The evolution of the student as a customer in Australian higher education: a policy perspective

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Abstract

In 2014, the Australian Federal Government attempted to de-regulate higher education fees so as to allow universities to set their own tuition fees. The associated public debate offer critical insights into how the identity of a student as a 'customer' of higher education is understood and deployed when developing higher education policy. This paper uses the 2014 Australian higher education reforms as a lens through which to further scholarly research into the student-as-customer metaphor and to see how it is influenced by the perceptions and understandings of policy actors external to the higher education sector. These include politicians, special interest groups, the students and their parents and prospective employers. This study reveals that the public/private nexus—both of funding and benefit— problematizes traditional conceptualisations of students and others as higher edu- cation customers. In turn, this restricts the ability or desire of policy actors to describe how the student functions as a customer as a consequence of market reform. This inability compromises the development of effective and sustainable higher education policy.

Introduction

The idea of higher education students as being customers has been and continues to be well-researched in scholarly literature (cf. George 2007; Redding 2005; Vander Schee 2010). However, studies generally focus on perceptions and interactions within the academy; whether, it be how university staff view students (Pitman

2000), the students view themselves (Saunders 2014; White 2007) or more theoretical considerations of how the student-as-customer notion impacts upon understandings of what it means to be a university (O'Byrne and Bond 2014). Greater attention needs to be paid to how the idea of student-as-customer extends outside the higher education sector and is understood by diverse stakeholders, including government, special interest groups and the wider community. This is important because in developed, democratic nation states, it is these wider perceptions that influence public policy; more so than advocates within the sector itself. In the case of public universities especially, it is what officials within government—and by extension the citizens they represent—choose to do in regards to public policy that ultimately matters (Kraft and Furlong 2007).

A prime example was the attempt in 2014 to reform the Australian higher education sector. Central to the proposed reform package was a plan to de-regulate domestic student tuition fees by removing the maximum cap on these fees, thus allowing universities to charge what they considered to be a market price for higher education. The reforms were proposed in May 2014, debated throughout the year and finally voted down by the Australian Senate in March 2015; although at the time this paper was written the issue remained technically live in Australian higher education policy. The Senate's rejection of the reforms was despite the almost unanimous support of the universities' vice chancellors. They and their institution's secretariats argued forcefully for sectoral reform; particularly for a recalibration of the balance between public and private investment in a student's education. The representations made from the within the sector were considered through a Senate inquiry that ran through the second half of 2014 and reported in early 2015. This was a public inquiry and so the Senate also considered submissions from diverse stakeholders including student unions; professional bodies relying on a graduate workforce; social welfare organisations; private higher education providers; students; parents of students and individual citizens. This public discussion of education, markets and customers provides a critical insight into how the Australian higher education sector is positioned to operate in an increasingly competitive and globalised market environment.

The submissions to the public inquiry (more than 160), plus associated commentary, provide most of the data for this paper. Their analysis here has been guided by critical discourse analysis (CDA), since it explores the connection between the use of language and the social and political context within which it occurs (Paltridge 2013). In line with such an approach, the analysis begins with the assumption that language use is always social and discourse both reflects and produces particular ideologies (Paltridge 2013). CDA is a useful tool for exploring a particular issue and here the issue is the identity of a student as a customer. In constructing these identities the authors of the texts choose words and represen- tations deliberately, even if they are not consciously aware that they do so. Consequently, CDA is a means by which the intersection of social theories and linguistics can be examined. In the field of education research, it can be usefully employed as a means of answering questions about the relationships between language and society; specifically in regards to how education plays a part (Rogers et al. 2005). Furthermore, given its focus on social power relations, CDA is a useful means of analysing how certain groups of students might be advantaged over others, as the identity of them as a customer is interpreted. Higher education equity is a key consideration in the construction of contemporary public policy since its emergence within policy agendas in Western societies since the early 1970s, as they started to massify (Martin 2009).

