4. What’s to be Explained? And is it so Bad?

Geoffrey Brennan

Getting the diagnosis right

The point of departure for the conference ‘Markets and the Modern University, from which this chapter arose, is a concern – ‘a concern about the way knowledge is being shaped by the commodification of higher education’. And the title of the conference indicates a first-round diagnosis: the intrusion of the ‘market’ and the re-conceptualisation of knowledge from being a ‘public good’ to being a ‘private good’. The ambition of our collective reflections is to examine all this ‘with particular regard for the impact on the social sciences’.

In what follows, I want to address, head on, both this particular concern and the diagnosis of it. To reveal all my cards at the outset, I believe that the concern is ill-specified and that the projected diagnosis is misplaced. There may well be attributes of the modern Australian university that are grounds for concern: I share the view that there are. But in my view, the concern is not the ‘way knowledge is being shaped’ – and not the impact on knowledge in the social sciences more specifically. Frankly, I think that when the concerns are appropriately diagnosed and the source of them properly understood, they may well appear less epistemically and institutionally threatening than the organisers of this conference seem to fear. Moreover, though in some loose way, ‘the market’ might be implicated in these concerns (when properly specified) I think that the role of markets is considerably exaggerated.
Normally, the ‘economics tradition’ (which, with appropriate revisionist glosses, I like to think I broadly represent) insists that explanation should begin with a clear specification of the problem to be addressed and then turn to the question of what should be done about it. Economists take diagnosis to be logically prior to prescription. But here, I want to begin with the prescription and then work back to the ‘concern’.

What’s the market got to do with it?

So let me begin with the question posed as the title of this section: what’s the market got to do with it?

Just to focus for a moment on the Australian university system, it seems to me to be a total mischaracterisation to describe it as an instantiation of a market institution. The number of students in total; the enrolments at different institutions; how many institutions there will be; and to some extent what programs those institutions will offer – all seem to be governed by administrative decisions taken by bureaucrats, reflecting broad political priorities. And what is true of the Australian system is true of every system in the world, with the exception of the US. Even within the US, the role of markets can easily be exaggerated. A large proportion of US students attend State universities, where fees and enrolment numbers and numbers of campuses are determined by State legislatures. And the cost of research activities (apart from the time of academics) is significantly funded from public sources (National Science Foundation and its analogues).  

In short, the university system is largely – in many places almost exclusively – publicly run and administered. And most of the changes that seem to motivate this colloquium (or, since I cannot speak for others, that strike me as being proper objects of concern) I see as having originated mainly from government initiatives of one kind or another – not from the operation of markets as such.

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1 Just how ‘revisionist’ is a tricky matter. To declare a few aspects: an abandonment of *homo economicus* in several dimensions (in particular the acceptance of a role for moral and related norms and of the desire for social esteem in explaining human behaviour); a recognition of the importance of politics in policy design and execution; a view of democratic political process that is not purely interest-based: to name the most important. But I retain an appropriately qualified commitment to methodological individualism and to agent rationality – features that in my view lie at the Lakatosian core of the ‘economic way of thinking’.

2 Moreover, almost no institutions operate by charging a market-clearing price to students. Almost all ration undergraduate places by measured ‘ability’ to some extent and many of the most prestigious claim to accept students on an income-blind basis (i.e. on perceived ability alone). And almost all graduate students are in receipt of significant subsidies. In important respects therefore, the ‘market’ in student places is ‘self-effacing’.
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Let me be clear here. In referring to ‘markets’, I have in mind an institutional framework for coordinating the decisions of relevant players. I am not referring to the basic economic realities – the fact that university education and research use up resources, or that those resources have an opportunity cost, or that the time students spend at university is time that could have been spent in other pursuits. Those realities exist whatever the funding details. Of course, these are not the only realities relevant to running a fine university (or a fine university system). And it may be that a view of the university that foregrounds such cost considerations – a view, as we might put it, of the university as a ‘site of cost contestation’ – serves to occlude those other, no less crucial, realities. This might be, for example, the kind of view that earns economists a description as ‘those who lack the imagination to be accountants’!

