The Neoliberalization of Irish Higher Education under Austerity

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Abstract
This paper discusses the transformations that have taken place in Irish higher education under neoliberalism and, in particular, during the period of austerity since 2008. We adopt a critical political economic framework conceptualizing Ireland as a prototypical neoliberal state and maintain that the period of economic crisis since 2008 has witnessed a deepening of neoliberalism. We argue that restructuring in the education sector has been shaped by forces originating from the European Union, global institutions, as well as from the interests of Irish political and economic elites. We examine several aspects of the neoliberalization of the education sector, including privatization, commercialization, labor casualization and the erosion of work conditions. Empirically, the paper synthesizes and conceptualizes available data on neoliberalism and higher education in Ireland. Theoretically, it presents a useful framework to investigate similar cases in other countries.

Keywords
austerity, economic crisis, European Union, higher education, Ireland, labor, neoliberalism

Introduction: Deepening Neoliberalization in Ireland
Neoliberalism has spread in advanced and emerging economies to varying degrees since the 1970s and is characterized by market deregulation, monetarism, financialization, privatization, the weakening of labor’s bargaining position and working conditions, as well as attacks on the welfare state (for surveys, see Harvey, 2005; Duménil and Lévy, 2004, 2011; Saad-Filho and Johnston, 2005). It has entailed a restructuring of the state, which has become aligned more closely with the needs and
values of corporate power (Bruff, 2014; Cahill, 2014; Gill, 2008; Konings, 2010; Mirowski, 2013; Peck, 2001). Thus, the nature and delivery of public services, including education, have progressively evolved to reflect to a greater extent the interests of economic and political elites. One significant result is a reduction of democratic input into policy-making as decisions tend to be increasingly relegated to private institutions that are unaccountable to the public (Gill, 1998; Chomsky, 1999).

We take Ireland to be a prototypical neoliberal state, as its politico-economic development since the 1970s makes clear (Allen, 2009; Allen and Boyle, 2013; Fraser et al., 2013; Mercille and Murphy, 2015). The country has been characterized by a relatively low level of government expenditure on social programs, light regulation of the financial system, a large dependence on foreign capital and flexible labor markets. For example, between the 1980s and the 2008 crash, Ireland deregulated its banking industry and planning system, establishing the conditions for a housing bubble and its subsequent collapse, plunging the country into an unprecedented period of economic turbulence. It also reduced its corporate tax rate to 12.5% and welcomed global financial capital, privatized a range of state-owned enterprises, embraced urban entrepreneurialism, and established ‘social partnership’ agreements designed to remove the threat of strike action by organized labor and in general mute the more militant segment of the trade union movement. This has led to a rise in inequality. For example, between 1975 and 2007, the real income of those in the top 1% surged from about €90,000 to almost €450,000, whereas average incomes only rose from €15,000 to €35,000 (Mercille and Murphy, 2015: 3–4).

However, neoliberalization has been uneven, so that some aspects of politico-economic life have been restructured earlier in time than others, and with varying degrees of depth. This paper argues that the transformation of higher education along neoliberal lines began relatively late, in the 1990s. Moreover, we propose that a significant intensification of that process has occurred since the onset of the financial and economic crisis in 2008. When the crisis struck, there were still a number of aspects of the Irish higher education system that were ripe for ‘reform’ because they had until then remained relatively insulated from neoliberalization. They have thus been targeted more intensively since 2008. This process corresponds to a general observation that throughout the history of neoliberalism, crises, real or constructed, have been used as opportune moments to roll out further rounds of regulatory restructuring (Brenner et al., 2010).

This interpretation fits within a broader argument that the resolution of the economic crisis that began in 2008 may be understood as a deepening of neoliberalism (Allen and Boyle, 2013; Fraser et al., 2013; Mercille and Murphy, 2015). Indeed, from Europe to the United States, corporate and political elites have sought to increase their power and transfer the costs of the crisis onto citizens. This has been seen most clearly in the massive bank bailouts that have socialized private debts and in the range of crisis resolution mechanisms and policies implemented under the rubric of austerity that have affected disproportionately the poor and more vulnerable segments of the population, which depend to a greater extent on public services (Blyth, 2013).

In particular, in the years since 2008, Ireland has been a poster child for the implementation of fiscal consolidation. Whereas a number of countries initially responded to the 2008–9 financial crisis through Keynesian measures, Ireland immediately started to implement austerity on its own. From late 2010, the adjustment program took place within the context of a €67.5 billion EU–International Monetary Fund (IMF) bailout, whose conditionality required ‘structural reforms’, in particular, in the public sector and education. Ireland has now exited the bailout program but is still subject to supervision from European authorities, and austerity is still being implemented. Overall, the scale of adjustment has been very large. Between 2008 and 2015, it has amounted cumulatively to nearly 20% of GDP, which in absolute terms is an adjustment of €31.8 billion, two-thirds of
which are accounted for by spending cuts and the remainder by tax hikes (NERI, 2014: 39; Irish Fiscal Advisory Council, 2014: 9).

