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Educating Consent: A Conversation with Noam Chomsky on Education and the Business School

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Recent contributions to the *Speaking Out* section of Organization have explored the business school in terms of the positioning of education (Pritchard, 2012) and the nature of research outputs (Li and Parker, 2012). These contributions have offered valuable insights into the business school, but they have tended to be rather narrow and inward-looking in two ways. First, they focus on changes in academic work within the Business School from the perspective of the implications for, and impact upon, academics rather than in relation to students, businesses or society (see for example: Butler and Spoelstra, 2012; Harvie, Lightfoot, Lilley and Weir, 2012; Luke and Kearins, 2012). Second, this recent cluster of contributions to *Speaking Out* has largely involved scholars from within the business school commenting upon the business school. Our interests are different. We have sought to engage with a wider set of concerns and to incorporate an outsider perspective on the business school. The outsider in question is Noam Chomsky who, according to the *New York Times*, is the World's greatest living public intellectual. Professor Chomsky is an uncompromising and controversial political and social commentator and it is hard to imagine someone who has better credentials when it comes to the business of "speaking out".

Professor Chomsky has written widely on the topic of corporate power and hegemony. However, his views on the university and the business school in particular remain somewhat sketchy. At the present juncture, when the future of the university is now a key struggle for many of us, fought around the desirability of marketization and corporate control, we inquire if the university still holds any emancipatory potential. And what about the business school itself? Given its putative proximity to future managers and administrators, could it not be uniquely placed to engender more democratic subjects of power? Or, and as we suspect Chomsky will contend, is the business school a pure product of capitalism, irrevocably wedded to its agenda and vested interests?

We initially framed our conversation around one of Chomsky's key contributions, *Manufacturing Consent* (Herman and Chomsky, 1988). This book argues that the media plays a major role in securing our consent to exploitative social conditions. The mainstream news operates through a series of filters, classifying and repackaging information to suit the interests of the governing elite. Does the same model apply to education and the university? In the past, Chomsky (2003) has stated that the tenor of education today now largely reflects the capitalist imperative:

> … the entire school curriculum, from kindergarten through to graduate school, will be tolerated only so long as it continues to perform its institutional role. So take the [US] university, which in may respects are not that different from the media in the way they function … they're parasitic institutions that need to be supported from outside, and that means they're dependent on wealthy alumni, on corporations and the government. As long as universities serve those interests, they'll be funded. If they ever stop serving those interests, *I'll* start to get into trouble (Chomsky, 2003: 57, emphasis added)

The last point is interesting since during our conversation it seemed that Chomsky was keenly aware of his own precarious situation in the US university system. However, this has not stopped him from speaking out and 'rocking the boat' for many decades. In light of our positions within the business school, we were especially interested in Chomsky's views on how it intersects with the broader power relations of capitalism. Is it possible for the business school curriculum to make a positive social contribution beyond the corporation? In a 1983 interview, Chomsky strangely argued that the business school was one of the few spaces of 'truth' left in the university. This was born from the elite's need for gritty reality in order to dominate successfully:

> … in business schools and in business journals, one often finds a fairly clear perception of what the world is really like. On the other hand, in the more ideological circles, like the academic social sciences, I think you find much more deep-seated illusion and misunderstanding, which is quite natural. In the business school, they have to deal with the real world and they'd better know what the facts are, what the real properties of the world are. They are training the real managers, not the ideological managers, so the commitment to propaganda is less intense (Chomsky, 1983: 233).

This view is fascinating for a number of reasons. For example, following the post-Enron crisis and the conspicuous rise of 'corporate social responsibility' (or CSR) in the MBA curriculum, can we still hold onto the idea that business school students are 'non-ideological'? And if the commitment to propaganda is less intense, what function does the truth play here? Into the hands of power or against it? Is CSR a vehicle for communicating transformative truths or simply another form of ideological obfuscation?

Having had intermittent correspondence with Professor Chomsky on related topics for a year or so, we managed to arrange a face-to-face meeting in his MIT offices in Spring 2013. The purpose of the conversation was to explore the role of education and the contemporary business school in relation to the vested interests of neoliberalism, especially during times of crisis. As we enter his office, and are seated, Chomsky is frail but exceedingly gregarious and welcoming. A large photograph of Bertrand Russell presides on the wall over us, creating an air of solemnity as we begin.