In a similar spirit, we ought to distinguish carefully between market institutions and what we might loosely term ‘market rhetoric’. Although the reference, in the aforementioned conference brief, is to the impact (of such changes) ‘on the social sciences’, it seems relevant to acknowledge the impact of the social sciences – and specifically of the role of putatively ‘economic ways of thinking’ about the university – as a source of many of the changes that most of the commentary here seems to find objectionable.

As I see it (and I concede at once that this may be a highly eccentric view) one of the challenges for economists that arises from the topic of this colloquium is to produce an analysis of the university as an institution that is obedient to the grammatical strictures of rational actor theory, but sensitive to the kinds of considerations that many academics regard as central and that standard economic treatments seem to background (if not overlook entirely). In what follows (and specifically in the [section] addressing the modern Australian university below) I will try to gesture at what might be involved. This is a gesture only: a fuller treatment will have to await a different occasion.

The concession that we economists need to provide a plausible ‘economic’ account of the institutions of enquiry is not at all to concede that the changes that have occurred in the university system over the last say 30 years and that seem to be the focus of concern here are to be attributed exclusively to the rise of a particular set of ideas – still less that such ideas owe their origin to economics as a discipline. Although I don’t concede that claim, I am certainly prepared to entertain it as a hypothesis. However, in order to test it out, we need first to get a fix on what the changes to be explained are; and second to

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3 To the extent that it is a view typical of economists. It shouldn’t be, I think, and wouldn’t if we were better economists!
speculate a bit more generally about what factors might explain those changes. We will then be in a better position to evaluate the changes – to deplore them, if (but only if) that seems warranted.

What is to be explained?

I think we should be clear, at the outset, about what we should not be trying to explain. If the concern is with the ‘shape of knowledge’, then the topic is a global one. It cannot plausibly be examined by focusing on the Australian case — since Australia makes up less than two per cent of the world’s ‘knowledge economy’. In other words, there may be good reasons for querying many of the changes that have occurred in Australian higher education over the last 25 years but a concern based on the effects on ‘knowledge’ seems megalomaniacal to the point of absurdity; and of course, no less absurd when the focus is limited to the ‘impact on the social sciences’.

More generally, we should be wary of extrapolating too quickly from Australian experience to what is going on in the rest of the world. If, as it happens, some of the things that have gone on in Australia are mirrored in other countries then observing which things are common and with which countries offers prospects for explanatory insights. It suggests, in particular, that only if the factors isolated as explanations in the Australian case are replicated in the other countries will that explanation be valid. For example, it seems to me (on the basis of casual observation) that many of the things that have been happening in Australian universities have been mirrored in the UK – where the structure of the university system is very similar to Australia’s – but are distinctly less conspicuous in the US. But of course this claim depends on what the ‘changes’ in question are; and as I say, that just shows why it’s important to achieve clarity on that aspect.

So, what are the changes in question?

1. Increased formality (and associated intrusiveness) in the processes of performance evaluation – most notable in relation to research but also relevant to teaching, graduate supervision and a range of related matters.
2. A shift in the governance structures within universities away from collective control to more ‘managerial’ styles. I take it in other words that there has been a significant shift in most institutions away from a ‘worker-managed’ operation to a more hierarchical form in relation to broad collective decisions

4 [Speaking for myself, I now spend much less time in university committees – on professorial or academic boards – than I did 30 years ago (to say nothing of 40) and those committees I do attend are less decision-making than ‘information-providing’.]
about the university as a whole. Decisions about research domain and content of courses remain as far as I can tell essentially matters for determination by individual academics. In that respect there has been little change over my career.

3. Greater reliance on ‘external’ funding for research (mainly through the Australian Research Council (ARC) and the National Health and Medical Research Council (NHMRC), but also on specific government initiatives that lie outside the standard university financing processes).

4. An associated development of interest within universities in ‘patentable’ research findings’.

5. Larger numbers of non-domestic students.

6. Increased reliance on students as direct sources of revenue (mainly under the HECS scheme in Australia or full fee-paying postgraduate coursework programs).

