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Speculating on the university: Disruptive actions in today's corporate university*

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abstract

In the last two weeks of February 2015, the University of Wisconsin System and UW-Madison administration went on the defensive against the hemorrhaging of state support for higher education in Governor Scott Walker's proposed Biennial Budget – including USD300 million in budget cuts to the university (the largest cut in the 44-year history of the UW System). However, in order to more clearly understand the situation, the budget cuts and university restructuring need to be analyzed within a larger historical and political context – one in which a push for privatized education has happened not simply due to partisan divisions at the state Capitol, but also because of financial and material incentives for the UW System. While the unprecedented cuts can be viewed as part of a nationwide trend of the contraction of state educational funding, they should also be viewed alongside the university administration's ongoing attempts to gain more control over construction projects and the student fees that pay for them. While university administrators position themselves as defenders of public education who are losing control of state financial support, we argue at the outset of our article that it is quite evident that they have been complicit – if not proactive – in seeking further separation from the state in order to gain the 'flexibility' to access and increase the student tuition dollars necessary to remain competitive within an academic capitalist market.

* This paper is connected to the larger project of the 2014 Immaterial Labor Workshop at the University of Wisconsin-Madison – an interdisciplinary research collective of graduate students, post-docs, faculty and staff – that sought to better understand how the university of today increasingly draws on speculative financial relations. Many thanks to the workshop participants, and, in particular, Keith Woodward and Taylan Acar, who offered commentary on the initial version of this paper. Finally, thanks to the editor and anonymous reviewers whose feedback helped us to refine the paper.

Introduction

> How is it that ratings activity and trading operations carried out in the plush offices of banks and investment institutions have an effect on unemployed, precarious, seasonal, occasional and temporary workers? (Lazzarato, 2012: 14)

In the summer of 2015, Wisconsin Governor Scott Walker signed the state's biennial budget, which included $250 million in cuts to the University of Wisconsin System – the largest budget cut in the 44-year history of the UW System [1]. This followed months of negotiation with the university's administration, resistance from students and workers, and the political posturing of state legislators. While these cuts were not completely unexpected given recent trends in the state's political environment, this episode reveals some less obvious, but critical, transitions in higher education. In order to more clearly understand the situation, the budget cuts and related university restructuring need to be analyzed within a larger historical and political context – one in which a push for privatized education has happened not simply due to partisan divisions at the state Capitol, but also because of financial and material incentives for the UW System. While the unprecedented cuts can be viewed as part of a nationwide trend of the contraction of state educational funding, they should also be viewed alongside the university administration's ongoing attempts to gain more control over construction projects and the student fees that pay for them. Recent theorists of financialization and capital accumulation within the university have focused on the increasing investments in high-cost construction projects, which are meant to attract wealthy, out-of-state student 'consumers'. These investments require more easily allocable, or what Brian Whitener and Dan Nemser (2012) have called 'unrestricted,' capital than the state is willing to provide. Thus, while university administrators position themselves as defenders of public education who are losing control of state financial support, we argue at the outset of our article that it is quite evident that they have been complicit – if not proactive – in seeking further separation from the state in order to gain the 'flexibility' to access and increase the student tuition dollars necessary to remain competitive within an academic capitalist market.

This trend has significant and perhaps not immediately obvious consequences for UW system's students, faculty, campus workers, as well as the larger community. The second part of our argument thus turns to consider the ways in which that academic capitalist market has created a culture of discipline that the university employs to discourage ever-more precarious workers from

[1] State legislators ultimately reduced the Governor's proposed $300 million budget cut to $250 million, while at the same time removing tenure protections from state law.

participating in political actions against the state and the university. Historically, the UW system, like other universities, has considered implementing new forms of 'behavioral assessment' for selecting and hiring job candidates that privileges subjects unlikely to rock the proverbial boat. More recently, administrators have actively discouraged employees from participating in protests against the budget cuts as well as the increasingly corporate nature of the university. We argue that such discouragement is not simply a political calculation on the part of administration, but rather a product of a general tendency in higher education today to treat campuses as sites of investment. Thus, they must appear to be glossy investment portfolios, stable and unlikely to be threatened by disruptive actions like protest and occupations that cast students as agitators rather than consumers. We describe what the long-term mechanisms, both neoliberal and more explicitly direct applications of force, have been for creating a docile workforce. We conclude with an argument for the importance of disruptive actions such as occupations, tuition strikes and work stoppages that are coordinated across different labor sectors on campus as a way to make the immaterial, financialized nature of the university a material site, and a site for subjectivizing unruly subjects.