This paper discusses in detail the ways in which higher education has been restructured from the 1990s onwards, focusing on the period since 2008. In order to bring conceptual clarity to the types of changes that have occurred, as well as the factors that account for the restructuring, we take inspiration from Brenner et al.’s (2010) theoretical scheme. The latter outlines three types of processes through which neoliberalization manifests itself. First, ad hoc neoliberal policy ‘experiments’ may displace (neo)Keynesian regulatory structures in a somewhat uncoordinated way, which may or may not succeed in altering them permanently. Second, political and economic governance rules have been re-written by neoliberal ‘rule regimes’, such as post-Maastricht Europe, the World Trade Organization (WTO) and the North American Free Trade Agreement (NAFTA), among others. In particular, the European Union (EU) rule regime has shaped the Irish political economy along neoliberal lines, especially since the 1990s. The monetarism and fiscal discipline that characterize Eurozone institutions as well as their intensification of marketization have acted as key factors pushing Ireland further along the path of neoliberalism. Such dynamics also account for some of the transformations in Irish higher education. Third, another particularly relevant transmission process is ‘inter-jurisdictional policy transfer’. This comprises institutional mechanisms and networks of knowledge-sharing that allow the (typically) transnational circulation of neoliberal policy prototypes across places, territories and scales. This normalization of policy prototypes serves to enhance the ideological legitimacy of neoliberal policy templates as so-called ‘solutions’ to regulatory problems and crises that are contextually specific.

Overall, one of our key points is that the neoliberalization forces that have restructured the Irish higher education system have stemmed as much from global as from domestic forces, and in particular from the European Union (EU) (Mercille and Murphy, 2015). In general, our interpretation thus recognizes that the global spread of neoliberalism does not originate from a single source but is aided, diffused and reinforced by ‘power relations intrinsic to transnational actor-networks’ but which nevertheless interact with and are framed by wider macroeconomic and political economic regulatory institutions at various scales (Bockman and Eyal, 2002: 346). It will be seen how global, European and Irish institutions and power structures have interacted to transform Irish higher education in recent years.

The Neoliberalization of Higher Education

There have been a number of studies of higher education under neoliberalism in a range of institutional settings and countries (Aronowitz, 2000; Ball, 2012; Canaan and Shumar, 2008; Clarke, 2012; Collini, 2012; Davies et al., 2006; Giroux, 2007, 2014; Rhoads and Torres, 2006; Ward, 2012). Such accounts have discussed a number of issues relevant to Ireland. For example, higher education has become increasingly commercialized and privatized (Bok, 2003; Ruch, 2001), indeed, ‘capitalist’ (Slaughter and Leslie, 1997; Slaughter and Rhoades, 2004). Universities have seen their role shift toward providing services, research and labor to the corporate sector (Washburn, 2005). Their funding now comes to a greater extent from private sources, ranging from domestic and international student fees to philanthropic donations, while public funding has been curtailed. Further, higher education workers have become increasingly precarious, monitored and controlled by management (Berry, 2005; Ginsberg, 2011; Hill, 2005; Ryan et al., 2013). The establishment of ‘new public management’ doctrine and practices has been significant in fostering the implementation of the above reforms. This mode of higher education governance has replaced traditional administrative structures and processes, which tended to be based on bureaucratic rules and professional ethics. Accountability is now located with ‘objective’ public sector managers or external
auditors who direct professionals and civil servants according to an ‘“output driven” corporate style of managerialism taken from the business world and neoliberal models of organizational governance’ (Ward, 2012: 46).

The Irish higher education sector has not been immune to those global trends (Gallagher, 2012; Garvin, 2012; Holborow, 2012; Lynch et al., 2012). It has witnessed the emergence of ‘corporate universities’ focused on servicing the private sector (Allen, 2007) and generating increased revenues from students while tenured professors are gradually being replaced by academics whose employment status is less protected (Courtois and O’Keefe, 2015).

Before proceeding with a detailed discussion of these issues, it is useful to situate our approach relative to that of other analyses of the subject. First, critical research on Irish higher education within the context of neoliberalism has thus far remained limited. We thus synthesize and extend existing accounts to paint a picture that is both systematic and detailed, within the constraints of the available data. Second, our interpretation is rooted in political economy and considers the latter to be the dominant factor in driving neoliberal restructurings in general and in higher education. We thus add to the work of authors like Lynch et al. (2012), who have analyzed Irish higher education through the concept of ‘new managerialism’. By this they refer to an increasingly thick bureaucratic layer of managers who have exerted progressively greater control over academics and the education system as a whole. They have oriented the latter toward serving the corporate sector and implemented detailed ‘performance management’ standards in order to evaluate and measure the work of employees. However, our analysis, although complementary, is more firmly anchored in political economy and less so in cultural, ideological and identity issues. For example, to describe the spread of market values and a managerial ethos in Irish academia as a cultural or ideological phenomenon (Lynch, 2010), we would argue, is not wholly inaccurate, but begs the question of why such peculiar ideology and cultural norms have arisen in the first place? Our approach is thus more similar to Holborow’s (2012, 2015) critical political economic interpretation. In particular, we conceive of neoliberal ideologies and norms as directly emerging from political and economic structures of power that benefit materially from the ongoing transformations in third-level education.

