

Refunctionalising Education in the Neoliberal University: Academic Devaluation and Market Expansion

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Abstract. Under the neoliberal higher education system, the value of disciplines is increasingly being defined by economic returns and measurable performance. This article explores the status of education as an academic discipline in contemporary universities, focusing on the contradiction between its declining academic status and its expansion in the education market. Based on the comprehensive framework of neoliberal universities and academic capitalism, the dual status of education is analyzed. Education research is marginalized in the academic evaluation system. Meanwhile, education programs oriented towards employment and qualifications have become a key source of tuition income. To explain this contradiction, the concept of Refunctionalization is introduced, which refers to the process of retaining a discipline that has been devalued in academic assessment by redefining its functions. This article argues that the current state of contemporary education cannot be understood as the decline of the discipline or the success of the market. Instead, it reflects a broader process of institutional restructuring, in which universities re-adjust their disciplinary functions under the pressure of financial constraints and intense competition. This perspective helps to understand how disciplines are reorganized in the neoliberal higher education system and raises broader questions about the future direction of education.

1 Introduction

Since the end of the 20th century, the neoliberal ideology has gradually become an important guiding framework for global public policies, profoundly altering the relationships among the state, the market, and the social system [1]. In this shift, market logic has been systematically introduced into the education system, aiming to enhance efficiency, stimulate competition, and select high-quality educational investments. Education is no longer solely oriented towards public interests but has gradually been redefined as a form of human capital that can be, invested in, and rewarded [2]. Marketization is integrated into university governance through the world university rankings, the funding allocation mechanism, and the quality assessment system for academic outputs.

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This evaluation system has led to an unequal valuation of different types of knowledge and disciplines. STEM disciplines are generally regarded as having systematic advantages in research assessment and resource allocation, as their outputs are easier to quantify, visualize, and are more closely aligned with the country's prioritized development directions. In contrast, the forms and objects of research in the humanities and social sciences have limitations, and the research time span is long. Their outputs are usually not suitable for being measured by existing indicators [3]. Therefore, these disciplines are more likely to face systematic pressures in long-term development such as academic reputation and organizational status. This differentiation among disciplines has become a key issue in understanding the internal structural reorganization of neoliberal universities.

In this broader context, education studies find itself in a complex situation. On one hand, education studies have long been in an unfavorable position within the academic evaluation system. On the other hand, education-related programs, especially those with master's and career-oriented courses, such as TESOL, educational management and international education, have become important sources of university income. Currently, most studies separately explore these two dynamics within different analytical frameworks. Studies on the decline of research disciplines mainly explain the status of education through the academic evaluation system and university governance, viewing it as a typical case of disciplinary marginalization under market-oriented reforms. Studies on the expansion of the education market analyze international student mobility and the commercialization of higher education, regarding the expansion of education programs as evidence of market success. These discussions often occur in parallel, but rarely are they integrated to explain the dual situation of education.

The dual situation of education cannot be fully described through a binary narrative of either decline or success of the discipline. To explain the seemingly contradictory state of education, this article adopts a qualitative research method that combines theoretical integration and institutional analysis. It references a systematic review of relevant theories, while also utilizing public statistics and existing empirical studies. The analysis examines the changes in the status of education in university resource allocation, academic evaluation systems, and the international student market, shows how education is repositioned in neoliberal universities. This article provides a new perspective on the mechanisms of disciplinary restructuring in neoliberal higher education. At the same time, it also reflects on the normative challenges and future possibilities faced by education as a domain of public knowledge and social critique within the market-oriented university system.

2 Theoretical framework

This analysis is based on two complementary theoretical frameworks: the neoliberal university and academic capitalism. Its aim is to explain the dual fate of education in the contemporary higher education system. The neoliberal university theory is used to analyze the reconfiguration of disciplinary value standards, mainly focusing on how disciplinary values are redefined based on their performance capabilities in competition for research funds, quantitative performance indicators, and visible outputs. This theory further explains why education is devalued. The underlying logic is that the results of educational research and knowledge production do not match the mainstream evaluation system, leading to the continuous depreciation of its academic reputation and symbolic capital. The academic capitalism theory is mainly used to analyze the reconfiguration of disciplinary functions within the university. In this analytical dimension, the core issue is how universities adapt education to the logic of economic operation through knowledge commodification, thus facing market pressure. It is a theoretical framework that explains why education has been

strengthened with economic functions and has become an important revenue-generating discipline in the education market.

