The ‘University’ as Market: Agency, Networks and Boundaries

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ABSTRACT

Current controversies about the University’s status and identity today are founded on a fundamental dilemma: it must maintain its autonomy and academic freedom while also appearing to be fully engaged with the forces of globalization and commodification. It is argued that a relational analysis based on the sociology of markets may move this debate beyond its current impasse. This paper takes up boundary concepts in order to extend and refine our understanding of the “market” known as the University. An analysis of the concepts of agency and boundedness as mediated through Readings’ (1988) and Callon’s theories of (subjective) singularity and (product-based) singularization, respectively, will thus be comprehensively explored. In so doing, the author expects to shed new light on the ‘University’ and its reflexive capacities in the technological economy.

Keywords: University, networks, boundaries, agency, sociology of markets

INTRODUCTION

The “University” of the West is under fresh scrutiny today. The tropes of its “crisis” (Delanty, 2001: 150) and even of its “end” (Tehranian, 1996) are now commonplace. Academic debate on the matter, it can be said, can roughly be divided between those who argue for a preservation of its critical function – a privileged site of “truth” and “knowledge” – against those who maintain that the forces of “globalization” – with its synergies of production, consumption and commodification of Higher Education -- must be harnessed or even embraced. From all appearances, the latter camp appear to be winning the ideological battle. To be seen to be upholding some higher or nobler standard for university education is regarded, both from the left and the right, as either naïve or “elitist,” a term that has become increasingly synonymous in this country with being “snobbish” or “prejudiced”.

One is struck by the stark difference in the rhetoric of philosophers such as Derrida (2004), Readings (1996) and Bourdieu (1986, 1988), on the one hand, and the global discourse of academic massification, commodification, league tables, research rankings and student surveys, on the other. There is, however, a common thread in both these discourses. It is the idea of delimitation, of boundaries, of the structure of the university
field itself. Bourdieu’s contribution in this regard, for instance, lies in his understanding that higher education, although seeming to be a “closed system” made up of autonomous agents who basically operate according to some model of political consensus, is, in fact, “the product of a permanent conflict” (Naidoo, 2004: 459). The very exclusivity which the University wants to claim for itself, apart from government and other institutional interference, reproduces social inequality and distorts the homogeneity of the field itself. The question is whether it can do so without rethinking important questions about how the University needs to frame itself and those of the networks it already belongs to, as well as questions of how it is going to participate in these networks of relations. Far from being purely academic concerns, these are questions which are vital for sustaining the intellectual work which academics want to do.

This paper engages with this question. It attempts to show how the sociological analysis of ‘markets’ relates to the ‘University’ as we know it today. While marketing theory has been applied and critiqued in virtually every domain in the knowledge economy, it has not made its mark upon what Bourdieu (1988) has called “the structure of the university field” itself. This omission is particularly striking since a widespread pessimism about the future of the University has been pervasive among academics for many years, especially with regards to the production of knowledge. The Kantian ideal of the University as the site upon which reason and the state (or knowledge and society) might be unified appears irrecoverable and the marketization of the institution is now a dominant feature in critical discourses surrounding higher education in the U.K. and the U.S. The question driving this paper is: can we move this debate forward ontologically, as well as politically? Does the University understand what is happening to it or are we all condemned to lamenting its seemingly inevitable fate?

The answer, I believe, lies in a conception of the “market” which has developed markedly in recent years as a result of developments in the socio-economic analysis (by no means a finished enterprise) of markets, economic agents and their role in networks of relations. As yet, the relational analysis of the University as a site of contestation is lacking. The aim of this paper is to undertake such an analysis. It begins by presenting the political pressures faced by the University today in the context of current debates about its present
and its future. The paper then relates the University to current conceptualizations of the market. Finally, the implications of such an analysis for the University are then discussed.

THE TOPOLOGY OF THE UNIVERSITY

The exigent position the University finds itself in today is hardly new. It has always been both inside and outside the field in which it finds itself. If the University is founded upon pure reason, as Kant says, then the philosopher is already caught in a web of conflict. Kant says this explicitly in the Conflict of the Faculties:

Now the Faculty of Philosophy consists of two departments: a department of historical knowledge (including history, geography, philology and humanities, along with all the empirical knowledge contained in the natural sciences), and a department of pure rational knowledge (pure mathematics and pure philosophy, the metaphysics of nature and of morals). And it also studies the relation of these two divisions of learning to each other. It therefore extends to all parts of human knowledge...” (Conflict 45)(my italics).

