Knowledge Economy for Whom? How the neoliberal knowledge economy creates risk for working class students

Victoria Smith

Bell (1976) argued that western countries and the U.S are passing from an industrial to a post-industrial period of society, which is described as ‘The Information Society’ (Bell 1976). Bell states that “instead of society based on a labour theory of value… the post-industrial society rests on a knowledge theory of value—that is to say, value is fundamentally increased, not by labour, but by knowledge” (Bell, 1976: 46). Bell identified key shifts in post-industrial societies employment structures such as the decline of unskilled manufacturing employment and the growth of high skilled, managerial, technical and professional occupations in sectors such as business and education services (Grint & Nixon, 2015). For Bell (1976), the post-industrial society is a knowledge economy because future job growth would be focused in high skilled occupations, which would dictate a massive expansion of higher education to provide the high skilled workers demanded by the new knowledge economy (Grint & Nixon, 2015).

There is little doubt that UK government policies have been heavily influenced by the knowledge economy theory and this is most clearly apparent in the expansion of the school leaving age and the higher education sector in recent years. From research and official statistics in the UK, we can see that there are more students in Higher education than ever before, with 49% of young people attending university before the age of 30. This means almost half of all young people in England are going onto higher education, which is the highest level since the introduction of £9,000 tuition fees (Adams, 2017). Research shows student numbers have doubled since 1992, from 984,000 students to 1.87 million young people in 2016 in full time education (ONS, 2016).
Historically, the education system has remained for those already privileged in society (Furlong and Cartmel, 2007) as the working class continue to be disadvantaged in the academic world. Nevertheless, in the UK we have seen a multi-million-pound drive to recruit students from disadvantaged backgrounds into higher education, with universities spending a total of £725.2 million on access initiatives in 2017 alone (Turner, 2017). Additionally, the drive for a wider representation of working-class students is motivated by “economic, institutional and social injustice concerns, which are framed within the globalization of the knowledge economy” (Archer, 2003: 14). Yet, whilst the expansion of higher education and the widening participation agenda can be read as creating greater opportunity for greater numbers of young people (Archer & Hutchings, 2000), in this critical reflection I want to argue that this process, following Beck (2002), generates many risks for working-class and disadvantaged groups.

While Beck (2002) argues that the risks generated by modernisation are democratic and cut across the class structure, I will argue that in relation to the expansion of higher education, working-class students face many risks not encountered by their more privileged peers that threaten their ability to take advantage of the knowledge economy. I will also argue that neoliberalism has transformed universities, which has caused working-class students to be further disadvantaged in the academic world.

In Becks terms, “risk is a modern concept. It presumes decision making” (Beck, 2002: 40) and in this example, we can see how working-class students making the potentially life changing decision about higher education can be an immense risk for various reasons that we shall explore. It could be argued that for the middle and upper classes, higher education is not a huge decision but rather a right of passage or a normal expectancy, as almost all young people from professional families go onto university and succeed (Archer, 2003). Giddens describes the theory of risk society as “we no longer live our lives as fate, in a process which Ulrich Beck calls individualisation” (Giddens, 1999: 3) as he outlines his own theory of manufactured risk, which is created by the very evolution of human development (Giddens, 1999). Giddens goes on to describe how we live in a world where one can no longer depend on tradition to establish what to do in a range of settings, thus individuals must “take a more active and risk-infused orientation to their relationships and involvements” (Giddens, 1999: 4). This could be an explanation as to why many working-class students take the risk with higher education, as it could be seen that they are doing what must to be done in order to survive in our post-industrial knowledge economy.

