

The System Crisis 2020: The End of Neoliberal Higher Education in the UK?

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Abstract

In this paper, we draw on previous conceptual work and theories pertaining to historical waves of reform, in order to reflect upon and locate the recent and current changes in the UK Higher Education (HE) landscape. Moreover, we consider the potentially catastrophic outcomes and consequences facing some HE institutions, and the sector as a whole, arising from the short-sighted and dogged pursuit of neoliberal policies – policies still being followed, we posit, at the precise moment when the current predominant neoliberal wave of reform nears its end. Thus, we present the case that as neoliberalism is confronted with a terminal crisis of legitimacy 'from within' (a system crisis), so too are universities. We therefore ask: What next for the HE sector and Universities? Will HE institutions 'carry on regardless' pursuing exploitative, ecocidal, meaningless fiscal growth policies that inexorably risk their legitimacy; their very existence? Or will universities turn away from their generative role in this crisis and authentically begin to reclaim, imagine and practise another educational mission?

Keywords: *neoliberal education, refraction, waves of reform, higher education, economic crisis*

Introduction

Previously, the central tenets of the concept of *refraction* (Rudd & Goodson, 2017; 2016) - a conceptual tool to support complex social scientific investigations and methodological and theoretical explorations of educational discourses, systems, policies and practices - have been set out. Refraction promotes simultaneous examination of both structure and agency and their interrelationships (vertical refraction). The concept focuses upon how and why dominant global (supra-) discourse and ideology is mediated through national (macro-) policies and how these are, in turn, reinterpreted at institutional/organisational (meso-) and individual (micro-) levels. Simultaneously, the need for analyses that situate phenomena and actions in relation to wider historical and contextual influences, and specifically their connections to dominant waves and cycles of change and reform (socio-historical refraction) is also espoused (Goodson & Rudd 2017, 2016; O'Brien, 2017, 2013). In this paper, we focus specifically on the latter concern, positing that the HE sector and institutions have responded propitiously to neoliberal discourse and policies and, in so doing, have helped change the face and purpose of Higher Education. Ironically, at a time when the neoliberal wave of reform is coming to an end, we posit that many HE institutions who have suffered the deleterious effects/affects of the prevailing neoliberal logic are likely to fall further 'behind the curve' and lose their legitimacy. Indeed, we speculate that survival depends not only on new ideological and structural directions; it profoundly depends on the capacity of institutions to foresee the next wave of reform – a period of change which we refer to as the *sixth supercycle* – in order to proactively shape future directions in HE reform.

In this paper, then, we briefly consider some of the current threats to the predominant neoliberal orthodoxy; contemplate the consequences for the future of UK HE; and speculate what this may mean should this *sixth supercycle* (and

related HE reform) emerge. We posit that this new wave of reform *will not* be driven by exploitative, ecocidal, meaningless fiscal growth policies which are nonetheless doomed to ideological and economic failure. Instead, we speculate that the next wave of HE reform is now ‘in the making’ and that this development *will be* driven by new ethical, environmental and socio-economic concerns.

Global financial and political fragility: The end of the neoliberal era?

Whilst notable increases in various populist movements may be indicative of a burgeoning public dissatisfaction with political elites since the financial crisis, it may equally be argued that there has currently been little substantive change to the predominant neoliberal order. Over the last decade, many countries, including the UK, have witnessed increases in unequal wealth distribution, the reduction of the state, and the growth in private ownership of former sovereign assets. Paradoxically, the remedy for neoliberalism’s failings, as illustrated by the financial crisis of 2007, was the implementation of a more aggrandized version, such is its seemingly unexpurgated and obdurate appeal. Of course, a large part of this appeal is its own presentation of ‘double truth(s)’ (Mirowski, 2013) – thus, the corporate asset-stripping of previously state-protected public goods and services was successfully obfuscated as a ‘necessity’ and required continual duplicitously (manufactured) ‘crises’ to engender a fear of alternatives. However, more systemic failure is likely to further expose and discredit the underlying logic of neoliberalism and may ‘tip the balance’ and bring down the whole ‘house of cards’. The current reality is that this *reconstituted* version of neoliberalism has failed to fix the problems of its own making and thus remains inherently fragile. At the time of writing (September 2019), this fragility appears more pronounced than at any point since the last economic collapse.