Conversely, others have maintained that the changes that have taken place in academia are the result of irrational policies and decisions made by incompetent managers and government officials. From this perspective, the solution to problems like the commercialization of universities lies in explaining to managers and state officials why they are wrong, so as to alter their mentality and reorient policy choices toward an educational system that cherishes traditional academic values. For example, an edited volume by Irish academics asserts that the recent reforms are simply ‘nonsense’ and that the ‘rulers of Irish universities nowadays often seem to have no idea what universities are for and are sometimes aggressively incompetent’ (Garvin, 2012: 83; Walsh, 2012). Mainstream media attacks on academics and universities are alleged to be a tactic ‘to divert attention from the stupidity, greed and corruption’ of the government. Or, it may even be because scholars, especially those in the humanities, ‘are envied and resented’ by people in power ‘who dislike being answered back’ (Garvin, 2012: 81).

However, we argue that this is to misunderstand seriously the fundamental reasons why the education system has been targeted under austerity and vilified by the corporate media and elites in Ireland and Europe, including by the so-called troika (European Central Bank, European Commission and IMF). We maintain that the reasons have everything to do with political economy and class warfare waged under neoliberalism and reinforced under austerity. The education system is being remodeled to serve corporate and political elites to a greater extent than before. Therefore, there is nothing ‘nonsensical’ about this strategy, and university managers and government are no more incompetent than other workers. On the contrary, by following their own interests, they act rationally and have indeed been quite successful in transforming universities.
From the late 1980s, Irish education policy began to move away from the Newman model of ‘training good members of society’ (Collini, 2012: 46; Walsh, 2014a) that had guided universities since the foundation of the state (Holborow, 2015). The discourse of Catholic-inspired liberalism in the National University of Ireland’s constituent colleges gave way to one foregrounding globalization and collaboration with industry. The transformation of Irish higher education has since been characterized by ‘more systematic intervention by the state’, including ‘greater monitoring of institutional activity and sustained official pressure … to pursue explicitly economic functions’ (Walsh, 2014b: 33). To be sure, we are not arguing here that Irish higher education before neoliberalism was progressive and non-elitist; rather, we focus on describing and analyzing the transformations that have occurred under neoliberalism.

Neoliberal education reforms in Ireland have been influenced significantly by European and global institutions, in particular, the EU and the Organisation for Economic Co-operation and Development (OECD). Ireland has borrowed from policy templates and ideas from abroad in order to shape its own education system. However, at the same time, Ireland has shaped European and global agendas to the extent that its international influence has permitted. Also, crucially, Irish officials and institutions have actively transformed the education system by following their own (neoliberal) class interests. This mixture of forces has deepened neoliberalism in Ireland.

At the EU level, the most directly relevant policies are those associated with the Bologna Process launched in 1999 and the series of European Commission initiatives that have since then overtaken policy-making for higher education, within the context of the successive 10-year strategies for the advancement of the economy in the EU, namely, the Lisbon Strategy (launched in 2000) and the Europe 2020 strategy (launched in 2010). The Bologna Process (European Ministers of Education, 1999) was undertaken in order to establish a ‘European Higher Education Area’ in which national systems of education would be readily compatible and comparable, for instance, by setting up equivalent degrees across countries. Controls on educational systems performance and common standards have also been established through a European network of quality assurance agencies (ENQA, European Association for Quality Assurance in Higher Education). The Bologna Process, which includes BUSINESSEUROPE (the Confederation of European Business) as a consultative member, seeks to make students more employable and higher education more in line with business needs. The harmonization of educational systems across the continent makes it easier to drive the neoliberal agenda forward. It enables a common European strategy to be more effectively deployed and permits easier national assessment and cross-country comparisons to determine whether all member states are going along with reforms (Štech, 2011).

A 10-year review of the Bologna Process in Ireland noted that ‘Ireland has demonstrated strong support from the outset’ and that Bologna actually ‘coincided neatly with developments that were being initiated in Ireland’ so that ‘Bologna can be seen as a useful endorsement of the steps being taken in this country to enhance our higher education system’ (Mernagh, 2010: 3). This shows that it is the reciprocal interaction of national, European and global pressures and forces that has shaped the restructuring of higher education. The review notes that significant progress has been made in implementing the Bologna directives, with respect to quality assurance, degree standardization and student and staff mobility, so that ‘Ireland has been at the forefront of the Process and has contributed very strongly’ to it (Mernagh, 2010: 14).

