



Protests against student fees

This month London has been rocked by protests, mainly from university students, against the UK government's proposal (which was accepted by a vote in Parliament on 9 December 2010) to set undergraduate tuition fees at £9000 per annum, three times the previous level.

Unfortunately, the public debate around the issue has been conducted at an extremely superficial level. Currently, many students finance their studies through bank loans, repayable after graduation; the main argument heard is simply that students do not want even more indebtedness. The fundamental question is, however, whether education should be a free good offered by the state. If yes, then obviously fees should be zero. If no, it seems not unreasonable to charge a sum of around £9000, which is estimated to be the average cost of educating a student (the old figure of £3000 p.a. seemed like a typically English compromise, rather like—as George Mikes has wittily pointed out—English windows being a compromise between having no glass at all and double-glazing that actually keeps draughts and cold out). Obviously the provision of university education as it is currently organized is not free: the salaries not only of professors and lecturers but also of an army of support staff have to be paid, information technology and library facilities have to be provided and buildings and grounds have to be maintained. If education is therefore offered without direct payment from the recipient, it must be financed by public funds, on the same basis as the army or the fire-fighting service.

What makes an activity eligible for public funding? Obviously the activity must be perceived to be beneficial but beyond that there seem to be no exact criteria for deciding whether it should be publicly or privately funded. In Great Britain, most activities have run the gamut of both. Telephones, initially private, were taken under state control because only the state was felt to be a sufficiently reliable guarantor of privacy. Once this feeling was lost there was no particular need to continue with state funding. Railways, although private for much of their history, have nevertheless always been subjected to rigorous state regulation, apparently to prevent the lure of excessive profits detracting from their accessibility to all. They are also felt to be of strategic importance for national security, an argument explaining why state armies are generally preferred over private militias. “Natural monopoly” is another argument that has been used to justify state funding, typically applied to utilities such as water and electricity supply (which also happen to have strategic importance). Here, Britain has

pioneered another ingenious compromise—basic infrastructure (such as railway track or telephone lines) is provided by the state, or a closely regulated private enterprise, but private companies may use that infrastructure to provide a service such as running passenger trains. This is mostly how ordinary roads are provided nowadays—it is reckoned that this model stimulates the general economy far more than the alternative of leaving road provision entirely up to private enterprise (nevertheless, we note that this opinion is essentially based on England's experience in moving from private “turnpike” roads to public ones at a single historical epoch; no convincing generalized analysis appears to be available, and across Europe there are in fact wide divergences between countries regarding access payments for using motorways).

An analogous (economic) argument has been used to justify state support for education: a more educated workforce will be more productive (especially in the present era of “knowledge economies”), and therefore help to boost gross national product (GDP). While sounding plausible, this argument gets little support from empirical evidence. University tuition fees in Switzerland, the country with the highest GDP per capita in the world, amount to about CHF 1000/year, regardless of the state or country of origin of the student. This is a purely nominal fee, presumably set above zero to discourage casual enrolment, and more than an order of magnitude cheaper than the UK's £9000/year. Malta, on the other hand, with a per capita GDP somewhat less than that of the UK, has zero fees for Maltese citizens. Although countries with an almost exclusively state system—this applies to most of continental Europe, where private universities tend to be recent foundations and lack the quality and prestige of their ancient state compeers—typically have a uniform fee throughout the country, in the USA, with a diverse mix of state and private, there are large variations in fees (for example, Princeton University charges almost \$37,000 per annum while Penn State University levies almost \$31,000 for nonresidents of Pennsylvania and \$18,000 for residents) and it might be meaningless to take an average. Another difficulty in establishing a correlation is that the delay between educating a student and reaping the economic benefits is unknown. Until Margaret Thatcher introduced the current fee structure in the UK (in 1982/3; it is a sobering reminder of inflation that the fee for UK students was then £480 and for overseas, £3600), overseas students also paid the much lower, heavily subsidized fee. Perhaps the UK is still benefiting

economically from that earlier régime. Actually, even if a correlation were to be established, we would not know whether a country wealthy through other causes could simply afford to subsidize education, whereas a poor country had no option but to recoup the cost through fees. Insofar as foreign students in Switzerland are charged the same fees as Swiss citizens, the former in fact seems at first sight more likely.

Apart from the difficulty of establishing a correlation between national prosperity and the provision of tertiary education, a further difficulty with the economic argument is that costs and contributions are rarely transparently separable. In Malta, for example, engineers' remuneration is about half that in France. This could be seen as a kind of graduate tax (although the fees for the prestigious *grandes écoles* amount to no more than some €500 per annum).

Basic proficiency in reading, writing and arithmetic is obviously necessary for the functioning of a modern state, with its numerous forms, tax returns etc. to be completed. Provision of basic training in these skills is therefore a natural desire of a state. Yet, like the National Health Service, which when it started in the UK was seen by its founder, Aneurin Bevan, as a purely temporary institution that would wither away once the nation's health had reached some minimum threshold, once everyone has acquired the basic skills of literacy and numeracy, could not parents teach their offspring, just as they already teach them to manipulate eating utensils, tie shoelaces etc.? Vast state health and education systems (which are in many countries among the biggest two categories of government expenditure) are retained because of irremovable vested interests rather than necessity. In fact, after having learnt the basic skills children typically spend years being crammed with obscure, academic knowledge. The very competent man who is able to swiftly diagnose and repair faults in my central heating system and who turns up at my house once a year to carry out the statutory safety check on my gas-fired hot water boiler has no need to know about the economic geography of Uruguay, nor how to solve partial differential equations. As for learning Spanish, this surely has an economic disbenefit since it will encourage the adult with that skill to spend holidays in Spain rather than contributing to GDP by spending them at some British

resort. The main effect of all this cramming, the success of which is repeatedly assessed by test after test, seems to be to quench the natural curiosity of every child and, in the majority of cases, transform them into adult consumers of very mediocre literature (judging by what is on offer at airport bookstalls).¹ However, *should he so wish* to develop an interest in certain South American countries as a hobby, there should be no bar to his doing so, and indeed the already almost universal availability of the Internet, doing more effectively and probably more universally what was previously done by public libraries, practically assures that there is none. What is really important (and I shall take it as being self-evidently so) is that there should be no bar to a Michael Faraday, apprenticed to a bookbinder, from becoming the foremost scientist of his age. All the specialized knowledge that anyone requires in his or her adult life can be acquired on the job. I recently overheard a conversation between two British businessmen sitting opposite me on a train in the UK about some trade deals with firms in Kazakhstan: shipping routes along the Volga and obscure Caspian entrepôts were mentioned with the assured confidence of a native. This, surely, did not depend on anything they had learnt at school.²

Sometimes the validity of the above arguments is acknowledged, but compulsory school until 16 is justified by visions of the social chaos that would result if children were "let loose on the streets". It is difficult to know whether this is meant seriously. Certainly the object of the UK's 1944 Education Act was not to bring such chaos to a halt. But even if a mere increase in minor delinquency were to result, this is surely an indictment of contemporary society and very possibly the abolition of compulsory schooling would do more to help mend its ills than maintaining it does to contain them.

Hence, it seems that the argument for primary and secondary state education is weak. What about tertiary (university) education? Its provision as a free state resource would *a fortiori* seem to be even less justifiable, except for the "keeping them off the streets" argument—the peak age for male offenders is 20, according to official UK statistics. Apart from that, however, not only the modern state but civilization as a whole—already we have people who consider themselves denizens of cyberspace rather than belonging to any temporal

¹ Judging from the contents of the so-called "women's magazines", the situation appears to be even worse regarding female education in western Europe, to the extent that one wonders why one of the principal reasons for outrage against the Taliban is their suppression of girls' schooling: as far as the results are concerned, are we any better here?

² It is above all the Internet that has made school redundant as a source of knowledge. Given its ubiquity, it is amazing that the learning webs or "peer-matching networks" advocated by Ivan Illich well before its establishment have not become more widespread. These could handle knowledge up to the quaternary and quinary (doctoral and postdoctoral) levels and beyond, covering essentially almost every facet of human activity.

jurisdiction—depends heavily on an ever higher level of technical expertise, especially in information technology (IT), and even the humbler provision of bridges, roads and dwellings depends on the more familiar but no less essential skills of engineer and architect. Just as the state is acting in its self-interest to ensure basic literacy and numeracy among the people living on its territory, it also has self-interest in educating engineers and scientists to the highest possible level. Here we seem to be close to the core function of the “University” or its equivalent. In France, despite the expansion of tertiary education, the (small) numbers of students attending the élite *grandes écoles* has remained virtually stationary for decades; this route is apparently sufficient for the formation of the technical and administrative leadership of the country, and serves its purpose very well. (Britain does not have such a clear demarcation within its tertiary education sector and the élite is somewhat dispersed among a more heterogeneous group of institutions.) The rôle of secondary school, then, would shrink to preparation for the *grandes écoles* or their equivalent—indeed the French have schools with precisely this function—and it follows that students electing to study key subjects such as mathematics, physics, chemistry, engineering, medicine and the like should indeed have their fees entirely paid for by the state. For all practical purposes one does need to go through the gruelling training of anatomy, physiology and the rest to become a competent medical doctor able to fully exploit the current level of knowledge and technology. Conversely, one does not need to study political sciences to become a politician, nor media sciences to become a journalist, nor creative writing to become a novelist, nor even golf course design to become a golf course designer. Therefore, these other subjects can be fee-paying, and since they seem to currently form the majority of subjects studied, the real purpose of the protests might be due to the fact that at £9000—and perhaps not even at £3000—these courses do not offer value for money. For we have become conditioned to thinking of everything in terms of return on investment (RoI), and if the fees are an investment that should yield a manyfold return, it might indeed be difficult to see how this is possible with a degree in sports shoe design (which, alas, is unlikely to guarantee employment at Adidas or Nike). Not everyone has the inclination or ability to enrol for one of the so-called hard sciences—yet the school-leaver has become wedded to the idea of

spending three years of his life, perhaps on a pleasant rural campus and without the need for great effort, before starting work to earn the money needed to pay one’s way through life. If secondary school was free, why not tertiary?—this is perhaps the essence of the protesters’ argument.³ One should not, however, forget that even the most ambitious university expansionists only envisaged that 50% of the school leaving cohort would enter tertiary education; presumably this restriction was based on economics, for it is far more socially divisive for half to enjoy the privilege than for only 5–10%, most of whom would go on to do work that no one else could do.

One might still argue that the market could ensure the supply of key specialists—the remuneration of, say, an IT specialist making the RoI in an IT degree highly attractive. Indeed one should point out that the University of Buckingham, which resolutely eschews government subsidies and hence already charged fees at the £9000 level, is extremely popular in its domains of law, business administration and so forth and is clearly considered to give excellent value for money, the quantitative measure of which is often taken to be salaries in the years following graduation. Other domains, however, no less essential than IT (especially in the long term), such as physics research, are relatively poorly remunerated, although in a sense the scientists are the Brahmins of modern Western society and they are not motivated by dreams of future prosperity. High fees will deter some from embarking on such a career; talent is anyway rare, and no nation can afford to narrow the pool from which it is drawn.

We conclude that the protesters were right to protest, but for the wrong reasons. It appears that there is indeed little logic in the Government’s position; it is topical to lament the shortage of workers in key areas such as IT and many branches of engineering, and surely the quickest way to remedy that deficiency would be to make those subjects available for fully-subsidized study at universities. Although the market should ultimately correct shortages by forcing salaries in those domains upwards, this is slower and in a globalized economy irreversible damage can be done by the swift migration of activity abroad before the correction has completed its action. Perhaps the best outcome that we can hope for is for the protests to bring about profound national reflexion on the purposes of education at all levels, and the best means to realize them.

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³ The time spent as an undergraduate, regardless of the subject studied, is perhaps valuable for acquiring further skills, not taught at school, needed to survive in today’s complex and sophisticated society.