An overview of the international massification of higher education

In line with a theory of massification proposed by Martin Trow in the 1960s and based upon the US experience (Trow 1970), international higher education sectors have generally transitioned from the elite stage (\15 % of the population with tertiary qualifications), into the mass stage and continuing towards theoretical universal access (50 % of the population and beyond). Early stages of growth are characterised by a focus on building new public institutions, followed by a period of steady growth before concerted efforts are made to markedly increase expansion (cf. King and James 2013). Generally, the early stages of development and incremental growth are financed by public funds, such as the taxpayer-funded tuition fees and maintenance grants in the UK in the 1960s and their equivalent in Australia, the Commonwealth scholarships. Public funds have also been used elsewhere to spur more significant expansion, as occurred in the US with the introduction of the Servicemen's Readjustment Act of 1944 (the G.I. Bill). However, in many cases, at a certain point the capacity of the public purse to support growth in enrolments is perceived to be insufficient, requiring greater private investment in public universities to maintain the sector's continued expansion. The use of income- contingent students loans, such as in the UK and Australia have been implemented as a relatively low-cost (to the student) option of subsidising public financing. In other countries, such as the US, expansion has been supported by a range of grants, scholarships and federal and state subsidies to public institutions; all of which defray student costs to varying degrees. Tuition-free education is still provided in other countries with mass higher education systems; most notably the Scandinavian kingdoms of Denmark, Norway and Sweden. However, even in countries where public education remains tuition-free, the issue of public cost is often an ongoing concern. For example the introduction of tuition fees in Germany in 2005 was with the support of the majority of political and institutional actors (Kehm 2006); however, following significant stakeholder opposition the fees were gradually phased out, one state (Länder) at a time until by 2014 higher education was once again universally free.

Based on current trends in graduation rates, 39 % of today's young adults on average across OECD countries are expected to attain university-level education during their lifetime. In one-third of OECD countries with available data, public institutions charge annual tuition fees in excess of USD 1500 for national students.

OECD countries spend on average 1.6 % of their GDP on tertiary education (OECD 2014). For many scholars this evidences a neoliberal pattern of state 'versus' institution and states 'versus' markets, since the trend is to shift the cost to the consumer and position higher education as a marketplace. Countries are classified on a continuum between state and market control, in the sense that the less there is of the former, the more higher education is represented as a market and the student as a consumer (Marginson and Rhoades 2002). However, such representations significantly underplay the significance of diverse social and cultural forces, just at the national but local and international level (Marginson and Rhoades 2002). They also misrepresent a nation's higher education sector and its students as a homogenous entity, which is not the case. Generally speaking there are four main market segments within a country's higher education system: domestic students receiving a free or subsidised education; full-fee-paying domestic students; free or subsidised international students and full-fee-paying international students. Finally, most higher education systems are an amalgam of public and private institution or even hybrids of the two.

Australia's higher education sector

In Australia, the largest market segment comprises subsidised (mostly undergrad- uate) domestic students. Domestic refers primarily to Australian citizens but includes permanent visa holders and New Zealand citizens. These students account for around 60 % of all student load (Department of Education and Training 2014). Domestic undergraduate students receive a significant public investment in their education, known as the Higher Education Contribution Scheme (HECS). Whilst the term HECS is often used to describe the overall public investment it actually comprises two key elements, which need to be considered in isolation. The first is the provision by the Commonwealth to the university of a subsidy to the cost of the student's degree, which reduces the private investment required to be paid by this student. The second element is the provision to the student of an income-contingent loan scheme (ICLS), should he/she not be willing or able to pay his/her contribution up front. The ICLS allows the student to pay off his/her student debt over a flexible time period and with a below-market interest rate. The initial ICLS scheme, known as HECS, was implemented in 1989 and had a flat, $1800 rate of contribution with no flexibility (Jackson 2000). Over the next quarter of a century, a series of amendments were made to the legislation, which resulted in some further flexibility in setting fees, but overall had the effect of decreasing the proportional public (Commonwealth) investment, and increasing the proportional private (student) investment, so that by 2013 the ratio was approximately 60–40 public to private investment. There is also a full-fee domestic student market in Australia, mostly in postgraduate courses, meaning that for these courses universities can and do charge commercial rates. The ability to charge postgraduate students full fees in limited courses was introduced as part of the 1989 higher education reforms and over time this capacity has been increased. Today, full-fee-paying domestic students account for approximately 10 % of the market. Most domestic full-fee-paying students also have access to the ICLS. International students make up approximately 25 % of the Australian higher education market. Prior to 1989, access for international students was generally provided through foreign aid programs and was viewed as a social, not economic, goal. However the 1989 reforms repositioned international students as a source of significant income for Australian universities. International student numbers grew from 24,998 in 1990 to 210,397 in 2003 (Marginson 1995) and then to 347,560 in 2014 (Department of Education and Training 2014). In general, international students are charged market rates and do not have access to an ICLS. Prior to 2012, market supply for domestic and international fee-paying students was, broadly speaking, dictated by market forces. Subsidised domestic student places were however capped, allowing the Government to control public expenditure to a large degree. However, in 2012 a centre-socialist Labor Government uncapped the supply of these places, creating a wider demand-driven system of the public funding of higher education. Prior to the proposed 2014 reforms therefore, the Australian higher education sector had matured to the point where it had distinct market segments, each driven by related but separate forces and logics. Overall, the sector has been characterised as adopting a New Public Management model of marketisation, combining as it did neoliberal business models and market templates, yet with an emphasis on audit and accountability, transparency and individuation (Marginson 2013). It was in a sense a 'quasi-market' by its introduction of a degree of monetary exchange between provider and customer and greater competition, not only between providers but also between customers (Marginson 1995). Yet two key conditions for a classical market—the freedom for institutions to set prices and the expectation that the student pay the full cost of their education (Onderwijsraad 2001, as cited in Jongbloed 2003)—were largely absent.

In 2013, a newly elected centre-right Coalition Government initiated a funding review of the higher education sector and in 2014 announced it was proposing to significantly reduce the state subsidy. To offset this fiscal loss to the universities, a deregulation of the student contribution amount was also proposed, leaving it to the universities rather than the state to determine the maximum cost of a higher education degree. However, the ICLS would remain. Thus, the proposed reforms mostly affected the subsidised student market and not surprisingly, the bulk of the submissions made to the Inquiry focussed on issues relating to domestic, undergraduate students. The ensuing debate regarding ''customers'' and ''markets'' of higher education is contextualised accordingly.

Positioning higher education as a market; de-positioning students as customers

Brown (2010) identifies literature dating back to the 1970s on the application of market theory to higher education. Notably, the idea that educational qualifications acted as a signal to potential employers as to the ability of the job applicant was discussed in length by Spence (1973). Scholarly interest appears concomitant with the rise in neoliberal studies; particularly in examining how social policy is formulated in societies modelled on economic competition of the market (Peters 2007). Writers on the subject tend either to be strongly pro or anti in their views, rather than balanced (Brown 2010). Beyond theorisation however, the application of market reform in higher education is often constrained by political factors (Marginson 2013). For example in Canada from the 1990s onwards, tuition fees were regulated, deregulated, increased and frozen at various times across provinces, as politicians attempted to balance economic and social policy (Jones and Field 2013). Evidence from the UK, Germany and New Zealand indicates that the initial adoption of neoliberal policies is often followed by varying degrees of retreat of the same when faced by strong public opposition; especially when coupled with incidences of global market crisis (cf. Kehm 2006; Humpage 2015). Thus, the acceptance of the idea of a higher education 'market' is not an automatic sequitur for the acceptance of a user-pays pricing structure.

The proposed reforms of 2014 revealed that already there was widespread acceptance of an Australian higher education market. This occurred primarily through the identification of related sub-markets such as the postgraduate student market, online student market, regional universities market and the international student market. There was also much discussion of associated 'input' markets such as the high-school leaver market, and 'output' markets such as the labour market. The higher education market was positioned as a dynamic entity; one which had evolved to a point where policy adopting a supply driven approach was becoming increasingly redundant. From this perspective, higher education had been for some time a market and by extension students represented some form of customer. However, the belief that it was desirable to ''create more competition with the public universities'' (Kemp and Norton 2014, p. x) now brought the role of student- as-customer into sharper relief. Simultaneously, the review argued for dropping the previous government's 40 % attainment bachelor-degree target for 25–34 year-olds by the year 2025 and for a 20 % low socio-economic status student enrolment share by 2020. Widening access and participation therefore became a possible consequence, rather than a primary intention, of the massification of higher education.

