

8. The Modern University and its Transaction with Students

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This chapter is about the marketisation of the modern university and its transaction with students. It identifies opportunities for responding to the challenges associated with marketisation. While appealing to the idea of knowledge for its own sake as a public good is an important part of preserving the idea of a university, more needs to be done if there is to be an adequate response. Responding to the challenges of marketisation requires active and constructive engagement in means as well as ends while resisting their excesses. While the idea of the university is typically constructed as an end worth advocating for, there is growing separation between this and the reality of the contemporary means of engaging with students – in market terms, via the university–student transaction.

The modern university

The modern university can be characterised as a synthesis of the new and the old, between innovations worth embracing and traditions worth preserving. In essence, universities are as conservative as they are innovative. This is certainly the case with the modern university and, perhaps, it's always been this way. This idea of the new meeting the old can be found in both old and new accounts of the nature of the university (Davis 2013; Marginson and Considine 2000; Newman 1852). This characterisation describes a tension that is in the nature of the university. In the case of the modern university this can be seen between 'the idea of the university' and its brief for innovation. In many respects this tension is constructive. For example, a common point of contestation has been between a comparatively conservative account of the pursuit of knowledge as an end in itself (often citing Newman's *The Idea of a University*) (1852), and the drive

for more ‘instrumentalist’ approaches to supporting vocations and professions, and both pure and applied research (McKernan 2011). Universities are defined through being both innovative and conservative, and continue to evolve both in light of and despite pressures for change, both internal and external.

Universities as communities of scholars provide a vehicle for creativity, innovation and the generation and dissemination of new knowledge. There is also an expectation that as institutions they reflect the kind of ideals we associate with institutions of higher learning. These are the values that often seem to be under threat in the face of continued pressure for change. Areas identified as being at risk and worth defending include academic freedom, equality of educational opportunity and the value and integrity of universities as social institutions. In a broader sense, ‘commodification’ imperatives have been held to threaten something even more essential to universities: their role as institutions of higher learning. Here, knowledge and commodification are seen as opposed, and ‘marketisation’ represents the principal threat to the quality and integrity of the academic enterprise.

On many contemporary accounts managerialism, neoliberalism, commodification, and the rise of an ‘audit culture’ feature among the principal challenges facing the modern university. These are commonly captured under the banner of ‘marketisation’ and are prevalent to the extent that the modern university now seems to stand opposed to its ideal. While the pressures for marketisation are seen as a function of government policy, these pressures arise as much from within as from without. Conservative imperatives to preserve an idea of the university and to engage in reform for reform’s sake are both extremes on a continuum intrinsic to the nature of the institution. Taken to excess, each poses its own threat. There is a substantial literature on the extent to which the pendulum has swung toward the latter, and the threats that marketisation poses to the idea of the university (Apple 2000; Deem and Brehony 2005; Molesworth, Scullion and Nixon 2011; Morley 2003; Shore and Wright 1999; Slaughter and Rhoades 2004; Teixeira and Dill 2011). If this is the case, then where do we look for a viable response to these challenges? Adequately contesting the marketisation of the modern university requires a closer look at higher education ‘markets’ and the commodification of university degrees.

Markets

Should universities be engaging with markets differently, or somehow be protected from them? Is it even conceivable for universities to be able to ‘resist’ the market? It is useful perhaps to make a distinction between the various

relations of engagement and exchange that could be conceived of in market terms and the extent to which these might apply (or be avoidable) in the case of universities.

Ubiquitous markets

There are both 'thin' and 'thick' views of what constitutes a market. At its 'thinnest', a market is simply a way of conceptualising parties interacting for the purpose of exchange. Understood broadly, markets are ubiquitous. A university may be seen to participate in different markets for each of its areas of activity. On this view universities already participate in different markets in different ways, and have been doing so for some time (Jongbloed 2003, 111; Teixeira and Dill 2011, xxi). Institutions have no alternative to participate and, where we adopt a liberal interpretation of what constitutes a market, have been doing so since their inception (Furedi 2011).

The causes of marketisation can be as ubiquitous as the problems they present, as can their agency. Scullion et al. confess that it is possible to hold everybody except the university mascot liable for the marketisation of higher education (Scullion, Molesworth and Nixon 2011, 234). But is this characterisation useful, and does it adequately capture those elements regarded as posing a threat to the integrity of the academy? Describing something as ubiquitous can have the effect of being both fatalistic and useless at the same time. 'Resisting the market' makes no sense where the market has no boundaries, and holding on to the aspiration that you may be able to do so simply reinforces a sense of hopelessness as to its ubiquity. The same holds for other threats to the modern university which might be captured under the banner of 'marketisation', including managerialism, neoliberalism and the rise of an 'audit culture'. Each has been described as 'totalising' in the sense that their influence informs an all-encompassing basis for evaluation. Things only 'make sense' within their prevailing paradigm. Each of these has to varying degrees taken hold in the case of the modern university as a basis for intelligibility, and this makes it very difficult to see where 'resistance' might occur. If we hold that marketisation and its associated phenomena are ubiquitous, then whatever form of 'resistance' we may summon must somehow occur through incremental change from within. If not, then is there still some way that universities can somehow remain 'outside' the market?