Rereading crisis and repositioning the university

In early 2015, one of the primary credit rating agencies in the world, Standard & Poor's (S&P), issued a report, *Upping the ante: Costs of luring top students keeps the outlook negative on U.S. not-for-profit higher education sector*, which lays out in stark terms the current dilemma faced by universities and colleges that try to balance the increasing costs of attracting students with the challenges to accessibility and affordability. As an assessment of the future prospects for investors in university debt, the report considers the question of whether higher education will continue to be a desirable commodity, concluding: 'while we believe the demand for higher education overall is sound and that the need for post-secondary education will increase over time, the viability of individual institutions will depend on how well they can demonstrate their value and respond to potential students' needs' (S&P, 2015: 2). In this formulation, the future of these educational institutions depends on two principal factors: demonstrable value and student needs. It is arguably in pursuit of these factors that university administrators from around the country are 'marketing their schools as luxury goods' and investing in non-academic 'lifestyle' student services (Strike Debt, 2014), subsequently increasing the pressure of costs and thus accessibility for students.

It is this well-spring of tuition that has led U.S. public universities, like those in Oregon, Texas and Virginia, to launch campaigns to gain the right to control tuition setting. They want, and indeed are compelled, to be players on a market that seems relatively stable and secure, even if they are on the opposite end of the financial market from the investors and traders whose profits are floated by student debt.

Even well-informed and well-intentioned critics seem unaware of this context, presenting the crisis around student debt and the rationale for tuition increases as a problem strictly of declining state support.[2] Indeed, UW administrators oftentimes point to the fact that fifty years ago state dollars composed 90% of core educational costs, and that today state funding covers only 40% of the core budget and 15% of the overall UW-Madison budget. From their perspective, the spike in tuition costs is a product of the decline of the welfare state – one in which the stability of the university had been guaranteed by the state's investment in the public good that no longer holds today. Instead, we want to suggest that our analysis should attend to the speculative or future-oriented investment strategies that propels the risky drive to access tuition today in an increasingly corporatized university. From the former perspective, falling state investment needs to be replaced by student tuition and fees; but from the latter perspective we can see a qualitative difference between tuition dollars, which is the only unrestricted resource available to the university. Thus the relationship is less supplementary than it is speculative, less about decline and more about investment. While the more popularly accepted narrative focuses on two key revenue streams that come into the university, it neither attends to the way it is used nor to the ways in which labor is also restructured in the university.

Slaughter and Rhoades posit that changes in the neoliberal university have not resulted from externalized pressures, but from 'the internal embeddedness of profit-oriented activities as a point of reorganization (and new investment)' (2009: 11) within the university itself. They argue that even in periods of relatively strong state support universities have continued to pursue a market-based approach. Thus, the decrying of state defunding on the part of hamstrung administrators trying to do their best in an age of economic austerity does not fully account for the university's increased reliance and generation of other revenue streams.

In the contemporary context and with the chance of a soon-to-be busted tuition bubble, universities around the country are competing to attract the same wealthy out-of-state students to their campuses. As pointed out in the recent Standard & Poor's report, '[s]tudents have become more demanding' (S&P, 2015:

2 See the report issued by PROFS (2015), a non-profit organization of UW-Madison faculty.

3), expecting a variety of amenities and upgrades such as climbing walls, private rooms, and state-of-the-art recreation centers. At UW, new, out-of-state freshmen increased by forty-two percent between 2003 and 2012 – and these out-of-state students paid more than twice as much as their in-state classmates (UW-Madison Academic Planning & Institutional Research, 2013).[3] To attract these non-resident students, administrators are increasingly taking on capital building projects such as recreational amenities. Since 2005 alone, the UW-Madison has completed capital projects totaling approximately $2.4 billion dollars. This building race – where universities are trying to out-build the competition – has lead to increases in tuition and fees. In Wisconsin, spending on non-instructional campus buildings has drastically increased in recent years.[4] On average, these building projects now cost each student $192 a year – and will continue to do so for up to 30 years (Secretary of the Faculty UW-Madison, 2014). Of course, this cost does not include the price of building maintenance, upkeep, and debt services (the interest that is paid, over many years, on the loans used to finance these projects). In the end, these building projects often cost more in debt service payments than the initial construction price tag. Currently, costs and debt service are largely guaranteed by fees and revenues generated from parking lots, dining halls and other non-instructional services. But with a public authority model that has been proposed alongside of the $300 million dollar cuts from the state, tuition is likely to become a significant – if not the primary – source for paying off bonds as well as providing the capital necessary for taking on future debt.

However, based on the recently released S&P assessment we mentioned above, it is safe to say that there is growing conservatism even on the side of investors to treat tuition as the never-ending promissory note that higher education administrators want it to be. In other words, while lenders and university administrators are looking at student debt from opposite sides of the table, in some sense they are both calculating its value and stability as a revenue stream in order to keep student debt circulating. The bets they are placing vary, but the

3 According to the 2014-15 Data Digest, this number has fallen to around 11.7% for the 2012-14 years. Nonetheless, that decrease does not detract from the administration's overall attempt to drive up out-of-state student population numbers. Indeed, in response to the most recent round of budget cuts anticipated for 2016, in October 2015 the Board of Regents agreed to UW-Madison's proposal to lift the cap on out-of-state students entirely, circumventing years of resistance on the part of some faculty and staff to maintain the historic cap of 27.5%.

4 General Fund Supported Borrowing' refers to bonds that are paid for by state funds. The majority of construction projects built since 2003-05 have been paid for by gifts, grants and overwhelmingly by 'Program Revenue', which includes student fees and revenues from transportation, housing and dining services.

most recent financial debacle in Wisconsin discussed below shows that the outcomes are as-yet undetermined and the promise of financialization continues to guide administrative decisions about the more traditional resource of labor – including the costs and management of workers.

The case of University of Wisconsin: The Midwest at the center of crisis

In this context, university administration has come to treat tuition as the most reliable source of future revenue – or, more appropriately, the money for investments. This could not be more relevant for the recent failed bid for autonomy from the state we recently saw in the University of Wisconsin System. In exchange for historic budget cuts, the UW System was offered 'freedom' from legislative control and continued, if not less inhibited, access to 'unrestricted' revenue. Foreshadowing this exchange, in the previous semester UW-Madison Chancellor Blank stated that increasing tuition not only makes the university more competitive, but is an imperative given that other funding sources such as federal research grants and private donations are less reliable. During a presentation to the UW Board of Regents, the Administration urged the Board to address the decreased tuition revenue that had resulted from the tuition freeze in 2013-2014, enforced by the State Legislature. Prior to the freeze, the System had hiked tuition at four-year campuses 5.5 percent annually in each of the previous six years. The proposed cut – $300 million-from the state's allocation to the UW System – equals 19 percent of the System's overall revenue. This makes it the *largest single budget cut in the 44-year history of the UW System*. Despite their outcry over the amount of the cuts, the administration also saw this as an opportunity to implement a public authority, also known as a public-benefit corporation, another name for the reduction of state regulation of the university.