In recent years, the European Commission has led the higher education agenda in Europe, building on the Bologna Process. The central plank of policy is to consider universities as key components of the continent’s economic strategy, thus aligning learning and research closely with corporate needs and requirements. An important document outlining the Commission’s strategy is its report entitled Supporting Growth and Jobs: An Agenda for the Modernisation of Europe’s Higher Education Systems (European Commission, 2011). It emphasizes the need to strengthen
the ‘knowledge triangle’ between business, education and research. It argues that European higher education systems need to increase the number of graduates they produce ‘to meet the projected growth in knowledge-intensive jobs’ while specifying that ‘Europe also needs more researchers, to prepare the ground for the industries of tomorrow’. To this end, curricula should be adjusted to meet business needs and we should be ‘involving employers and labour market institutions in the design and delivery of programmes’ in order to ‘help attune curricula to current and emerging labour market needs and foster employability and entrepreneurship’ (European Commission, 2011: 4–6).

Entrepreneurship is a recurrent theme that fits squarely within the EU’s neoliberal nature. A European Commission report (2014: iii) on the subject notes that the Commission ‘has been a long term supporter of entrepreneurship education as it sits at the heart of an “entrepreneurial ecosystem for Europe”’. Elsewhere, the Commission (2011: 11) outlines the following ‘key issues’: to ‘stimulate the development of entrepreneurial, creative and innovation skills in all disciplines and in all three cycles’ and to ‘encourage partnership and cooperation with business as a core activity of higher education institutions’. In 2009, the Commission launched the University-Business Forum to encourage such a strategy, as a ‘European platform for dialogue between the two worlds’ that meets annually (European Commission, 2009: 2).

The OECD has adopted very similar views. In 2004, it published its important Examiners’ Report on Irish higher education, which underlined its desired role for Irish higher education to become central to economic performance. Ireland’s determination to become ‘an innovation-based, technology generating society requires that Irish tertiary education and research, and innovative indigenous enterprises, have to become the new drivers of economic development and of the country’s international competitiveness’ (OECD, 2004: 18). It also made a number of recommendations contributing to the neoliberalization of universities, supporting the diversification of their revenue base and more flexibility on academics’ pay and work conditions, among other policies (see below).

Entrepreneurship is also a value cherished by the OECD. It calls for universities ‘to embrace a more entrepreneurial vision’ so that they ‘can play an important role in teaching entrepreneurial skills to young people, increasing the pool of those who may go on to start and successfully grow entrepreneurial ventures’. Universities can also foster entrepreneurship by promoting ‘spin-offs and research collaborations with small firms’ (OECD, 2008: 3). It also notes that engagement with entrepreneurship can generate a ‘lucrative revenue stream’ for universities, allowing them ‘to compete for other resources’ given the reduction in public funding they face. In this respect, ‘Europe has much to learn from US entrepreneurship education approaches’ (OECD, 2008: 11, 13).

Global and European institutions have thus been significant sources of neoliberalization of the Irish higher education system. However, as seen above, transformations also originated from Ireland itself, and in particular, reforms have intensified in the wake of the economic crisis that began in 2008. The government’s key document was published in 2011 and is entitled National Strategy for Higher Education to 2030, also known as the Hunt report (Hunt et al., 2011). It clearly outlines the state’s plans for transforming higher education into the next two decades along the line of neoliberal values and principles. In fact, the government itself has referred to it as ‘the most fundamental reform of Irish higher education in the history of the State’ (HEA, 2014: 9). The panel of ‘experts’ who drafted it is replete with corporate and political elites. The group was chaired by Colin Hunt, director of the Irish branch of the financial corporation Macquarie Capital Advisors, which has interests in private education. Other members were affiliated with the World Bank, Microsoft, the OECD, and EMC Corporation, as well as a number of officials from the Irish government itself. Significantly, although there were a number of individuals from universities, virtually all of them were from the management side (e.g. university provosts and
presidents), and not a single Irish academic staff was included (see Holborow, 2012; Hunt et al., 2011: Appendices C and D).

Relatedly, Ireland’s Higher Education Authority (HEA), which is responsible for leading the development of the higher education system, has a chairman who reflects the neoliberal direction taken by the state. John Hennessy, formerly CEO of Ericsson Ireland, is the first in the agency’s history to have no background in education, being instead a corporate man. When appointed in 2011, he quickly declared that humanities and social science researchers should ‘get into bed with industry’ (Holden, 2011). As reported by the media, the ‘appointment of a pure-bred industrialist’ shows a ‘commitment to bridging the gaps that exist between academia and business’ (Holden, 2011). Moreover, Hennessy is also on the Irish Business and Employers Confederation (IBEC) national council, which is the main employers’ group in Ireland.