Markets capitalist, free and pure

Deregulated markets by definition entail policies and strategies with the aim of enabling market incentives in areas governments might otherwise seek to influence directly. 'Free' markets sometimes occur in the absence of state

intervention, but more often require specific interventions to achieve the desired state of affairs – often through engineering relationships around demand and supply. Jongbloed (2003) identifies eight ‘freedoms’ as basic conditions for a free market (as outlined in the first column of Table 8.1).

Table 8.1: Conditions for ‘free’, ‘pure’ and capitalist/neoliberal markets

Free (Jongbloed 2003)		Pure (Brown 2011)	Capitalist/neoliberal (Marginson 2012)
Provider	Freedom to specify the product	Legally autonomous institutions	No government interference
	Freedom to use available resources		
	Freedom of entry	Minimal regulation of market entry	Markets with free entry
	Freedom to determine prices	No regulation on enrolments and fees	Competing institutions/firms financed by shareholder equity, and committed to profit-making and expansion of market share
Consumer	Direct and cost-covering prices paid	Full cost recovery for teaching through fees	
		No government-funded tuition subsidy	
	Adequate info on prices and quality	Valid and reliable information on programs and providers	Higher education produced as commodities subject to buyer-seller relations
	Freedom to choose provider		
Freedom to choose product			

Source: Author’s summary.

Jongbloed’s conditions could be described as relatively ‘thick’ in that the conditions for what constitutes a free market are comparatively demanding. Following from these, Brown (2011) developed a comparable set of conditions for what he described as a ‘pure’ market for higher education (as outlined in the second column of Table 8.1). Brown observed that no developed higher education system has met all of the requisite characteristics for a ‘pure’ market in higher education, concluding that market theory may have questionable application to higher education (Brown 2011, 12).

Simon Marginson goes further in contending that the marketisation of higher education on the neoliberal model has in fact failed (Marginson 2012). For Marginson the neoliberal market model is only fully realised where the conditions of a ‘bona fide’ capitalist market are met (2012, 355). These are summarised in the third column of Table 8.1. Some of these conditions are relatively easy to observe – for example where higher education is conceived

of as a commodity and subject to the buyer–seller relationship. Others seem more difficult to satisfy, such as an absence of government intervention and shareholder financing (and therefore profit obligations) (Marginson 2012, 355). Marginson points out that despite the rhetoric, it is difficult to identify a single educational system where all of these are in place.

While some of the conditions described above are evident to varying degrees across higher education systems internationally, they are far from universal. While the influence of new public management (and its associated managerialism) has in many respects become ubiquitous, this is not the same thing as saying that neoliberalism has completely taken hold. For Marginson, higher education systems in general fail the test when it comes to satisfying the conditions for capitalist markets on the neoliberal market model. More broadly, it seems difficult to sustain the argument that the provision of higher education would function effectively in a fully deregulated environment. At least some intervention is required for educational systems to function effectively; more is required if governments wish to exercise strategic influence over that system through ‘steering from a distance’ (Kickert 1995; Marceau 1993; Marginson 1997). This environment has come to be known as the quasi-market model.

Quasi-markets

The kind of conditions outlined above convey the impression that all markets are potentially imperfect in one way or another. If markets are ubiquitous, so too are the conditions that influence the parameters by which they operate. These include intervention by government, anti-competitive behaviour and even basic social practices. It could be argued that wherever there is negotiated exchange between parties there is price setting – the basic conditions for a very ‘thin’ view of what constitutes a market. But these would also be accompanied by factors that would render that market imperfect in one way or another. If markets are ubiquitous and perfect markets impossible, then what are we left with? Perhaps all markets are ‘quasi’ in one way or another – to the extent there seem always to be factors intervening to qualify the market ideal (Akerlof 2003).

Institutional strategies for the modern university are influenced on the one hand by those criteria set by government for regulation and funding purposes, and on the other by market forces. In this sense universities operate in ‘quasi-markets’. Quasi-markets have been proposed as a useful means for characterising higher education systems (Bertolin 2011; Le Grand 1991; Lubienski 2009; Niklasson 1996). Here decisions about supply and demand are coordinated by government through ‘market-like’ mechanisms where market elements may be selectively introduced or withdrawn (Dill 1998; Teixeira et al. 2004). Over the last 20 years there has been an increasingly widespread use of selective regulation of this kind

across higher education systems, with market mechanisms increasingly being used to reshape the reality of higher education around the world (Molesworth, Scullion and Nixon 2011, xvi–xvii). Most instances of marketisation in higher education have in fact been sponsored by government intervention rather than inaction. This has been characterised as a transition from state control to state coordination and supervision (Brennan 2010; Clark 1983; Salazar and Leihy 2011).

The incongruity between resisting the market and assuming quasi-market conditions is often reflected in the rhetoric of university leaders. It's not unusual, for example, for university leaders to call for fee deregulation while in the same breath warn of the perilous 'market forces' which loom at the prospect of any decrease in public subsidy. If we permit that universities typically exist in 'quasi-market' conditions, the question when it comes to the idea of the university is not whether markets can be avoided but rather which bits are subject to intervention (and subsidy) by government and which bits are not. Quasi-market government policy entails creating or suppressing (market) incentives (intended and otherwise). In higher education this is typically through selective regulation and performance-related evaluation in support of scale, quality and efficiency. It also supposedly entails strategies to encourage, diversify and inform 'consumer' behaviour.

Jongbloed and Brown point out that a true market for higher education is yet to exist, and as Marginson adds, it is hard to find a single example where higher education is deregulated to the extent that it conforms with the neoliberal market ideal. The pressing issue for higher education is not the debate between advocates for complete market deregulation versus those for protected status, but rather the nature and extent of government regulation in the face of market forces in a quasi-market environment.

Resisting 'the market'

In summary then, while market forces can in some respects be considered ubiquitous, it seems the more specific forms of market that many might imagine to be in place do not hold. 'Pure' markets in higher education are impossible (Brown 2011, 12), as are truly competitive ones (as noted by Aspromourgos in chapter 5 in this volume), capitalist or neoliberal markets (Marginson 2012, 361) or markets that are truly 'free' (Jongbloed 2003, 134). If we hold that markets are not ubiquitous, then it follows that the path to salvaging those things worth preserving lies in preventing their being subject to market forces, and their evaluation being subject to the market mentality. If they are, then whatever form of 'resistance' we may summon must occur somehow from within. Given the answer lies somewhere between the two – in a quasi-market environment,

then prospects for an adequate response lie not in avoiding the market, but in engaging with these things differently, possibly in a more informed way. In this spirit, the following section addresses the marketisation of the idea of the university in practice via the contemporary means of engaging with students – in market terms, via the university–student transaction.

The university–student transaction

Understood broadly, ‘commodification’ may be seen to be as ubiquitous as markets: wherever there is a market there is typically a commodity of some kind being exchanged, and thus, the object of exchange becomes ‘commodified’. On this somewhat simplistic view one thing stands out: the objects of exchange do not necessarily look the same from the perspective of each of the parties with a stake in the transaction. The dynamics of negotiated exchange in the university–student transaction look different from government, student and institutional perspectives.

Governments now seem to be in the habit of expecting more for less, while institutions seem to be in the business of promising more while offering less. Academics want less ‘marketisation’ but, given the rise to prominence of the associated idea of ‘student as consumer’, do students want more or less of all this? Despite all the consumerist rhetoric, many students still subscribe to the traditional ideals of the university – or at least, as they might imagine them. Indeed, these imaginings are a very real part of the university–student transaction, for better or worse. Students are encouraged to embrace the dream (Thornton and Shannon, chapter 10 in this volume). In fact, this makes up a substantial component of what they are getting in their transaction with universities. In this students and universities have differing interests. Universities benefit through promising more and offering less. The idea of the university, ironically features prominently in this.

It’s not always clear what is being bought and sold in the university–student transaction. If students are to be considered as consumers of a commodity, then what is it they are being sold? Conceived in market terms, if we were to offer an honest receipt to students accounting for the content of their transaction with their university, what would it look like? Whatever it is, it is no longer principally about the transfer of knowledge. What follows is an account of the engagement between universities and students, in the context of responding to the marketisation of the modern university. In addressing the prospect of marketisation directly, this is described here as the university–student transaction.

Adequate information on quality

Aspromourgos (chapter 5 in this volume) describes conditions for a *competitive* market. These include multiple agents, the commodities of exchange and a body of information covering the economically relevant characteristics of the commodities (see also Aspromourgos 2012). For Aspromourgos universities have ‘secrets’ in selling degrees – information about the ‘product’ not available to prospective students. Higher education has been described as an ‘experience good’ where quality is revealed on consumption, but about which they have incomplete information at the time of ‘purchase’. To be fair to institutions these ‘secrets’ are often as opaque to them as they are to students. Either way, quality information is asymmetrically distributed between the supplier and the consumer in this transaction, with students participating with ‘ex ante’ quality uncertainty. Adequate information on quality is commonly identified as a vital ingredient for any market, and on most accounts is a condition for them to function effectively (including those outlined earlier in this chapter). This means more than responding to a liberal ethic for ensuring that students participate as informed consumers (Slater 1997). In the absence of ‘quality-revealing’ institutions, we end up with the situation described in Akerlof’s *Market for Lemons*, where a paucity of information on quality makes it uneconomical to invest in it (Akerlof 1970). Thus, while not only disenfranchising students, inadequate information on the content of the transaction leads to a failure in market mechanisms for quality.