In an interview to mark the 10th anniversary of the global financial crisis, Mark Carney, the Governor of the Bank of England, said major risks remain, including: financial changes that could arise depending on the Brexit outcome¹; high levels of debt supporting the Chinese economy (as well as Europe, Canada and Mexico); the risk of cyber-attacks on financial systems; the high levels of household debt; and the slowing of the US economy (see Ahmed, 2018). There are fears that recent US fiscal-stimulus policies, which have pushed the US annual growth rate above 2%, are ultimately unsustainable, with the International Monetary Fund (IMF, 2018a) recently reporting that it had scaled down its forecasts for both US and world growth throughout 2019 and beyond. David Lipton, Deputy Head of the IMF, also suggested that the next global financial crisis may be on the horizon, indicating that financial systems were unprepared for another serious downturn (See Partington, 2018a). Other commentators point to different reasons for questioning the stability of global economies, which were reflected in recent 'sell-offs' in the UK, European and US stock markets. These include: rising US interest rates leading to higher borrowing costs for individuals and companies; political uncertainty (in Italy, for example); crises and uncertainty in emerging markets such as Turkey and Argentina (Kollewe, 2018), India and Brazil; and also unprecedented hyperinflation rates and unrest in Venezuela. As well as uncertainty across global markets, the US trade 'war' with China is fueling market anxieties and fears. The reality may be that the US economy is openly exposed to economic recession and that the true picture is being obscured by artificial stimuli initiated and continued by the Trump administration. Whilst, the nature of global trade and stock markets means that economies are subject to uncertainty, boom and bust, profit and loss, and bulls and bears, there are increasing signs of sustainable vulnerability. This period of fluctuation, it seems, is premised upon inherent systemic uncertainties.

In support of this proposition, we take note that in 2019 US yields on thirty-year treasury bonds fell below 2% for the first time (See Greifeld et al., 2019). Perhaps more alarmingly, in August 2019 the difference between two-year and ten-year bonds inverted for the first time since before the 2007 financial crisis. Normally, yields on ten-year treasury maturities (debts sold by federal Government) are expected to yield more than those of shorter time spans, yet the ten-year yields have now fallen below two-year notes, thus presenting an inverted yield curve. When short-term yields exceed longer dated ones, it often signals higher short-term borrowing; meaning businesses face challenges in funding their operations and new investments stall, whilst consumer borrowing costs also rise and consumer spending declines. This situation ultimately leads to a contraction in the economy. Many commentators have suggested that this type of yield-curve inversion is therefore a harbinger of a recession, which they expect will occur over the next one to two years. Such commentators include Professor Campbell Harvey who discovered the correlation between inverted yield curves and recession and who recently went on record to issue a ‘recession code red’ (See Townes, 2019).

The Bank of England has also issued a stark warning over the rapid growth in lending to indebted companies around the world, with the US market for such leveraged loans alone (that is, loans to companies with debts already at four times their earnings) doubling since 2010, and growing at a comparable rate to the sub-prime mortgage market in 2006 (cited in Partington, 2018b). This trend is not confined to US markets, “*with a record £38bn of such loans issued in Britain last year [2017] by shadow banks alone. A further £30bn have been issued this year [2018]² ...*” (Binham, 2018). Obvious comparisons with the 2007 financial crash ought to signal alarm bells, yet the ‘business as usual’ logic is obdurately pronounced. We must now seriously consider the UK’s specific

vulnerability to future shocks and the futility of employing such logic in an era of unprecedented change.

The specific economic frailty of the UK

The UK's seeming devotion to the neoliberal orthodoxy may inadvertently leave it increasingly prone to further shocks or instability, not only due to uncertainties surrounding Brexit but also precisely because of its dogged pursuit of the small state brand of neoliberal macro-economics. For example, a recent International Monetary Fund report (IMF, 2018b) considered the level of public debt alongside the publicly owned assets of 31 countries and found that the UK had the weakest public finances, with an overall deficit of £2 trillion. This equates to almost £1 trillion having been wiped from the wealth of the UK's public sector. Whilst it is often reported that the UK is in a strong economic position, this is often a reflection of the levels of growth, Gross Domestic Product (GDP), government deficits, and so forth. However, this 'fiscal illusion' does not account for the fact that the UK has sold off many of its 'sovereign assets', such as utilities and other formerly nationally owned assets, leaving it increasingly vulnerable to economic shocks and global threats to the established financial order (see Chakraborty, 2018). There have also been worrying indicators relating to the UK's economic performance. For example, The Office for National Statistics (ONS, 2018) highlight that the growth of the UK economy slowed to just 0.3% in the three months to November 2018 and in 2019 it has continued to hover little over zero growth, narrowly avoiding a technical recession. A recent report by PricewaterhouseCoopers (2018) also suggested that the fall in the value of the pound, combined with projections that the UK is set to have the slowest growth across Europe in 2019 (European Commission, 2018), will result in the UK falling to seventh, behind India and France, in the International GDP rankings. Recent uncertainty surrounding Brexit has served to further devalue the pound and destabilise markets.