Financial risk for working class students is extremely significant, as the reductions in financial support have transferred the responsibility for funding university from the state onto the individual and their families (Moreau and Leathwood, 2006). This could be an explanation as to why students from lower
social backgrounds are more likely to work during term time, and also work more hours than their middle-class counterparts (Callender and Wilkinson, 2003). There is no doubt that trying to excel in full time undergraduate study and also partaking in paid part-time work alongside this can affect academic performance significantly (Moreau and Leathwood, 2006). Financial hardship is a genuine risk for many working-class students and the reality is, many need to work simply to remain at university (Callender and Wilkinson, 2003). Furthermore, working-class students experience financial pressures and concerns around debt and comparative lack of money compared to their middle-class peers (Thomas, 2002), as not having a disposable income to enjoy the leisurely activities of university life could certainly contribute to the pressures of university. A study done by Archer (2007) found that the prospects of student debt prevented young people from attending university, as it was viewed as a risky investment.

There are also social and cultural risks, as working-class students may be relatively unprepared and lacking academic ability when they get to university which could lead to them feeling like they do not fit in at that academic institution (Lehmann, 2007). Supporting this, it could be said that the middle-class “know how to play the game” (Archer, 2007: 220) which contributes to their academic success. Also, families with little or no experience of higher education may be unknowingly less supportive and helpful towards working class students, as they are similarly unaccustomed in the academic world (Thomas, 2002). Altogether, these risks may contribute towards the 8.8 per cent of working-class students (in 2014/15) unable to complete their first year of undergraduate study (Turner, 2017). However, if working class students do become fully integrated at university and succeed academically, there is research that suggests that their tastes and outlooks can change, which can make relationships with family members and friends from home more difficult, as they no longer share similar views and interests. Similarly, they are still outcasts to the middle class, which leaves them as “cultural outsiders” (Lehmann, 2013). This demonstrates another risk that working class students may face if they do become successful in the academic environment that is university.

There is no doubt that a knowledge centred economy has highlighted the importance of higher education (Kandiko, 2010) as universities are now the main drive in the search for competitive advantage in global economies (Brown, Lauder and Ashton, 2007). Nevertheless, neoliberalism has affected many qualities of higher education as we witness the shift “from bloody wars to knowledge wars” (Brown, Lauder and Ashton, 2007: 133) we see how higher education has become privatised, commercialised and corporatized (Kezar, 2004). In the UK, we have seen a reduction in
funding for public services, which has resulted in high tuition fees for university students. This shifts the economic burden from the state, onto individual students (Kandiko 2010), which can cause them many personal financial risks. Additionally, this creates the students to become more like consumers and customers, thus presenting the shift from educational institute to a business-like establishment (Kandiko, 2010).

We have explored how widening participation can be viewed positively within a knowledge economy, however, in the terms of neoliberalism, it could be seen as allowing universities to educate a larger number of students at a lower cost (with the implement of high tuition fees) (Kandiko, 2010). Furthermore, universities are constantly put into competition with one another on a global scale, with success measured through league tablets (Radice, 2013). Not only do the universities compete with one another, but also hopeful students must compete for places and endure a lengthy selection process when applying for universities across the UK. It could be said that has a negative impact on working-class students, as they may not be as well prepared for the university selection process compared to their middle-class peers. “The UK University of today has become a simulated private enterprise, with effective possession by a self-selecting academic-business elite” (Radice, 2013: 415).

To conclude, there is no denying that the information era is now and our society has changed forever. Our economy could now be seen as a knowledge economy, as we have seen the drastic transformation of work and industry in the UK. Furthermore, we have witnessed the expansion of higher education and the growth of students attending university, which is a clear outcome of our new “knowledge economy”. However, it is clear that for working-class students, the risk is much greater in several different aspects of higher education in our new post-industrial society. Similarly, neoliberalism has transformed higher education through privatisation and marketization, which has forced students to compete for places and encumbered them with excessive tuition fees. It is clear that this would also disadvantage working class students further, as they may not possess the social, cultural or economic capital to rival their middle-class peers. While higher education is represented positively on a whole, there is an extensive history of sociological theorization that has been critical of how it often reinforces and reproduces class inequalities (Archer, 2003).

**Bibliography:**

Radice, Hugo (2013). 'How we got here: UK higher education under neoliberalism'. An international journal for critical geographies
Webster, Frank (2006). 'What is an information society'. in Theories of the information society. pp.8-31

Image Sources: