

Neoliberal Politics of Innovation and its Opposition at the University: The Case of Finland

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The current struggle waged for the control of education is of utmost importance for the Establishment bent on reshaping society according to market needs and ideals. No longer can we live under the illusion that higher education is a marginal phenomenon of importance only to those inside the academia; on the contrary, the new capitalist economy sets new standards for the exploitation of knowledge. As the neoliberal form of globalisation pushes industry to countries with cheap production costs and weak labour rights, universities have an important social task to fulfil: to provide material for “innovations” through research so that economic growth can be sustained. Geared to the corporate demands, these “knowledge factories” occupy a central role in the economy based increasingly on immaterial production. However, the appeal to the “social role” of the universities is, nothing more than manipulative rhetorics to hide the fact that it is not society as a whole which benefits from this state of affairs, but corporations seeking strategic advantages over their competitors on the markets.

However, as the implications of the marriage between the university and the corporate world are becoming more and more obvious, a global opposition is rising. This opposition acknowledges that universities have always had their social roles to fulfil and that, for example, under State guidance academic freedom was similarly repressed. However, there is a growing consensus that the current neoliberal reforms represent a new kind of threat to universities. Some critics appeal to the traditional educational role of universities; others seek to redefine the tasks and aims of the coming universities in a more radical fashion.^[1] Furthermore, student movements across the world are engaged in building conditions for the democratisation of universities.

The case of Finland offers an illustrating example of both the systemic attempts to reform higher education along the lines of neoliberal politics of innovation and the growing opposition against this trend. According to the plans of the current centre-rightist government Finland is supposed to be the leading country of innovation in the near future. Given the long tradition of bureaucratic consensus politics and the relatively low degree of citizen activism, the elites have a fairly good chance to realise their vision. However, a resistance is rising also at the Finnish universities against the elites’ plans. In this article an attempt is made to highlight certain details and implications of the global struggle for the control of education through the understanding of the Finnish case.

Towards the neoliberal “society of innovation”

The deterioration of the economic conditions of traditionally strong Finnish industries like

pulp and paper industry and shipbuilding industry in the context of internationalised market economy together with the high education rate (even by Western standards), have led the country's political and economic elites to envisage a transition to the "society of innovation" as the only viable way to sustain economic growth and thus secure the foundations of the "welfare state". After the 1990 recession, Finland invested strongly on education, R&D and information technology. The current centre-rightist government, ruling with the help of Greens eager to sell out their ideals for a share of political power, has firmly continued and expanded this policy.

The implications of the elites' vision on the level of adopted policies are becoming visible, as the government has started push ahead its reforms and measures which aim at a wholesale control of the higher education and the production of knowledge. The undemocratic nature of these reforms is evident despite persistent attempts by the elites' to masquerade the passive adaptation of global neoliberal policies as a process based on democratic and open dialogue between the citizens and the lawmakers.^[2] The spearhead of these reforms is the new Aalto University – amalgamation of three already existing universities: Helsinki University of Technology, Helsinki School of Economics and University of Art and Design Helsinki – which is supposed to start its activities in 2010.^[3] Aalto University, formerly known also as Innovation University, aims to establish a close partnership with the business world. This implies the extended funding of research by corporate money and the presence of corporate representatives at the board of directors.

University leaders like Aino Sallinen, the Rector of the University of Jyväskylä, have responded to the elites' call for innovation. In Sallinen's view, the relationship between humanism and technology, culture and economy should be made closer to improve competitiveness and welfare. Arts and humanities have now new priorities; among them are knowledge of business economics and contract jurisdiction, advertisement, marketing and international skills.^[4] Studies are categorised and marked reflecting market ideals of competitiveness and rivalry: acknowledged research projects are rewarded with the status of "excellence", while others must settle for their secondary role.^[5] Students and teachers are expected to conform silently to the elites' plans. Prime Minister Matti Vanhanen made this exceptionally clear when he stated that the government "will no longer tolerate" any time of intermission for young persons leaving gymnasium and entering higher education. The simple input/output –model applies here: insert the student into the knowledge factory, wait for four to five years, and you have created an innovative worker who is eager to accept any role offered to him or her by the industry. The discrepancy between the elites' dreams and the current realities becomes even more evident when we contrast these visions with simple facts that people are working more than ever before, which is reflected in the deterioration of the working conditions and in the increase of work related stress and mental health problems. The fusion of "creativity" and "efficiency" under the guise of the ideology of innovation results in a thwarting of life – and facilitates the creation of new kind of dependencies between the worker and the system.