Underlying some market assumptions are that students conduct themselves as rational agents in their transaction with universities and make maximising judgments regarding their destination and type of study. There is an argument that adequate information on quality is redundant in this context, as students often do not make the ‘right decision’ in market terms – where they fail to make economically maximising decisions. To this extent they fail to conduct themselves as ‘rational agents’; therefore providing them with better information on the quality of what they are getting is a waste of time. A more detailed account of student agency and the limitations of its construction as what could be coined *studiosus economicus* would be appropriate for a separate chapter, but in short here are at least two reasons why this does not apply. The first lies in the fact that greater transparency by itself shapes incentives which are independent of consumer agency (Dill and Soo 2004). Thus, adequate information can function as a market mechanism for quality without being contingent on rational consumer agency. Second, students do not ‘price’ utility in a way that always fits with economic models narrowly defined. That’s not a problem with the student, it’s a problem with the models – in particular those that provide

an impoverished account of value estimation in contexts like this. Students are much more sophisticated in identifying value and in making decisions than is typically captured by narrowly defined economic models.

Evidence on what students do value in decision-making on prospective destinations for study shows that providers are primarily differentiated by cost, course and institutional reputation and selectivity in admissions (Hazelkorn 2011, 3; James, Baldwin and McInnis 1999, ix). Perceived status and market value of the degree and the institution that confers it appear to be consistent factors, though these are often qualified by specific geographic constraints (Baldwin and James 2000; Foskett 2011; Hazelkorn 2007). While the majority of these factors seem relatively stable, students are becoming increasingly sophisticated in their decision-making about prospective destinations for study (Hazelkorn 2011). This increasing sophistication has not always been matched by improvements in the quality of the information available. Institutional rankings have questionable validity as a source of information for prospective students (Dill and Soo 2005; Marope, Wells and Hazelkorn 2013; Stolz, Hendel and Horn 2010). Rather than compare their merits again here, the following addresses what they might reflect if they were to address what students are actually getting in their transaction with universities.

The content of the university–student transaction

Were we to issue a ‘receipt’ for what students were really getting in the university–student transaction, it might include content knowledge narrowly conceived. It might include knowledge-and-skills as reflected in the contemporary parlance of learning outcomes. It might include an experiential component through engagement in the kind of activities that universities support that may or may not be directly related to the ‘learning outcomes’ of the degree. Finally, there might also be some ‘client service’ aspects to the transaction. These are the sorts of things typically evaluated through surveys of student satisfaction and engagement (Palmer 2011). But a growing component of what students actually get in their transaction with the university is captured by the idea of the university – as communicated in the university brand. Rather than simply being something that attracts the attention of prospective students in recruitment, the university brand is accounting for an increasing proportion of what graduates are walking away with in their transaction with universities on graduation. The following addresses knowledge, the student experience and the university brand and evaluates the extent to which each of these has been ‘marketised’, and to what extent they constitute the principal components of the transaction between the modern university and students.

Knowledge

Many authors highlight the student-as-consumer ethos as evidence of the prevailing market rationality associated with neoliberalism and the marketisation of university degrees. Peters, for example, cites Lyotard's reference to the development and exchange of knowledge in accounting for this in transactional economic terms: '[k]nowledge is and will be produced in order to be sold, it is and will be consumed in order to be valorised in a new production: in both cases, the goal is exchange' (Lyotard 1984, 4; Peters 2002, 144). Lyotard's original point was about the depersonalisation and instrumentalisation of knowledge. This may well be the case, but this point is also interpreted as prophesying the commodification of knowledge in a commercial sense – that is, exploited in a market context in exchange for fees. While such interpretations can assist in describing aspects to marketisation, they fail to describe the whole picture when it comes to the marketisation of the modern university, and convey a misleading impression of the nature of the contemporary university–student transaction.

If the university–student transaction simply amounts to the delivery of knowledge in exchange for fees (and possibly also meeting students' 'client service' expectations) then it does indeed sound like the commodification of knowledge and the marketisation of the university degree is complete. But it does not sound like a quality commodity, nor one that would be very highly valued by students. There is more to the university–student transaction than an exchange in regard to the *content* of knowledge – that is, getting factual stuff into students' heads. If we understand universities to be engaged in the commodification of knowledge narrowly understood, then the university that merely conveys knowledge as part of its transaction with students will at best be a budget one at the lower end of the knowledge market.

Consider why Massive Open Online Courses (MOOCs) have so many academics (and commentators) spooked. It's more than just the Baby-Boomers getting freaked out by the technology (Niemelä-Nyrhinen 2007), it's their potential to visibly displace what was once considered unique to the role of a university. You don't need to be a university to run a MOOC – it only helps in terms of branding the product (be it for fee or for free). These courses are 'open' and 'online' in that they enrol students for free via the web, and 'massive' in that enrolments of 30,000 are not unusual (Kolowich 2013) – and it is only early days. At a minimum they invite universities to revisit the content of their prevailing offerings in the university–student transaction, particularly when it comes to the preparation and delivery of structured coursework (Norton 2013). They also signal the potential for the bottom to drop out of any market for university degrees premised solely on the marketisation of knowledge in this way. A recent survey of professors running MOOCs in the United States found that 85 per cent thought courses of this type would have the effect of making traditional degrees

less expensive in that market, and half of them thought it would lower their cost significantly (Kolowich 2013). The economics of this will have implications for both demand and supply, with early evidence suggesting that the rise of MOOCs will have the greatest impact on the nature of academic work. They also have implications for how we understand the content of a university degree.