The public authority model was vaguely articulated in the language of the budget and details were largely unknown when it was offered to the university (Herzog, 2015b).[5] The murkiness of a project for which the UW System was potentially accepting millions of dollars in cuts did not escape notice. Indeed, a graduate student asked the Vice-Chancellor of Finance and Administration at a budget forum, 'If we don't know what exactly the public authority model contains, why do we want it?' Because the intention of a public authority is to establish

5 The public authority model was ultimately eliminated from the budget. Due to sustained critique by faculty, staff and students and concerns by the Board of Regents that serious legal issues were not considered when System President Ray Cross rushed it into the budget, legislators excised the provision in the final stages of budget negotiations. For a blow-by-blow account of the sea storm of debate over the public authority, see Professor Nick Fleisher's blog, languagepolitics.org.

independent oversight for a previously state-run institution, Wisconsin statutes did not provide a single definition or model for what UW System's public authority would look like. But the Governor's state budget asserted that it would increase the university administration's 'flexibility.' In short, as we wrote elsewhere,

> the public authority was to provide (1) the power to expand tuition revenue; (2) to have greater control over construction projects (both in development and issuing bonds); and (3) to have more control over employee compensation and the personnel system. (Hanson et al., 2015)

The growing administrative class in universities pursue such flexibilities, which we prefer to call 'hyper-extensions', in an attempt to increase access to tuition and student loans, which subsidize new construction projects (Hanson and Noterman, 2015), at the same time that they allow them to reduce labor costs through outsourcing (Lee, 2014), attacks on labor unions (Schirmer and Hanson, 2012), and increased managerial power.

In our particular example of the UW System, the public authority model would have, in theory, given the UW administration the 'flexibilities' to control both tuition rates and bond sales. While that model ultimately failed to pass legislative consideration, it is only the most recent proposal for autonomy in a long precedent previously set by the UW System. As we recounted in an earlier piece, 'the university's struggle to reduce reliance on state support reveals the proactive, rather than passive, work on the part of the administration to gain greater access to the unrestricted and debt-generated revenues' (Hanson et al., 2015).

While the state disagreed with the Task Force's recommendation to remove the state from the design and implementation of new buildings, they agreed that the System should be given the capacity to lease, or bond, their own projects. This ability, however, 'would require statutory changes' that the UW System did not have in 2012 (Special Task Force, 2012: 59). In making an appeal to the state for greater control over capital projects, the Task Force made an important point for us to keep in mind. Of *all* UW System projects, nearly 60 percent each biennium are funded by university-generated revenue and receive no taxpayer support. This means that only 40 percent of the construction projects built on UW System campuses are paid for by state tax dollars, and thus only 40 percent are built primarily or specifically for instructional purposes. So even though it does not have complete control over tuition and the ability to issue bonds, as some other universities do, the UW System has still been able to launch a building spree wherein the *majority* of their buildings are paid for by student-generated funds and are not primarily used for academic purposes.

The long-sought statutory changes recommended by the UW Task Force finally emerged in the recent budget bill proposed by Governor Walker, which sought to grant bonding issuance and management to the UW System for those projects not backed by public monies, or general purpose revenues. It explicitly would have allowed the System's Board of Regents to:

> *issue bonds that are not public debt* and specifies that the state pledges that, unless bondholders are adequately protected, the state will not limit or alter any rights before the UWSA satisfies the bonds. *The bill eliminates all appropriations to the UW System under current law, except general purpose revenues for educational programs and the payment of certain construction debt.*' (Wisconsin Legislature, 2015: 16-17, emphasis added)

The latter section of the above quote is important because it seems to suggest that funds to pay for non-instructional construction costs and debt service (the majority of construction projects on campus) would have no longer been guaranteed by the state, but by the UW Board of Regents (BOR) and its revenue sources. Historically, UW Madison's construction costs and debt service were backed by the state through general obligation bonds, which means they were backed by a certain percentage raise in taxes that could be levied to cover costs. In other words, all bonds issued to pay for university construction projects – for both academic and non-academic purpose buildings – were at least hypothetically backed by public debt. But what are the revenue sources that the BOR would have relied on had the public authority deal been successful?