Thus, as Derrida notes (2004), the teacher of philosophy is in two places at once: the department (inside the University) and the outer ring consisting in the disciplinary panopticon conferred upon him by virtue of the power of critique (or that which lies outside the University as such and includes the entire field of knowledge).

Today, the University regards any closure upon itself as a luxury it cannot afford. Instead of closing itself off in order to perform the wide-ranging critique of the world which lies outside its confines, the University suffers a bifurcation in its topology. Instead of surveying the world outside its confines, it now has to deal with guests of all kinds entering its halls of learning. The question of how the University is to maintain its function of critique while allowing the forces of globalization to keep it relevant and attuned to the social, cultural and intellectual needs of the modern world is thus more pressing than ever. When Kant designated the department of philosophy the exemplary function within the University, he was pointing to this function of critique as a kind of closing-off of the mind of the university to the world. In our time, social scientists
continue to press for this function to be preserved while fully recognizing the irony associated with doing so in a time when the measures of excellence bear little relation to the “outside world”.

Readings (1996:27) has pointed to this anomaly in how the University is accounted for in the West. His critique of “excellence” in the University is based upon the observation that universities are routinely assessed on criteria which are relevant only “within a closed field”. Institutional surveys which rank universities do within an “entirely closed system” which excludes a priori “all referential issues” of what a University might be, including “all questions of reference or function” (1996: 27). Readings is making a crucial point: universities have lost a sense of their raison d’etre because they are assessed without proper reference to any boundary for the ideology of “excellence”. “Excellence” is thus a neat tool for integrating the University with the technological apparatus of capitalism not because nobody knows what it is but because everybody thinks they know what is. Excellence “draws only one boundary: the boundary that protects the unrestricted power of the bureaucracy” (1996: 27). Any department that fails to conform is simply closed down.

Readings’ polemical call to re-theorize the contemporary University as a contestable field of roles is an impressively progressive exercise in dismantling the traditional ontology of the institution, but, for obvious historical reasons, does not take into account a consideration of its position in what is now widely known as the “service economy”. In short, the University is no longer an object, or even the subject, of analysis. Its ‘identity’, if it can be called that, lies in the rise of the ‘singularity’ of individuals as networks of roles which are no longer tied to a locus such as the nation-state or particular cultural formations (Readings, 1996: 115). With the decline of the nation-state, argues Readings, the University can no longer be constituted as the locus of cultural power, or, indeed, of the desires of agents as such. Society is no longer a means to realize cultural identity:

Rather than denouncing this process in the name of hidden or yet-to-be-realized identities, we need to rethink the question of agency, to ask what can be the kinds of agency that can arise among relays or roles rather than self-identical subjects (Readings, 1996: 117)(original italics).
For this, we need to turn to newer accounts of markets and the cultural economy they entail, including the important refinement of the concept of singularization as it relates to knowledge and services. One such account relates most strongly to the positioning of institutions and their agents beyond the academy and thus holds important implications for our understanding of the boundedness of information and knowledge in the new economy. I refer in this context to the account of the technology of markets given by social theorists, and in particular, that proposed by Callon and others in *The Laws of the Markets* (1988).

**THE MARKETIZATION OF THE UNIVERSITY**

“The University is a business and anyone who thinks otherwise is sadly mistaken.”

-- *Bob Burgess, Vice-Chancellor, University of Leicester*

The University today is concerned with selling what they know and do. This trend began in the U.S. and shows every sign of continuing its trajectory here in the U.K., albeit in different forms. As governments everywhere show signs of wanting to divest their financial commitments to universities in favour of private enterprise, “entrepreneurialism” and commodification have become the norm for Universities in the West. The attractions of selling to the market for the tangible rewards it offers are irresistible. Former President of Harvard University Derek Bok (2003: viii), for instance, describes the Faustian “dream” offered to him by a Harvard alumnus, a wealthy investment banker, in New York. Bok, by then worn down by the constant financial demands of a growing university, took little time to accept the alumnus’ idea of borrowing $2 billion to buy the “world renowned scholars, dazzling buildings, incredibly talented students” (p. viii) and so on he had always wanted for Harvard. He continues to dream of more and more elaborate upgrading schemes – selling the paintings at the Fogg Museum, offering licensing rights to commercial companies, even doing the unthinkable and auctioning off places to every entering Harvard class to the highest bidder – to meet the mounting interest payments on the massive loan he took out. These schemes continue
until, one night, he awoke suddenly, shocked to realize that the whole “tragic cycle” (p. viii) had been merely a dream. One has to wonder: do Vice-Chancellors in the U.K. have similar dreams night after night?