It is axiomatic that a market must be in evidence in order for to customers to exist, yet policy discussion surrounding the reforms tended to subsume the student- as-customer construct. The student was not explicitly described as a customer; rather the field into which they entered was presented as a competitive, commodifiable market (White 2007). Thus, universities were encouraged to compete for students, not customers. Avoiding explicit reference of the word ''customer'' reinforced the idea that, in education at least, the term is considered pejorative by many (cf. George 2007). When students *were* explicitly referred to as customers, it was invariably used as a tactic by opponents to the reforms. As one individual submission to the inquiry observed, the proposed Bill would ''turn all higher education providers into companies with students as customers, with limited consumer rights, rather than making universities places of higher learning and knowledge acquisition for the benefit of society as a whole'' (Submission 133, 2014,
p. 1). Again, the potential effect on policies of equity must be considered. Consumer rights are universal and assume a level playing field where the power of each consumer is generic. Equally generic is the conceptualisation of the consumer him/herself: they are seen to represent or act on behalf of no social milieu or aspiration. In contrast, policies of equity are redistributive in design, seeking as they do to alter the social composition of the higher education sector are in line with wider demographics (Gale and Tranter 2011; Marginson 2011b). Customers may be more or less equal in consumer law but students are not necessarily so in regards to public policy.

Pro-reform discussion also highlighted other stakeholders who benefitted from increased competition, further blurring the distinction of the student as a customer. In its budget explanatory document, the Government also identified the families of students as the beneficiaries of the reforms. Increasing competition between universities would result, the Minister for Education argued elsewhere, in ''the winners [being] students and the parents of students… as competition weaves its magic at universities'' (Heath 2014). Furthermore, reference to a new Employer Satisfaction Survey positioned the student as a product of the education process, with the future employer as the customer demanding satisfaction. This was reinforced elsewhere in the budget document by reference to the need for higher education providers to ''work together to offer the skills and knowledge that local employers are looking for'' (Commonwealth of Australia 2014, p. 6). The idea that universities 'produced' graduates to keep the state's economy 'advancing' was put forward as a fundamental goal of higher education (Pyne 2014a). The state itself also functions as a quasi-customer of higher education since by part-paying for an individual's education, it can be equally be viewed as part-customer. Furthermore, as a primary benefactor of the resulting socio-economic benefits of having a more educated population, the state receives a significant service for that payment. Without this subsidy, public universities would cease to exist in their current form. Alternatively, the state can be considered a market investor, in the sense that it seeks a risk-adjusted return in exchange for the financing, compared to a specific set of services (Merton and Thakor 2015). However the investor analogy is imperfect, since the state is seeking more than a risk-adjusted return. It is also seeking graduates in specific fields of study, enrolments from students from disadvantaged backgrounds and support for a mass, comprehensive system of higher education. Like a customer therefore, the state is also seeking specific services from the market.

There were in fact three representations of the relationship between the student and the market throughout submissions. The first representation, described above, positioned the student as external to the market in the sense that the service and service provider already existed, regardless of whether or not the student elected to enter the market (cf. Wambsganss and Kennett 1995). The second representation positioned the student as the product of the market, and employers the real customers (cf. Sirvanci 1996). Typical was the submission that noted the ''increase in the demand for skilled and educated workers from employers" (Submission 20, 2014, p. 14) or those that spoke of 'employer demand' (cf. Submission 46, 2014). The third representation synthesised the two approaches, by observing that students were both consumers of and transformed by the educational experience (cf. Lovelock and Rothschild 1980; Hoffman and Kretovics 2004). Mutual benefit was promoted, in the sense that ''Our students need the opportunity to receive the best education, and employers need those who are ready for the job'' (Submission 42, 2014, p. 2). Again however, across all three representations the constructs of student-as-customer was suppressed. In the more than 160 submissions made to the Senate, the word ''market'' appeared 792 times, whilst the word ''customer'' appeared only ten times.