Even at the most basic level the university–student transaction is much more sophisticated than knowledge in exchange for fees. ‘Knowledge’ no longer realistically captures what universities are really ‘selling’ to students in the university–student transaction (if it ever did). If there has been commodification via the marketisation of university degrees, it is not simply about the commodification of knowledge. If so, then what are students ‘buying’, and what are they being ‘sold’?

The student experience

Institutions typically offer what they describe as a ‘quality university degree’, or even a ‘quality student experience’. To say that conceptions of what constitutes ‘quality’ are central to market dynamics for higher education would be true, but it would be misleading to suggest that the question of what constitutes it and the criteria through which it can be defined, measured and communicated is in any way settled. This is a point of considerable ambiguity that nevertheless remains central to any account of the marketisation of the modern university.

It would be misleading to suggest that either students or universities typically conceive of the exchange of ‘content’ knowledge as the principal basis for the contemporary university–student transaction. Knowledge does *not* form the basis of the university–student transaction in the same way that students are *not* consumers. As Paul Ramsden put it (2009, 2–3):

[T]he student experience is created by students in their contact with higher education. They are integral to the formation of the experience. Students are not passive consumers, searching for ‘satisfaction’. They are active partners in a relationship ... The problem with the consumer model is that it makes the student experience into something that is determined by what the university offers rather by what the student can bring. This is not only out of date: it is both intellectually barren and factually untrue.

There is certainly an experiential component over and above the skills associated with the application and creation of knowledge and a demonstrable increase in the ‘knowing of stuff’. The prevailing learning-outcomes approach describes what students know and can do (Kuh 2010). This broadly speaks to ‘knowledge’ and ‘skills’, and implicitly captures ‘experience’ as a third domain in potentially valuable graduate outcomes (Brown 2003, 154; Chalmers 2008, 10). Despite its limitations, the learning-outcomes approach does permit a

broader understanding of 'knowledge' in this transaction – something that we can engage with and participate in rather than something that is simply exchanged. Ramsden's dismissal of the student-as-consumer view is in line with accounts of students as co-creators as part of a broader student learning experience. This account is a compelling one, and is one that owes a debt to the more progressive paradigms in learning and teaching (Barr and Tagg 1995; McCulloch 2009).

Survey instruments like the Course Experience Questionnaire (CEQ) are now commonly used to evaluate the extent to which student expectations like this are being met. Scott's 2006 analysis of open-ended responses to the CEQ allowed valuable insight into the salience of aspects of the student experience, either as 'best aspects' or as those in need of improvement. Among the most interesting findings from Scott's analysis was that while personal and intellectual outcomes were ranked among the best aspects, they were outranked by aspects associated with course design, staff availability and assessment when it comes to overall salience and concerns about quality (Scott 2006). While personal, intellectual and 'knowledge' outcomes may indeed be salient for students when things go well, assessment, course design and student support feature prominently among quality concerns, and these combine with the perceived quality and accessibility of university staff as among the most salient aspects of the student experience (Scott 2006). In other words, while students value 'knowledge' outcomes from their degree, there is clearly more to their transaction with the institution for the exchange of knowledge even where conceived of as a broader student learning experience, and this has something to do with the intrinsic value of academic staff and academic work. Despite many inferences to the contrary, these are neither invisible nor merely instrumental to learning outcomes from the perspective of students. These findings suggest that while learning outcomes are valued by students this does not mean that every other aspect of the student experience has only instrumental value to this end. There are other aspects to the experience that are valued by students, and these feature prominently among concerns about what they are actually getting in their transaction with their university.

A quality degree may be one from which students graduate with a sense that they received more than they put in. The 'value add' in this sense is the extent to which students profit from being productively and creatively engaged in their studies. Beyond being 'mostly satisfied' with client-service arrangements that meet or exceed their expectations as consumers, part of this 'value add' is in fact having the opportunity to engage with and benefit from something they did not expect, and something more than they could look up on Wikipedia. This means more than simply offering something over and above that which they could figure out by themselves. It means supporting opportunities for becoming

part of an academic and professional community in ways they might not have expected. In a sense, a quality student experience is one where they may confidently expect the unexpected – over and above the delivery of knowledge and meeting their client-service expectations. This is the kind of value that is intrinsic rather than instrumental. The criteria for this are yet to be adequately described, and certainly remain contestable. It certainly has something to do with how we value academic staff, academic work and a collegial environment. These are the sorts of things we would want to find in the idea of the university.