The challenges facing University management, it has to be said, can hardly be underestimated. Two challenges, in particular, should be noted. Firstly, as universities grow in both number and size, financial demands naturally increase. This state of affairs leads inevitably to the question of the relationship between the government and higher education. As early as the 1960s, Lord Robbins noted that universities suffered the “necessity of very considerable dependence” (1966: 32) upon the State’s coffers, a situation which he admitted was both dangerous and yet not entirely regrettable. He recognized that the State both grants, and also takes away, academic freedom. To agitate for the removal of its heavy hand (as he realized many universities were increasingly prone to do) may appear tempting but would also court potential disaster, since the State guaranteed a degree of non-commercial interference from the corporatization of “markets”. The situation in the U.S. is already one in which academic communities have organized themselves into a “transnational corporate structure” (Miyoshi, 2002: 68) with little to do with the community and even less with the “University” as a site of autonomous intellectual inquiry.

Secondly, the topological model of the University discussed earlier has given way to another model altogether, one marked by the lack of authoritative disciplines (Smith and Webster, 1997). This development in universities has led to a curious blurring of the lines of authority. No single department holds the key to the future of the University, it seems. The critical role which used to be the preserve of Humanities departments is now virtually a thing of the past. The University, in this respect, is like the market, a fluid world made of “mixtures” (Urry, 2002: 29) of technologies, networks and individuals.

These challenges combined have led to controversies regarding the nature of the University and its future role in the wider economy as a whole. As the boundaries of knowledge production in modern economies have become increasingly provisional and contingent, there is no escaping the necessity to reconstruct the University. Although
there is some validity to the argument that the institution is, at any one time, constituted by the “power relations between the agents” involved in its production (Bourdieu 1988: 128) and, thus, the systems of equivalences established by their respective structures of cultural capital, new market forces necessitate a different ontological understanding of the University. In short, the University is no longer an object, or even the subject, of analysis. It is a much more diffuse entity and requires a relational analysis which draws new boundaries between agents and markets. The next section explores this theme in greater detail.

THE SOCIOLOGY OF MARKETS

“Defining the boundaries of a field, is, perhaps, a foolish objective”

-- Neil Fligstein, 2001

What does a relational sociology of markets have to offer our analysis of the University? Having established that the University is both at the mercy of market forces and yet desires to challenge them, it is surely expedient that we connect the insights of relational sociology to those of higher education. The premise of this paper is that the problems currently facing the institution we call the University are problems which are well-recognized in the field of socio-economics. This recognition offers novel theoretical and practical insights for several reasons.

Firstly, the sociology of markets deals directly with questions related to framing and calculation in times of radical uncertainty. Institutional theorists (see Powell and DiMaggio, 1991; Scott, 2001) have studied how rules and norms – frames, in other words -- both constrain and enable the ways we frame choices and issues. In recent years, theories concerning the relationship between human agents and their social environments and relations have undergone various transformations. Granovetter (1985) provides the notion that actors’ decisions and identities are based upon their place in the relationships they have with each other and with the networks in which they find themselves. That is, the network shapes the ontologies of actors. As a result, the dynamics and institutional frames of both the actor and his or her network are variable. Agent and network are mutually embedded, one in the other. All that is required for this rational agent to
calculate outcomes is knowledge of the network of the relations in which he or she is embedded.

This variant of social network analysis predicates the human agent as a calculating entity which bases decisions upon the network of relationships around him or her. This view is now considered reductive and overly determinist (DiMaggio, 1994) since it leaves out agents’ specific preferences and values. Social network analysis assumes that the agent and network can be theorized separately and that, in fact, that they are discrete entities which are separable from each other. Such an ontology leaves the agent with little recourse to alternative paths of action except by building up more and more “non-redundant relationships” (Callon, 1998: 11) with the aim of injecting more control over the process of decision-making. Such a view neglects the importance of other factors which modulate the relationship between agents and networks, factors which cannot be calculated (Callon, 1998).