In order to explain how the UW System would have paid for its future construction projects under a public authority model, we need to explain the important transition from the way that the UW System has previously played the 'buildings race' game. As we mentioned above, the System and UW-Madison in particular has already competed quite formidably. Since 2005, UW-Madison alone has completed 112 capital projects totaling approximately $2.4 billion dollars – not an inconsequential amount given that the number *does not* include the amount of debt service that will be paid off for each of those projects. In a 2013 presentation on the funding of capital projects on campus, the UW System reported that from 2013-15 its tax supported borrowing was $240 million while its program revenue, or student and operations generated revenue, borrowing total of $398 million. And as of 2014, there were approximately $399.8 million worth of capital projects at various phases of planning, design and construction. That the System has been able to compete relatively well with better endowed and higher priced universities like the University of Michigan and the University of California is impressive, given that they have not yet had the power to issue and guarantee their own bonds that the public authority would have given them.

The UW System instead relies on the State of Wisconsin, and by extension the credibility of the state's reputation, to issue and back bonds on its behalf. Their bonds are issued as General Obligation Bonds (GOB), which are backed by the state's ability to raise taxes up to 4% in the case of the UW System's, or any other state agency's, default. But this also means that the credit rating and thus its appeal to investors is not quite as high as that of the University of Michigan or the University of California system. Both likely maintain attractive status because they utilize General Revenue Bonds (GRB) instead of GOBs. GRB, as Bob Meister detailed in 2009, rely on campuses ability to promise, which is not the same thing as to spend or use, up to 100% of tuition revenues to guarantee debt repayment.[6] This means that while the UW System is not on the hook for bonds the way these other universities are, they also cannot attract the same kinds of investors or access the lower interest loans that Michigan and California can. That is, the good name of the state of Wisconsin is not worth as much as direct access to tuition revenues that can be raised at will. Up until this point the UW System has worked within the confines of its more limited prospects of indebtedness by maximizing the generation of other revenues, such as segregated fees.

In the last 10 years, on average, segregated fees at UW-Madison have increased by 90% – largely due to increases in non-allocables (student union, rec sports facilities, health services, childcare and tuition assistance programs) which have increased by 103% compared to a 45% increase in allocables (student organizations, student government, campus bus). Students have less control and input in altering non-allocable budgets which make up 80% of the segregated fee budget. In short, we do not need a crystal ball to know where the UW System is going – we only need to look to the past. In 2009, Meister sent shockwaves through the University of California system when he revealed that in order to continue funding the building boom on campuses across the state, the UC System had pledged access to *one hundred percent* of tuition revenues to pay off the debt service on those projects should all other revenues be cut. Why was tuition promised? Because, according to Meister:

> [A]lthough tuition can be used for the same purposes as state educational funds, it can also be used for other purposes including construction, the collateral for construction projects, and paying interest on those bonds. None of these latter uses is permissible for state funds. (Meister, 2009)

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6 Meister (2009) writes: 'By pledging "General Revenues" as security for each UC revenue bond, the Regents are pledging everything that they can, including tuition. This means that when any source of General Revenue goes up – including student tuition and fees – UC's ability to borrow on private capital markets goes up, and its dependency on state capital funding goes down'.

In other words, it is a more unrestricted and debt-generated source of revenue for the university administration. While the $300 million dollar cuts proposed in the Budget would have certainly necessitated tuition increases, so would have the UW System's newly acquired control over construction projects if they follow the trend suggested above. And if the cuts appeared as a surprise, the construction project 'flexibilities' were in the works for years.

Given the amplifying costs of debt service for capital projects, there is then a greater incentive (and arguably a financial imperative) for the university administration to regularly increase the price of university education. At the University of California System and University of Michigan tuition rates have increased dramatically. For example, between 2008 and 2010 student tuition rose by 109 percent across the UC system (Meister, 2009). At the University of Michigan, tuition has increased by 233 percent since 1990 (Occupy UMich, 2012). While the state of Wisconsin currently has a tuition freeze for in-state students at least until 2017, Chancellor Blank has asserted that she will be lobbying the Board of Regents to raise tuition for students not affected by the freeze – including nonresident students and those in professional schools (Herzog, 2015a). Given that after the last tuition freeze in 2004, tuition increased 18 percent (ASM, 2015), it is also very likely that following 2017, the cost of education will increase for all UW students.