Overall, the UK economy appears to be stagnating and hovering just above a technical recession, with much of the private sector ‘flat lining’ or, in some cases, ‘contracting’. With little growth in key sectors, as noted by Mark Carney, the Governor of the Bank of England, the economy is heavily reliant on household spending. However, whilst data shows that there has been a rise in real earnings growth recently, a report by the Resolution Foundation indicated that household incomes had actually declined by 0.5% over the period from 2016-17 to 2018-19 (Corlett *et al.*, 2019). Moreover, as a recent Trades Union Congress report (TUC, 2019) highlighted, unsecured debt (including consumer credit, student loans and pay-day lending – but *excluding* mortgages) has now reached an unprecedented level of £15,400 per household. It is also worth noting that such debts have been accrued at a time of record low interest rates, meaning any subsequent increases will augment the financial burden on households, potentially damaging consumer spending and putting many into financial hardship, as well as undermining household spending levels on which the economy is so heavily reliant. Recent austerity programmes, hitting those in the public sector especially, as well as the rise of short term, insecure work and the ‘gig economy’, have all contributed to a decade of lost wage increases, reduced disposable incomes and increasing household debt levels; meaning further economic contraction will have dire consequences. Taken as a whole, the above highlights the precarious nature of the UK’s current economic outlook. We must now consider, as part of this whole system, the special condition of UK Higher Education. Specifically, we need to make clear connections between the UK HE sector and this wider context so that we can better understand and evaluate the wisdom of recent policy developments and sectoral and institutional decision-making processes.

Transaction(s), discourse(s) and instrumentalisation: The fragile condition of UK HE

In considering waves of reform and their effects/affects, Goodson³ postulates that (neoliberal) waves of reform result in interrelated changes in the nature of *transaction(s)*; *dominant discourse(s)*; and, ultimately, the *instrumentalisation of knowledge* and academic practice in HE. This three-way process can be clearly mapped against changes in HE following the financial crisis and particularly following the election of the then Conservative-led coalition in 2010. Since 2010, clear attempts have been made to further incorporate principles of marketisation and privatisation in HE, and a clear strategic reorganisation has been further 'managed' via so-called 'austerity' policies which are rationalised as economic 'necessity'. The chief *transactional* change in HE has been the significant rise in student fees – up to £9000 per year initially in 2012, rising to £9250 from 2017. This policy has been particularly 'successful' in re-casting students as 'consumers' and universities as service 'providers'. Responsive ('choice') *discourse(s)* serve to recast the mission and purpose of Higher Education around market principles and perceived consumer needs within a neoliberal market economy. A new range of related measurements and mechanisms, such as the Office for Students, the Teaching Excellence Framework (TEF), the National Students Survey (NSS), and so forth, all with direct or indirect financial inducements, were introduced to managerially frame such discursive practices. Aimed at purportedly 'driving up' teaching 'excellence' and providing 'value for money' for consumers, such mechanisms serve to *instrumentalise* knowledge, teaching, learning and research, thus reducing their import to a set of responses to externally imposed, unproven and unquestioningly flawed criteria and proxy measures (See Rudd, 2017). This has resulted not only in a repurposing of the mission of HE but also in increased bureaucracy and administration, de-professionalisation and the real loss of academic 'assets', as experienced 'public servants' are increasingly re-

positioned as human capital ‘units’ whose primary role it is to ‘service’ arbitrarily imposed criteria. This new landscape is increasingly populated by corporate professors (Giroux, 2018), managerialists and technocrats, whose priority it is to ‘order and rank’, find funding efficiencies and instrumentalise knowledge and academic practice. These professional groups effectively/affectively work together to impact and reframe long-held notions of ‘scholarship’, ‘intellectualism’ and ‘the academy’. Academic freedom is further eroded by research funding restrictions and by the redrawing of international, national and institutional research priorities towards an evaluation of ‘what works’; *not* ‘what might work’ or even ‘what should work’. While there are always time and resource pressures within universities, new financial conditions are also leading to increased workload intensification, further wage contraction and ‘normalised’ levels of job insecurity. Of course, in keeping with such neoliberal logic, financial conditions and remuneration are unevenly distributed.