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For Chomsky, the university occupies a tendentious space within the broader socio-political system of late capitalism. There is no doubt that it has been partially captured by the neoliberal project and is thus essential for ideologically reproducing capitalism. However, it also retains a degree of autonomy given the large amounts of public funding it receives. For sure, what conservative thought calls the creative vibrancy of free market capitalism, according to Chomsky, is nothing more than the fruits of public works developed within the university. He makes this point at the beginning of our conversation:

> CHOMSKY: If you walked around MIT forty years ago, you would see small electronic start-ups, you know spin-offs from government funding at the University. IBM was in there. And today, around Kendall Square, Novartis, you know the big pharmaceutical company, because the government is pouring

> money into biological research, to get genetic engineering to pharmaceuticals. Biotechnology is now cutting edge. But it's not coming from private enterprises; they simply don't have the resources, don't have the interest in funding something that will be generally available, not just for me, but in the long term. So you go to the source of innovation and creativity and government spending. The university.

We presumed the situation would be less conflicted *apropos* the business school, since in the US they are generally privately endowed and explicitly espouse the beliefs of the ruling ideology (Khurana, 2010). The MBA programme, for example, has is often been criticised for its unquestioning acceptance of neoliberal thought. However, all institutions have agency and in the current era of deep crisis, it could be posited that business school students and instructors are increasingly open to different ways of doing things, more critical about the so-called virtues of unmitigated capitalism. Chomsky agreed. Indeed, we were surprised by how optimistic he was about this prospect, especially from his own experiences in the business school:

> CHOMSKY: My experience is mainly US-based. At MIT and Harvard there are big business schools. I'm often asked to talk to students. The Business Schools, at least to my experience, are much more open and have discussions on things like we are talking about now. Openly, with lively discussions, students participating, faculty participating. The same for talks I do when I come to London, which I did a couple of weeks ago, and in fact the Business School in my experience are some of the most open places in the university. I've been struck by it here in the US as well.

According to Chomsky, this is in direct opposition to Economics departments, which he is much more critical and weary of. Indeed, "I'm never asked to talk in the Economics department". We ask him why:

> CHOMSKY: Because Economics departments are far more orthodox than the Business School. For one thing because they understand what is going on, in the Economics department they don't. I mean there are exceptions of course, but the general conception just has nothing to do with what the economies like. The economics department are studying free market models, which you know *nothing* to do with economy. And you can see it. That's why the economists just couldn't perceive the huge housing problem. They literally didn't see it. The economy is crashing and they didn't notice it. You know, some of the best economists in the world thought – it can't be happening because there is an efficient market out there. The religion says it isn't happening, so they don't see it.

The criticism of Economics departments raises the question regarding 'what' exactly the business school are more realistic about compared to other academic disciplines. Indeed, in another interview, Chomsky (1983) was also been very scathing of Political Science departments for promulgating conservative understandings of society, especially in the US. What does the business school 'know' that Chomsky is referring to here?

> CHOMSKY: The Business School knows all these things [regarding the crisis], and they are much more related to what's actually going on in the world today in my experience. For example, instructors and students understand that we have only a very limited free enterprise economy, with massive Government intervention at every corner. At MIT, you just can't miss it. For years, it was entirely funded by The Pentagon to develop military technology. The taxpayer is fooled, thinking they're funding a cutting edge free market economy. Well, they know all of this at the business school, from my experience. They have to be realistic to get this done.

This prompts us to mention corporate social responsibility (CSR) and business ethics, an area that has grown exponentially following the corporate legitimacy crisis that Porter and Kramer (2011) claim is the worse ever. CSR complicates Chomsky's view in a number of ways. On the one hand, it could be considered to be out of touch with reality, since it often trades in the presumption that capitalism might some day co-exist with democracy, sustainability and international labour rights. On the other, CSR might also represent an attempt to substantively change (rather than just accurately describe) the reality of corporate capitalism. We slowly focus on this problematic by first asking an obvious question:

> FLEMING & OSWICK: Do you think business corporations are capable of acting responsibly?
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> CHOMSKY: No. It's a legal responsibility of the corporate managers to maximise profit, which so often isn't the interests of the rest of us. Corporate managers are permitted to do good works, but only if the television cameras are there you know, so you can build up your image. In fact, there is even one great court judgement, the chancery court of Delaware, some issue came up with the shareholders objecting that they were doing something nice which is illegal and the court urged the corporate world into more benefit for the public. Because otherwise, they said an aroused public will discover what you are doing, and take away your privileges. I think that's corporate social responsibility. And it's not because they are bad people, it's what the institution requires. If you have even a semi-competitive system, a firm uses their resources for, say, the environment, and help people; they will lose out to the competition.