In order to overcome this shortcoming, we need to introduce new entities. The impetus for what is now known as actor-network theory (Callon and Latour, 1981; Callon, 1986; Latour, 1991) has partly been to counteract the ontological weaknesses of social network analysis. Since conventional social analysis cannot explain the non-calculable, the surplus, the “distinterested gift” which defies calculation (see Callon, 2001), actor-network theory argues that the actor and the network are not only inseparable as an association of hybrid entities, they are “phases of the same essential action” (Latour, 1991, p. 129). Actor-network theory (or ANT) thus regards actants of all kinds – both human and nonhuman – as forming parts of associations which harden over time to greater or lesser degrees depending on the success of efforts at interessement (Callon, 1986). Intérressement consists in persuading other actors of the superiority of one technological solution over another and it is the degree to which this work of “translation” is done which determines the strength of the network and the position of actors involved with it.

Both variants of the sociology of agents and networks discussed above encounter the problem of framing a field. I want to focus on the argument of Callon (2001) in this
context. For Callon (2001), a “clear and precise boundary” (p. 16) must be drawn around the relations which the agent considers important and those he or she wants to leave out of consideration in his or her calculations. On the face of it, this is a surprising statement from a sociologist of science who has made it a cornerstone of his theory that networks are a “mish-mash of decisions” and, are, therefore, ontologically messy. But ANT has always been calculative in the sense that actors behave strategically to “enroll” those they feel will advance their cause and move quickly away from relations they feel are not likely to reap benefits for them.

At the same time, developments in sociology of markets (Callon, 1998; Barry and Slater, 2005) expand notions of the ‘market’ as an object of calculation by agents. Debates in this area present and problematize broader notions of the contestability of markets by an array of agents (including economists, analysts, buyers, sellers and consumers of different persuasions) as well continual framings and reframings of their political and cultural values and sense of “truth” by which agents hold these frames relatively stable over time and space (Gouldner, 1954; Greenwood and Hinings, 1996; Gephardt, 2004).

Secondly, uncertainty on matters of calculation invokes the notion of disinterestedness. One of the more controversial aspects to the debate in Universities is the question of disinterestedness -- or the deferentialization -- of intellectual thought and contemplation from external pressures of administration and industry. The sociology of markets develops this notion in relation, again, to human agency. Disinterestedness, in this sense, relates to the lack of calculation. This non-calculativeness, in turn, generates two interpretations, according to Callon (2001). One interpretation is tied to human agency: the individual consciously chooses not to make calculations about a particular circumstance. The other interpretation has to do with the trust an individual has in a given relationship. In this case, the individual trusts the relationship sufficiently not to engage in calculative behaviour. This latter formulation, however, is tautological. To say that agents do not calculate because they are engaged in relations which do not require calculation is not to say very much. However, there is a theoretical link which must be made here between disinterestedness and trust. Callon quotes Bourdieu approvingly in this regard: whether agents calculate or not depends on the formatting of an exchange
between them. This “formatting” takes the form of a time-lag between the giving of a gift and the time it takes for the counter-gift to arrive (Bourdieu, 1997):

The longer this interval, that is to say, the more time the return gift or counter-gift takes to arrive, moving further and further out of the giver’s field of vision, the more the giver will experience herself as disinterested. The shorter the interval, the more the gift will be experienced as calculative (Callon, 1998: 15).

In other words, the recipient of the gift must be not in too much of a hurry to reciprocate the favour. The faster the gift is returned, the more calculating he or she seems. The longer it takes for the gift to be returned, the more the giver will experience himself or herself as disinterested.

We have returned to the frame of social relations. When gifts take a long time to arrive, they are left out of calculation. They have to be ignored. Agents, therefore, frame disinterestedness in terms of when and how they can leave something out of the frame.

Thirdly, therefore, the sociology of markets highlights the nature of the product as more than the sum its uses or functions. This concept of accounting for what lies outside the frame once disinterestedness occurs is what Callon calls “externalities”. Externality, in with economic theory, accounts for how markets cannot be merely or even explicitly accounted for by calculative agencies; instead, markets constantly overflow the specific discursive and organizational structures which professionals impose on them. These discursive structures are themselves reflexive, allowing actors “to question their organization and, based on an analysis of their functioning, try to conceive and establish new rules for the game” (Callon et al., 1998: 28).

One of the key areas of analysis of this reflexivity lies in what may be called the qualification of products through increasingly differentiated and complex qualities, otherwise known as the “service economy”. In this global economy, goods become processes of negotiation between consumers and producers rather than durable entities
requiring no further qualification. Goods, in short, are “products with a career” (Appadurai, 1986).