Engendering the behaviours of a customer in higher education students

In addition to reducing public expenditure in higher education, a key aim of the 2014 reforms was to encourage greater competition between institutions to ''deliver greater choice and higher quality courses for students (Pyne 2014b, p. 1). However it is easier to make the rhetorical link between choice and diversity than it is to demonstrate it (cf. Gorard 1997). In an environment where the price of higher education is largely controlled, student choice is driven by factors other than cost. Similar with other countries, an Australian higher education qualification is an associative good, meaning that students choose their university based in part of the capital (social, economic, cultural) of its alumni (Hansmann 1999). However associative goods do not encourage price diversity, especially in supply-controlled markets, as once the top-ranked university has secured all the best students and is charging them a monopoly price the second-best university has every incentive to charge its students the same price without fear of losing students to the best institution and so on down the line (Dill 2011). This was demonstrated in Australia in 2004, when the government allowed universities to vary fees by up to 25 % above the previously prescribed limit. The legislative change was intended to introduce price diversity into the system; instead most universities opted for the extra 25 % straight away, with the handful of diverging universities raising their fees to the maximum student contribution rate within only a few years (National Union of Students 2013). A similar situation occurred in the UK when in 2010, MPs approved raising the cap on tuition fees from £3290 to a maximum £9000.[1]

However the 2014 Australian higher education reforms contained two elements that had the potential for greater price differentiation than had occurred in previous cases. First, supply would continue to remain uncontrolled, allowing universities to increase or even decrease the number of student places in order to affect both price and demand. Second, across the sector there would be no maximum price limit to which institutions would feel pressured to set their price at, as it would function as a proxy for quality. The reforms would result in "[course] prices [moving] in both directions following deregulation and the prestigious university brands will find themselves going head-to-head with a raft of cheaper but equally high-quality competitors'' (Pyne 2014c). Yet the response by many other stakeholders revealed that price *diversity* was more frequently understood as price *uncertainty*. Opponents to the reforms raised the spectre of an "increase in the cost of some university degrees to more than $100,000'' (Submission 111, 2014, p. 3). A more accurate observation was:

> At this stage, nobody knows what level deregulated fees will be set at. Estimated fees are not results of modelling: they are inputs into the models. Estimates of '$100,000 degrees' are not produced by modelling: they are assumptions made before running models (Submission 46, 2014, p. 28).

When the Government was requested to release figures used to produce secret government modelling on university fees post-deregulation it refused, with officials arguing their release could undermine "genuine price competition" and in any case ''while

[1] Fees rose overall to £6000, with an upper tier of £9000 if universities could demonstrate they were ensuring access for poorer students.

presented as assumed facts and informed by departmental analysis and research, these figures were essentially invented by departmental officials for the purpose of providing material for analysis based on assumed patterns of behaviour" (Hurst 2015). Throughout the period in which the reforms were debated only one university released its indicative prices of its courses post-deregulation, reinforcing the argument that the proposed reforms were creating "a toxic environment of uncertainty for students'' (Submission 49, 2014, p. 1).

Equally, there was uncertainty as to whether students would act as customers by displaying greater levels of price sensitivity, given the continuance of the ICLS component of HECS. Policy advocates argued that an "effective market [required] sophisticated, price—aware customers'' (Submission 26, 2014, p. 2). However one of the rationales for the implementation of the ICLS was to encourage increased participation particularly from students from poorer backgrounds. It did so by shifting the cost of the student's education away from a cash-constrained time to a later period of relative affluence. Prior research into the effect of HECS indicated it has had the desired effect of increasing access and participation to higher education and that the ICLS component was a contributing factor (cf. Chapman and Ryan 2005). Under the proposed reforms, some stakeholders, such as Swinburne University of Technology, feared the co-existence of fee-deregulation and HECS would result in fee increases being:

> Exacerbated by the design of [HECS], which ensures that students incur no costs for their tuition at the point of purchase. The fact that students can defer their payments for many years means that students can be less sensitive to price at the time they commence their studies (Submission 109, 2014, p. 4).

Others believed only disadvantaged students would display increased price sensitivity; such as those from lower socio-economic backgrounds. The University of Melbourne Graduate Students Association believed:

> The institutions that will be most heavily affected by funding

> cuts are also those whose students would be least able to afford higher fees. Regional and outer metropolitan institutions have far higher percentages of students from low socio-economic status backgrounds, and these students are more likely to be sensitive to price increases (Submission 64, 2014, p. 3).