Reform thus seeks explicitly to align universities with the goals and priorities of Ireland Inc. Academia is not considered to be an institution whose primary mission is to conduct research to uncover scientific truths, or to challenge power and injustice; rather, its task is to assist political and economic elites in their pursuit of power and protect their privileged socio-economic position. Indeed, the HEA (2014: 9) states that each higher education ‘institution has entered into a compact with the HEA, undertaking how it will contribute to national objectives from the position of particular mission and strengths’. Correspondingly, the ‘framework of higher education system objectives set out by the Minister [for Education and Skills] roots them in wider national goals’, or ‘national priorities of government’, which are listed as:

1. Economic renewal and development at national and regional levels
2. Social cohesion, cultural development and equity at national and regional levels
3. Public sector reform towards greater effectiveness and efficiency
4. Restoration of Ireland’s international reputation

In reality, in Ireland, objectives like ‘national development’ and ‘public sector reform’ mean austerity and unequal economic growth that accommodates overwhelmingly the needs of business over those of ordinary people. The last point, restoring the country’s international reputation, makes it explicit that universities should be at the service of national goals as defined by elites, instead of questioning state policy.

Commercialization and Privatization

At the outset, the Hunt report states bluntly that in a time of economic crisis and austerity, we ‘now have a generational opportunity to transform the Irish higher education landscape’ (Hunt et al., 2011: 4). The primary change sought is to make higher education more at the service of the corporate world and government, by conducting research that is usable by enterprises, supplying a skilled workforce meeting the needs of companies, and by producing knowledge and applications that can be commercialized and profitable for the private sector. Indeed, the word ‘enterprise’ is used 89 times in the 134-page report, which states that, in the future, ‘higher education will need to be more proactive in commercialisation and knowledge transfer’, goals which will have to be pursued ‘in collaboration with others in enterprise’ (Hunt et al., 2011: 31). It asserts that a ‘renewal and transformation of the relationships between higher education and enterprise can position Ireland at the leading edge in the competitive global environment’ (Hunt et al., 2011: 31). Higher education ‘needs to focus on transferring knowledge as quickly and effectively as possible’ so that it becomes available for ‘exploitation’ by the private sector, which has ‘a better expertise to do so’ (Hunt et al., 2011: 12). Likewise, higher education must become more active in ‘incubating new
companies’ (Hunt et al., 2011: 38). IDA Ireland, the agency responsible for industrial development, agrees with those principles and sees education as ‘key to our capacity to attract foreign investment’ while noting that it is important ‘to ensure we have a workforce with relevant skills’ (Hunt et al., 2011: 34).

We should note here that links between education and the private sector are not necessarily problematic, as when education provides students with the knowledge and technical training to find employment. However, under neoliberalism, the significant qualitative shift is the degree to which this is happening in that the education system as a whole is being shaped along commercial and corporate needs and requirements. Those objectives have concrete consequences in restructuring academic institutions and practice. Indeed, the report notes that the state will allocate funding to universities according to the extent to which they commercialize their activities: future ‘research funding should be allocated according to these principles, and a new focus on the impact of that funding is now necessary’ (Hunt et al., 2011: 12). This is part of a more fundamental realignment of higher education with state objectives, as universities’ ‘strategies will be defined and aligned with national priorities’ and a ‘new contractual relationship’ between the state and higher education will be established (Hunt et al., 2011: 14). Moreover, the state should steer institutions and individuals toward dedicating themselves to the task of knowledge transfer and commercialization by embedding those criteria ‘in performance appraisal, promotion and recruitment policies’ (Hunt et al., 2011: 70).

Indeed, educational institutions are currently incorporating entrepreneurship into their mission. In addition to ‘providing business incubation support for entrepreneurs and high potential start-up companies’, the HEA recently reported that most institutions are planning a ‘very significant development and embedding of entrepreneurship education programmes at both undergraduate and at postgraduate level’ (HEA, 2014: 39). In other words, institutions ‘are committed to mainstreaming entrepreneurship into the wider student experience’, with potentially far-reaching consequences on curricula and the nature of universities (HEA, 2014: 39). In fact, targets have been established to raise the degree of commercialization in universities by increasing, over 2013–16, the annual number of spin-outs by 53%, licenses by 29%, invention disclosures by 23%, patents by 25%, and research agreements with enterprise by 38% (HEA, 2014: 69).

The privatization of education has resulted in cuts in public funding and corresponding increases in private sources of revenue, a trend especially evident during the last few years of austerity. Since 2006, the real value of public expenditure per student in higher education has declined from just over €11,000 to slightly above €8,000. As a result, there was a lower level of funding in 2013 than a decade previously (see Figure 1) (Delaney and Healy, 2014: 16, 21–2).

