



Under New Management: Universities, Administrative Labor, and the Professional Turn

Randy Martin

These last thirty years, academia has witnessed the assertion of a potent managerialism associated with the shift in proclaimed purpose of higher education from a public to a private good, from an ends in itself to a means for professional employment as part of a broader knowledge sector that makes of intellectual work a form of property. Students of a widening age span continue to attend college in increasing numbers and come away with credentials of uncertain efficacy—to say nothing of mounting debts. These mutations to higher education have been part of a broader array of changes in which the ascent of finance has been deeply imbricated. It is not simply, as we learned in the recent credit and debt debacle, that banks assumed unsustainable risks and disparate kinds of institutions became entangled in the activities of investment. Government sought to get out of the business of providing security for all, and instead encouraged a form of personal risk management. Bellwethers of a reliably safe future, like home-ownership, college savings, defined-benefit pensions, were transformed into the gambits of personal finance.

The spectacular sums traded daily--trillions of dollars in exchanges and over the counter between firms--made finance seem ethereal and esoteric rather than fundamental to the conduct of human affairs. In actuality, these financial operations have made far-flung values commensurable in the global economy as well as in the ordering of our lives. Finance has made the connections between us at once deeper and more volatile, distant and mutually entangling. The logic of the derivative, a portion or attribute of some underlying value leveraged to make for greater

systemic volatility in the name of managing unexpected outcomes, is a potent force not only in finance but also for other kinds of relations. The rippling effects of small variations in value could be seen in the subprime mortgage business, where default on the riskiest investments caught fire and spread through the rest of the system. The effects could also be seen in the war on terror, where small deployments of force on either side multiplied the dangers for all. Similarly, principles of arbitrage, the exploitations of minor variations in an environment that are leveraged to large effect, could be seen in the emphasis on flexibility, reinvention, and creativity that new management insistently promotes. An organization's success or failure is tied to a few strategic initiatives, the leaders or stars can make or break an entire institution's reputation, openness to an unexpected synergy can yield great advances throughout.

Finance is not simply the marshaling of capital for others, but also bears certain social principles, logics of association and partition, that travel in other domains. The seemingly arcane perquisites of finance may prove crucial to understanding the character of a new interdependence among productive endeavors that share select attributes and specifiable circumstances. The process by which social logics of finance come to bear on human affairs is known as financialization. The interdependence among strangers whose efforts are coordinated by operational approaches to working together--and that amass great wealth that transcends the needs of any individual—also goes by the name of social class.

Class has been variously conceived as an individual's location on a graded, hierarchical scale of income, education and status, as an aggregated mass sharing a common interest, as an objective situation mapped onto a stable subject position, even as a future enlightened reign extrapolated from the deficiencies of the present. Alternatively, deciphering and interpreting the social logic evidenced in derivatives permits an understanding of class as a principle of association. The emphasis of such an analysis is on how linkages and interdependencies among separable and distinct attributes of persons and things are established in the midst of circulating and indeterminate relations while, at the same time, locational and other qualitative differences are maintained. At the same moment that derivatives render some aspects of spatially dispersed values commensurate (but not the same), they also orient expected or future events as something to be evaluated and acted upon in the present. This is the temporal dimension of risk management.

For an ensemble of labor that is as internally differentiated as the professional managerial class, presuming or relying upon a commonality of circumstance,

self-understanding, or opportunity may prove difficult. Most professional occupations, from doctoring to teaching, have experienced a loss of autonomy and the intensification of accountability protocols without losing their mandates to practice specialized expertise. (Loss of the ability to practice specific labor skills was the claim once made to explain otherwise interchangeable factory workers.) Industrial capital's concentrating tendencies of the prior two centuries placed the image of a massed proletariat on the historical horizon. The expansive centralization of finance has more dispersive—but just as significant—associational effects. Derivatives hint at the ways we can be together, affect one another, but not necessarily be as one. This is a complex class optic that moves from a settled mass to a diffuse yet consequential web of entanglements.

The recent meltdown of stock and credit markets shed light on the high-end finance professionals' inability to use their sophisticated arsenal of mathematical models to reap profit from market volatility. It had long been noted that four-fifths of the hired stock pickers did worse with their portfolios than the broad market average (i.e. doing nothing at all). Professors in all manner of fields may be confronting their own versions of this knowledge failure. We may not be losing the ability to create new idioms, but rather undergoing a loss of control over what happens, who masters intellectual authority, and how knowledge is valued and governed. This disconnect between the expansion of professional fields and a confrontation with the limits of professionals' ability to govern their own affairs (a conundrum here referred to as the professional turn) is especially poignant in financial services. But it represents a larger predicament faced by experts in many fields including academic ones. Within higher education, the professional turn has re-oriented traditional liberal arts disciplines toward market-derived outcomes. This is pressing the ever-expanding years of professional training to become devoted to what constitutes each discipline's distinctive knowledge base.

When applied to politics and daily life, financialization introduces a schism between those who can benefit from assuming risks through effective self-management, and all those who fail to do so—the enormous populations considered to be "at-risk." Higher education faculty have themselves experienced a version of this cleavage between the risk-capable and the "at risk." Stars and leadership are deemed worthy of additional investment, while casualized full-time and adjunct faculty perform most of the instruction, attended by administrative indifference toward their fate. These faculty, many graduate students among them, have been quite active in organizing themselves in the face of these circumstances. Professional training is coming to include a course in the politics of academic labor. Far from being a remote ivory tower, the university has

been a model of new management's labor policies. It has also been the scene of a vigorous response, the ground of myriad activisms and mobilizations. It has sponsored diverse organizational initiatives, some reminiscent of earlier industrial formations, others promising something still to come.

The shift from permanence to precarity among the bulk of faculty positions makes vivid the changes going on in the professions more broadly. As the vestiges of former prestige become ever scarcer, new kinds of association are emerging among growing numbers relegated to service positions. The autonomy that new management takes away comes back as a political and social claim on how the institution itself should be run. The pervasive administrative logic becomes part and parcel of academic labor. Yet rather than creating a unity of experience or outlook, the organizational effect and implications of this managerial work results in myriad combinations and potentially new understandings of what knowledge work is, how it is done, and what it is for. Of course the traditional disciplines, academic titles, institutional and national educational rankings are still very much with us. But these have become reordered, lost purchase on once secure realms of privilege, or become de-centered from prior claims to authority and influence.

The limits of the U.S.-based research university to serve as a model for global higher education are becoming increasingly apparent. Constricted access and affordability have cast a shadow over the university's once meritocratic ethos. Proprietary deliverables jostle with civic engagement in defining purposes. Chronic student indebtedness compromises the calculus of value-added to life-long earnings. The power of credentialing to establish professional security is eroding. Expansive and diverse approaches to critical understanding sit uneasily with homogenizing "metrics" defining what education yields.

For all this, higher education continues to be a site where divergent conceptions of the future are contested, combined and played out. In the cauldron of pressure and promise, the expressions of active dissent—and examples of intervention and mobilization, both here and abroad—bear a resonance beyond their immediate circumstances and duration. In this the university joins a host of other institutions whose light as beacons of autonomy and social reciprocity has dimmed. (These institutions include market-based financial and multinational corporations whose legitimacy is grounded in conceptions of trust financialization is eroding.) Whether the institutions themselves are in ruins (or their shine has merely lost its luster), conversations about important questions—What kind of organization is now possible? How do we speak for others? How can specific political initiatives be made comprehensive?—have opened anew.

Note: This essay is drawn from my book *Under New Management: Universities, Administrative Labor, and the Professional Turn* forthcoming from Temple University Press next fall.