In turn, these various perceptions and concerns related to the rights of all students, as customers, to access the higher education market, which is discussed in the following section.

Public citizens in a private market

In a classical, capitalist market, goods are private in the sense that they are rivalrous and excludable, meaning provision of a good to one consumer denies its provision to another, and an individual can be denied access to a good; for example by not having enough money to pay for it. The reverse holds true for public goods. Prior to the 2014 reforms and in common with most developed nations, higher education in Australia was neither a wholly public nor wholly private good. Technically, the provision of an education to one student denied its provision to another as there were a finite number of student places. However the implementation of a demand- driven funding system meant that in practical terms this was not the case at the macro (i.e. sectoral) level. However higher education was also an associative good and this created prestige-based sub-markets within the field. Within these, the provision of a student place at a more desirable, elite university did have a more significant impact on other students seeking to access that same university. In terms of excludability, the existence of HECS and the ICLS meant that many more students could afford higher education at the point of entry and the evidence to date indicated that overall enrolments increased even as the proportional private investment cost rose (Chapman and Ryan 2005). Consequently education has been variously described as having a public good 'component' (Sen 2000) or as a private good that is defined or understood as a public one (Menashy 2009). Further, Marginson (2011a) unpacks the idea of higher education as a 'thing', observing it is actually a combination of various things. Thus, for example, the public functions of a university can be more readily found in the social and political effects it has on the wider community, with its tertiary qualifications offerings being increasingly understood in terms of their private economic enrichment. The provision of an ICLS such as HECS further problematises the public/private dichotomy, as it is viewed by organisations such as the OECD as being a private investment by the student but is underpinned by significant public investment, especially when the state forgoes the debt when the student earns less than a prescribed minimum.

In accordance with Australia being a signatory to International Covenant on Economic, Social and Cultural Rights, the Government was obliged to demonstrate how its 2014 reforms would not impact on Article 13, in particular that ''Higher education shall be made equally accessible to all, on the basis of capacity, by every appropriate means, and in particular by the progressive introduction of free education" (UN Economic and Social Council 1999). The Government argued its reforms "substantially expands access to higher education by extending the demand-driven system [resulting in] Commonwealth support for more than 80,000 additional students each year by 2018'' (Commonwealth of Australia 2014, p. 8). The impact of fee-deregulation was positioned by the Government as recalibrating the public–private investment in higher education from 60–40 to 50–50. The Minister for Education argued students were "currently paying 40 % of the cost, so we're asking them to increase their contribution by 10 % to the 50 % level. I think that's a fair deal…'' (Pyne 2014d). In reality, due to various factors surrounding different subsidy levels for different courses, the average student contribution was expected to increase by 29 % (Universities Australia 2014). Furthermore, the Minister's statement assumed universities would only raise fees to compensate for the cut in the public subsidy, when fee-deregulation would encourage many universities to go further, meaning the 50–50 representation was an inaccurate reflection of what prices might look like in a competitive market (Robinson 2014). Whilst most public universities supported fee-deregulations, they did not support the reduction of public investment. As the Australian Technology Network universities argued, "Australia's public universities were not established to make a profit for shareholders, nor do they exist to make a financial return for government. Rather, they exist to deliver a common good through the provision of teaching and research" (Submission 15, 2014, p. 3). These and many other submissions made the point that, in the words of one individual, "Education is a public good, like health care, roads, police and armed forces. The end user is not the student; it is the user of public goods like health care, transport and justice'' (Submission 24, 2014, p. 1). The Government regularly adopted positions that attempted to straddle the public– private dichotomy. The Minister argued that ''As a result of these reforms, access to higher education will be expanded… [for more students] these changes will support *the right to higher education* [author's emphasis]'' (Pyne 2014b, p. 6). However the same document acknowledged the "potential for some changes to lead to increased fees and costs for students'' (Pyne 2014b, p. 6). This was justified by the fact that graduates would earn ''75 % more over a lifetime than people without a university degree [or] $1 million more than people who don't go to university" (Australian Broadcasting Corporation 2014); a claim that focussed on the private benefits accruing from education, as well as inferring an unfair impost through the application of an involuntary public contribution from citizens not realising this private benefit. Such exchanges revealed the multi-level nature of a higher education market. At the macro level, there was one market (i.e. "the students"). At the meso level were groups of individuals representing a particular demographic (i.e. ''some students''). At the micro level there were only individuals (i.e. ''a student"). Classical market ideology focussed mostly on the macro and micros level; however higher education equity policy was mostly concentrated at the meso (group) level. Whilst altering the public–private investment balance was not necessarily anathematic to principles of access and participation, the associated removal of higher education targets for disadvantaged students was potentially more damaging.

