



By: **Harvey Morris**

Response to UK university funding crisis should not confuse price with value



The UK boasts some of the world's top universities but as the academic year approaches the sector as a whole is facing financial pressures that could force some institutions to close.

A long-term freeze on fees charged to domestic students in England and Wales, coupled with a fall in applications from high-paying overseas students, threatens to push four out of 10 universities into deficit in the coming year.

With the new Labour government having dismissed a sector bailout, the higher education regulator is hiring outside consultants to help the most threatened institutions find the savings they need to weather the storm.

The looming crisis, even if it turns out to be fixable, raises fundamental questions about the role and purpose of higher education in the evolution of society as a whole.

Some academics complain that the increasing marketisation of tertiary education, in which provision of teaching is seen as just another business, overlooks the less tangible benefits of learning.

Education as a commodity

The phenomenon risks casting education as a commodity, with students as its consumers and with universities judged less on their contribution to society's culture and intellectual well-being than as factories that ready their human product for the world of work.

The value of degrees is now routinely equated with the size of the future salaries that those who attain them can hope to attract. That, in turn, has led to the concept of the 'overeducated', a cohort whose academic attainments exceed the requirements of their employers.

While most people have a idea of the personal and societal costs of a bad or inadequate

education, what does the label 'overeducated' actually mean.

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Apparently, according to census data published in 2019, it applies to the almost one-third of graduates who had more education than was required for the job they were doing.

The official statistics indicated that people who studied arts and the humanities were among those most likely to be 'overeducated', a finding that may have further fuelled the appetite of politicians across the spectrum to ridicule what they called 'Mickey Mouse' degrees.

The term was originally applied to courses on ostensibly frivolous topics that lacked academic rigour, but it fuelled the prejudices of those who challenged the role of the humanities in general.

Foreign students

A wider debate over the purpose and value of a university education is largely absent as administrators and politicians face the implications of the looming financial squeeze.

Much will depend on the decisions of the quarter a million school-leavers receiving their advanced level exam results this week. Will a higher uptake of university places compensate for a fall in foreign applicants?

In a warning that perhaps unconsciously reflected the trend to commodify students, the vice-chancellor of the University of East Anglia, David Maguire, was quoted in the Guardian as **saying**: "Quite frankly I don't think there are enough students to go around."

In the context of frozen fees for domestic students, universities have become increasingly dependent on the high fees

charged to foreign students. However, overseas applications have been hit in part by tougher visa requirements introduced by the previous Conservative government.

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Even before the July election, Bridget Phillipson, subsequently appointed education secretary, ruled out the prospect of a taxpayer-funded rescue mission. Since then, she has reminded universities that they are autonomous institutions that should not rely on the government coming to the rescue.

All governments have options, of course, although not always good ones. One would be to raise the £9,250 annual fees presently charged to students in England, Wales and Northern Ireland. (In Scotland, tuition is free.)

A key national asset

Higher costs, although repayable over many years, might not only deter potential applicants but would certainly invite a political backlash from the young, as it has in the past.

Many lower-income graduates are never required to pay back their fees, so there is no certainty about how much would be raised.



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Research for the University and College Union, which represents academics and support staff, showed that a one per cent levy on the national insurance contributions of all graduates would pay for the scrapping of tuition fees.

Alternatively, a three per cent increase in corporation tax would have a similar effect, by requiring profitable companies to pay for the levels of education from which they benefit.

Such a solution would inevitably run up against the current orthodoxy that nothing must hamper the appetite of investors to do their bit for growth, even though such growth is dependent on a secure and advanced higher education system.

The current negative mood in academia might turn out to be a blip. An improving economic outlook and a rethink on the visa status of overseas students could relieve the pressure on institutions presently contemplating dropping both staff and courses.

The UK's widely admired academic institutions, boosted in the past half century to bring higher education to those previously denied it, is a key national asset.

Its value cannot be calculated simply in terms of profit and loss. Citizens are not merely productive cogs in some soulless economic wheel. Knowledge is not irrelevant if it fails to make the possessor rich.

Among the most valuable members of society are no doubt many of those the statisticians and economists are tempted to dismiss as the 'overeducated'. In societies in which education at all levels should be a prompt that inspires yet further learning, there is simply no such thing.