This fits squarely with neoliberal prescriptions that emphasize individual responsibility as the government gradually withdraws from its role as provider of social services. The neoliberal state is being restructured to serve the corporate sector to a greater extent than under the Keynesian regimes that preceded it. Thus, whereas in 1995, Ireland had introduced ‘free fees’ in higher education – translating into increased government spending on tertiary education – since 2005, and in particular since the crisis erupted in 2008, the situation has gradually been reversed. Non-exchequer funding has been encouraged, including from higher domestic student fees, research grants, philanthropy, and foreign students who pay higher fees than European ones. Student fees, for example, have been set at €3000 per year for undergraduates for the academic year 2015/16. It is interesting to note that already in 2004, the OECD had called for precisely this shift in funding sources, in a passage worth quoting at length:

We are of the opinion that this is no longer a balanced way of funding HEIs [higher education institutions] and is increasingly out of line with the situation and trends in some other advanced industrial nations.
where non-state income is a growing element in institutional budgets. We recommend that the Government makes an unequivocal statement that generating non-state resources whether through fees from overseas students, income from short courses for industry, income from spin out companies, or from other commercial activities should be retained by the institution concerned. (OECD, 2004: 24)

The European Commission (2011: 13) also recognizes the need to diversify revenue sources away from exchequers, calling on member-states to ‘facilitate access to alternative sources of funding, including using public funds to leverage private and other public investment (through match-funding, for example)’. Moreover, we should encourage ‘funding mechanisms linked to performance which introduce an element of competition’ in the education system. The OECD (2004: 56–7) also called for ‘a policy to charge fees to students pursuing first degrees’ in Ireland, since there was none at the time the report was drafted. Significantly, however, ‘any re-introduction of fees must be undertaken in the context of a sound student finance system which will be in place on a long term basis’. Therefore, following practices that have reached their most developed form in the United States, students should become increasingly dependent on loans from the financial industry in order to obtain their degree. The United Kingdom, from which Ireland has borrowed many policies historically, has also raised tuition fees significantly in recent years. They can now amount to €9000 per year, and students reimburse the sums after completion of their studies.

The Hunt report reiterates those principles and calls for shifting the funding base away from public expenditure and toward increasing student fees, allegedly the ‘only realistic option’ since government funding must be cut (see Figure 2) (Hunt et al., 2011: 16). Students should be made to pay through increased fees and loan schemes, which are ‘essential’ elements of the future financing of education (Hunt et al., 2011: 16). As a result, figures show that, overall, public funding as a proportion of total funding for higher education has decreased between 2008 and 2014 from 76% to 56% and is projected to reach 51% by 2016. However, and more precisely, because

Figure 1. Real current expenditure per student, 2004-2013 (€).
Source: Central Statistics Office (2015: Table 4.1).
about half of the student contribution is paid indirectly by the government through grants, when this is taken into account, public funding as a proportion of total funding has actually decreased from 78% in 2008 to 68% in 2013 and will drop to 64% by 2016, as compared to a European Union-21 average of 77% (2010) (HEA, 2014: 26, 88). It is projected that, by 2016, private student contributions will amount to 19% of total higher education institutions’ income. Moreover, income from research grants and contracts as a proportion of total income has grown from 13% in 2002 to 19% in 2011 (HEA, 2014: 88). Some universities now obtain over 50% of their total funding from private sources, including households and other private entities (Delaney and Healy, 2014: 25).

Finally, the need for higher education to pursue a strategy of internationalization has been emphasized by Ireland and international institutions like the EU and OECD. Although often couched in terms of increasing cultural awareness and interactions, there are material factors at play that have propelled this strategy to a relatively high position on the agenda. Indeed, it is a way of raising large fees from foreign students and it contributes to establishing international business links. The HEA is explicit about these purposes when it states on its website that internationalization ‘represents an investment in future global relationships as it helps to build relationships with our future trading partners and supports our national goal to become a global innovation hub. These benefits are in addition to the revenue that is generated for the country from every international student’ (HEA, 2015). Likewise, Ireland’s International Education Strategy 2010–15 states that ‘from a national perspective, the most compelling rationale for internationalisation is investment in future global relationships: with students educated in Ireland who will become our advocates overseas … and with the countries that will be Ireland’s next trading and business partners’ (Department of Education and Skills, 2010: 11).
One of neoliberalism’s central principles is to increase capitalists’ power over workers and to downgrade work conditions, making labor more ‘flexible’. In Ireland, those dynamics have been particularly true under the current austerity program. In this respect, academic and administrative workers in higher education have been subjected to the same adjustment measures as the public sector as a whole, which have amounted to a 14% reduction in net pay (Labour Relations Commission, 2013a). Most of the attacks on labor came under the guise of a Public Service Agreement (PSA) between the government and public sector unions that were mandated under the structural reforms laid down in the EU-IMF bailout agreement. Known informally as the Croke Park Agreement, the PSA launched a package of reforms, froze pay and promotions and introduced a moratorium on recruitment. It also imposed harsh new measures on workers including mandatory ‘flexible redeployment’ of staff ‘within and across sectors’ of the public service, and potentially in an entirely different geographical area from where they were previously located (Department of Public Expenditure and Reform, 2010: 4–5).