The Finnish reforms were given concrete manifestation in the new university law proposed by Vanhanen's government.^[6] This law, crafted to meet the demands of the Bologna process, would give universities "an independent legal personality, either as public corporations or as foundations under private law" to encourage them to seek more private funding. It would change the composition of the university boards, so that half of its members could be persons external to the university community (i.e. corporate representatives). It would make it possible to charge tuition fees to students from outside

EU/EEA countries (extremely controversial subject in Finland because of the traditionally strong consensus that all education should be free). Furthermore, it would transform civil-service employment relationships of the university staff with contractual employment relationships. In the University of Helsinki, the impact of university law would be further strengthened by the new university regulations, which would concentrate more power to the high administration according to the top-down hierarchy favoured by the New Public Management ideology to improve efficiency in the decision making.

As indicated above, the new university law is a part and parcel of a broader set of neoliberal reforms aiming at a wholesale control of knowledge and education under the context of internationalised market economy and global capitalism. The Finnish example makes this exceedingly clear: at the same time with the university law the government has proposed a new legislation regarding the confidentiality of electric communication – dubbed “Lex Nokia” because of the claims that Nokia corporation had threatened to move abroad if the law wasn’t passed – that would give private corporations and certain communities the right to investigate identification details of internet users.^[7] Also, a new copyright law is being prepared behind closed doors, that would possibly hand over the workers’ rights to their own productions to their employers.

To grasp the full extent of these neoliberal reforms and to see what kind of transformation in society and culture they necessitate, a glimpse at a broader social and economic context will prove useful. The leading daily newspaper in Finland, Helsingin Sanomat, published recently several articles dealing with innovation, Aalto University and the new university law – all along the lines of the elites’ plans.^[8] The most illustrating piece was, however, an interview of Curtis Carlson, president and CEO of SRI International, a research institute based in Silicon Valley, California. In Carlson’s analysis, we are experiencing a shift to innovation economy, which calls for a closer co-operation between universities and investors. Students are expected to internalise the attitudes needed in the innovation economy and to see possibilities instead dwelling on problems.^[9] Education at all levels will be planned according to the demands of the innovation economy. But even this is not enough: Carlson advises the Finnish government to create a “society of innovation”, in which the culture of innovation is completely internalised by the citizens, who will subsequently think and understand in terms of innovations.

This is what the ideologues of the system proudly declare as their ideal and their vision for the future. What is disturbing, however, is that the sermon of innovation tolerates no criticism. After all, we need to concentrate on possibilities and not on problems (as the opportunist rhetoric of assimilation and adaptation goes). The “power of positive thinking” fuels the innovation economy, which is considered to be the only viable model according to which education and society as a whole can be moulded. Political and economic elites suggest that this is a choice that has to be made, but is there any room for genuine choices if their conditions are already predetermined? The manipulative juggling with words hides that fact that a choice without any real alternatives is not a choice at all, but a necessity which has to be accepted as a given.

Equally disturbing is the fact that the current reforms of education aim to create an intricate web of control mechanisms consisting of small parts which in isolation seem relatively harmless (albeit irritating), but when put together they form a serious threat to academic freedom. The build-up of control mechanisms is, of course, not without purpose, but an essential part of a profound restructuring of society according to market standards

and ideals. Commercialisation and privatisation of the university reflects the corresponding developments taking place in society and culture at large.