7. Scale – a significant expansion in the proportion of the age cohort that attends a ‘university’ and an associated increase in the: number of institutions so designated; and the aggregate cost of the higher education/research system as a proportion of GDP.

8. Increased labour market participation of putatively ‘full-time’ students (perhaps attributable to the restricted availability and low level of publicly provided student income support).

Not all these changes are independent. As I shall argue later, I think scale has an important influence on many of the other changes. However, I think it is analytically useful to treat the various changes separately – rather than as a bundle.

I have then set myself two general tasks: first, to broaden the standard ‘economic’ model of institutional performance in a way that enables that model to incorporate at least some of the anxieties aired by many critics of the ‘modern university’; secondly, to put this expanded model to work to see how far it can account for at least some of the relevant changes and some of the grounds of critique.

A modified institutional analysis

Questions of motivation

It is not a necessary feature of rational actor theory that agents be attributed any specific motivation; but as a matter of fact it is common to ascribe to agents preferences that are predominantly (sometimes exclusively) egoistic in a rather
materialistic sense: *homo economicus* (HE) is not so named for nothing! For lots of standard applications, this attribution is probably an acceptable abstraction — but it is an abstraction, and becomes seriously strained in lots of non-standard applications. One implication of the HE construction is that institutional analysis focuses on (indeed consists in analysing) the material incentives that that institution invokes. For many purposes that focus is way too narrow: one needs to take account of what Bruno Frey has called ‘intrinsic motivation’ on the one hand; and the desire for esteem (social approval) on the other.5

It is worth noting that the desire to stand high(er) in the opinions of others is itself an essentially egoistic desire: it is MY level of social esteem that ‘enters my utility function’ — not YOUR level of esteem. In that sense, esteem operates as just another currency of reward (and/or punishment) much like income.

But note that esteem depends on prevailing evaluations — evaluations that track the norms and values that are widely possessed out there in the relevant community. It is true that a person may be driven by esteem considerations to act in accord with values that she herself doesn’t hold. But that can’t be true for everyone.6 It probably can’t even be true for a majority. That is, the attitudes that observers possess (the attitudes that constitute the esteem or disesteem) reflect the values that the esteem-seeker is induced to track in her behaviour. And those values constitute the norms that govern the activity.

It seems self-evident to me that in virtually all activities, material reward, intrinsic returns and desire for esteem are all in play (though in different proportions in different activities). So, some cricketers may be driven to play the game simply because of the esteem they derive from doing so from people who care about cricket. But most of them presumably enjoy the game themselves, are inclined to play by the rules for the sake of the ‘game’, and strive to do as well as they can for the sheer internal pleasure of doing so. Certainly, as top cricketers make increasingly large amounts of money (largely from playing 20/20 games in India) purely instrumental considerations play an increasing role in explaining their behaviour — why, for example, they play as much as they do (and, for many, much more often than they would prefer, if it were not for external rewards).

The same could be said for opera singers — indeed, for professional musicians of all kinds — namely, that they derive significant intrinsic reward from the activities they engage in, and considerable public acclaim (specifically in the

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5 One also needs to keep in mind the manner in which institutional mechanisms of selection operate (Frey 1997).

6 This claim is a bit strong. Under conditions of ‘pluralistic ignorance’, everyone might believe that others hold value V even when none does: the result can be a kind of ‘emperor’s-new-clothes’ equilibrium. The claim in the text presupposes a certain level of transparency of others’ values.
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The same is surely true of the ‘life of the mind’. Most of us in academic life are driven (in part) by the intrinsic satisfaction we derive from the activities that make up that life. We teach our students material we think it will be good for them to know; we make our lectures as interesting and engaging as we can; we do our best to stimulate the imaginations and intellectual curiosity of our students; we write papers because we think (hope) that we have something interesting and/or worthwhile to say to our peers. We have to some extent internalised the norms of our respective disciplines and of the process of enquiry more generally. We admire the really smart and gifted scholars we know. And we struggle to secure their respect. Pathetically perhaps, we even care what our students think of us – and do our best to be conscientious and energetic teachers – in part for that reason! These professional considerations also largely track our interests. Broadly, promotion and better job offers, and conference invitations, and options to give seminars at interesting places, are all connected to our scholarly performance and our reputation as teachers and presenters. We bring to our work the same sorts of motivations that opera singers and cricketers bring to theirs – an understanding of what the activity is that we are acculturated into; a love of that activity for its own sake, as well as for the good things it gives us; and a dependence for recognition on our professional peers – not just those in our own departments but across the globe! Or at least, that has been true of most of my colleagues in the various departments, both here and overseas, in which I have worked across my now 45-year career (which I don’t regard as over just yet, by the way).