Conclusion

Since 1989, the introduction of neoliberal market ideology to the Australian higher education sector has been a process of iterative, pragmatic application. The aims of macro-policy reform have remained framed largely in terms of greater public benefit, through increased national productivity and greater individual access through the massification of higher education. The gradual recalibration of public– private investment has also been framed in terms of public benefit; that is, as a means of sharing the fruits of education more widely by supplementing the public investment with private. Under this rubric, the student is rarely explicated as a customer. This is in part recognition of the multiple benefits and benefactors of higher education, which tends away from identifying a strict, linear relationship between the institution and the individual. It is also an acknowledgement that even with the ever-increasing application of market forces, market efficiencies and market competition, the state remains largely in control of the market, by controlling the amount of supply to, and maximum cost for, its citizens. Even when supply becomes unrestricted, as was the case in Australia in 2012, the state retained control of the proportional private cost to the student. This frames the individual as much a recipient of social welfare as it does a customer using his/her finances to purchase a good for private benefit.

Where the 2014 reforms differed was that unlike previous attempts to restructure the higher education sector, the state flagged its intention to forgo control of the market price. In turn, this created a strong perception that the student would be treated as a customer to a greater degree than ever before. Policy would now, potentially, constitute the student as a customer de jure, not de facto. Releasing the market price from state control would be a necessary step if at some point the intention is to shift higher education from a New Public Management model towards a full-blooded capitalist-market ideal. Marginson (2013) notes that this is an impossibility, in great part due to political limitations, and wonders at the bi- partisan persistence in this type of reform, even if those involved must be aware of the futility of their actions. The evidence from this study is that the inability to acknowledge, let alone comprehend, how the student functions as a customer in market reform can be held partly attributable for the most recent reform failure. Yet this is a discussion that is essential to the transformation of higher education, whether policymakers are for or against market reforms or for or against greater public expenditure. It is not possible to fully apprehend how a higher education market might function in the future if its customers are not equally apprehended. Higher education policy reform needs dialectical debate, not rhetorical positioning that either criticises market reform via perceiving the student-as-customer construct as an 'unfortunate' one (Vuori 2013) or makes the student as invisible as possible so as to avoid such negative connotations. As Eagle and Brennan (2007, p. 56) observe, "The student-as-customer concept is neither wholly flawed, nor a panacea for the higher education system—it is something in between".

Acknowledging the student as a customer of higher education has particular advantages, for all stakeholders, as it foregrounds the private investment made and reinforces higher education as a valuable resource in an environment where public funds must be secured as part of a zero-sum game. Furthermore, the representation of the state as a higher education customer reinforces a reality that a higher education construct of market-customer will likely never be based solely economic considerations. Whilst governments might seek to reduce their economic investment in higher education it does not therefore follow that they seek to reduce its social dividend. Contemporary higher education policy is frequently characterised by increased accountability, often around issues of access and opportunity. This is not to say that the customer construct cannot be damaging to principles of higher education equity; it does however mean the two elements are not mutually exclusive. Ultimately, the intention is not to re-create the student as a classical, capitalist-market student. This is both impossible and undesirable: impossible because Australian and related international covenants preclude any ability by the state to create a genuinely rivalrous and excludable market; and undesirable because these preclusions are a reflection of widespread, bi-partisan commitment to increasing higher education access and participation for all students. Rather, the goal should be to understand the unique and particular status of the student as a customer, which is one that by necessity must bridge the public/private nexus. It is at this interface that effective and sustainable higher education policy can best be enacted.

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