In this context control at institutional level is not enough, but must be complemented with more far reaching manipulation of identities in the socialisation and education process. As indicated by the above examples of innovation ideology, strong emphasis on immaterial production in the current phase of capitalist economy necessitates all-encompassing control over life. Students and workers are encouraged to internalise the values and presuppositions of the culture of innovation, to consider their work projects as their personal projects, to identify their advancement at the professional markets with their personal growth, to think, feel, perceive and sense in terms dictated by the economy. It is confounding to see how the new techniques and forms of control (as analysed by the Frankfurt School thinkers, Foucault et. al) which rely on the internalisation of authorities are being advocated as ideals worth pursuing by the ideologues of the system.

The Struggle for Autonomy and the Opposition to the Technocratic Reforms

The current neoliberal reforms have ushered a resurgence of the Finnish student movement, effectively dormant during the 1980's and 1990's. In comparison with its French, Italian or Greek European counterparts the Finnish movement is still fairly small in scale. However, given the traditionally low participation of Finns in civic activism and direct action, the new movement has gained considerable attention in the media and, more importantly, has managed to break down the custom of approving grudgingly and without noticeable resistance any bureaucratic measure introduced by the political elites. The students are creating active forms of resistance to botched policies and are finally standing up to defend their autonomy.

The main target of criticism, and the foremost cause for resistance, is the new university law, which is perceived as a threat to academic freedom in several ways. First of all, the possibility that half of the board members could be persons external to the university community constitutes an overt dismissal of the principle of autonomy at the universities. Patronage rarely comes without strings attached. The experiment with tuition fees is seen as a step towards the privatisation of education. Replacing the civil-service employment relationships with contractual employment relationships makes it easier for the university administration to push ahead any reforms without experiencing any noticeable resistance. As the university staff is already afraid to speak up because of the fear of losing their vacancies, it is evident that this deterioration of their position doesn't particularly further open dialogue and democratic decision making at the universities. At a more general level the criticism addresses the above mentioned fact that the law is merely one facet of a larger set of neoliberal reforms aiming at an increasing control over education and the transformation of universities into "knowledge factories", with the primary task of providing applicable material for the corporate world.

The student movement started its active resistance against the planned reforms with the occupation of the Old Student House at the University of Helsinki in November 2008. A general meeting of the students and university teachers opposing the law was held in January 2009 at the university premises, which came to a unanimous conclusion that the new law should be repealed. "Opiskelijatoiminta" ("Student Action") organised two big

demos in Helsinki, while similar groups in other Finnish University towns joined the protest by organising active local resistance against the law. Both demos were followed by occupations: first the students occupied the Administration Building and the Rector's Office of the University of Helsinki, while the second demo led into the occupation of the University's Main Building. During the occupations workgroups dealing with topics such as autonomous studies, resistance against the increasing control of education, squatting, detailed critique of the new university law etc. were organised. Both demos and occupations were closely covered by the media – partly because the consensus-driven politics of Finland lacks the strong tradition of direct action. Another big demonstration is planned for May Day 2009, this time in co-operation with other activist groups.

Minister of Education Hanna Virkkunen of the National Coalition Party responded to extensive criticism and student movement's activities with a much ridiculed statement that the new law is the second best thing that has ever happened to the universities; the best thing being the actual founding of universities. Virkkunen and others insist that the new law increases the autonomy of the universities, since it gives them independent legal personality and decreases state tutelage. However, apart from the self-evident fact that the new law certainly doesn't mean an end to state guidance since it is still the state which decides for the national educational politics, it is puzzling how the replacing of a certain form of tutelage (state) with another form of tutelage (markets) could be seen as a step towards the autonomy of the universities.^[10] Advocates of the law have responded to criticism also by arguing that autonomy seems to mean different things to different people – apparently, in their conception, autonomy of the universities is best guarded by handing it over to business representatives and by reshaping the whole higher education to meet the markets needs. Finally, criticism to the reforms has been countered with such outright lies that the new law is something that the universities have eagerly waited for a long time and that it has broad support inside the academia.^[11]

The introducing of the new university legislation is another example of how the technocratic measures of the representative "democracy" fail to meet the even basic demands of democratic procedures. Initially the law was prepared behind closed doors, with a very tight schedule. Specialists and university staff were either not heard at all or their commentaries were ignored. When the draft of the law was eventually published and received widespread criticism, advocates of the law responded by stating that the students and other critics woke up too late. The whole process shows quite clearly how the rhetorics of "democracy" are being used to justify the technocratic rule which is implicitly based on the idea that social issues can be solved like technical issues with the administrative and political elites deciding "for the good of the people".

One of the main characteristics of the Finnish student movement is its ideological diversity. However, what comes to its criticism regarding the increasing control over education and its commitment to the creation of autonomous studies the movement is fairly uniform. The adaptation of direct democracy, in turn, indicates that the movement is not only carrying out its criticism in theoretical terms, but has embedded the search for more democratic forms of education to its very activities. In general, the student movement attempts to create concrete alternatives to the "knowledge factory" -style universities – alternatives based on open access to knowledge and actual autonomy of the universities (as indicated by the absence of external patronage and the application of genuinely democratic methods of decision-making). What poses an extra challenge to the movement is the lack of support for radical actions among the majority of the university

staff – although some researchers and lecturers have participated actively in the protest. As of now, the students must largely rely on their independent activities without expecting any massive help from the university labour unions.

Conclusions

The future of the Finnish student movement depends largely on whether it will be able to extend its criticism and activities beyond the new university law, which the Government is planning to put into effect during the following months. For some this implies a need to see the university opposition in terms of a more organised anti-capitalist framework, which gives a possibility to perceive university struggle as a form of class struggle – a struggle of highly educated workers under knowledge capitalism.^[12] What is essential to grasp is that reforms like the new university law constitute a part of a broader process aiming at a commodification and marketisation of education and society as a whole. There is a need to form radical opposition and concrete alternatives to the prevailing trends on the basis of a new understanding of the role of knowledge workers under capitalism built increasingly on immaterial production. Instead of seeing the critique against academic repression as a marginal issue, of importance only to the academic world, it should be seen as a crucial part of the antisystemic movement which is forming globally.

The increasing control of education must be countered with active resistance and formulation of alternative approaches to the educational process. At least in Finnish context this calls for a radicalisation of the student movement and a closer cooperation with other social movements. Furthermore, this implies that the new social movements must be able to combine spontaneity and diversity of the forms of critique with a more determined antisystemic organisation to avoid simultaneously, on the one hand, the degradation to a one-dimensional ideology and, on the other hand, the weakness resulting from the fragmentary and sometimes reformist stance. What is clear, however, is that there is no need to resort to nostalgic longings for the imagined past autonomy of the universities or to engage in a task of restoration of the “old” university. The autonomy of the higher education can be furthered only by seeking to redefine the role of higher education through new diverse forms of organisation, studying and decision-making – as Antti Salminen, Tere Vadén and Juha Suoranta have suggested in their *Tuleva yliopisto*.

It is to be expected that the systemic control of education will be further strengthened in the coming years. The current capitalist economy, relying on the fruits of immaterial production, needs universities now more than ever – thus, it must be able to extend its control over all aspects of academic life. In this sense academic freedom is certainly under severe threat and the pressure against it will undoubtedly be correspondingly intense. However, the situation can be turned upside-down: as the economy is more and more dependent on highly educated knowledge workers their refusal to co-operate can create possibilities for the growth of a more organized antisystemic struggle against the rule of the state and the markets. What remains to be seen is whether the increasing control over all aspects of life and the coming social instabilities will be passively accepted or whether they will materialise in a new radicalisation of the antisystemic movements.

[1] In Finland the former stance has been adopted by Heikki Patomäki, and the latter by Antti Salminen,

Tere Vadén and Juha Suoranta. See Heikki Patomäki, *Yliopisto OYJ* (Helsinki: Gaudeamus 2005) and Antti Salminen, Tere Vadén & Juha Suoranta, *Tuleva yliopisto*, <http://content.yudu.com/Library/A12e37/Tulevayliopisto/>.

[2] Here the current administration follows the age old Finnish tradition of adopting the internationally dominant social and economic ideology. Just as the ideology of the welfare state was adopted principally after the Swedish example, the current neoliberal ideology has been adopted from the main ideological organisations of the current global system. However, this is not meant to indicate that the reforms are simply result of a change in ideology, since the politicians really have no options but to adapt their policies to the systemic demands of neoliberal globalisation. For a further elaboration of this problem see Takis Fotopoulos, "Systemic aspects of academic repression in the New World Order". *The International Journal of Inclusive Democracy*, Vol. 4, No. 4 (October 2008).

http://www.inclusivedemocracy.org/journal/vol4/vol4_no4_takis_academic_rep.htm.

[3] Not surprisingly, the merging was carried out through bureaucratic measures and the plans went ahead despite the vocal opposition of the students and teachers of the University of Art and Design. One example of this opposition is the short anti-commercial *Aalto University* by Jussi Rautaniemi, a student at the Film Department. See <http://www.youtube.com/watch?v=BUkdcwGl2eg>. See also <http://blogumentti.blogspot.com/>.

[4] See Aino Sallinen, "Taide, talous ja teknologia kaipaavat lähentymistä", *Tiedonjyvä. Jyväskylän yliopiston tiedotuslehti* 5/2006. <http://www.jyu.fi/hallinto/viestinta/tiedonjyva/tjyva0506.pdf>.

[5] Similarly, the status of "excellence" can be given to universities, researchers etc., as indicated by the hilarious custom of addressing the planned Aalto University as the "University of Excellence".

[6] For the outlines of the law, see the official publication "University reform" by the Ministry of Education at:

www.minedu.fi/OPM/Koulutus/koulutuspolitiikka/Hankkeet/Yliopistolaitoksen_uudistaminen/index.html?lang=en.

[7] Minister of Communications Suvi Lindén even opined that a private enterprise can force its workers to strip naked, if necessary, to investigate whether its confidentiality has been breached. Needless to say, Lindén's remark was met with harsh criticism and she later tried to defend her sayings by claiming that she was just joking.

[8] See Tanja Aitamurto, "Mahdollisuuksien obeliski", *Helsingin Sanomat* (5/4/2009).

[9] Erich Fromm's analysis of the "marketing orientation" from 1947 anticipated these contemporary developments, which aim at more effective forms of control over the worker. Personalities are made into commodities, and their value is decided on the markets in competition with other commodified personalities. Adaptation and assimilation to the prevailing social and cultural expectations is crucial for the person with the marketing character. See Erich Fromm, *Man For Himself. An Inquiry into the Psychology of Ethics*. (London & New York: Routledge 2003), p. 49–60.

[10] Moreover, since the state already has become to a great extent the administrative arm of the markets, it is highly questionable how the replacing of indirect control mechanisms with more direct control of the university by the business world could further their autonomy.

[11] One quick example against this falsification is the inquiry carried out by professor J. P. Roos which shows that the overwhelming majority of professors are against the new law. See <http://opiskelijatoiminta.net/2009/02/23/kysely-hyn-professoreille-uuden-yliopistolain-kannattajat-ovat-vahemmisto/> Furthermore, Finnish Union of University Professors issued a statement in April that the new law has been poorly prepared and that it lacks the support of the university staff.

[12] See, for example, the publications of the "Megafoni"-group at <http://www.megafoni.org/> (in Finnish).

