both teaching and research staff is in process and where the imposition of neoliberal work rules is increasingly experienced as tyrannical. The skilled work of these knowledge producers, the necessarily interconnected nature of their work, and the fundamentally contradictory notion of trying to privatize and commodify knowledge, have the potential to develop into a fundamental challenge to capitalism.

Structure of the Book

Chapter 1 traces the evolution of the universities and colleges from being finishing schools for the middle classes at the beginning of the twentieth century to their transformation post-1945 into institutions orientated toward mass higher education and research. Big business and the foundations had an overriding interest in these changes but the influence of the U.S. military and state also played a major role, especially during World War II and the

onset of the Cold War. As such the universities in this period must be seen in the Gramscian sense as an integral part of the non-coercive element of the capitalist state. The major universities where the bulk of research and the main articulation of social science and humanities ideas took place are the focal point of investigation. University faculties in the first part of the twentieth century became indirect servants of capital and the capitalist class. On the other hand, professors tried to retain as much autonomy as they could by fighting for academic freedom and tenure, and in the case of the American Federation of Teachers for the thorough unionization of faculty. Marxism established a limited presence on campuses as a result of the Depression and Soviet-American cooperation during World War II. But even in the inter-war period the weeding out of left-wing radicals was an ongoing process. The onset of the Cold War set off a widespread purge of Marxist professors as part of the McCarthyite attack on the American left. Meanwhile the intellectual and scientific resources of the universities were mobilized to fight communism and revolutionary change worldwide through the CIA and other covert activities headquartered in the elite universities. Administrators and many members of faculty enthusiastically joined this struggle to their own and their institutions' benefit. Higher salaries, the spread of tenure, increased professionalization, the compartmentalization and fragmentation of knowledge based on departments further served to depoliticize faculty.

The second chapter demonstrates how quickly and almost in lock step the humanities and social sciences fell into line with the opinions and demands of the U.S. state in the Cold War. Indeed, top academics more often than not had close ties to the U.S. government. It furthermore shows how the content of the academic disciplines was harnessed to defending capitalism, liberalism, and American imperialism while attacking left-wing ideas. The respective disciplines rapidly redefined the norms and substance of their teaching in accord with the assumptions of the Cold War. Reviewing academic research in the United States during the 1950s we take note of its commitment to methodological individualism, scientific positivism, and social engineering, especially in the social sciences, thereby fending off Marxism and helping to put weapons in the hands of those who wielded economic and political power at home and abroad. A bias toward social equilibrium and instrumentalism as against a sense of historical change and class conflict, and a preference for specialist and cumulative knowledge rather than theorizing and a sense of the whole, marked most scholarship in the 1950s. Those academics in the humanities and social sciences who served as apologists for American capitalism in the Cold War rose to the