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Making Markets in Higher Education: State Reform, Global Edtech, and Virtual Universities in Italy

Leonardo Piromalli

Abstract: The landscape of higher education has witnessed a profound transformation in the last decades, marked by the pervasive impact of digital technologies and a notable rise in privatization endeavors. Education has thus been recast as a market to be opened and exploited for profit. This paper contributes to the scholarly discussion on the intersection of digitalization and marketization in higher education by examining the market-making processes within the case of virtual universities (VUs) in Italy. Methodologically, the case study is approached through policy history techniques supported by documentary material and statistical data. The research shows that the VUs market has evolved through a contested and multi-actor process. It originated with the State opening it to private initiative in alignment with the Europeanization of educational policy. Substantial shifts occurred with the entry of the global higher education industry, catalyzing processes of political rescaling (toward the global dimension) and cultural reframing (based on techno-solutionism and the neoliberal emphasis on flexibility and individual responsibility). The VUs market has thus been reimagined and restructured along global and speculative lines, potentially wielding political influence over the broader educational landscape. This study raises critical considerations pertaining to educational governance, pedagogies, and the academic profession.

Keywords: higher education, market-making, digital technology, virtual university

The landscape of higher education has undergone a profound transformation in recent decades. Central to this shift is the pervasive influence of digital technologies and a novel surge in privatization, commodification, and competitive dynamics that are fundamentally reshaping the educational landscape. The widespread adoption of edtech (i.e., education technology) and the ascendancy of a “global higher education industry” (Robertson & Komljenovic, 2016; Verger et al., 2016; Parreira Do Amaral et al., 2019) have forged a new frontier in education where both local and global forces converge restructuring markets in unprecedented ways. In the wake of the pandemic acceleration (Cone et al., 2021), (higher) education is increasingly being reimagined as a market to be opened and exploited for profit by multisector networks of entrepreneurs, policy-makers, finance actors, and philanthropical organizations on varying scales (Williamson & Hogan, 2020).

Despite the profound implications of these developments, the nexus between market-making and digitalization processes within higher education remains an underexplored area in contemporary academic discourse (Komljenovic & Robertson, 2016; Williamson, 2021). By spotlighting this issue, an attempt is made in this paper to unveil the intricate interplay between economic forces, educational technology, and the dynamic forces of globalization. The issue of online education and virtual universities thus serves as a pertinent case study.

Online education is acquiring paramount importance today due to its distinctive features and growing ubiquity. *Virtual universities* (VUs), as a specific category within online education, are generally regarded as higher education institutions that operate entirely online, delivering instruction remotely (Cornford & Pollock, 2003; Ryan et al., 2013). VUs prove particularly appealing to students who may encounter challenges in pursuing a conventional educational path (Guri-Rosenblit, 2001). In contrast to the previous century when distance learners were often seen as “special” or “second chance” learners due to their typically older age, the target population for distance education is greater diversity, encompassing professionals, parents, travelers, people with disabilities, and students facing difficulties in reaching physical university campuses (Ryan et al., 2013).

The prevailing form of VUs on the global stage is that of “open universities”. These are public institutions at a national or intergovernmental level, duly accredited, and often imbued with a cultural project that may be social and democratic (Tait, 2008). Presently, open universities abound¹ at national and international scales with the emergence of policy networks and associ-

¹ Relevant examples include Anadolu Üniversitesi (Turkey), FernUniversität in Hagen (Germany), Indira Gandhi National Open University (India), the Open University of China, the Open University of Israel, the Open University of UK, and Universitat Oberta de Catalunya.

ations committed to networking and advocacy.² Only rarely VUs are established as private institutions.³ An example can be found in the Italian higher education system, where they are known as *università telematiche*.

This article attempts to integrate critical policy sociology of education (Lawn & Grek, 2012; Regmi, 2019) with sociological methods focused on the market (Muniesa et al., 2007; Komljenovic & Robertson, 2016; Williamson, 2021). The paper aims to contribute to the academic discussion on the relationship between digitalization and marketization in higher education by exploring the multifaceted social, political, and economic maneuvers implicated in the imagination, construction, ordinary maintenance, and emergency repair of markets in higher education (Komljenovic & Robertson, 2016). To this end, the case of virtual universities in Italy is examined, which exhibits distinctive attributes within the national context and is experiencing substantial growth in terms of enrolled students. Methodologically, a macro-level investigation of market-making processes is conducted through policy history techniques (Gale, 2001) supported by documentary material and statistical data extracted from the Italian Ministry of University and Research (MUR) archives.

The initial section of the contribution reviews the current literature on privatization, digitalization, and market-making in higher education. The subsequent section of the paper examines the empirical case, i.e., virtual universities in Italy. The case study is discussed in the third section. Conclusive considerations are finally drawn.

The Global Higher Education Landscape: Privatization, Digitalization, and Market-Making

Since the 1980s, global higher education systems have experienced a progressive convergence towards the Anglo-Saxon model, which is distinguished by state “steering-at-a-distance” over academic activities. National governments have thus assumed a central role in evaluating higher education systems through the simultaneous establishment of goals to be achieved and the provision of autonomy over the means to do so (Neave, 1998). In Eu-

² This is the case, for example, with the European Association of Distance Teaching Universities (EADTU). EADTU is an institutional network of online universities co-funded by the EU Erasmus+ program (EADTU, 2024).