Does this mean that CSR and business ethics runs the risk of obfuscating this truth about capitalism, by perpetuating the 'family friendly' fantasy world that the corporation would like us to internalize? We pose the question in terms of our own curricular, which actually lists Chomsky as a reading requirement. This sparked an interesting exchange around whether the 'truth' was enough to make a positive pedagogical difference in the business school setting.

> FLEMING & OSWICK: In our Business Schools and the Business Schools generally in the United Kingdom, there is an implicit idea that following the financial crisis, post-Enron and all of these social disasters that have transpired over the last ten years, the Business School now has a role in educating ethically, raising critical questions about the corporation among our students, be it in Strategy or Marketing classes.

CHOMSKY: Just as they did during previous crisis and scandals! I mean, its good to talk about how firms might be ethical. But you should also tell the truth. It's built into the institutional structures to do the harm they're doing. For example, if you have oligopoly, you're going to get collusion. If you see five big banks talking, you can imagine what they are doing. So if you have a market system, even a functioning market system, with money and growth, and the system moves towards an oligopoly, it's just going to maximise this corruption. This is the 'truth' of the system, and this needs to be revealed to students.

FLEMING & OSWICK: So, you would say it is more about changing the structures, rather than educating people to potentially act better in the class room?

CHOMSKY: Not at all, I do not see them as different. Structural change only comes from people who act to make the change or who at least understand what is going on. Business Schools do by and large, which is a start. So it seems to me that on court order, business education should be to explain how the institutions work and why. And ask questions like: 'why do we have advertising?' As soon as you ask that, a lot of veils begin to lift. For example, markets are supposed to give people more choice. But you can see that markets, even perfectly functioning ones, reduce choices. I want to get home tonight, the market offers me a choice between a Ford and a Toyota – but it doesn't offer a subway, which would be much better. But that's not on the market. The market functions to massively restrict choices, helped by its doctrinal structure and propaganda that goes into that.

FLEMING & OSWICK: So, in an ethical marketing class, for example, the focus ought not to be on green products or sustainability, or whatever, but on the political economy in which marketing functions?

CHOMSKY: Yes. Why do we have advertising, for example? If you had a market system, there wouldn't be much advertising. If there's a market system, somebody has something to offer, to sell, and they would say – 'here's what I have to offer to sell'. You're going to get collusion and oligopoly. They don't want to have price wars**,** therefore you have to carry out product differentiation to make your product look different from somebody else's, although they are identical. Then you have to advertise, which is misleading because you're not describing what your product is – you know with football players, movie stars, holding up your toothpaste or something like that. So the whole huge phenomena of advertising is just collusion. That's what they should focus on.

At this point in the conversation, we were still unsure about the emanicpatory power of truth that Chomsky was hinting at here. Merely revealing the basic underlying realities of capitalism in the classroom did not seem enough. How did this translate into different ways of practically approaching business and management, strategy and so-forth?

FLEMING & OSWICK: Is it sufficient to simply reveal the truth like this in the business school seminar? For example, the CEO's of Enron had world-class

MBA's and they learnt the truth about the market mechanism. That helped them to ruined half of the Californian economy as much as anything else.

CHOMSKY: They're like those currently destroying the financial system. For them, it's the right thing to do if you're functioning properly and legally within the corporate institution. Trying to maximise short-term profit. If you can do it right, fiddling around with it all and you are big enough so you are not going to be punished for it.

We had reached an impasse. It seemed to us that Chomsky was less in favour of CSR and more supportive of a pedagogical realism about the nature of late capitalism. The unique 'truth setting' of the business school allowed for the contradictions of neoliberal ideology to be laid bare. While we thought that an additional political stance was needed to orientate this truth, Chomsky implied that we already have enough work on our hands demystifying capitalism in the classroom. So we wondered whether Chomsky was explicitly against 'political education' in this respect. Did he hold a view similar to Weber (1946) in 'Science as a Vocation', that we ought to remain with the cold facts first and foremost and leave interpretation to others?

FLEMING & OSWICK: Can we ask you about education and politics? A friend of ours who is a business school lecturer in the States would find his son reading the back of the Kellogg's cornflake pack every morning. So every night he would type up the central political issues occurring around the world and put this on the back of the cornflake pack. The kid would read it every morning while he sat there. When he told people about this, he was criticised for brainwashing his child [CHOMSKY LAUGHS]. He replied, well I think I've got my child's interest more at heart than Kellogg's have! But it's interesting, since we're told that politics is something that we shouldn't teach and this seems to be fundamentally problematic in education. Why isn't politics on the curriculum?