Whilst the majority of staff across the sector as a whole have faced a decade of below inflation pay rises, many in the most senior positions have seen their financial rewards increase disproportionately. The Office for Students (OfS, 2019) recently reported that 6 universities in England now pay their Vice Chancellors £500,000 or more in salaries, bonuses and benefits, whilst nearly half of all Vice Chancellors receive more than £300,000. Furthermore, over 60% of universities saw increases in the number of staff paid £100,000 or more in 2017-18; a rise of more than 15%. This has occurred against a backdrop of internal restructuring, streamlining and ‘rationalisations’ across many HE institutions, with significant consequences for many staff. At the time of writing (October 2019), another round of voluntary severance programmes across the higher education sector has been undertaken, seemingly as a precursor to compulsory redundancies and further course streamlining. This is once more presented as a ‘necessary’ cost-saving exercise in response to newly

manufactured financial constraints. At the same time, the need to further appeal to 'consumers' has led to unprecedented expenditure on new buildings. A recent Higher Education Policy Institute report (Hillman et al., 2018) identified that universities spent over £3 billion in 2018, either on new teaching and learning spaces or, as likely, on new student residences. The aim, it seems, is to increase income over the longer term, though this 'investment' is being rolled out at a time when staff pay, conditions and employment are being generally eroded.

Crises are successfully constructed and the furthering of marketized values and principles is successfully advanced through the shaping of 'ordinary', 'everyday' practices (de Certeau, 1984). 'Disciplinary technologies', as Foucault (1991) terms them, are more than managerial or regulatory mechanisms aimed at structural reform; they strategically link 'higher power' and 'lower power' social groups and are key to reshaping individuals' personal/professional identities and relations (see also Du Gay, 1996; Ball, 2003). While the emphasis placed on proxy and controlling measures often results in hyperenactment, fetishisation, counterproductivity (Illich, 1973) and forms of isomorphism (DiMaggio and Powell, 1983), institutions and their membership have to learn how to effectively/affectively respond to the new systemic conditions and constraints (Rudd, 2017; O'Brien, 2012). The Teaching Excellence Framework (TEF) is a landmark initiative that is designed to further embed a neoliberal audit and monitoring culture into UK Higher Education. The extent to which it is 'refracted' (Rudd & Goodson, 2016) will be, to a significant degree, influenced by institutional ownership of the four forms of capital - that is, economic, social, cultural and symbolic forms of capital that may be exerted (Bourdieu, 1986; Rudd, 2017). Thus, whilst the TEF is presented as an 'equitable', system-wide mechanism, the potential to effectively/affectively put it into practice *and* maintain a degree of institutional

(and personal/professional) control of one's values and tasks will vary significantly across the HE sector. As universities learn to 'play the game' in line with newly imposed rules and regulations, they not only invest substantial time and resources, they also 're-form' their practices in the hopeful pursuit of positive evaluation and financial rewards (O'Brien, 2012). To illustrate, new financial conditions, allied with reduced state funding, have 'necessarily' led UK universities to seek new markets to 'exploit'; with some no doubt faring better than others. Many institutions 'fear', for example, that the reduction in the number of UK undergraduate applicants will threaten their financial sustainability. And such fears – which ultimately stem from a system-wide desire for endless growth and profit – are not unfounded. A recent Universities and Colleges Admissions Service (UCAS) report (cited in Adams, 2019b) showed that in the last year (at the time of writing) record numbers of students from China and Hong Kong (21,000 persons) applied for places at British Universities – to put this figure in context, the total number of applicants from Wales was 18,500 persons. It is likely – owing significantly to varying levels of organizational capital – that some HE institutions will be less successful in 'exploiting' such new 'student markets'; while others who are 'successful' in their pursuit of more 'gains' are likely to further *incorporate* neoliberal values and practices. Of course, differential 'success' can be explained away by the simple market logic of 'winners and losers' – in this sense, the 'rules of the game' go largely unchallenged. However, it is likely, especially in times of further systemic failure, that such simple justifications will eventually be opposed.

