The Privatisation of the University

Luke Martell

A version of this was published on Shifting Grounds, July 2012

In a few weeks students paying fees of £9000 a year will start term at English universities. Last Wednesday David Willetts signalled the government’s intention to press ahead with the privatisation of higher education¹.

Universities are charities. What is happening is their shift over to for-profit providers driven by commercial criteria rather than educational or public good goals².

Services are being outsourced to private bidders who will cut back on jobs, pay, conditions and pensions. They are tendering to make a profit, not because of a mission to improve education. Sussex University proposes to hive off more than 10% of its workforce in sensitive areas like security, environment, health and safety and the supervision of student residences.

Willetts’ latest proposals show that academic activities are also up for sale. He wants changes to the corporate form of post-92 universities and revisions to HE regulation to allow profit-making companies in. Extension of universities’ VAT-exemption to private providers will smooth the way for them.

Eligibility conditions for gaining degree-awarding powers and calling yourself a ‘university’ are being relaxed. The latest step is to reduce how many students you must have to be a university - making it easier for non-teaching set-ups to step into the sector.

Government funding of HE teaching has been cut by 100% in most areas. To fill the gap students’ contributions to their fees have been doubled or trebled³. Removal of the state subsidy to universities allows private companies to compete on even terms. There isn’t a shortage of cash. For ideological not economic reasons the burden is just being shifted from the taxpayer to the consumer.

There was no democratic mandate for this. The Tories didn’t get a majority of seats. The LibDems who gave them a majority were elected on a platform against student fees.

Inequality will widen. Most universities are charging the highest fees, so attract mainly middle class students. Less prestigious institutions have set lower fees and are admitting poorer students who get a low-spend education. Bottom-end fees will not be enough to meet universities’ costs. There will be mass redundancies, as at London Met, larger classes and less tutors. Or institutions will close with knock-on effects on local jobs and communities in already disadvantaged areas.

Many poor students are choosing to forego university. The £9k fees are part of the Tories’ wider war on welfare that pushes the poor down and out. Those who do take the £9k plunge will emerge with massive debts and employment opportunities devastated by the government’s austerity programme.

But this is about more than debt and cuts. It’s about what a university should be.

University tutors used to be asked to provide courses that were educationally valuable and would contribute to the public good. Now they are told to design modules that attract the maximum profit. This will lead to a different content to education. Critical thinking is being replaced by conformity to cash. Money-spinning management and business courses are expanding and lower-income adult education being closed down.
New Labour said we should be less dogmatic about the boundaries between the public and private sectors. But when you break down the barriers this is what happens. Allowed free rein the market changes the principles and norms of the public sector and what distinguishes it.

One way the funding gap will be filled is by private donations. But this will compromise independence and academic freedom. If a pharmaceutical company or a philanthropist with an agenda funds your job will you believe reassurances that criticising their policies will not endanger it?

The government’s commitment to for-profit education clashes with its hostility to immigrants. Universities have been one of the UK’s most high quality industries, attracting impressed students from overseas. But lucrative international students are being turned away by immigration restrictions or intimidating surveillance by the border agency. English students are looking abroad to places where courses are good, fees low and tuition in English.

The government are clearing the way for privatisation but a new breed of university management will push it through. They are hostile to unions and bypass consultation. Staff don’t dissent out of fear or because they feel there’s no point. Managers are itching to put the more wayward through disciplinary procedures. They speak the language of income streams. The word ‘education’ rarely passes their lips. In the for-profit world money is not a means to the end of education but the end itself.

Labour should be the party of the public sector and the collective good. Yet it started us down this slippery slope by introducing student-paid fees. The case for public education is having to be made by unions and student protestors. Investment for growth and fairer taxes can pay for it. Labour must go back to its roots and fight for public universities, free for all, oriented to the value of education and the public good, not profits for the rich.

1 http://www.timeshighereducation.co.uk/story.asp?sectioncode=26&storycode=420496&c=1
2 http://www.radicalphilosophy.com/commentary/who-let-the-dogs-out
3 http://www.opendemocracy.net/ourkingdom/alan-finlayson/britain-greet-age-of-privatised-higher-education