In the current context, Chancellor Blank and UW-System Administration are walking a tightrope. On the one hand, they appeared to be shocked by the size of the cuts. On the other hand, they did not want to forgo the public authority opportunity, which would have given them the ability to control tuition and bonds. They publicly denied the connection between the two, officially opposing the cuts while supporting flexibilities. This leads us to conclude that an intensive project seems to have been underway in Wisconsin, in which the UW System and UW-Madison in particular are organizing themselves *as if* their financial power and reputation was already out on the market for assessment by agencies like Moody's and S&P, even if it means continual cuts from the state.

While they maintained a public image of opposition to the large cuts to the System budget, UW System and UW Madison administrators were eager to convince the UW community that cuts are inevitable and that we should all be ready to face the realities of the state's structural deficit. That reality required university employees to silently accept a deal with the Governor, which was brokered by the administration. At the Board of Regents meeting in March 2015, chancellors from the UW system universities and colleges reported rough estimations of how many jobs they might have to eliminate under the Governor's proposed budget (McCollum, 2015). According to chancellors' estimations, the proposed budget would result in 50-90 positions lost at UW-Stout, and 200 to 300 positions at UW-Milwaukee. UW-Stevens Point may have to eliminate 115 positions. The Chancellors of UW-Madison and UW-River Falls also added that it is impossible for them to avoid the layoffs with budget cuts at the current level. Finally, the UW-Milwaukee Chancellor Mark Mone added that the university is likely to face $24 million in cuts for two years in addition to the continuing cuts from the previous budgets. Mone stated that UW-Milwaukee may have to rely more on adjunct faculty, a form of precarious employment model becoming more common around the country (Flaherty, 2015).

The urgency of the budget cuts already had an impact on the existing positions around UW system schools. Only a couple of weeks after the announcement of the budget plan, UW-Stevens Point suspended all funding for Women's and Gender Studies courses for the 2015-2016 academic year. On February 11, at a campus forum with custodial and blue-collar workers, UW-Madison Chancellor Blank did not hesitate to announce that the first round of lay-off notifications would go out as early as April (Glaze and Punzel, 2015). Blank added that while she was not yet sure about the sizes of the cuts, all campus units should expect the number to be around six percent (Simon, 2015).

Risky credit and labor resistance: Disciplining unruly subjects

S&P's approach to higher education investing, which once seemed full of secure promise now takes a cautious tone. Indeed the recent report notes that, 'Beyond the general risk management planning that most colleges and universities have been doing for the past several years, recent events have increased the focus on topics such as student safety and on-campus violence, National Collegiate Athletic Association (NCAA) violations, and cyber security' (S&P, 2015: 3). These recommendations have less to do with student safety than they do investment returns. In a recent presentation about the shift towards risk-averse investment practices, Amanda Armstrong, a post-doctoral fellow at the University of Michigan, carefully detailed how financial advisers are now backtracking from their previous enthusiasm for the university as a site for investment. Influential financial advisers (the firm KPMG) in the University of California System, for example, acknowledge that:

> [Earlier] ratios had not been conservative enough to protect against financial meltdowns, and even that university managers probably shouldn't have been relying on abstract ratios in making investment decisions in the first place. [...] In their contextualist 2010 edition, the only advice the KPMG authors confidently assert is that central administrators must systematically incorporate a "risk management" framework into all dimensions of university governance, lest they be caught off guard again by financial or other shocks. (Armstrong, 2015)

Armstrong goes on to detail the ways in which these risk-averse practices have been translated into new bonding and leasing structures at the university but also how university campuses are being policed. She notes that under the leadership of former Chief of Homeland Security Janet Napolitano, the University of California System has increased attention on 'non-affiliates' or 'people perceived as having no direct tie to the university', whose presence on campus is considered to be 'a factor that increases the risk profile of a given event' (Armstrong, 2015). As a 'highly sexualized, racialized, and criminalized' figure, the 'non-affiliate' has been used by the administration to defend the use of violence against political protesters (Reclaim UC, 2012), such as in the case of Occupy Davis when 'UC Davis administrators, in justifying police violence against Occupy Davis protesters, attempted to associate the threat of sexual violence at occupy encampments with the presence of Oakland-based demonstrators on campus' (Armstrong, 2015).