This article argues that a single theoretical perspective is insufficient to explain the current situation of education. If solely relies on the neoliberal university theory, the rapid expansion of education in the international student market would be regarded as an abnormal phenomenon. Conversely, the academic capitalism theory is unable to explain the continuous depreciation of education's academic reputation structure. By combining the two theories, the intrinsic logic of the contemporary situation of education can be fully explained. Based on this, this article proposes the concept of Refunctionalization, which is used to describe the transformation process that education undergoes under the new liberal university and academic capitalism systems. In the context of this article, Refunctionalization refers to the discipline that has been continuously depreciated in the academic evaluation system, and through the reconfiguration of its functions and uses, is re-integrated into the market-oriented operation logic of the university. Specifically, for education, Refunctionalization refers to the transformation from a disciplinary form centered on public knowledge and social criticism to an organizational unit that assumes functions such as student recruitment, revenue generation, and risk sharing at the institutional level.

3 The structural devaluation of education as an academic discipline

Under neoliberal governance, a market-based stratification of disciplines replaces traditional notions of scholarly value, the status of education as a discipline is continuously declining [4]. Compared with STEM, business, and medicine, which are regarded as high-reward disciplines, education has been marginalized in multiple aspects such as resource allocation, organizational structure, and academic reputation.

The decline of the status of the discipline of education is most directly reflected in the structural imbalance of resource allocation. Similar to the overall situation of the humanities, education has long been in a state of severe funding shortage, and this scarcity is not accidental but a product of the institutionalized funding structure within neoliberal universities. Taking the United States as an example, the government's research funding system almost completely ignores the humanities field. According to Newfield's research, the proportion of humanities in the federal research and development (R&D) funds is as low as 0.13% [5]. This extreme imbalance of external funds is further reinforced by the internal funding mechanism of universities. The institutional funds of universities are supposed to play a balancing role, but in reality, they are prioritized for supporting existing externally funded STEM research. In 2022, American universities spent approximately 100 billion US dollars on research, while the humanities received only 714 million US dollars, accounting for about 1%. Moreover, Newfield pointed out that a large amount of teaching income, especially tuition fees from non-science and engineering students, is used for cross-subsidization of high-cost STEM research projects. In other words, education is not only marginalized in the external funding system but also becomes a hidden provider rather than a beneficiary in the financial allocation within universities. This structural imbalance of resources reveals the fiscal logic of disciplinary hierarchy in neoliberal universities: academic value is redefined with economic returns, and the knowledge production of education is thus continuously marginalized.

From the perspective of the academic evaluation system, education studies are facing a systematic problem of mismatch between indicators in the context of neoliberalism. This issue directly affects the career advancement and academic reputation of scholars. The current dominant research evaluation mechanism in university governance heavily relies on quantitative indicators, such as journal impact factors, citation counts, and funding scale,

which reinforces the institutional culture of research measurementism [6]. However, education studies have long relied on qualitative methods, contextual analysis, and policy orientation, and their research outputs typically include monographs, policy reports, or research results published in local languages. These are difficult to receive the same recognition in the indicator system designed based on the template of STEM disciplines. According to an empirical survey of 150 European researchers, about 60% of education and social science researchers reported that their research outputs "have almost no weight in the current performance assessment system", and nearly 70% of respondents indicated that they had to change their research topics or prioritize English-language journals to comply with the evaluation standards [7]. This not only distorts in research direction but also makes education studies scholars face structural disadvantages in applying for positions, obtaining resources, and acquiring academic reputation. Education studies research essentially focuses on long-term social impacts such as educational equity and institutional reform, and its value is difficult to be quickly quantified and transformed into short-term visible achievements, further leading to its marginalization in performance assessment. As quantitative indicators increasingly become the threshold mechanism for resource allocation and career advancement within universities, the institutional disadvantage of education studies in the evaluation system becomes increasingly evident, forming a self-reinforcing unfavorable cycle.

The fundamental reason for the emergence of these phenomena lies in the redefinition of disciplinary value within neoliberalism, which regards it as its economic output capacity and social visibility. Due to the lack of commercializable outcomes, patent outputs, and direct corporate cooperation channels, education has been generally classified as a low industrial transformation potential discipline. Compared to disciplines that can directly serve the national innovation system or the competitiveness of enterprises, the knowledge contribution of education is regarded as indirect and difficult to transform, and even simplified as an activity that consumes public resources but fails to generate clear market returns [8].

4 The rapid expansion of education in the market

In contrast to the long-term lack of core status of education studies within university governance and academic evaluation systems, the education studies graduate programs for international students have rapidly expanded in the global higher education market. Under the impetus of the academic capitalism mechanism, universities have shifted towards maximizing income [9]. The education studies programs have been reconfigured by universities as high-return, low-cost products, undertaking multiple roles such as stabilizing tuition income and subsidizing research deficits. This role reconfiguration has continuously amplified the economic function of the education discipline, intensifying the conflict between it and traditional academic values.

