



Power, Neoliberalism and Blame Avoidance:

Why University Officials Resist **Divestment**

Ida Jorgenson, School of Environmental Studies, University of Victoria
Supervised by Dr. James Rowe, School of Environmental Studies, University of Victoria

Introduction

Fossil Fuel Divestment campaigns are primarily based on the argument that 'if it is wrong to wreck the climate, then it is wrong to profit from that wreckage'. The movement has experienced rapid growth over the past four years, with 500 institutions, including nearly 40 universities, who together represent assets worth \$3.4 trillion, having made divestment commitments at the end of 2015 (1). Despite this momentum and multiple studies indicating substantial financial benefits, no Canadian university has made a commitment to full divestment.



As non-profit, public institutions, universities should act in the best interests of society. But this ideal has become increasingly hard for them to live up to, as the rise of neoliberalism, with both its economic and social changes, has influenced the way universities are managed. This research is an attempt to understand how the power of underlying socioeconomic norms and behaviours in universities contribute to their refusal to divest from the fossil fuel industry.

Power

Power is the way that people and society shape the decisions, actions, and perspectives of other actors, who vary from individuals to institutions (2). One way in which power operates is by shaping actors' *power to* make decisions, by influencing their ideas on how both they themselves and the world around them should operate. The form of 'power to' most relevant to this research is known as **productive power**. Productive power is the way in which indirect social relations and norms influence actors and how their actions in turn give meaning to social processes (2). This cycle can reinforce actor's own views and identities, thus influencing the decisions actors make before they are even confronted with the choices.

Neoliberalism and the University

Neoliberalism is a socioeconomic theory which promotes privatization and deregulation, and has spread the idea that free markets independently produce the best and most profitable outcomes (3), ideas that are challenged by the logic of divestment. As neoliberalism has gained dominance since the 1980s, it has promoted cuts in government funding, forcing universities to rely on stronger ties to industry for donations(4), a development which can result in significant levels of corporate influence. It has also stimulated a corporate style of university governance, increasing pressure to operate as a successful business (5). Such changes are reinforced by the people who typically govern universities, as the primary group represented on board of governors are members of the business community, often corporate executives (6). Many of these people are already strongly embedded in the ideas of neoliberalism and may have direct industry connections.



These factors are important because the norms that we build into a system are largely responsible for determining what new norms will be accepted (7). Thus, the productive power of neoliberalism, whose norms prohibit measures like divesting, deters fossil fuel divestment because it allows the system to reproduce and reinforce itself through the social relations and structures in the university.

Blame Avoidance

Blame avoidance describes the types of responses that people, particularly public officials, take to avoid incurring public condemnation (8). It is often expressed through similar basic strategies and it creates its own form of institutional logic. In the context of university divestment, two blame avoidance strategies are relevant:

- **protocolization**, which is a refusal to deviate from established rules or strategies, and often results in leaders attempting to abdicate responsibility on certain issues. This is exhibited by UVic's Board of Governors, who are refusing to make a decision on divestment, instead insisting that it is not their duty to make such financial decisions.
- **herding**, where officials avoid taking any actions outside of established group norms. In Canada, no university has committed to full divestment, so under a blame avoidance rational it makes sense that UVic has not yet divested.

These strategies are based in productive power, because they are created and reinforced by social norms. Norms which exert power over university officials by discouraging them from making certain decisions because the dominant culture perceives them as risky.

Conclusion

The productive form of 'power to' has created universities where actions like divestment often seem unacceptable because divestment:

- rejects the profit first mentality of neoliberalism,
- challenges social connections of university leaders,
- creates tension for universities' industry connections,
- and requires leaders to reject blame avoidance.



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