Despite the very real differences in the options available to the UW System for promoting universities as a site of investment, it appears that these risk-averse tendencies are also influencing how employees and students are being instructed to respond to the recent fiscal crisis. Thus, the administration's response to the proposed budget has been to discourage protest as a form of political participation, and even to remind employees that protest actions and organizing cannot happen during work hours. On February 14, 2015, the fourth anniversary of the 'I Heart UW' Rally that initiated the occupation of the Wisconsin Capitol in 2011 by thousands of protesters, a couple of hundred UW community members assembled to demonstrate against Governor Walker's proposal to massively cut funding for Wisconsin's higher education. However, as we pointed out in another article, during the protest UW-Madison's Twitter page 'was busy issuing valentines to UW,' and 'gave no hint that active resistance was being organized on its campus that day, despite its subsequent attention on the front page of the *New York Times* and in the *Washington Post*' (Hanson et al., 2015). This is probably due, at least in part, to the fact that UW administrators actively discouraged resistance to the Governor's budget proposal.[7] Members of the UW Board of Regents also called for 'non-emotional' responses to the proposal (Schneider, 2015), 'invoking language loaded with gendered and racialized norms about "acceptable" forms of dissent' (Hanson et al., 2015).

7 This fact was disclosed to members of the graduate student unions in Madison (Teaching Assistants' Association, TAA) and Milwaukee (Milwaukee Graduate Assistants' Association, MGAA). Members of MGAA made a video response to the email, titled *Visibility* (Daigle, 2015).

Thus, in a city that witnessed the largest labor direct action in recent memory, the 2011 Wisconsin Uprising, we are now seeing a massive political backlash on our campuses. What campus administrators and even many faculty members advocate for is a kind of respectability politics instead of organizing active resistance. Indeed, in the face of massive budget cuts, entire campuses are expected to act the part of 'good' students and workers, investing all hope in the highest echelons of management. In this context, 'consensus is a disciplining project', demanding 'compliance with an employer that is already assessing where to cut jobs' (Hanson et al., 2015). This disciplining procedure almost emerged as a precondition of employment in 2011, when the UW System began developing a new HR or personnel system. During their initial research and proposal phase, a 'behavior-based selection process' was recommended as part of employee recruitment and assessment (UW HR Design, 2011). Behavioral sifting of this kind is aimed towards stability, and against volatility. As we have written elsewhere, it might be thought of 'as the psychological adjunct to the financial landscape,' where implementing a hiring review process that includes 'behavior' in its criteria, can be seen as 'symptomatic of the culture of financialization that extends across higher education' (Hanson et al., 2015). However, we argue that 'seeking well-disciplined and normative employees who are increasingly likely to face precarious working conditions is much like relying on student debt to build expensive buildings on university campuses' (*ibid*.).

The irony, of course, is that this selection process is designed to locate stable subjects for a workplace that is increasingly precarious and psychologically unstable. As Adam Hefty (2014) documents in regards to the development of mood or behaviour management in the post-WWII era, a new and complicated norm of 'disordered but commonplace conditions which need to be managed in order to achieve optimum productivity, assertiveness, and affective engagement' (Hefty, 2014: 1) has emerged. This new norm establishes an oscillating zone between certain psychological conditions like depression or anxiety and stability, with management as the key mediating term in between. This gives management an unprecedented amount of power. And much like student debt, the transfer of emphasis from something like class and race dynamics in the workplace to buzzwords like 'merit', 'personality' and 'interpersonal skills' are highly individuating and replace mobilizing affects like antagonism with mystifying affects like 'trust'.