Reputation and brand

Effectively addressing the problem of information asymmetry in the university–student transaction depends on an important difference between reputation and brand. Reputation is typically informed by the judgment of experts or peers. While not always very empirical, it is nevertheless potentially useful in that it informs judgments about quality in a particular context. Reputation is arguably enhanced through improvements in quality. *Brand* is a construct native to the public relations industry. Branding supports opportunities for enhancing reputation without the need to pay any attention at all to improvements in quality. When it comes to quality it is reasonable to question whether or not a reputation is justified. This is not the case when it comes to the university brand.

A significant part of the university–student transaction includes a premium reflecting the ‘brand’ or market position of the institution. Here we see a convergence between the marketisation of the university and the *marketing* of the university brand. Those in that profession would of course say that the purpose of marketing the university is to inform prospective students. But communicating the brand is something quite different. As outlined above, most market models are premised on informed consumers making rational choices. The purpose of branding is precisely the opposite: it is to create uninformed consumers making irrational choices (Chomsky 2013, 4). The branding of the modern university is very much an instrument to this end.

Communicating your brand is very definitely not about informing consumers – at least, not in a way that would inform any market mechanisms for quality. ‘Quality’ (or ‘excellence’, or ‘enterprise’) can be made part of a university brand, but this is more about communicating it than actually doing it (Fearn 2010). The terms frequently used in branding the modern university tend to be abstract and semantically vague, to the extent that they might only be imagined, as they are in fact unmeasurable. Replacing demonstrable value with symbolic meaning allows production to be displaced by signification (Sauntson and Morrish 2011, 80–1).

Brand communication is a strategic priority for the modern university. Edward Bernays, widely regarded as the founder of public relations as a discipline, anticipated this as a strategic consideration for the modern university back in 1928. Bernays (1928, 131–2).called it *propaganda*:

If [the] institution does not produce the mental picture which it should, one of two things may be wrong: Either the media of communication with the public may be wrong or unbalanced; or [the] institution may be at fault. The public is getting an oblique impression of the university, in which case the impression should be modified; or it may be that the public is getting a correct impression, in which case, very possibly, the work of the university itself should be modified. For both possibilities lie within the province of the public relations counsel.

Bernays concluded that the same considerations applied in higher education as also applied (then as now) in politics or in business: ‘In the ethical sense, propaganda bears the same relation ... It may be used to overadvertise an institution and to create in the public mind artificial values’ (Bernays 1928, 134). In Akerlof’s *Market for Lemons* (2003), it is un-economical to invest in quality where there is a paucity of reliable information on it. Following from Bernays, it is clearly more economical to invest in the university brand.

It is ironic then that despite differentiation being among the key economic tenets of effective market competition, universities seem to be in the habit of branding themselves as ‘distinctive’ in more or less the same way using more or less the same terms (see also Thornton and Shannon, chapter 10 in this volume). This form of identity branding typically fails to capture the imagination of academic staff (Fearn 2010; Sauntson and Morrish 2011, 83). To what extent does it capture the imagination of students? Further to this – how much does this account for what they actually get?

State and non-state rankings

The influence of university rankings is a notable feature of the current university environment internationally – rankings now have an enormous influence both on the reputation of institutions and the value of the university ‘brand’. Rankings have become a ‘litmus test’ for quality and reputation – to the extent that they have been instrumental in shaping what Hazelkorn (2011, 2) describes as a single global model for a ‘world-class university’ premised on ‘world-class excellence’. In some respects university rankings represent the ultimate commodification of university degrees. It can be argued that rankings work to conceal rather than highlight the ‘real’ quality of the institution. However, if a significant component of what students are ‘buying’ in their transaction with

universities actually is accounted for in the value of the institutional brand, then it could be said that university rankings are among the most accurate and most honest of metrics.

Rankings perform a dual role when it comes to the university–student transaction. Rankings can convey information on the potential content of a university degree (with varying degrees of validity (Dill and Soo 2005) and often with marginal reference to learning and teaching or the quality of the student experience). They do, however, perform a second function much more reliably. Given that performance in university rankings is having an increasing influence on the strength of the university brand, these rankings can in fact convey a very accurate reflection of a significant component of what students are actually getting.

Rankings provide information on both reputation and brand. Both are potentially useful for students, but only the reputational component is capable of constructively influencing market mechanisms for quality – and only then to the extent that they are able to show demonstrable validity in conveying information about quality. In this sense university rankings (state-sponsored and otherwise) have a role to play in providing adequate information on quality. That is not to say that the current information standards are adequate – far from it. It is simply to say that institutional rankings have a role to play *both* in the marketisation of the modern university as well potentially responding to some of its worst effects.