All this seems self-evident to me. But I am lucky to have worked in excellent places with excellent colleagues for most of my life; and I do not regard it as self-evident that all universities (in Australia and elsewhere) are like this – and that not all academics are quite as driven as my immediate peers have been. In short, there is considerable heterogeneity – concerning the weight of motivations of different kinds across different individuals.

In getting a sense of the extent of such differences, it is interesting to reflect on some empirical work that Francis Teal and I did on research output of academic economists in Australia from 1974 to 1983. Over that 10-year period, the top six publishers produced more than 11 per cent of the quality-weighted research

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7 For an estimate of the size of these non-pecuniary benefits, see Withers (1985).
8 The quality weights are very rough and ready. Another possible metric would be citations rather than publications; but the distribution of citations is even more extravagantly skewed towards those recognised professionally as the ‘top scholars’. Citations are a reasonable metric for economics, where journal articles carry almost all the relevant scholarship.
output: the top 15 persons produced a quarter of Australia’s research output (Brennan and Teal 1992, 22–30). Out of the roughly 300 names appearing in departmental annual reports over that period, about a half published nothing at all in any given year. (Of those in the sample for the entire 10 years, 14 per cent produced nothing in that entire period.) The bottom half of the distribution produced five per cent of the total (quality-weighted) output. These figures are a reminder that not everything was so very rosy in the ‘good old days’! As Teal and I remarked at the time, there are two ways to read this data — one is that there is a huge problem of freeloaders at the bottom; the other is that in the research domain at least, one really has to nurture and look after one’s stars. Those top 15 academic economists in Australia were punching way above weight!

In short, as one would expect, there is likely to be some heterogeneity of motivation both within and between universities (as in all civil society). But for a significant proportion of the players, non-material motivations (intrinsic and esteem-related) are extremely important. And it seems that these players are far and away the most productive! Equally, the evidence suggests that for many players (more perhaps than one would prefer), non-material motivations play a relatively small role.

**Extending the institutional array**

The second feature of rational actor institutional analysis is a tendency to treat the institutional landscape as a kind of choice (or antinomy) between two broad institutional mechanisms: the ‘invisible hand’ of the market; and the ‘iron hand’ of government. So, for example, in the more or less standard approach in public economics/public choice, a central normative question is to specify the appropriate domain of government activity. The procedure here is to develop a theory of ‘market failure’ — based on the properties of goods (non-excludability and collective consumption, in varying degrees and combinations) — and then a general account of ‘political failure’ (which is essentially good-independent). The standard conclusion is that markets have a comparative advantage in the provision of private goods, while governments have a comparative advantage in the provision of public goods. (Markets may still have an absolute advantage in the latter if the degree of ‘market failure’ is not too great).