CHOMSKY: It's pretty dangerous for the authorities to do that. Look back to the English revolution; take a look at the commentary in the 1640s. The gentlemen were appalled by the fact that the rabble were asking so many questions. They were saying things like 'we don't want a king or parliament. We don't want to be ruled by gentlemen but by countrymen like ourselves'. How can you let the rabble talk about things like? So it makes good sense to *not* to brainwash your kids into finding out what's going on. I think Emerson had a nice comment, when the mass education system was being developed. It's because there are millions of people getting the right to vote, that education is needed to keep them from our throat.

FLEMING & OSWICK: So education breeds ignorance, as you put it in the 1993 interview (see Chomsky, 1993)?

CHOMSKY: Well, you've got to educate them the right way; you know, put the *right* stuff on the back of cereal boxes. I think it makes a lot of sense.

This is a fascinating turn in the conversation since it looks as if Chomsky is conceding that some truths are better than others, especially when it comes to educating

a child in a manner that doesn't perpetuate the status quo. Perhaps he is a little closer to Foucault's understanding of the truth than he first thought (see Chomsky and Foucault, 1974/2006). He continues in relation to the idea of 'objectivity':

> CHOMSKY: Right before our meeting today, I had a Skype talk to a journalism school in Sweden. They wanted to talk about truth. How do journalists define the truth? There is something similar going on in journalism schools here. They teach a concept called objectivity. Objectivity means describing accurately what's happening inside "the beltway", the road that goes around the Capital. That's objectivity. If you talk about something else it's bias, subjective. And you see the effects. So for example, inside the beltway, objectivity is the deficit, because that's what the rich people care about. You go two miles away, the problem is jobs. A real problem. So the focus is on the deficit. Objectivity means a kind of truth but a very distorted one, with much left out, a lot of worthy things such as the environmental crisis because the rich and powerful don't care in any institutional capacity.

The conversation shifts to another important topic, namely the working conditions inside the university, for staff and students. Given the corporatization of the university in the US and the UK, we wanted to explore the implications of transforming higher education into a business. We start by highlighting the problem of student fees and the growing use of metrics, such as the UK Research Excellence Framework. Chomsky is particularly concerned about student debt:

> CHOMSKY: Student debt is a very interesting topic. If you just look around the world, or even through history, it's extremely hard to believe that there's an economic reason for it. Take the United States and its huge student debt. It's a trillion dollars higher than credit card debt. Back in the 1950s, the United States was a much poorer country than it is today, college was mostly free. The GI bill brought huge numbers of people to college who never would have made it in. When I was a kid in the 1940s, I went to an Ivy League college because you could easily get a scholarship. It was basically free. So how come in a poor country, you can have free high quality public education, but in a rich country you can't? As a matter of fact we see it right in front of us, look across the border to Mexico. It's free and pretty high quality.
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> FLEMING & OSWICK: As soon as students pay for education and hand money over they become consumers rather than students. This changes the nature of education and us as educators, making it more training and vocationally orientated than it does educational. From your experience, do you think that's the case?
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> CHOMSKY: Yes. It's the principle thing, I don't know where it's going but the purpose is to explicitly turn research into something instrumental for the economy. I even see it when I'm asked to write recommendations for people in England and for fellowships and so on. There's a question - how will their work help the British economy. Interestingly I just got one from Germany the other day and it asks a similar question but it said how will this help German science? Even in terms of the economy that's a much better goal to follow if you want the economy to flourish.

The much dreaded Research Assessment Exercise in the UK enters the discussion. The authors explain to Chomsky its mechanics, an evaluation that occurs every five or six years and nationally ranks schools and determines governmental funding. One of the more controversial aspects of the exercise is the way 'impact' is now deemed an important performance indicator. Government funding is now partially evaluated by how much concrete impact your school has had on economic policy, business practice and so-forth.

> CHOMSKY: It's happening here too. It's a shocking development. Here it's happening under the impact of legislators and trustees. It's a constant battle. It's kind of interesting that places like MIT research institutions are left out of it so they don't get the same pressure as everyone else, because the funders understand that you better leave people alone if you want anything serious to come out. In fact you wouldn't have computers if it weren't for that.
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> FLEMING & OSWICK: But from this business perspective, it is very difficult for, say, a Philosophy Department, because they're not considered …
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> CHOMSKY: … not contributing to knowledge … which is terrible.