Oppositional trends are emerging that counter the claims that these new conditions are delivering 'excellence', including greater student 'voice' and 'choice'. For example, a recent report from centre-right think tank *Reform* suggests that universities risk losing their credibility due to 'rocketing' grade

inflation. It reveals that the proportion of 'firsts' awarded by universities almost doubled, rising by 26% since 2010. Comparable findings were revealed by the Office for Students, the body now responsible for regulating the sector, who claimed that this was virtually a sector-wide issue, with 84% of universities seeing significant unexplained increases in the number of first-class degrees awarded. Similarly, a report for the UK Standing Committee for Quality Assessment (2018) also identified that there had been a significant increase in both first-class and upper second-class degrees awarded. Whilst the Committee state that it is difficult to pinpoint the causes, they also argue that any perceptions of grade inflation could erode the value of undergraduate degrees and undermine public confidence in academic standards and the sector. Moreover, the Universities and Colleges Admissions Service (UCAS, 2018) also recently reported that some universities are recruiting significantly increased numbers of students with unconditional offers, even dropping A-level grade requirements if students opt for their university as their first choice - this was said to represent over one-third of all 18-year-old applicants (ibid.). It appears then that the (financially motivated) competitive clamour to attract students has contributed to grade/credential inflation, which ultimately may serve to devalue the 'product' which universities now 'sell'. The 'product' itself is becoming increasingly uncertain and uneven. Drawing on Collins' (1979) work, we can speculate that this situation is likely to lead to fundamental changes in the traditional university-student 'contract'. Presently, students pay high fees to gain a degree, which enables them to enter an increasingly competitive, though oft poorly remunerated and conditioned, workplace. They may increasingly see this new credential 'arms race' (ibid.) as uneven; ruling HE as producing opportunities for the 'choice' few, but not for 'others'. This division of 'product' and 'social opportunity' could lead to a new form of class conflict in education. Perhaps this conflict – of the (neoliberal) system's own making – is gradually being uncovered?

Importantly, the lack of collective institutional resistance to such newly imposed conditions across the sector, and in many cases, the clamour to realign practices in response to them, now appears increasingly short-sighted, and possibly short lived for some. Universities, especially those who have focused substantively on tuition fees as their main source of income, will now face additional challenges, as it appears the goalposts are being relocated and the ‘rules of the game’ revised. In February 2018, the then Prime Minister, Theresa May, launched the government’s review of post-18 education, led by former finance executive Philip Augar. Its recommendations include limiting the numbers entering Higher Education by disqualifying young students from applying for a student loan if they fail to gain three ‘D’s’ at A-level. Highlighting the potential impact, the Higher Education Statistics Agency (HESA) data suggest that 16 ‘modern’ universities in England could lose between 15% and 36% of their full-time degree students, with many others seeing a substantial drop in numbers (cited in Fazackerley, 2019). This alone would push many universities towards the financial precipice. Yet, this will not be the only financial drawbridge raised by the government if these recommendations make their way into policy. There is also a recommendation to cut tuition fees, down from the current £9,250 to £6,500 per year for some courses and institutions, as well as a proposition that some courses could be offered over two years rather than three. Whilst there was little collective institutional resistance to the substantial realignment of HE, these newly proposed changes have seen Vice Chancellors openly resisting and lobbying the government over the potential reduction in income. For many, the shifting ‘rules of the game’ are simply too much to take.