It may be worth noting that the public/private dichotomy in this analysis is driven by the technical properties of the goods in question. Whether university education is a ‘private good’ or a ‘public good’ depends on whether the benefits of that higher education accrue mainly to the individual educated or to other parties. One can obtain reasonably ready estimates of the former benefits by examining the future income-earning profiles of university graduates compared with non-university ‘equivalents’ (as best one can detect them). Such measures do not incorporate the ‘consumption benefits’ accruing in terms of general
intellectual enrichment or better understanding of the social order – and there
is little attempt to determine which of these might be associated with ‘external’
benefits to persons other than the graduate. Nor is there any attempt to assess
the consumption benefits associated with access to social activities while on
campus with lots of other persons of a similar age and inclination (though I
suspect that these latter benefits are an important reason for many to become
university students). Of course, different analyses of behaviour (and different
attempts at normative evaluation) might variously emphasise the ‘private’ as
against the ‘public’ aspects of such calculations; but it is doubtful whether
any such emphasis amounts to a ‘reconceptualisation’ in anyone’s eyes except
perhaps those of government bureaucrats and politicians. These latter are of
course important given current institutional arrangements. But I want to
suggest that their importance can be overstated. Put another way, I do not think
that we in the academy should necessarily take their assessment of their own
importance entirely at face value!

Which brings me to the main point of this sub-section, which is to underline
the fact that the portfolio of institutional options here is severely limited. What
is omitted from the government/market dichotomy is the vast array of what
makes up ‘civil society’ – organisation/institution combinations in which the
primary relations are governed neither by market nor political arrangements,
but lie somewhere else. For convenience, I have sketched the likely contenders
among this ‘vast array’ in Table 4.1, indicating both the area of activity and the
organisational forms associated with it.

Table 4.1: Institutions and organisations of civil society

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<thead>
<tr>
<th>Activity</th>
<th>Organisation</th>
<th>Institution*</th>
</tr>
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<tbody>
<tr>
<td>Religion</td>
<td>Churches</td>
<td>Practices/norms/beliefs</td>
</tr>
<tr>
<td>Performing arts</td>
<td>Opera companies, theatre companies</td>
<td>Aesthetic rules of fine performance</td>
</tr>
<tr>
<td>Sports</td>
<td>Various</td>
<td>Rules of the games</td>
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<td></td>
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<td>Conventions that determine best play</td>
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<tr>
<td>Language</td>
<td>Analogues of the ‘French academy’?</td>
<td>Rules of grammar aesthetics of best</td>
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<td></td>
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<td>usage</td>
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<tr>
<td>Law</td>
<td>Courts</td>
<td>‘Rule of recognition’</td>
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<td></td>
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<td>Norms of procedure</td>
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<tr>
<td>Enquiry</td>
<td>Academia and research laboratories</td>
<td>Epistemic and procedural Norms of</td>
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<td></td>
<td></td>
<td>knowledge/enquiry</td>
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* By ‘institution’ here, I mean something like the rules/norms/conventions that define the activity and
that at least putatively govern relations within the organisational forms.
Source: Author’s summary.

9 Perhaps this judgment relies excessively on introspection. But let me just emphasise that these benefits
are, for a utilitarian, no less valid than increases in material benefit.
Now it is not that economists have entirely ignored these activities, or the organisations and institutions that go with them. There are nevertheless only occasional papers that deal with ‘the economics of non-market decision-making’ (as public choice used to be called – and making a broad ambit claim for things beyond politics). Such analysis has been something of a fringe activity (much like ‘rational actor political theory’ used to be). The ‘economic’ element in these cases is constituted by a recognisable application of ‘the economic way of thinking’ in which rationality; methodological individualism; a concern with relative prices/incentives in explaining changes in behaviour; and an attention to equilibrating forces in social processes, are all characteristic features.

The general reductionist move of treating these institutions as operating either as instances of market relations or political ones (or more typically some combination of the two) is inadequate because it occludes the role of norm-driven behaviour by the participants in the activities in question. The truth is that many ‘public goods’ of a sort are produced primarily in institutional settings that, though they sit alongside governments and markets and are somewhat involved in both to various extents, are significantly independent of both. This is a point developed at some length (Chapter 5 is devoted to the topic) by Buchanan and Tullock in *The Calculus of Consent*, but sadly the public choice tradition of scholarship since 1962 has not much taken it up.

The modern Australian university? The issue of scale

To the extent that a significant proportion of academics are driven by norms and subject to institutional constraints that support and mobilise those norms, the university is or can be a largely self-governing institution. One can rely on the intrinsic benefits and esteem-related concerns of academics to motivate them to do what is in their own professional interests. The role of university ‘management’ on this view is to provide a venue – a venue that might be more or less congenial – for the academics (and their students) to pursue those interests; and otherwise to interfere as little as possible. The idea that the role of university ‘leadership’ is to ‘manage’ the activities of the university – say, of the so-called Director of a Research School to ‘direct’ research activities – is ludicrous. Decisions as to what lines of research to pursue and how best to pursue them can ultimately only be taken by individual academics, influenced as they must inevitably be by their immediate professional colleagues and the

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10 About as ludicrous as the claim routinely made by successive Treasurers that they are ‘managing’ the Australian economy!
imagined judgment of those whose opinions they care about. Put another way, the amount of genuine power that university management has over these micro-matters is pretty severely limited.

Or at least, this is true where the norms of academic culture are well-embedded. So, the question of how broadly embedded that culture is becomes an important general question for the operation of the system. And this is where scale enters the picture. Because standard analysis would suggest that the marginal students/academics would be less motivated by intrinsic rewards than the infra-marginal ones. An economist who is drawn by puzzles, strongly motivated by intellectual curiosity, who greatly enjoys the pursuit of learning for its own sake will want to be an academic economist at wages that a more pecuniarily motivated equivalent would scoff at. If the demand for academic economists were to increase, salaries would have to increase in part because the individuals attracted into the sector would tend to be those whose intrinsic motivations are less significant. In other words, other things being equal, individuals self-select into employments according to the level of intrinsic benefits they derive from the activity: those with highest intrinsic returns are the infra-marginal ones. So much is entirely conventional labour market analysis.

The shift from an elite to a mass higher education system has greatly increased the number of students, the number of academics, the number of universities, and the overall cost to government. All of these features are significant. So it should not be surprising if the mix of motivational types on both the teacher and student side of the ‘market’ should exhibit a shift towards more vocational (and less intellectual curiosity-driven) types.

Nor should it surprise us if the academic culture in many more ‘marginal’ universities is quite thin. If most of one’s colleagues are publishing only occasionally in second-rate journals, then that practice becomes the ‘norm’ in that department. To earn the esteem of one’s colleagues, to the extent that those colleagues esteem publishing at all, one needn’t produce very much and what one does produce needn’t be especially well-placed. Where the culture is thin, it is not surprising if external modes of evaluation and regulation are put in place.

Nor should it be surprising if, as the scale of operations increases, government increasingly demands that universities justify the size of their operations and the associated costs by reference to criteria that diverge from the academic norms that operate within universities. Simply put, the fact that we denizens of the university believe in the life of the mind for its own sake — and to a greater or lesser extent pursue it — is an important fact for us. But there is no reason why we should imagine that that set of values will — or ought to — be internalised by the general public or their political representatives. And the fact that the general public (and their political agents) do not internalise our values should not be
a source of exasperation to us – or grounds for our modifying the idealisation of the university as a community of dedicated scholars. That idealisation still strikes me as powerfully alive and relevant in many institutions; but it is only to be predicted that it will clash with the attitude to the university held by politicians and senior bureaucrats and the general public.

So I don’t think it should surprise us if governments increasingly try to squeeze university budgets, or offload some of the cost of the significant expansion that has occurred onto students, or are increasingly anxious to ensure that scarce public funds are being spent ‘responsibly’. Nor should it surprise us if university administrators are responsive to such demands. Doubtless to many within their universities, Vice-Chancellors and their offsiders (considerable and increasing?) will appear to be just agents of governments; and doubtless to governments, those same persons will seem much less responsive than those governments would like. Those in these administrative positions within universities have to walk a tightrope between an external and an internal culture. They have my sympathy.11

Still, the clash is not always so clear-cut. At least some of the changes that are occurring and will occur seem to me to be less undermining of academic values than many people seem to make out. Let me mention a couple.

1. The increased globalisation of the academic labour market has meant that long-standing traditions of uniform salaries across disciplines and across individuals at the professorial level are under increased pressure. This is an example of the increased role of market forces – but Australia has little option here but to respond. Maintaining academic salaries on the basis of averages across the entire system and across individuals within an institution is just a recipe for bleeding from the top. Of course, salary is not critical for many academics; but quality of colleagues is. And over the long haul Australia cannot hope to retain the very best academics without introducing major disparities in academic salaries both between persons and fields. Salary differentiation has already begun in a minor way. Federation Fellowships are one element. Subject loadings are another. But, as in the UK, the system of professorial salary equality will just have to go – unless Australian universities are to commit to a hopeless mediocrity. Of course, Australia has never been much committed to elite activity anywhere except in sports – and the funding of two or three first-class universities across the country faces significant political hurdles. Australia has at best two per cent of the world’s English-speaking academics weighted by GDP. If there are 10,000 universities in the world (Scientometrics counts 17,000) the top 100 is one per cent of that.

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11 This is, of course, not to deny that some administrators just enjoy bossing other people around and are only too happy to operate in an increasingly managerial university culture.
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This means that if Australia had one institution in the top 100 it would be doing about twice as well as one could reasonably expect. To have more than that would require either a greater commitment to higher education as a whole or greater concentration of resources across institutions than other countries or both. The truth is that Australia is currently doing remarkably well in the international comparative stakes. But the competition will get predictably fiercer and the need to increase resources and concentrate them more across the best institutions will increase if Australia is to remain in these rankings where it currently lies.

2. Research resources are scarce and there is a major issue of getting resources through to the best researchers – which is going to mean greater differentiation in working conditions across the system (and almost certainly within institutions). The ARC is one mechanism for doing this. No such mechanism is likely to be perfect; but as far as the Research Assessment Exercise (RAE) exercises in Britain are concerned, I have to say that the rankings in the fields I know seem to me to be broadly right. Compared with alternative mechanisms for allocating given research resources, it seems to me that the relation between the academic criteria that emerge from broad consensus within the disciplines and the values of the RAE is pretty close.

In short, the changes in the Australian (and the UK) university system since the late 1980s are in my view largely the result of the shift from an elite to a mass higher education system plus changes like increased globalisation and e-technology that lie entirely outside our control.

Although I am not sure that mass higher education is altogether a good idea, I think that not all the changes that have been associated with that shift are changes for the worse. I think the basic Newman idealisation of the university remains alive and well in many institutions. I certainly do not think of that ideal as ‘irretrievably lost’; and it seems to me to reveal a certain lack of imagination to think so. There have been some changes since the ‘good old days’ of say 1975; but specifically in terms of Newman idealisations, I want to report that the good old days were not all that great.

And even when Deans and Directors and DVCs and Vice-Chancellors seem determined to ‘exercise their leadership’ via clichés from the latest ‘management manuals’, most of us can simply lower our heads and get on with our work – engage with questions we find interesting; teach what we consider important, in a manner that by and large doesn’t need to make too many concessions; and simply bluff it out. It may take increasing courage and inflict greater stress to do that than it once did. But it seems to me that there are fewer genuine
freeloaders\(^\text{12}\) among the academics in universities than there once were; and that we operate in an environment in which it is still possible to captivate students and to do ‘good work’, and enjoy the esteem of those whose opinions matter to us, and freely bestow that esteem on others who seem to us to merit it. That is largely what has sustained the life of the mind in the past – and living that life has not yet become inaccessible in Australian universities. Saying this is not to deny that a larger proportion of the student body and a larger proportion of academic staff are less engaged by that life than in the past. Moreover, one method of limiting the cost of an expanded system has been to provide more limited time to faculty for activities like research and scholarly reflection. That is a cost associated with the move from an elite towards a mass higher education system. There is, doubtless, much to be said in favour of that move; but it has necessarily imposed some cost on the higher education system. My objective in this chapter has been to lay out the nature of those costs, to emphasise that they are more or less inevitable and to observe that on the whole the system has probably managed them about as well as one might reasonably expect.

\(^{12}\) A referee speculates that the number of freeloaders in administrative positions in Australian universities may well have increased. This may well be so, but I am not in a position to judge.
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