Management was also given greater surveillance powers to monitor workers’ activities through the introduction of ‘performance verification’ aided by sector-wide ‘performance management systems’ (Department of Public Expenditure and Reform, 2010: 4–5). These have a disciplinary function in that they structure and monitor more closely employees’ activities, but they also have the effect of introducing internal competition among workers because they are related to promotion, at least implicitly. This, in turn, affects negatively the possibility of organizing collective solidarity among academic and non-academic staff to resist attacks on their work conditions.

Then, in 2013, the government reneged on the original PSA agreement that was supposed to run until 2014 and unilaterally announced a revision of its terms. This culminated in a revised accord dubbed the ‘Haddington Road’ agreement whose proposals were even more hostile to workers than under the original PSA. They included further direct pay cuts of between 5.5% and 10% for those earning more than €65,000 annually as well as extending the timeline of the agreed measures from 2014 in the original PSA to 2016. There was also a significant increase in the average hours worked per week that depended on employees’ grade. Overall, the agreement added an additional 15 million working hours annually across all sectors of the public service (Department of Public Expenditure and Reform, 2014).

As a result, the number of public service jobs has been reduced by 32,200, from a peak of 320,400 in 2008 to 288,200 at the end of 2013 (Sheahan, 2014). In higher education, staffing levels decreased by 10%, or 2000 individuals, roughly half of them academic and half administrative. Over the same period, however, student numbers rose by 25,000 nationwide, meaning that the academic staff-student ratio increased from 1:15.6 (a norm in OECD countries) to 1:19.5 (HEA, 2014: 11, 14) (see Table 1).

### Table 1. Academic staff and student numbers in Irish higher education 2007–2016.

<table>
<thead>
<tr>
<th>Year</th>
<th>Student numbers</th>
<th>Academic staff numbers</th>
<th>Staff to student ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007/08</td>
<td>158,057</td>
<td>10,100</td>
<td>1:15.6</td>
</tr>
<tr>
<td>2008/09</td>
<td>164,180</td>
<td>10,041</td>
<td>1:16.4</td>
</tr>
<tr>
<td>2009/10</td>
<td>173,723</td>
<td>9,772</td>
<td>1:17.8</td>
</tr>
<tr>
<td>2010/11</td>
<td>177,329</td>
<td>9,697</td>
<td>1:18.3</td>
</tr>
<tr>
<td>2011/12</td>
<td>179,105</td>
<td>9,418</td>
<td>1:19.0</td>
</tr>
<tr>
<td>2012/13</td>
<td>181,308</td>
<td>9,297</td>
<td>1:19.5</td>
</tr>
<tr>
<td>Projected 2016/17</td>
<td>191,194</td>
<td>9,297</td>
<td>1:20.6</td>
</tr>
</tbody>
</table>

Source: HEA (2014: Table 3.5). Note: Student and staff numbers are whole-time equivalents.
Moreover, as a consequence of the adjustment measures just outlined, academics in higher education are now supposed to work 78 extra hours per year, while administrative staff have to work two extra hours weekly. Workload models have been introduced in order to measure and control academic tasks to a greater extent than previously (Labour Relations Commission, 2013b: 6). This is also consistent with the Hunt report, which called for ‘more flexible working arrangements’ and the delivery of ‘contracted work loads by academics’, in the name of improving ‘responsiveness and efficiency’ (Hunt et al., 2011: 16). In fact, the contracts of academics ‘must be reviewed’ so that staff become subject to higher levels of ‘accountability’, as well as to increase ‘flexibility, adaptability and mobility of staff’ in order to move them where management sees fit (Hunt et al., 2011: 24). Even though the application of such clauses has in practice varied from one institution to another, the principle of increased control over staff is clear, and could be intensified in the future. Indeed, a survey of academic staff by the Irish Federation of University Teachers (Clarke et al., 2015) revealed that 72% of academics believed that their work conditions had deteriorated under austerity. They noted that they were under pressure to teach larger numbers of students, did not have enough time to conduct research and were burdened with unproductive administrative work, while their institutions adopted a top-down management style that did not include them in decision-making processes.

A related growing phenomenon is the casualization of labor in higher education. The number of permanent, tenured academic positions has been gradually reduced and been replaced by temporary, low-paid, and non-tenured jobs. This has resulted in the proliferation of a type of worker that may be referred to as the ‘casual academic’, typically referred to as ‘adjuncts’ or ‘contingents’ in the United States, ‘sessionals’ in Australia and Canada and ‘fractionals’ in the United Kingdom (Berry, 2005; Courtois and O’Keefe, 2015; Ryan et al., 2013). Although there is no reliable systematic data available tracing the evolution of precarious labor in Irish higher education (see Courtois and O’Keefe, 2015), the casualization of work, especially under austerity, is obvious to anyone working in the sector.