³ Many European states do not have institutionalized forms of virtual universities. This is the case, for example, in Austria, Denmark, Finland, Germany, the Netherlands, Poland, Portugal, and the United Kingdom. In France, virtual universities (*universités numériques thématiques*) function as hubs that make available to institutions and students educational resources whose technical, scientific and pedagogical quality is verified by competent academics in the different subject areas; they do not carry out teaching or research activities and do not issue qualifications.

ropean contexts, this shift entailed a transformation in the State's function, which transitioned from a "controller" to an "evaluator" of higher education systems, as they underwent a process of "re-regulation" through a gamut of incentives and sanctions directed at objectives rather than methods (Capano, 2011). The State's role as a purchaser of services provided by external providers in a quasi-market environment has thus complemented its traditional function as a mediator and direct provider of educational services (Bartlett & Grand, 1993).

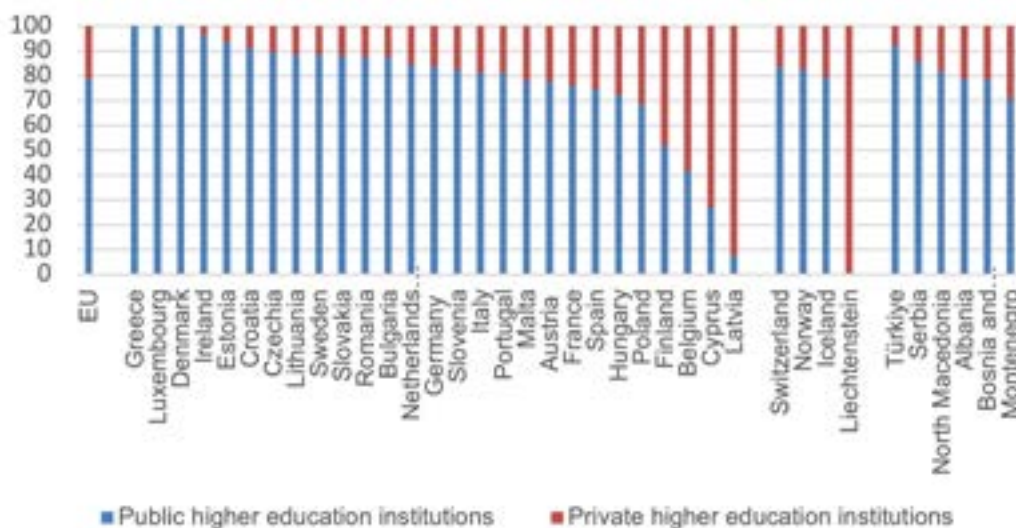
These complex transformations have occurred through the increasing infiltration of actors, discourses, and mechanisms associated with market dynamics into higher education.

Marketization in Higher Education

Processes of marketization in (higher) education pertain to the establishment of discourses, practices, and socio-economic structures oriented towards efficiency and effectiveness, rather than the common good and collective responsibility (Williamson & Hogan, 2020; Fig. 1 and 2). Marketization took hold in higher education—and indeed, in all sectors of public competence—from the early 1980s, when neoliberal reform programs were launched by the governments of Margaret Thatcher in the UK and Ronald Reagan in the US. Marketization processes in higher education are integral to neoliberalization processes (Giroux, 2014; Hogan & Thompson, 2020) which reshaped State-market relations towards an increasing dominance of economic actors. These reforms were predicated on the assumption that free market and the "invisible hand" of competition are better equipped to regulate society than national governments, while simultaneously fostering productivity and efficiency among public and private entities.

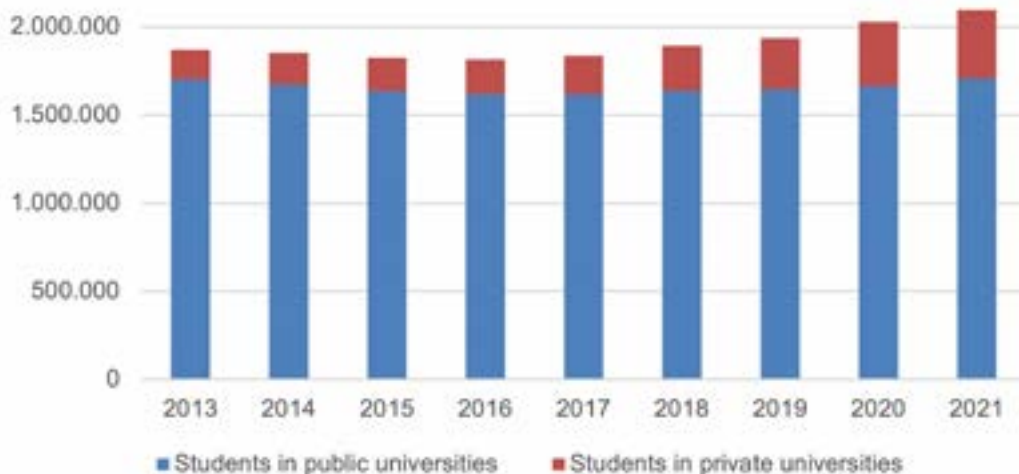
Critical analyses of educational policy have identified two main forms of marketization in (higher) education which are prevalent in the Anglo-Saxon context (Ball & Youdell, 2007; Grimaldi, 2013). "Endogenous" privatization involves the progressive importation into higher education of the logics, values, and techniques of new public management (Gunter et al., 2016; Bleiklie, 2018), as well as entrepreneurial keywords (such as "performance" and "accountability") which now govern university workings and academics' subjectivities (Espeland & Sauder, 2016). New public management has been defined as "a reform model arguing that the quality and efficiency of the civil service should be improved by introducing management techniques and practices drawn mainly from the private sector" (Bleiklie, 2018, p. 1). This perspective encourages competition among institutions so that users/customers—represented in a state of thorough information and rationality—can choose the "best" service in the market (Moscati et al., 2015).