There are ways in which adequate information on the content of the university–student transaction could support effective market mechanisms for quality, and also offer a response to the some of the problems associated with marketisation. This would require a more sophisticated understanding of the ‘quality’ being sold to students and communicated in ways that are meaningful. If we unpack the concept of ‘quality’ from a student perspective we find that the university–student transaction includes more than just the attainment of knowledge. The ‘value add’ here amounts to more than graduates simply knowing more at the end of a degree than they did at the beginning, and more than simply having their client-service expectations met. It should also mean more than simply graduating with the *idea* of that institution and the brand on the transcript that goes with it. An honest receipt would itemise ‘a quality student experience’ as accounting for the majority of the content for the university–student transaction. This would entail ‘knowledge’ variously conceived and capture aspects of their engagement with their institution (and its staff) that were genuinely worthwhile. It would also include a significant premium for the institution’s reputation and brand. While branding is becoming increasingly influential, so are the means for evaluating and comparing information on what the institution actually provides – that which justifies its reputation as a

quality institution. Here both academics and students have a common interest. If universities are able to simply trade in the brand unchecked then students are short-changed and academics are redundant. Both have an interest in ensuring that a *reputation* for a quality student experience is justified through adequate information on quality.

Resisting marketisation

In the concluding chapter for *The Marketisation of Higher Education and the Student as Consumer*, Scullion et al. reflect on what can be done in response to the marketisation of higher education. They call for a reimagining of the value of the university, for autonomy and for a critical distance from the concerns of governments and markets. They also call for critical engagement on the part of stakeholders and for greater transparency. They stress that quality must not be jettisoned for extraneous priorities. For Scullion et al., there is no point in improvements in league table performance unless these transparently feed into improvements in teaching and learning practice and scholarly research (Scullion, Molesworth and Nixon 2011, 234–5). Notably, quality, transparency and stakeholder engagement are central to this response. These are not calls to embrace neoliberal managerialism nor are they conservative calls for passive resistance or avoidance. They call for an active, inclusive and transparent (re) engagement in the purposes of the university both in terms of its aims and the means of achieving them.

Managerialism and quality

Are the growing ranks of academic managers, administrative and policy workers enablers of quality in support of the ideals of the university, or are they simply engaging in their activities for their own sake or for some other purpose? Reflecting on Newman's idea of the university, McKernan (2011, 4) captures this sentiment: 'The problem is that the grey philistines who are "running" our colleges and universities claim, falsely, to be businessmen running enterprises which will bring greater economic growth and riches ... They are running universities while having no idea what universities are for.' Are the aims, activities and outcomes supported by the university enhanced *because of* the best efforts of contemporary university management strategies, or *despite* them?

One of the problems in this area is that the means of 'doing business' in a university often come to be taken as ends in themselves. An example can be found in imperatives for measurement for measurement's sake. The use of quantitative indicators can both contribute to and detract from judgments about the things being evaluated, and this is the case with the use of indicators

both at the system and institutional level (Chalmers 2008; Palmer 2013). As Linke (1991, 131) put it: 'To the extent that such indicators may influence institutional practice ... they will generate a pressure on institutions to direct their performance to the indicators themselves, regardless of what they reflect, rather than to the underlying issues of educational and research excellence, or indeed to any specific institutional goals.' This highlights that in the use of quality indicators there is always the risk of creating perverse incentives. Coupled with a tendency for engaging in measurement for measurement's sake, there is the risk that each new indicator may create more perverse incentives at greater and greater cost without any demonstrable improvement. The point of the exercise is forgotten when the means become ends in themselves.

Tendencies like this have been associated with the rise of what has been described as an 'audit culture' (Morley 2003; Shore and Wright 1999). Aspromourgos (chapter 5 in this volume) holds the audit culture responsible for what he describes as 'the infantilisation of academic life'. Here the interests of the academic and those of the institution appear to be opposed. Students are typically aware of these pressures too, through their engagement with academic and professional university staff. But does this problem extend to measurement itself? The measurement of academic activities and the use of performance indicators have been held to be symptomatic of, and on some views, central to the challenges facing the modern university. Does the path to salvaging those things worth preserving in the academic enterprise lie solely in preventing those things from being measured, or can 'quality' be defined and measured in a way that also aligns with scholarly values?

Ironically, despite the burgeoning enthusiasm for measuring academic activity the nature of the student experience is in some respects becoming more obscure, not less. The content of the university–student transaction is morphing from a quality student experience into an ineffable and indescribable good. This is back-ended by the use of student evaluation surveys and front-ended by branding. Somewhere in between, 'quality' takes place (or not) creating a 'missing middle' in the university–student transaction. If we fail to engage with this 'missing middle', then we are as complicit as anybody in the marketisation of the modern university. To a certain extent the emerging learning and teaching development industry have become apologists for this, where they buy into the discourse of the wonderful, ineffable, indescribable experience of their university without engaging in a defensible account of sound pedagogical practice. The same could be said of quality assurance and evaluation units within universities where they engage in the traffic of measurement for its own sake or simply in support of the university brand. The discourse is inflated at the front end, to be disguised by noise or verified only through the selective reporting of good news at the back end. Here we also see the worst tendencies of quality assurance – where used in

support of obfuscation and control as opposed to transparency and continuous improvement. If somewhere in between, students end up being mildly more satisfied than they were the last time this was measured then it's celebrated as a job well done.