All of this is occurring as Brexit negotiations rumble on and the uncertainty and the implications for HE institutions remain unclear. However, the various scenarios attaching to the new ‘rules of the game’ could potentially have

negative effects on both student recruitment and access to research funds. University leaders have already stated that a 'no-deal' Brexit would have a further negative effect on EU student enrolment, with Russell Group universities even claiming that there have already been significant decreases in EU student postgraduate enrolment in both 2017-18 and 2018-19 (See Weale, 2019). Yet, the foreboding news does not end there. If recent, somewhat pessimistic, figures from the Office for Budget Responsibility (OBR, 2017) turn out to be correct, demographic changes will result in a natural fall in UK undergraduate student numbers across the sector – down 5,000 persons from 2017-18 and decreasing by 26,000 persons by 2021-22. Despite accepting and generating the 'rules of the game' and focussing relentlessly on student/consumer numbers/income/data then, it is somewhat of a surprise that universities appear to have been caught unawares by these natural demographic changes. Many universities, it seems, have failed to account fully for the drop in UK student numbers, leading the Office for Students to urge universities to be more realistic about their reported income and financial sustainability (Office for Students, 2019a). The newest 'rules' - increased financialisation and marketisation, accompanied by new related measures of 'success' and 'payment and awards by results' - have come at a time when demographic and policy changes pose significant threats to student recruitment and, alongside this, the financial viability of many universities. Some are potentially facing bankruptcy. It is likely – if market and 'business as usual' logic prevails – that there will be takeovers by other UK universities and/or overseas universities and/or newly formed private entities. It is likely too, if such logic prevails, that there will be further work intensification for staff and further rounds of internal restructuring, streamlining and 'rationalisations' across many institutions. Will those in regulatory power positions address inherent systemic crises or will they sustain the prevailing logic and hold individual institutions to account? The

newly formed Office for Students has publicly stated that it will not intervene to save any financially failing institutions:

Should a university or other higher education provider find themselves at risk of closure, our role will be to protect students' interests, and we will not hesitate to intervene to do so. We will not step in to prop up a failing provider. (Michael Barber, Head of the Office for Students, cited in Adams, 2018).

Recent 're-forms' will thus effect/affect universities disproportionately. For example, whilst tuition fees for universities such as Cambridge reportedly represent only 15% of total income, for others, such as Falmouth, it represents 83% (Hillman *et al.*, 2018). The 'high stakes' nature of 'playing the (neoliberal) game' is also highlighted in a recent Higher Education Statistics Agency (2019) report, which showed that almost 1 in 4 (32 in total) universities in England alone were in deficit in 2017-18, up by a quarter on the previous year (24) and up by over a third compared to 2015-16 (10). Whilst such figures do not give 'the whole picture', as there are a myriad of factors that contribute to a deficit in any single year, it does highlight the precarious position of a significant number of institutions across the sector. Moreover, it also highlights the precarious position of institutions 'playing the (neoliberal) game'. Thus, as institutions continually realign themselves with neoliberal values, practices and rationales, such 'game playing' can seriously threaten their core mission and, for some, their future survival. Further realignment can seriously compromise institutional (as well as personal/professional) independence and strategic direction. To what extent, we ask, have universities become *dependent* on the (neoliberal) direction of external policy 'partners' and to what extent have they themselves contributed to their own disempowerment? Ultimately, the neoliberal 'end game' is to realign the *raison d'être* of universities to the fullest expression of economic 'existence'. If indeed we are to undergo further

economic contraction, it is likely that we will also see responses based on a manufactured 'reality' and 'necessity' reflecting the existing redundant logic, amongst a number of other emerging discourses. Will universities simply respond to the newest forms of neoliberal realignment? If they do, we posit, some will fall even further 'behind the curve', others will cease to exist, whilst a few may weather the storm and thrive. Nonetheless, adherence to an outmoded logic will likely undermine the legitimacy of the sector as a whole and raise serious questions regarding its purpose. Alternatively, we ask if universities can collectively lead out on the next development cycle of HE reform. If they do, we posit, they may be able to authentically reclaim, imagine and practise another educational direction. For some institutions, their very survival depends on this latter choice. Indeed, given new external powerful forces at work, all universities may have no choice but to travel a similar path.

The environmental imperative: Waves of reform and the future of HE?

We argue that recent policy changes must not only be debated in relation to their potential outcome within the current reform frameworks but also in relation to wider change cycles and models. These are multifarious and none is definitive. However, they can help us avoid over-emphasis on contemporary solutions based on prevailing, predominant 'logic' and can support the development of a broader *sociological imagination* (Wright Mills, 1959). Thus, reflecting on wider change cycles can enable us to shed light on alternative possibilities and 'think ourselves away' from structurally and institutionally bounded 'realities'. Whilst there is not space for fuller historical periodisation and an examination of the various theoretical cycles of reform, in briefly considering just one of the major models (below), it is not difficult to see how this can refocus analyses and raise serious questions about the misguided nature of responses to recent policy developments across the HE sector.