Finally, we turn to employment practices in the university, especially the deepening precarity of labor and the deskilling of academic work. A university lectureship used to be considered one of the 'last good jobs' (Aronowitz, 2007) before the erosion of security and the rise of increasingly heavy-handed university administration.

> FLEMING & OSWICK: In the UK the universities have become highly precarious places of employment as well. Not only for tenured professors like us who are under a lot of pressure to tick the boxes but also with the adjunct professors and the huge precarious number of employees. We are trying to figure out what impact this has on the nature of the university as a depository of truth like you're talking about.
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> CHOMSKY: This is an interesting question. We have seen a major increase here too with temporary workers, you know adjuncts, cutting back their benefits and conditions. This model of the university wants what they call efficiency. But efficiency is quiet an interesting notion. It means transmitting costs to the weak.
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> FLEMING & OSWICK: So this is a very one-sided view of efficiency, one that isn't really designed to meet the broader needs of the university?
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> CHOMSKY: Exactly. So for example take this case: if you cut back on staff or funding, if you make class sizes temporary bigger, use graduate students instead of professionals and so on, it costs you less money. But from the point of view of the students it's quite harmful and, of course, for society. But those negative outcomes aren't called inefficient because its about transmitting costs to the weak and we see it everywhere.

FLEMING & OSWICK: Thank you for your time Professor Chomsky.

CHOMSKY: You are welcome – I hope you make good progress on this project.

Concluding Reflections

It seems clear from our conversation that Chomsky prefers critical or political 'realism' to CSR when it comes to educating students about the nature of capitalism and society today. For example, instead of 'green marketing' the focus ought be on the pernicious nature of advertising more generally. Rather than look at the stakeholder theory of the firm, emphasis should instead be placed on the activities of multinational enterprises within the global economy, etc. More specifically, the purpose of education, according to Chomsky, is something revelatory, demonstrating how capitalism ironically doesn't function according to its own principles, but is shored up by an increasingly authoritarian state and oligopolistic corporate network. The inconvenient truth is that our society is far away from both social democracy and proto-typical free market capitalism.

This pedagogical commitment to political realism relies upon a particular conception of the truth, one that we probed inquisitively in the conversation. We were trying to suggest to Chomsky that it is not the truth *per se* that matters, but what is done with it. As university instructors we have both had experiences of deep cynicism among students, whereby the open truths of capitalism perversely become an apologia for business as usual: 'look, the system is screwed and grossly unfair, so lets individually make the most of it, cause there is nothing else we can do'. Such 'capitalist realism' (Fisher, 2010) does not liberate at all, but functions as yet another moment of ideological entrapment.

At first, Chomsky's endorsement of a revelatory mode of education seemed ironclad, but during the course of the conversation he did slowly indicate that some truths are better than others. Objectivity has many faces. If time had permitted, we would have liked to have explored this issue in more depth, especially in relation to the counter-productive effects of cynical truth telling in the university setting.

And finally, we were surprised by Chomsky's overtly positive impressions of the business school, especially in relation to his strong criticisms of the university and education more generally. He found the business school he had visited heterodox environments, questioning and refreshingly supportive of critical ideas. For Chomsky, it is the necessity for cold facts that makes business schools more in touch with capitalist reality than other departments in the university. The implication is that business schools largely serve the elite, and this group needs to know what's really going on in order to dominate society effectively. But we ask again whether this is the case. For those of us who teach in the business school, can it be argued that we have a more accurate and non-ideological conception of reality than our counterparts in other disciplines? Moreover, is there not a danger of assuming that the elite have a privileged understanding of what is really going in society today? For many commentators, if the 2008 crisis has taught us anything, it is that ruling groups in the West are completely out of touch with reality, living in a fantasy world that has little relevance to 99%'ers, the rest of us.

One thing that is certain; Chomsky is deeply concerned about the future of the public university, its academics and student body. For him, the increasing subservience of education to the needs of the economy not only stifles knowledge and learning, but

harbours counter-productive tendencies that undermine the very vibrancy of the institution. Moreover, the way in which universities have wholeheartedly adopted a 'business analogy' (Collini, 2012) can lead to rather exploitative employment practices that all of us are undoubtedly worried about. It remains a testament to Chomsky's political tenacity, however, that after fifty years of active academic service, he still remains militantly optimistic about our ability to take back the university. And we agree with him. Such steadfast optimism will surely be vital for the challenges that lie ahead.

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