The 'audit culture' may only be redeemable where we are able to see that all of the strategies brought to bear in the university environment are instrumental in supporting a defensible idea of the university – both in terms of what it is and what it does, and are not simply engaged in for their own sake or for the sake of extraneous purposes. This may require, as Scullion et al. (2011) suggest, a re-imagining of the idea of the university, how it is valued and how it is enacted in practice.

Is there a way in which the idea of the university may be reconciled with the idea of the 'market'? Perhaps the best way of 'resisting' the market is in fact to participate in a manner informed by the idea of the university. This needs to mean more than simply lobbying government to pick up the tab for any unpriced 'public goods' that could be costed out of the university–student transaction. Perhaps universities as communities should stop thinking that being a university entails avoiding the market (only to be subsumed by it) and actively participate in them *as* universities, openly informed by the idea of the university rather than by misguided conceptions of market-like behaviour.

Conclusion

The modern university needs to be more realistic and less complacent about how it engages with 'the market'. On the one hand there is a somewhat fatalistic discourse of resistance and avoidance. On the other there exists a discourse around institutional participation in competitive markets through market-like behaviours seemingly for their own sake. While many institutions have become very sophisticated in how they engage in a 'quasi-market' environment, the broader conversation around market participation remains somewhat naïve. To an extent this has remained so for political purposes, as on the one hand, university leaders want more intervention (in the form of tuition subsidy, for example), while at the same time calling for less (in the case of fee deregulation and in regulatory and compliance requirements).

The modern university exists in an era of increasing sophistication. This sophistication extends to engagement with 'the market' and in particular what is described here as the university–student transaction. Reasons not to be complacent include the rise of smaller, niche providers in the higher education marketplace and for different forms of 'delivery' for content-focused knowledge. Each of these signals the demise of the idea of the university as

a protected market for privileged knowledge. A flip-side of the evolving consumer culture is that students are becoming much more sophisticated about their purchasing decisions, in how they value and compare things, and why. This will increasingly extend to their decisions regarding prospective destinations for study. Institutions need to be much more sophisticated about how they participate in the 'market' for students – not just for fees, but for students they want to recruit.

Rather than being an undesirable symptom of managerialism, the state and non-state definition and measurement of quality plays an increasingly central role in shaping the dynamics of the markets in which universities participate. Much of the attention to date has been from the perspective of government in the context of regulation and quality assurance. The extent to which adequate information on quality features in the reputational rankings of institutions will also play a determinant role. Here those same drivers for prestige represent both the greatest threat from and the most effective response to the marketisation of the modern university. Rankings and other forms of quality measurement are both part of the problem *and* part of the solution. They are part of the problem where they define an idea of the university that is unrelated to that which gives it value. They are part of the solution where they are reliably able to convey information relevant to what universities actually do. Put simply – rankings need to be more about reputation and less about brand. Most of the time it is hard to distinguish the two, but as the sophistication around rankings and other quality strategies feeding into student choice evolves, relying on brand supported by rhetoric over reputation supported by evidence will become an increasingly risky strategy.

The principal threats to the idea of the university currently lie at the extremes of marketisation. They lie in adopting market-like practices in an unreflective way as much as they do in efforts in the name of 'resistance' that are similarly uninformed. If the pursuit of knowledge for its own sake captures Newman's 'saving grace' for the idea of the university then there's not much of a blessing left. If knowledge for its own sake narrowly conceived really is the principal public good that universities are offering, then MOOCs and Wikipedia seem to signal the demise of this sort of university in a quasi-market environment, as this can be achieved in other ways much more efficiently and affordably. At the other extreme Newman's 'idea' has been also associated with the marketisation of an 'experience' that is wholly intangible. Rather than constitute a response to the challenges associated with marketisation it has been used in support of some of its worst aspects. Somewhere between the two lies an effective response to the challenges associated with marketisation. This requires critical engagement in means as well as ends, and a re-imagining of the value of the idea of the

university, and how this might be pursued in practice. Whether this idea be inspired by Newman or Humboldt or Clark Kerr or by the latest thought-bubble of the education minister of the day is contestable. And it ought to remain so.

The *telos* of the university, if there is one, is to be consumed by precisely the sort of angst that is found in the challenge of marketisation. Its demise lies at either extreme: in being so uncritically conservative that it drifts toward irrelevance, or so bent on 'relevance' that it loses sight of the purposes and aims that give it value. If we permit that the modern university is characterised through a dialectic of the old and the new, then we can see that it is in its nature to be under threat. Responding to marketisation is a question of purpose: is it in an ideal of a university that is somehow fixed, or is it in pursuit of market-like behaviours with little or no justification? The answer lies in how we engage these challenges in practice, and that is where we find the nature of the university.

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