Kondratiev (1925; 1935) waves (or K-Waves), consisting of hypothetical ‘long waves’, or ‘grand supercycles’, are thought to last approximately 45-60 years and are denoted by rhythmic cycles incorporating alternating periods of both high and slow growth. The ‘up-wave’ of such cycles are periods of economic expansion lasting around 25-30 years at their peak, followed by downswings, often longer and deeper than the up-wave. There are varied and complex interpretations of K-Waves, with some commentators suggesting the last upswing (the 5th K-Wave) began in the mid 1980’s, ending in the mid-late part of the first decade in the millennium, with a downswing expected to last until the 2020’s. Others (see Salum, 2017) focus on the dominant technologies emerging in each cycle of capitalism, suggesting that the fifth K-Wave was characterised by telecommunications and informatics, and that the sixth wave, emerging around 2030, will be driven by developments in robotics, human enhancement technologies (HET) and alternative energies. Similarly, Šmihula (2009) drew on Kondratiev, suggesting a modified model, and predicting a sixth, post-informational technological revolution wave beginning in 2015. However, greater emphasis is placed on the specific technological revolution and Šmihula also suggests that each wave is likely to be shorter than its predecessor. The predicted, or hypothetical wave of post-informational technology, including renewable energy transition, purportedly began in 2015 and is expected to last until approximately 2035. It could easily be argued that we may well be in an early innovation phase of such a wave. However, we also argue that whilst the existing ideology prevails, markets will not fully embrace and drive such innovations into the mainstream, not least because existing patterns of conspicuous consumption, and especially the predominance and power of oil and gas based industries and markets indicative of the previous wave(s), are at odds with broader renewable energy transitions and lifestyles. To move to a full application and adoption phase of the next wave will also require broader ideological and systemic change and a move away from the

predominant neoliberal orthodoxy. Whilst neoliberalism could engender and establish markets in areas such as alternative energies and renewable energy transition over time, its underlying philosophy and emphases on continual growth, unsustainable practices, financial profit, unequal distributions of wealth, and so forth, is clearly the antithesis of an ideology required to support full adoption.

In recent years however, such wave models have been predominantly recast and used in an attempt to predict solely the performance of monetary and financial systems. It is therefore unsurprising that few, if any, commentators predicted the financial crisis in 2007 (or indeed, that there is limited detailed consideration of current warning signs, or of future ideology, social and systemic organisation). As King (2009) argues, the ideologically bounded responses of economists and policy makers resulted in the belief that the economic crash was inconceivable and that immediate responses were an attempt to restore the status quo.

... mainstream economists were the mental prisoners of formal models that made the global financial crisis unimaginable, and the heterodox economists who rejected these models were ignored, or dismissed as unscientific, by the mainstream. (p.389).

Furthermore, what is also often conveniently overlooked is that downswings are generally thought to be followed by a short period of relative stability and economic 'recovery' lasting around a decade, referred to as the *secondary plateau*. During this period, the perception that *things will continue as they used to be* persists. However, the anemic nature of the recovery, leaves economies vulnerable to fluctuations and uncertainty and, ultimately, it ends in a sudden, epoch defining, and potentially fatal, financial shock. We can postulate therefore, that the financial crisis of 2007/8 was, in fact, the end only

of the downswing, and not, as many hoped, the absolute end of the economic cycle prior to another up-swing. Instead, since 2007 (what we have termed the *reconstituted neoliberal period*), we may have experienced a secondary plateau, with governmental and economic responses informed by the same ideology, perpetuating the misguided notion that *things will continue as they used to be*. The next economic crash may therefore be imminent but this time it will likely mark the end of an ideological wave, and governments, institutions and individuals will require a wholesale rethink of their purpose for being. As we near the end of this second plateau, there are few signs that the government, or HE institutions, have realistically considered this possibility. Therefore, they are not strategically positioning themselves to respond effectively to the next supercycle, which will result (at the very least) in their legitimacy and status as thought leading institutions being seriously questioned.