Recent data shows that master's programs in education, especially TESOL, educational management, and international education, are highly favored among international students. Taking Australia as an example, in 2023, over 20% of international graduate students enrolled in education-related programs, with the enrollment in the TESOL direction continuously expanding [10]. These data indicate that education programs, as low-cost, scalable, and highly language-transferable master's courses, are becoming one of the core pillars for the rapid expansion of English-speaking universities in the global education market.

The education program has notable high-profit characteristics. Its courses mostly adopt the large cohort teaching model, with the course content mainly consisting of lectures, discussions, and project assignments. The standardization is high, making it easy to replicate and rapidly expand, and facilitating the increase in enrollment scale. Compared to STEM disciplines, education courses have lower reliance on laboratories, expensive equipment, or

high-tech infrastructure, and have lower expansion costs. This operational model achieves a strong revenue orientation while maintaining an academic appearance. Additionally, the career orientation and academic orientation of education programs make them highly attractive to international students. These courses have relatively relaxed entry requirements and shorter duration, allowing students to obtain international qualifications at a lower cost, thereby enhancing their employment competitiveness or laying the foundation for doctoral studies [11]. Also most master's programs in education colleges have fewer restrictions on the undergraduate background of applicants, typically accepting students from various disciplines such as business, linguistics, and humanities. This open admission mechanism further expands its potential student pool. In this context, in the face of government funding cuts and reduction in research funds, education programs have been incorporated by universities into the strategic plan for maximizing revenue, and are regarded as cash cow projects that can be used for cross-subsidization of research-intensive disciplines.

5 The refunctionalisation of education under academic capitalism

In the first two parts, this article reveals a structural paradox of education in the neoliberal university system. In the academic capital market, its research achievements fail to match the evaluation standards centered on high impact factors, research funds, and industrial transformation, resulting in the continuous depreciation of its academic capital. However, in the education product market, education is highly valued due to its low cost, high scalability, and stable demand, becoming a teaching product that universities can continuously sell. This coexistence situation indicates that the situation of education is not simply a decline, but points to a deeper institutional reorganization. Education did not disappear in neoliberal universities due to its low academic returns. Instead, it underwent a kind of structural refunctionalization. Refunctionalization refers to the situation in neoliberal universities and under the academic capitalist system, where a certain discipline or knowledge domain is not systematically eliminated due to its unfavorable position in the mainstream academic evaluation system. Instead, through the reconfiguration of its functions and the transformation of its uses, it is re-integrated into the market-oriented operation logic of the university. In this article, the refunctionalization of education is specifically manifested as the weakening of its status as a critical and normative knowledge domain, but it is re-integrated into the university's market-oriented operation in the form of a profit-oriented knowledge sector. The legitimacy of education's existence no longer stems from its own knowledge value, but is defined by its economic returns in the education market, thus achieving a paradoxical and institutional survival.

The refunctionalization of education studies manifests in two dimensions: value and content. In the value dimension, education studies have shifted from an academic value centered on theoretical contributions and knowledge innovation to a market value oriented towards enrollment scale, tuition income, and cost-benefit ratio. Compared to academic outputs with a lower return on research funds, educational programs are clearly defined by universities as cash-cow programs due to their large-scale enrollment capabilities, stable international student demand, and relatively controllable teaching costs. These programs not only directly contribute significant tuition income but also play a cross-subsidy function in the overall financial structure for research-intensive or high-cost disciplines. The education college is functionally integrated into the university's market operation system and transformed into an important market device for maintaining the organization's financial stability. In the content dimension, educational knowledge has shifted from being critical and theoretical to being professional and technical. Course content focuses more on teaching skills, management tools, assessment methods, and transferable abilities, while traditional core elements of educational studies such as critical theory, educational philosophy, and

social structure analysis have been marginalized or exist only in an elective form. Educational knowledge is re-presented as a series of obtainable skills, verifiable qualifications, and an investment with potential returns. When the main goal of courses shifts to meeting students' employment expectations and investment return imaginations, the knowledge itself also loses its functions of critiquing society, reflecting systems, and questioning inequality, and instead serves individual competitiveness and market demand [12]. In this process, the knowledge structure of education studies is adjusted to a form that is easier to consume, evaluate, and sell.

This refunctionalization is different from the narrative of disciplinary marginalization. This concept does not imply the extinction or simple decline of the discipline, but emphasizes the transformation at the functional level. This transformation does not stem from strategic choices within the discipline, but is the result of the reorganization of university governance structures, changes in financial mechanisms, and market pressure. This re-functionalization also brings about significant social consequences. When the legitimacy of education's existence is mainly determined by its market return ability, its function as a space for public rationality, social criticism, and educational justice discourse will be systematically weakened. Therefore, the concept of re-functionalization itself implies a critical stance towards the logic of neoliberal higher education. Understanding this re-functionalization mechanism not only helps explain the current institutional situation of education, but also lays an analytical foundation for further reflection on its academic mission and future development path.