Figure 1. Distribution of tertiary education students in Europe by type of institution (public funded and private funded), 2021.



Source: elaboration by the author on Eurostat, 2024.

Figure 2. Distribution of tertiary education students in Italy by type of institution (public funded and private funded). Time series, 2013-2021.



Source: elaboration by the author on Eurostat, 2024.

A second trajectory of marketization is “exogenous” privatization, involving the opening up of public education to the participation of private

actors to design, manage, or provide certain aspects for profit (Cone et al., 2021). For example, the pandemic crisis paved the way for the unbundling of activities and services of higher education institutions into separate business areas and their outsourcing to private actors (Ivancheva et al., 2020).

Processes of marketization in higher education are deeply intertwined with other phenomena which may expand their effects. Among these, the interaction between digitalization and marketization processes has been a focus of interest in scholarly literature.

Digitalization in Marketized Higher Education

Digitalization processes are often construed in scientific literature as a pivotal conduit for the construction, expansion, and perpetuation of private markets within higher education (Selwyn et al., 2016). The categories of “endogenous” and “exogenous” privatization, introduced in the previous section, find renewed applicability in this context.

In the case of endogenous privatization, scholarly discourse has elucidated the role of digital technologies in mediating the assimilation of neoliberal values and tools in higher education (Castañeda & Selwyn, 2018). Ideas and values propagated through technological artifacts and discourses often encapsulate those of the free market, competition, performance, calculability, and measurability (Selwyn, 2014; Landri, 2018). These exert an impact both at the subjective level of university professionals, who may feel compelled to fuel the “engines” of academic anxiety (Espeland & Sauder, 2016), and at the systemic level, as neoliberal values permeate data-driven governance in (higher) education (Ozga, 2009). Processes of “datafication” in fact emerge as a potent mechanism for the capitalist expansion of the private sector in higher education and its pedagogical redesign (Srnicsek, 2017; Decuyper et al., 2021).

In the case of exogenous privatization, the focal point of interest lies in the opening up of digital higher education to private actors for the purpose of designing, managing, or providing aspects and services for profit. Digitalization evolves into a multi-billion-dollar economic venture involving actors from heterogeneous spheres and scales. In such instances, market-making processes unfold, potentially involving a reticular “global higher education industry” (Komljenovic & Robertson, 2016), comprising a complex entanglement of edtech companies, policy-makers, politicians, third-sector organizations, and higher education institutions, all aiming to reimagine higher education as a market to be constructed and capitalized upon. Increasingly, these “power networks” not only engage in the technological (re)structuring of educational institutions but also in policy work (institutional, national, transnational) and in the educational (re)design of universities—and more broadly, in the practical and cultural construction of the digital governance

of universities, at times steering it towards specific entrepreneurial and pedagogical reimagining projects (Williamson, 2021). These techno-economical transactions can wield profound impacts on educational reforms and practices in education.

Sociological Approaches to Markets and Market-Making in Higher Education

Far from being natural or fixed phenomena, (higher) education markets are rather continuously shaped and reshaped. Their establishment and sustenance entail a significant “investment” of cultural and political effort into speculative futures and demand ongoing attention maintenance.

By adopting a sociotechnical and performative approach focused on the analysis of market configurations and processes, Komljenovic and Robertson (2016) have examined how the domain of higher education has been redefined as a “market for educational services” by a “global higher education industry” (Verger et al., 2016, 2018). This multisector alliance has introduced “market devices” (Muniesa et al., 2007) such as digital platforms, infrastructures, data, and metrics (Robertson & Komljenovic, 2016).

Making markets in higher education involves a substantial endeavor from policymakers, investment advisors, educational enterprises, and universities. It also encompasses the everyday activities of developing products and services for higher education that can be marketed in heterogeneous arenas. The study of the processes of market construction, expansion, day-to-day operation, and regular or emergency maintenance can provide valuable insights (Muniesa et al., 2007), as their functioning is relevant for education not only at a financial level but also in cultural, political, and governance terms. The analysis can be thus carried out both on the *macro-meso* level of examining political ideology as well as strategies and power relations; and on the *micro* level of rich empirical analysis of the mundane and practical “nuts and bolts” of global market-making (Çalışkan & Callon, 2009; Aspers, 2011; Komljenovic & Robertson, 2017).

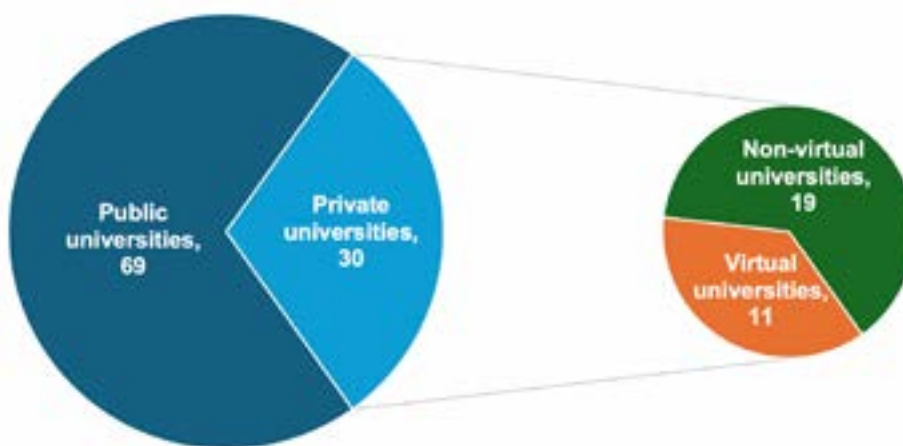
Making Markets in Italian Higher Education: The Case of *Università Telematiche*

In the Italian context, the phenomenon of VUs is legally referred to as *università telematiche*. Instructional activities take place online, while examinations are conducted in physical venues. Similar to non-virtual universities, *università telematiche* are subject to both *ex ante* and *ex post* State evaluation procedures, and they confer legally recognized degrees. Additionally, akin to other state and non-state universities, they are entitled to a share of

the public fund dedicated to university funding in Italy (for the year 2023, €3,000,000).

As of the writing of this contribution (May 2024), there are eleven operational VUs in Italy, all of which are privately funded. Consequently, they represent 11.1% of higher education institutions (N=99) and 36.7% of private universities in Italy (N=30; Fig. 3). Therefore, virtual universities constitute a numerically significant phenomenon within the landscape of higher education in Italy.

Figure 3. Number of public and private higher education institutions in Italy, with private higher education institutions disaggregated by type (non-virtual and virtual).



Source: elaboration by the author on MUR, 2024.

Overall, Italy's higher education system has undergone a decline in total enrollment that have recovered only recently by regaining the levels of A.Y. 2004/2005. However, notable shifts have occurred in the distribution of enrolled students between non-virtual and virtual universities (Table 1 and Figure 4).

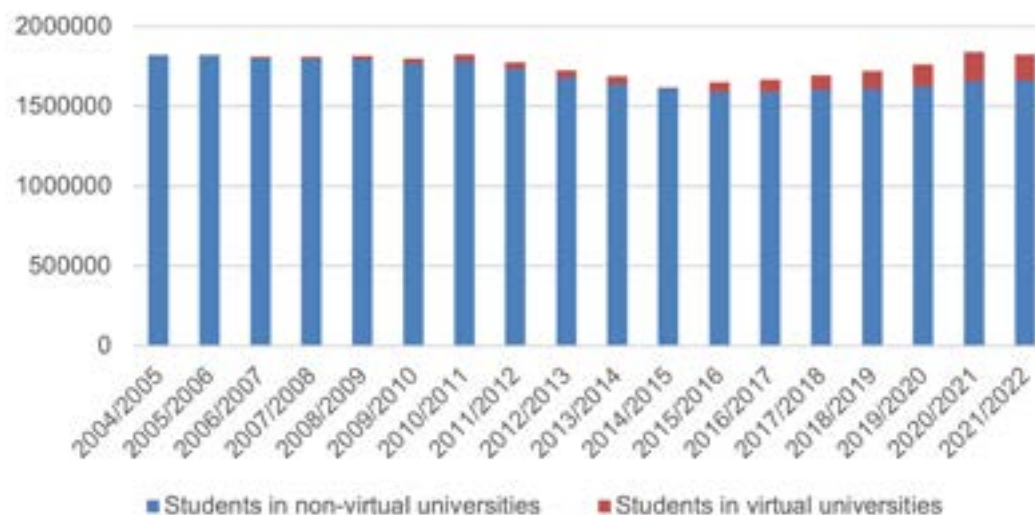
For several years following the institutionalization of VUs (academic year 2004/2005), enrollment rates remained below 1%. In recent years, there has been a continuous increase in the number of students enrolled in VUs, culminating in them accounting for up to 10% (N=184.901) of the total enrollment in the Italian higher education system (academic year 2020/2021). The VUs phenomenon has thus demonstrated a substantial quantitative expansion in recent years, perhaps also attributable to the pandemic contingency. The latest available data (academic year 2021-2022) indicate a minor decline in enrolled students in VUs and, more broadly, in the overall enrollment numbers in the Italian higher education system.

Table 1. Students enrolled in Italian higher education institutions. Disaggregated by type (non-virtual and virtual). Time series (academic years 2004/2005-2021/2022).

<i>A.Y.</i>	<i>Non-virtual university N</i>	<i>Non-virtual university %</i>	<i>Virtual university N</i>	<i>Virtual university %</i>	<i>Total N</i>	<i>Total %</i>
2004/2005	1,818,692	99.92%	1,529	0.08%	1,820,221	100%
2005/2006	1,818,478	99.71%	5,270	0.29%	1,823,748	100%
2006/2007	1,799,565	99.42%	10,536	0.58%	1,810,101	100%
2007/2008	1,795,608	99.23%	13,891	0.77%	1,809,499	100%
2008/2009	1,793,470	98.85%	20,874	1.15%	1,814,344	100%
2009/2010	1,769,624	98.34%	29,918	1.66%	1,799,542	100%
2010/2011	1,782,195	97.83%	39,623	2.17%	1,821,818	100%
2011/2012	1,736,393	97.74%	40,164	2.26%	1,776,557	100%
2012/2013	1,679,063	97.37%	45,277	2.63%	1,724,340	100%
2013/2014	1,637,246	96.92%	52,091	3.08%	1,689,337	100%
2014/2015	1,611,241	96.73%	54,440	3.27%	1,665,681	100%
2015/2016	1,588,743	96.23%	62,276	3.77%	1,651,019	100%
2016/2017	1,592,062	95.44%	76,073	4.56%	1,668,135	100%
2017/2018	1,602,508	94.50%	93,253	5.50%	1,695,761	100%
2018/2019	1,608,028	93.45%	112,732	6.55%	1,720,760	100%
2019/2020	1,623,015	92.03%	140,509	7.97%	1,763,524	100%
2020/2021	1,654,945	89.95%	184,901	10.05%	1,839,846	100%
2021/2022	1,660,432	91.13%	161,709	8.87%	1,822,141	100%

Source: elaboration by the author based on MUR, 2024.

Figure 4. Distribution of enrolled students in Italian higher education institutions, disaggregated by type (non-virtual and virtual). Time series (academic years 2004/2005-2021/2022).



Source: elaboration by the author on MUR, 2024.

The VUs market in Italy has been shaped through a complex, contested, and ongoing process of envisioning, construction, and continuous maintenance, involving policy actors, state authorities, as well as edtech entrepreneurs on various scales. The following sections shall unravel the main phases of these processes.

Making the Market: From the European Policy Space of Education to *Università Telematiche*

As emphasized by the Italian Ministry of University and Research (MUR) itself (2013), the frantic normative production concerning VUs and the overlapping of regulatory sources have resulted in a fragmented and ambiguous legislation. Nevertheless, an ideal starting point for reconstructing their institutionalization may be identified in the reform processes that took shape in the European higher education area starting from the 1990s.

Within this scenario, substantial reform processes were set in motion by European policies such as the *Delors White Paper* (1993), the Bologna Process reforms (1999), and the Lisbon Agenda (2000). Particularly significant for the development of *università telematiche* were discussions on university autonomy and eLearning. The issue of university autonomy emerged as a means to enhance university performance in line with the expectation that universities would drive Europe's economic competitiveness (Brøgger, 2018). The idea of eLearning was introduced through a series of reforms (EC

Act on eLearning 28/03/2001 and 13/08/01, and EC Act on Lifelong Learning 11/11/01) in the agendas of the Bologna Process and the Lisbon Declaration with the aim of promoting student mobility within the European Higher Education Area, thereby enhancing the competitiveness of the system.

These policies did not occur in a vacuum, but within complex processes of Europeanization of educational policy (Lawn & Grek, 2012). These involved the construction of a European Policy Space of Education which incorporated a neoliberal agenda into education establishing a nexus between education, research, and economic competitiveness (Normand, 2016). From a critical point of view, these processes have inaugurated a discourse based on legitimizing and sanctifying demands for “flexibility” and adaptability imposed by global capitalism, in which existential and social paths appear unstable and impermanent. Education is thus handed the goal of improving students’ abilities to acquire employment-relevant skills and competencies (Ball, 1998)—e.g., “soft” skills such as entrepreneurship, problem-solving, critical thinking, learning to learn, etc. In this sense, education is relegated to a marginal position in relation to the productive sphere.

In the Italian context, a series of reforms were enacted with the intention of locally implementing the European policy. These introduced elements of a “steering-at-a-distance” model in Italian higher education, while also paving the way for the establishment of VUs. Since 1989, university autonomy was introduced in processes related to management, funding, and teaching, as a means to enhance higher education performance in a system conceived as a quasi-market (Landri, 2009). A Ministry for University, Science, and Technical Research (MURST) was also set up, as well as initial tools for quality assurance. The issue of distance learning was directly addressed with Law 341/1990, allowing universities to establish distance higher education initiatives with attainable state financial support.

During the Berlusconi II government (June 2001–April 2005), Ministerial Decree 17/04/2003 established virtual universities as a formal educational option in Italian higher education, alongside non-virtual universities. Simultaneously, this regulatory framework: (i) identified a new category of higher education institutions, referred to as *università telematiche*; (ii) specified a set of criteria and procedures (distinct from those established for non-virtual universities) for their quality assurance; (iii) outlined methods of delivery and access, identification and verification, and technical features.

Through this novel regulatory framework, a new private market—namely, the market of *università telematiche*—was thus opened within Italian higher education by the public actor aligning national policy with its European counterparts. Private actors quickly seized the speculative opportunities inherent in this new arena. VUs were in fact advantageous investments,

as they allowed for the profit margins of a private university without the expenses associated with physical infrastructure.

All Italian VUs emerged from the private market between 2004 and 2006 (Table 4). Some of these were at least partially connected to public universities or local academic institutions: Unitelma Sapienza (promoted by the Sapienza Foundation), Leonardo Da Vinci (promoted by the University “Gabriele D’Annunzio” Foundation), and Italian University Line (promoted by INDIRE and the University of Foggia). Other VUs had a more distinctly corporate character and were founded as joint ventures by entrepreneurs or networks of local stakeholders (Niccolò Cusano, e-Campus, Giustino Fortunato, UniNettuno, Pegaso, San Raffaele, Universitas Mercatorum; Guglielmo Marconi). These processes unfolded within a phase of “anarchy” (Reale & Potì, 2009) in the Italian higher education system characterized by deregulation and receptivity to external and entrepreneurial forces.

Table 4. Virtual universities in Italy with foundation dates. Sorted by date.

<i>University</i>	<i>Foundation date</i>
Leonardo Da Vinci	2004
Guglielmo Marconi	2004
Unitelma	2004
Italian University Line	2005
UniNettuno	2005
Niccolò Cusano (formerly UniSu)	2006
e-Campus	2006
Giustino Fortunato	2006
Pegaso	2006
San Raffaele (formerly UniTel)	2006
Universitas Mercatorum	2006

Source: Elaboration by the author.

As early as 2006, during the Prodi II government (May 2006-January 2008), the landscape of virtual universities transformed again with the enactment of Decree-Law 262/2006, which imposed a moratorium on the establishment of new ones. This decree has been continuously reissued over the years, remaining in effect to this day. The year 2006 thus marked the conclusion of the most openly deregulatory phase in the governance of the VUs market and Italian higher education in general (Dobbins & Knill, 2014). More specific criteria and procedures for accrediting VUs were also subsequently introduced through a series of decrees.

The making of the VUs market did not occur without friction or resistance. It drew the attention of professional associations and institutional bodies such as the National University Council (CUN) and the Conference of Italian University Rectors (CRUI), which expressed their opposition to these regulations for reasons such as the absence of a unified approach to teaching and research in VUs, as well as the risks associated with the potential proliferation of entrepreneurial actors in Italian higher education (CRUI, 2003).

The market for *università telematiche* in Italy was thus initiated via an act of market-making performed through a policy device fabricated by the state authority in alignment, and in compliance, with the supranational scale. Overall, this process followed a rather improvised and compliance-oriented trajectory, lacking identifiable elements of specific entrepreneurial design or expertise. While the resulting regulatory trajectory appears fragmented, significant transformations have occurred during the years of the COVID-19 pandemic.

Rescaling and Reframing: The Penetration of the Global Education Industry

Recent years have held particular significance for global higher education. The pandemic crisis has spurred “acceleration” processes on various fronts (Cone et al., 2021), serving as a catalytic opportunity for “digital transformation” as a form of capitalist restructuring in education (Williamson & Hogan, 2020).

Regarding VUs in Italy, this has led to significant shifts in the scale and frames of the *università telematiche* market. A notable case regards the Multiversity Group holding company, which in 2019 was already the largest Italian edtech player by students enrolled as it controlled the Pegaso and Universitas Mercatorum virtual universities.

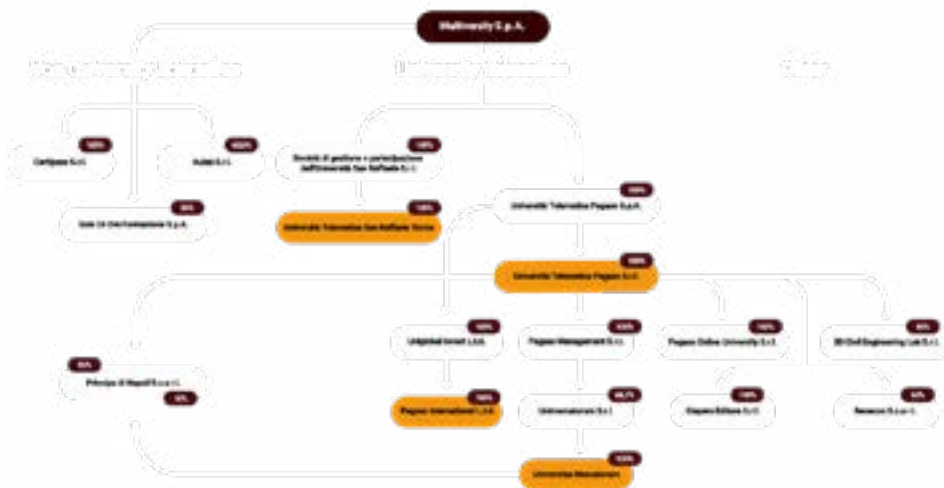
In 2021, Multiversity was acquired by CVC Capital Partners, which is one of the leading venture funds on the global scale. As a British private equity firm based in Luxembourg, CVC Capital Partners holds approximately €140 billion of assets under management and about €157 billion in secured commitments since its inception across American, European, and Asian private

equity, secondaries, and credit funds. It operates in sectors such as consumer goods, financial services, telecommunications, pharmaceuticals, and edtech.