We argue that mere reproduction of an outmoded economic and ideological model will no longer suffice, as we are now facing a far greater challenge than ever before. The blind faith in the promotion of conspicuous and invidious consumption (Veblen, 1899), predicated upon profit and loss motives through competitive markets, is unsustainable and impoverished. The exhaustive narcissistic, parsimonious and hedonic psychological conditions induced by hyper-consumerism, predicated on immediate gratification, have guided us to the brink of moral and financial bankruptcy but, more alarmingly, environmental degradation and disaster. This new ‘reality’ will influence the shape of the next supercycle and necessitate fundamental and radical changes in the way societies and economies operate. It will require a significant refocussing of predominant systems and deployment of emerging technological developments. If Šmihula (*op cit.*) is correct, these wave-defining technologies are already in existence however, they are still in their relative infancy and currently bounded by neoliberal systems logic. It will require an ideological

overhaul and systemic shift for them to become mainstream and fulfil their epoch defining potential.

As Pelletier and Tyedmers (2011) state:

Market signals generated within our current economic system are inherently flawed due to the inability of the price-determining neoclassical paradigm to account for the central role of ecosystem goods and services and the limits of sustainable scale. As a result, the implicit and explicit use of price-based information introduces distorting biases that fundamentally misrepresent the environmental dimensions of economic activity from a biophysical perspective. We therefore propose that LCA [Life-Cycle Activity] models explicitly exclude market information whenever possible and rely instead on best-fit biophysical parameters...(pp. 341-342)

Across the UK HE system, institutions bought into, willingly or otherwise, the new conditions reflective of the reconstituted neoliberal period, rather than providing the academic thought leadership often associated with academia. In doing so, they have not only served to perpetuate and exacerbate a failing system and ideology but have also positioned themselves further away from the next significant supercycle and related waves of reform. This may ultimately undermine perceptions about their validity and legitimacy over the longer term.

Of course, we accept that our arguments depicting the end of neoliberalism may be contested and considered naïve, not least because those with greater power and capital are always better placed to adapt and reinvent systems, and themselves, in order to respond to, and exploit, emerging local and global conditions. They are too, better situated to reframe any crises of legitimacy by apportioning blame elsewhere, dismissing alternative narratives, and imposing sanctions upon, and thus 'conditioning', those already subject to their power.

However, the current economic vulnerability is also occurring against a wider backdrop of uncertainty and dissatisfaction with the prevailing orthodoxy. This has spawned new sites for struggle and action and led to new social movements presenting alternative discourses, with a greater emphasis on social and economic injustices and inequalities and also the environmentally deleterious impacts of neoliberalism. Similarly, whilst the effects of recent HE policies will play out differently across various institutions over the short term, the system wide subordination to the neoliberal market epistemology is now being seriously questioned. At the time of writing, it appears that a series of national strikes focussing on pay, pensions and working conditions, are to be called. Student fees and their effects on levels of personal debt are now being discussed in relation to wider issues of wealth distribution and personal benefits, whilst the purpose and role of social structures, systems and institutions are now being scrutinised in relation to greater environmental concerns.

Recent economic uncertainty has called into question whether neoliberalism can ever be a sustainable economic model, let alone one that can support social and ecological sustainability. Alternative discourses are emerging and intensifying and finding voice through less traditional channels, mechanism and populations. These are global movements with counter narratives that clearly single out neoliberalism and its lead role in promoting environmental degradation and climate change. As neoliberal economics once again teeters on the brink of recession, and perhaps collapse, we ask if we are at the start of a new wave or supercycle. If this is the case, how will societies and economic systems respond? Will they ‘carry on regardless’, culpable of pursuing exploitative, ecocidal, meaningless fiscal growth policies that inexorably risk their legitimacy; their very existence? Moreover, how might the HE sector respond? Will it embrace the ‘business as usual’ logic, or will universities turn away from their generative role in this crisis and authentically begin to reclaim, imagine

and practise another educational mission? The real opportunities for the HE sector should be in leading the way and driving change, not clinging to redundant and unsustainable worldviews.

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Notes

¹ At the time of writing, uncertainty still shrouds the nature and effects of Brexit. Standard & Poor Ratings Agency reported that a worst-case scenario 'no deal' Brexit could result in: unemployment rising by up to 3.4%; house prices falling by 10%; incomes falling by £2,700 in the first year; and inflation rising to 4.7%, resulting in long term recession. Whilst this is a 'worse case' scenario, there will likely be significant economic and social disruption into the future.

² Years in brackets, our emphases

³ Personal communication with authors, 2018.

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