6 Reflections and future directions

Although education has achieved institutional survival through re-functionalization in neoliberal universities, the consequences of this process cannot be ignored. Re-functionalization is not a value-neutral adaptation mechanism but a systematic reconfiguration deeply embedded in the logic of the market. As the value and legitimacy of education are increasingly defined by the market, the knowledge domain of education is continuously eroded of its roles. When the curriculum design and research agendas increasingly tilt towards skills training and professional qualifications, the traditional role of education in revealing educational inequality, reflecting institutional power, and questioning the normativity of social justice has gradually been marginalized. The result is not only the weakening of theoretical depth within the discipline, but also the possibility of education losing its necessary critical perspective, leading to the naturalization and rationalization of the reproduction mechanism of education in an unequal social structure.

This situation forces us to re-think the future development path of education studies. Completely rejecting market logic in the actual institutional conditions is not feasible, and merely conforming to the pressure of marketization in a one-sided manner may further erode the academic core and public mission of education studies. In this context, a seemingly more realistic response path might be a dual-track development model. In this conception, the education college continues to maintain applied programs for international students and the vocational market, such as TESOL, education management and international education, to support the financial sustainability of the college and respond to the actual employment needs. At the same time, in terms of organizational structure and resource allocation, a relatively independent critical research path should be clearly delineated to provide a stable space for educational philosophy, educational sociology and critical policy research, and continuously focus on core issues such as educational justice, social inequality and decolonization of knowledge.

This dual-track system has certain strategic rationality at the practical level, but it is essentially a pragmatic compromise solution rather than a fundamental response to this

erosion. The key issue for the future of education studies lies in how disciplines that are highly theoretical but with low output can achieve sustainable autonomous development within universities where resource allocation, institutional evaluation, and academic reputation are generally tilting towards the market track. Whether their research results can gain legitimacy within the existing performance evaluation system, and further, whether these two tracks can form a positive interaction or ultimately lead to the division of values and talent diversion within the discipline. Therefore, the dual-track system should not be understood as the ultimate solution to the predicament of education studies, but rather as a limited response within the existing institutional constraints. Its establishment depends on whether universities are willing to provide clear and long-term institutional protection for critical and theoretical research in the evaluation system, resource allocation, and academic promotion system. If such institutional commitments are lacking, the dual-track system will further solidify the one-way transformation of education studies towards market functions. In this sense, whether education studies can still exist as a public knowledge domain is no longer just an issue within the discipline, but rather a question of whether universities still recognize the value of knowledge beyond market logic.

7 Conclusion

Through a systematic analysis of the situation of the discipline of education under the neoliberal higher education system, this paper finds that education in contemporary universities presents a dual state of academic depreciation and market reinforcement. This is the result of the joint shaping by the reorganization of university values, the intensification of financial pressure, and the deepening of market competition. Therefore, the situation of education in neoliberal universities cannot be simply understood as the binary outcome of disciplinary decline or market success, but should be regarded as a re-functionalization process. This re-functionalization process does not stem from the active choice within the education discipline, but is a result driven by the institutional logic under the background of the reorganization of university governance structure, the intensification of financial pressure, and the strengthening of market competition.

The main contribution of this article lies in providing an integrated explanatory framework for understanding the contradictory situation of education in contemporary universities. Through a comprehensive analysis of neoliberal universities and academic capitalism, this paper demonstrates that academic marginalization and market expansion are not independent trends but specific manifestations of the same institutional logic at different levels. This perspective helps to shift the focus of higher education research from the outcome of the evolution of disciplinary significance to the process of the institutional reshaping of disciplinary functions. Additionally, the concept of re-functionalization provides a theoretical tool for studying other disciplines in similar positions, enabling researchers to identify knowledge domains that have not been simply weakened or eliminated but have been institutionally retained through functional transformation.

Although this article conducts a systematic analysis of the re-functionalization process of education from the institutional perspective, there are still some limitations. Firstly, this article mainly relies on cross-contextual trend evidence and institutional analysis, and has not yet deeply compared the different paths of re-functionalization of education in different countries or specific institutions. Secondly, the focus of this article lies in the institutional logic at the disciplinary level, and has not yet conducted detailed discussions on the differentiation of different research orientations, teaching positions, and academic identities within education. Future research can expand on this basis from a more experiential depth perspective.

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