To be blunt, it appears that the UW administration actively seeks a form of management flexibility that requires silent employees even as their jobs are consistently on the line. The published email communications from system President Cross contained a message from Madison Chancellor Blank about UW-Madison's University Committee:

> We'll see what pops out publicly by tomorrow morning. I have my faculty exec comm [sic] committed to letting negotiations move forward without public outcry, but I don't know if they contain certain elements of the faculty. (Simmons, 2015)

Chancellor Blank clearly favors a passive faculty even though this passivity helped convince Governor Walker and other state politicians that 13% state funding cuts could succeed. To reinforce passivity, some now claim that the budget cuts derive not from the 'public authority' proposal that originated with the UW-Madison administration and Governor Walker, but from those who have been outspoken against Walker and UW administration's privatization efforts. Those respectability politics, reinforced by an individuated and psychologized workplace, are being 'encouraged' from within a system in which protections for workers' and students' rights to organize have been severely reduced and in which hiring practices seek workers ready and willing to be managed without question.

Within the financialized landscape of higher education, it is becoming increasingly clear that docile workers are important not only for their labor which keeps the university running, but also for the continuation of seamless investment practices. To wit, the University of Michigan's General Revenue Bond prospectus tells potential investors when campus union contracts expire, and thus when workers could go on strike. Behind the university's strictly pragmatic rhetoric and political strategy – explicitly a behind-closed-doors approach – exists the unifying principle of precarity across financial practices, behavioral testing and securitization. Our task is to reveal this principle and utilize it to intervene at sites where the university is itself most financially precarious, rather than continuing to rely largely on symbolic actions such as rallies and marches.

Conclusion

Under the guise of resolving the problems of decreasing public investment, the U.S. university today has increasingly reorganized itself as a financial operation liberated from state regulation and divorced from its goals to serve the public. Even a university system like Wisconsin, which is currently quite limited in the ways it has been able to utilize financial tools like bonds, appears to be making decisions about employment, workplace discipline, and construction projects in a wholly Althusserian manner – acting *as if* it had financial 'flexibilities' perhaps in the hopes that they will materialize. University budgets indeed suffer from state cuts. However, as we emphasized above, administrations' attempts to gain financial liberalization, i.e. ability to borrow freely and invest in capital building projects, precede the budget cuts. More importantly, university administrations –

or at least the one in Wisconsin – have not challenged the massive cuts from the Governor's successive budgets, but rather tried to capitalize on them for financial independence. Both under former Chancellor Martin and current Chancellor Blank, UW-Madison's administration sought to gain financial autonomy from the state in exchange for cuts. Regrettably, in these attempts, both administrations utterly disregarded any democratic decision making processes and shared governance structures of the institution.

Thus, as activists and scholars, we must reorient our analyses and organizing tactics around the fact that universities consider financial capital as the instrument by which freedom and flexibility will be achieved. This logic of flexibility is extremely antagonistic to workers and many students at the university and should be responded to in kind, given the precarious position that institutions have put themselves in by making credit ratings and debt the means of their continuation. Engaging in disruptive actions is understood to be risky for job security and professional development because it is antagonistic, but the logic of 'flexibility' employed today by the university is inherently antagonistic to workers and brokers their futures on the fantasy of an infallible market. Indeed, this position makes disruptive actions like work-stoppages and occupations ever more useful as tactics for winning longer term gains, and presents important weak spots to be strategically exploited. Sites of accumulation and investments, like new luxury dormitories, are ripe for disruptions – especially in concert with the low-wage workers that staff them. If students are expected to be inveterate consumers, then it is also important to use disruptive tactics to educate students about this new university that they support through their debt.

The reorganization of the university through financial capital puts the future of the university as a public institution and public employer into jeopardy. Only a campus and a system-wide coalition can intervene to remake the future of this overarching speculative transformation of the university. It is too late to challenge this transformation with budget forums and meetings with administrators, who tacitly accept austerity measures imposed upon the university. Instead, university workers and students should cultivate disruptive tactics like occupations, work stoppages and tuition strikes that are being explicitly discouraged and implicitly becoming a threat to employment in universities like the University of Wisconsin. University workers and students are told not to participate in actions but to line up behind the administration, which claims to be serving the interests of the campus community. Yet over and over again, we witness their policies produce nothing but precarity for workers, nothing but tuition hikes and obstacles to accessing higher education for students. Disruptive actions could be the only effective tactics to stop the financialization of the university by making the consequences of these immaterial forces, explicitly material.

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