

**The Privatization of the General Intellect**  
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In a 2004 article published in the International Herald Tribune, the former general secretary of the Organization for Economic Co-operation and Development (OECD) Donald J. Johnston argued that as educational systems are increasingly facing international competition for jobs, the demands for new technologies, and the broader needs of the knowledge economy, they are bound to change through shock treatments. "Education systems are highly complex. To be effective, they must respond quickly and appropriately to the changing economic and social environment. Paradoxically, information on new methods and approaches that can help education providers adjust programs and improve learning results is hard to find and even harder to implement. Something akin to electric-shock treatment is often needed before reforms are even considered." Beyond the recurring problems that educational institutions have faced in recent years, such as ensuring the quality of education for all, the shortage of instructors, the strengthening of adult and lifelong education, and the ethnic and cultural diversification of the student population, the main obstacle has to do with the adaptation of the forms of financing. According to Johnston, OECD countries "need to develop co-financing mechanisms through which governments, enterprises and individuals all contribute."

Thus, among all the well-meaning proposals for pedagogical reform, the weakest link in OECD countries is the relationship between education, research and finance. If we look at the revolution from above represented by the "Bologna model" (endorsed by the Ministers of Education of member countries of the European Union in 1999), it is clear that the general orientation is towards lowering the quality of basic university education (with the substitution of the old laurea with the Bachelor degree, or short laurea, spanning three years) and the promotion of an elitist graduate education (with the high-tuition Master's degree). For the majority of the students - in the United Kingdom, 80% of students drop out of the university after the Bachelor degree - this means a brutal downward leveling of their education. The policies aiming at reforming the European educational system point at the public student loan programs in the United States, but it is legitimate to call into question the real impact of such measures - especially when we keep in mind the high number of young people who enrolled in the US army and fought in Iraq in order to pay for their education.

From this point of view, the Bologna Declaration arguably represents one of the shock treatments that the OECD secretary general had in mind. It is nothing less than the implementation of the principles regulating post-fordist flexible production in the field of education, with the privatization of the costs of education (increase in tuition fees, and additional costs for specialization) and the deregulation required by the industries of the private sector (just-in-time education and competition between university centers involved in both education and research). From now on, education can only rhyme with casualization. The economic colonization of the field of

education has set in motion a new cycle of struggles for the right to education - struggles in which the flexibility/precariousness of educational curricula also affects researchers faced with diminished public budgets and the corporatization of knowledge production. In France, more than two thousand heads of research centers and team leaders have resigned from their administrative positions as a sign of protest against the lack of funding. They opposed the closure of 550 positions in public research and teaching, and demanded that a new impetus be given to the sector of research. The point is then to understand the extent to which the education-research-finance nexus may define a confrontational terrain living up to the current transformations of the productive system at the global level.

The knowledge that makes innovation possible within productive cycles and the "technological progress" that contributes to increasing the productivity of work and developing the mass consumption of goods and services do not fall from the sky and are not external to the context in which economic growth obtains. Innovative knowledge is something that has to be produced and that, as a result, has to be remunerated. In other words, one has to consider the technological progress generated by the production of knowledge as a cost. This is what emerges from theoretical developments in the micro-economic analysis of growth factors. Theories of endogenous growth have made it possible to break free from the neoclassical idea of a free-floating innovative knowledge situated outside the field of human action, as if it were something whispered to Robinson by his parrot, for free at that.

If innovation is endogenously generated and if, moreover, its production is increasingly socialized - i.e., it also takes place outside the traditional sites of research & development (universities included) - who pays for it and how is it paid for? Since innovation is by its very nature uncertain, to the extent that it is difficult to anticipate its economic returns, how is it possible to attract the interest of potential investors? Moreover, since the innovative knowledge that matters for economic growth is a public good, especially in a strongly cognitive-communicational economy where the informal diffusion of innovations thwarts the possibility of exercising a complete mercantile control over them, which mechanisms allow for its public and/or private appropriation?

According to a recent report by the Institute of Higher Education Policy, "the available data indicate that the importance of private finance in higher education is a rather new development in many countries. In the countries for which data are available, private finance in higher education has risen substantially as a percentage of total expenditures on higher education...One useful measure is the percentage growth of inflation-adjusted dollars spent privately on higher education. According to this measure, private finance doubled, on average, in OECD countries between 1995 and 2003...In contrast, public finance in OECD countries during the same period grew, on average, by almost 50%."

The dramatic increase of private finance and, to a lesser extent, of public funding unequivocally point toward the central (and endogenous) position that knowledge occupies in the new cognitive capitalism. The general tendency is toward an anthropogenetic model of socioeconomic growth, i.e., a model based upon the "production of

man by man," in which the sectors of education, health, socialization and culture taken together are the driving force of economic growth, playing the role that the car industry or the domestic appliances industry had in the Fordist era. However, this tendency toward the anthropogenetic model or, in other words, toward an increasing valorization of cognitive and relational activities, runs into the devalorization of the workforce triggered by the increase of private spending on education: "Data on the OECD countries indicate that within private finance as a whole, households spend almost twice as much as all other private entities on higher education. Through a combination of tuition and indirect expenses, households in 2003 contributed 16 percent of total expenditures on higher education, while other private entities (e.g., businesses, charities, and labor organizations) contributed 9 percent."

It is this contradiction between the valorization of knowledge and the devalorization of the workforce that explains the current cleavage of the labor market between a "working class aristocracy" on the one hand and a "flexible proletariat" on the other. It is therefore necessary to redefine the nature of the Welfare State by combining flexibility and social safety nets ("flexicurity") in order to successfully address the processes of financial globalization, but also by developing a Learnfare State, a state, that is, where support for education/professional retraining operates as a guarantee of basic income and redistributes social wealth.

(translated from Italian by Nicolas Guilhot).