For example, JobBridge is a national internship scheme established during the crisis that is designed to provide cheap labor to employers. Interns are paid only €50 per week on top of their existing social welfare entitlement, which equates to an hourly wage of €3.65 for a 40-hour week, amounting to a significant subsidy to employers. Higher education institutions have used the program widely. For instance, it was recently revealed that Ireland’s leading university, Trinity College Dublin, has hired 70 JobBridge interns as research assistants in laboratories, among other tasks. Other Irish universities also use the scheme to fill a range of full-time positions, including student counselors, librarians, and research assistants (Healy, 2014). Moreover, primary and secondary schools have used it to advertise for teachers, special needs assistants and cleaners (McGee and Minihan, 2014). One study of the casualization of work in Irish higher education has concluded that the phenomenon is ‘systemic, gendered, and not the preserve of junior academics’ (Courtois and O’Keefe, 2015: 43). The authors suggest that casualization predates austerity, but has ‘become so endemic that there are now few exit points out of precarious work’ (Courtois and O’Keefe, 2015: 43).

Finally, although neoliberal proponents have long argued for reducing protections afforded to public sector employees, including in education, the fact is that the labor market has become ‘bifurcated’. Indeed, workers have become divided into a majority of relatively lower paid and less secure employees and a minority of highly paid, protected individuals (Piketty, 2014). In higher education, this has meant that a few senior academics obtain promotions, large salaries, research funding and high-level administrative or managerial positions, while the large majority of academics see their conditions eroded, their salaries cut, stagnate or increase less rapidly than before, while promotion and funding are more difficult to obtain. In 2004, the OECD had already complained about the ‘inflexibilities’ in Irish academic salaries. It maintained that this created a
problem ‘in recruiting from overseas where a larger salary package may be required’ to attract high-flying scholars. The OECD thus claimed that ‘salary restrictions need to be removed so that HEIs [higher education institutions] can act more entrepreneurially and more quickly to attract or retain particular individuals’ (OECD, 2004: 24). However, at the same time, the report favored ‘making the probation period longer and the granting of tenure more rigorous’ for the majority of academics, while ‘providing promotion routes to personal chairs as a reward for exceptional research performance or leadership’ (OECD, 2004: 64).

Consequently, whereas many Irish academic and administrative staff have seen their work conditions deteriorate, a few have continued to earn large salaries. For example, since 2008, the take-home pay of the average academic has decreased by 23%. However, while the normal pay scale for professors is between €106,516 and €136,676, universities have continued to hire a few select ones by offering them higher salaries beyond this scale. In 2014, 15 such appointments were made in three of Ireland’s leading universities, with the highest salary paid under this scheme being €256,930. The CEO of the Irish Universities Association, Ned Costello, maintained that such rates could be offered ‘to hire a star international researcher who simply will not take employment here for the rate on offer’ (Drennan and McCormack, 2014). Moreover, after six years of austerity, there are still 67 academic staff in higher education whose salaries are over €200,000 and, in total, 1093 of the 4327 academics in Irish universities earn more than €100,000 per year. Many of the highest paid have taken up senior administrative or managerial positions (Flynn and McGuire, 2010).

Conclusion

This paper has described the changes in Irish higher education under neoliberalism. The transformations began before the economic crisis of 2008 but have intensified since then. This corresponds to a deepening of neoliberal reforms in Ireland and globally during the last few years, as economic turbulence has been used as a pretext to further attack labor, reduce government budgets and curtail the provision of social services.

There have not been many interpretations of Irish higher education from critical political economic perspectives. Our study thus serves both as a synthesis of existing knowledge and as a theoretical template that could be used for further research. In this respect, it is useful to point to certain topics that would deserve further attention and which at this stage have not been examined systematically. First, there is scattered data on the employment status (permanent, temporary, contractual) of administrative and academic staff numbers in Irish universities. The data is often not systematic enough to allow us to draw firm conclusions on the changing trends in precarious employment. Also, it has been shown in other contexts that the last several decades have witnessed the bureaucratization of higher education in that the number of managerial positions has increased at a faster rate than academic ones (see Ginsberg, 2011). This has translated into an increased control over academics on the part of management. This is apparent from anecdotal experience in Ireland, but the phenomenon could be described more clearly if more complete data was gathered.

Second, the privatization and commercialization of higher education remains to be explored fully. In particular, the increased use of external consultants at great cost to universities, as well as philanthropic donations that result in the appointment of chairs and the naming of campus buildings after rich and influential individuals, should prove to be fertile areas of research. What is the impact on university governance, appointments and curricula of such financial relationships? We hope that this paper’s findings will be extended in those directions and others in order to provide more precise interpretations of the ongoing fateful transformations in Irish higher education.
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References