While controlled by CVC Capital Partners, Multiversity has been expanding in to the Italian education market (Figure 5). Currently, it controls Pegaso (the largest university in Italy), Universitas Mercatorum (a VU in partnership with the Italian Chambers of Commerce), as well as San Raffaele (a prominent VU based in Rome). Consequently, Multiversity holds up to 50.37% of the market share in terms of students enrolled in VUs. Additionally, Multiversity collaborates with an important local institution to provide executive training (Il Sole 24 Ore Formazione) and has acquired a company specializing in software developer training (Aulab).

Through its governing bodies, Multiversity Group is forging a robust cross-sector alliance. The CEO of Multiversity for CVC Capital Partners is a former Vice President of Google and CEO of Google Italy. The Chairman of the Group is a former President of the Italian Chamber of Deputy and a magistrate. The Advisory Board comprises prominent political figures (e.g., a former Minister of Education and University, and a Deputy Minister of Foreign Affairs), intellectuals (including a university Rector and several academics), journalists from the national television network, and distinguished legal professionals (a retired President of the Council of State, a Prosecutor General of the Supreme Court). Multiversity thus now stands as a major international player shaping the digital governance of higher education in Italy.

Figure 5. Multiversity Group's financial portfolio.



Source: Multiversity, 2024.

CVC Capital Partners' financial strategy in the Italian market has gone together with political and cultural maneuvering.

On the one hand, it went along a *political rescaling* of the local VUs market, elevating it to a global dimension. As argued by market sociologists, investment is a political practice (Muniesa & Doganova, 2020), as the imagined financial futures can shape present realities in edtech (Williamson, 2022). With the penetration of venture capitalism and international equity, the VUs market broke out of the local dimension and became a site for techno-financial enticement and speculative future-making for global capital. Beyond regional entrepreneurs, it is now a stake for international edu-business.

Simultaneously, CVC Capital Partners' operation has arranged for a *cultural reframing* of virtual universities. VUs are framed by Multiversity through a complex narrative in which at least two discourses entwine. First, universities must embrace the digital revolution, or else be left behind. A "new era" is on the horizon—the "brave new world" (Couldry & Yu, 2018) of University 2.0—where technology leads the transformation of education towards revolutionary futures (Selwyn, 2014). In this glossy vision about technology, according to the Multiversity CEO,

[t]here's really no reason why Italian universities should consider themselves isolated or immune from the transformative benefits that the technological revolution is bringing to all other sectors. (...) We need to build a bridge, and in 2023, that bridge can only be digital. (Bruno, 2024)

Profound, complex and continuous change is also underscored as an intrinsic character of contemporary society globally. These change processes are, in fact, shaped by the flows of global capitalism, producing impermanence in life and social trajectories (Harvey, 2007). However, they are legitimized in this narrative as inherent and neutral events, and considered part of the natural order of things:

[t]oday, there's a real gap between the growing need for education, driven by the speed and complexity of changes in the world, and the data concerning Italy. (Bruno, 2024)

I am convinced that in a society undergoing constant change like today's (...) if we want to build an inclusive educational system and greater social cohesion, it is essential to combine the right training needs with new digital technologies and their corresponding teaching models. (CorriereComunicazioni, 2024)

Only the "flexible" education offered by VUs may allow individuals to keep pace with the ongoing change in today's job market, which requires readiness for continuous reskilling and upskilling. The issues of "flexibility" in the contemporary world (and of students/workers) and social mobility

are thereby strategically intertwined. VUs can in fact provide a solution to the problem of social mobility. Indeed, the “flexible” education provided by digital universities aligns well with the neoliberal demand and production of “adaptable” students/workers (Ball, 1998):

[t]he digital revolution has profoundly transformed the world of education, introducing new and more flexible learning methods. (CorriereComunicazioni, 2024)

Digital universities, thanks to their flexibility and accessibility, represent a fundamental tool to overcome the worrying distance in the number of college-educated Italians compared to the rest of Europe. (Multiversity, 2022)

[i]n Italy, digital universities are the only effective option in terms of social mobility, benefiting the whole national productive system. (Bruno, 2024)

The rise of NEETs, high dropout rates, low numbers of graduates, and the limited spread of digital skills highlight, on one hand, the need to rethink education in Italy, and on the other hand, the now indispensable role of digital universities in terms of social mobility, benefiting the entire national productive system. (Il Sole 24 Ore, 2024)

VUs are thus presented as “solutions” to the “broken” non-virtual (i.e., public) education system in Italy, which is characterized as inefficient and stagnant, whereas social mobility itself is marketed as an individual issue which subjects may choose to purchase by enrolling to Pegaso University. Thus, a social issue is reframed within a neoliberal discourse that emphasizes the role of individual responsibility in a constantly changing social context that is fraught with risk (Harvey, 2007). Simultaneously, the role of universities as a peripheral and integral part of the productive sector is reaffirmed.

As discussed, these processes of global rescaling and cultural reframing of the VUs market are paralleled by the infiltration of the multisector global (higher) education industry (Komljenovic & Robertson, 2016; Williamson, 2019). This techno-economic machinery wields a powerful political influence over the educational landscape (Williamson, 2022). The VUs market, initially established by the public authority, is being reimagined and restructured by global capital professionals through financial and discursive investment.