As Callon and his colleagues put it, however: “once the distinction between goods and products has been established, the question of their relations remains” (Callon et al., 2005, p. 31). For Callon, the question of such a relational analysis must consider the singularization of qualities which allow economic agents to position and qualify goods to their mutual satisfaction and, of course, to allow goods to be personalized to the customer’s satisfaction. This singularization of the product or service is crucial for marketers, as we all know. How do we differentiate between two identical products or services? That is the question which challenges marketers and buyers alike.

The answer is to optimize the customer’s participation in the “economy of qualities” (Callon, Méadel and Rabeharisoa, 2005:35). This is done by disrupting established preferences and patterns of choices which consumers make so that they begin to participate actively in tailoring the service to their needs and wants. In this way, the service gets re-qualified so that it matches exactly what is desired by the consumer. The twist in this tale, however, lies in how the marketing professional (representing the supply side) achieves this invisibly and economically. Relational analysis states, at this point, that this state of re-qualification is achieved when marketers understand that consumers make buying choices based on the networks of relations they are caught in. Their decisions, therefore, are based on these networks to which they belong and which, in fact, bear no relation to the service itself. If marketers can cognize these external realities which consumers live by, they can construct ways to make them participate actively in the service qualification process. As consumers do this, they become emotionally attached to their labour of re-qualification and the work of singularization is done.

This section has explored the key concepts of relational analysis – the framing of fields, the agency of individuals with regards to the question of disinterestedness and the impact of accounting for externalities in the singularization of products and services. In the final
section of this paper, I shall put these concepts to work in the field of the “University,” keeping in mind the challenges I discussed earlier.

CONCLUSIONS AND IMPLICATIONS FOR THE “UNIVERSITY”

How can a sociology of relations be put to use for the University today? This paper has assumed that while “defining the boundaries of a field, is, perhaps, a foolish objective,” as Fligstein observes, relating the boundary concepts of one field to that of another is not so foolish and may even be highly instructive. While the selection of these concepts has been necessarily selective for the purposes of this paper, their implications are nevertheless significant for prompting further debates about the challenges faced by the University today and what can be done to resolve them. In addressing the contested nature of universities as markets where buyers and sellers trade services, the importance of reframing agents’ roles within certain boundaries becomes clear. Some implications of this relational analysis include:

• **The reframing of the boundaries of the University** to account for the addition of new and diverse entities or agents. As the traditional stakeholders of universities shift out of their fields of influence, new agents will emerge to take their place. While one variant of social network analysis postulates that networks shape the ontologies of actors, I have argued that actors also frame those boundaries. As a result, the dynamics and institutional frames of both the actor and his or her network are variable. New questions emerge from this paradigm shift, for example, what boundary work creates categories which define actors according to new institutional practices? How do universities rework these boundaries and what kind of labour is involved? A new kind of boundary-setting practice needs to evolve for universities to confront the persistent challenges described in this paper.

• **Rethinking academic and political “disinterestedness” in terms of networks of relations and of time-lags.** The endless problems universities face of how and
what to include and exclude in a globalized economy – league tables, rankings, performance indicators and so on – need to be considered in terms of what they produce and when they expect to see the gift returned. Whatever takes a long time to be returned should be left out of the conventional measures of calculation. The “culture of the now” which is based on linear conceptions of career trajectories (Gleeson and Knights, 2006: 282) which currently dominates policy-making in universities would give way to a wide range of diversions necessary for original, innovative research.

- **Accounting for “externalities” in how stakeholders qualify and re-qualify the economy of qualities represented by the University’s products and services.** The priority should be to ensure that potential customers play a role in the qualification of the services the University provides, thus forming a strong emotional attachment to those choices. Universities should thus find ways of skillfully disrupting the pathways by which customers enact their preferences for similar services. Currently, universities court students and staff with one hand while pushing them away with the other. Students are aggressively recruited but denied the opportunity to engage fully with the services they have chosen. Staff suffer the same fate. The result is what we see today: a lack of emotional attachment to the University, both as place and as a unique site of knowledge and intellectual inquiry.

By allowing the relational analysis of markets to penetrate our thinking about universities, we allow a radical shift in its identity and boundaries to take place. The theoretical and practical implications of such an analysis remain to be explored in greater depth. By exercising the reflexive capabilities demanded by this kind of boundary analysis, however, universities may find themselves empowered to restrain the intrusion of forces inimical to academic freedom and thus reclaim, once more, the stirring vision of the Kantian ideal in the modern world.
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