Conclusions

While the exploration of marketization in higher education is not a recent pursuit, the in-depth scrutiny of situated market-making processes and the relationship between market-making and digitalization remain some-

what underexplored in academic research. Nonetheless, this topic appears increasingly significant in light of the pervasive influence of digital technologies in the aftermath of the pandemic crisis, along with the recent surge in privatization and commodification in higher education, leading to an amplified economic, political, and cultural importance of the global edtech industry (Verger et al., 2016).

The aim of this paper was to contribute in the academic debate on the relationship between digitalization and marketization by exploring the processes of market-making in higher education, focusing on the case study of virtual universities, or *università telematiche*, in Italy. This effort integrates a sensitivity to critical policy sociology of education with sociological methods applied to market analyses (Regmi, 2019; Muniesa et al., 2007). Methodologically, this was supported by the application of policy history techniques, supported by documentary materials and statistical data from the Italian Ministry of University and Research.

In Italy, virtual universities are private institutions where teaching activities are conducted online, subject to evaluation procedures, and they confer legally recognized degrees. The establishment of these universities unfolded through intricate and ongoing market-making processes. The State first created a regulatory framework that established a VUs market and opened it to private initiative, thus complying with broader Europeanization processes of educational policy. Subsequently, the penetration of global capital into the local VU market catalyzed processes of political rescaling (toward the domain of global techno-finance) and cultural reframing (based on techno-solutionism and the neoliberal emphasis on flexibility and individual responsibility). Notably, the international equity fund CVC Capital Partners has become the most significant player in the market, managing up to 50.37% of enrolled virtual university students through the Multiversity holding company.

This study implies broader critical implications concerning broader dynamics regarding governance, pedagogy, and professionalism in higher education.

A first observation pertains to governance, policy, and the role of the State. The research pointed to the ongoing stabilization of a global edtech network within the higher education system in Italy, which has traditionally been resistant to edtech infiltration. Within such networks, the boundaries between public and private, local and global, policy-makers and entrepreneurs, become increasingly blurred. As shown, they may form out of an entrepreneurial core and then incorporate knowledge and expertise from scientific, political, legal, financial, and philanthropic domains (Grimaldi, 2013). They can become ever-more powerful as they are capable of enacting “fast policy” (Peck & Theodore, 2015) through distributed alliances of influence, advocacy bodies, and by directly intervening in higher education

institutions (Williamson, 2019). However, in this empirical case, the interests of private actors do not appear to be directly in conflict with the authority of the public actor as a regulatory subject. Their infiltration has occurred not as a rupture or substitution, but rather in coordination with state governance. Indeed, despite theoretically competing with public universities, these private entities are actively supported by the State through the allocation of public funds. The edtech privatization observed in this case thus appears as a case of “soft” and highly “governed” or orchestrated privatization (Cone & Brøgger, 2020).

Another issue brought to light by this study pertains to pedagogies. As highlighted by scholars, it is imperative now to engage in critical reflections concerning the pedagogical approaches and teaching models in digital technology (Castañeda & Selwyn, 2018). Underlying social models and political visions may indeed influence how digital technology in higher education is portrayed, sometimes depicting it as a purely technical and neutral solution that will “enhance” or even “rescue” university. In this case, the “flexible” educational technology in VUs is narrated as the (sole) tool for upward mobility in an ever-changing social and work environment. Hence, individuals are called to self-optimization, in a Foucauldian sense, towards the production of student/worker subjectivities that must also be “flexible” and “adaptable”, meaning change-proof and future-proof (Ball, 1998). This highlights the extent of the neoliberal expansion in higher education, as even social mobility is marketed as an individual choice. Ultimately, higher education itself risks becoming an economic transaction among individuals oriented toward survival in an economic context of employability (Giroux, 2014).

A further issue concerns professional work and professionals in higher education. Online functioning as the exclusive mode of existence of VUs raises significant questions regarding the forms of academic work today. First, online teaching requires professionals to reflexively question what knowledge university lectures should ultimately embody and (re)produce, as well as the cultural models and practices through which university teaching should unfold. This is a historically neglected issue that has emerged forcefully with the COVID-19 crisis, challenging the established norms that have long upheld the “sanctity” of the academic profession (Pompili & Viteritti, 2020). Another concern pertains to the challenges posed by digitalization on the intimate lives and working conditions of academic professionals in virtual and non-virtual universities. Online work, being remote work, is always on the verge of overstepping the boundaries between working and private life. Unpaid and “invisible” online chores may intrude with everyday academic work (often reflecting existing power imbalances), luring professionals to complete them in order to escape a sense of anxiety and accountability to individual performance (Gregg, 2013). At the same time, the online

work life of professionals may undergo processes of datafication resulting to its conversion into data streams supporting data control and surveillance. This can instigate new anxieties in education professionals related to performativity and accountability (at the subjective level) and new forms of governance through data (at the systemic level). Additionally, it can lead to processes of profit extraction based on the data of VU users (Srnicsek, 2017).

Ultimately, educational markets themselves are inherently characterized by frictions and tensions, and their conceptualization and maintenance demand ceaseless endeavors (Komljenovic & Robertson, 2016). They are not static or eternal, but rather precarious and negotiated epistemic objects (Knorr-Cetina, 2001) that unfold in a contested social field. A critical examination of digitization processes in higher education may highlight both the exercise of power among actors positioned within unequal hierarchies and the negotiation of degrees of freedom within these spaces.

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