

## The Higher Education White Paper is a good start at introducing real competition between universities for academic places

*The [Higher Education White Paper](#), released today, proposes to make student 85,000 places 'contestable' between universities over the next two years, allow institutions to take on more high achieving A-level students, and create up to 20,000 places for universities that charge a yearly fee of less than £7,500. [Tim Leunig](#) welcomes the White Paper and its proposals, but argues that the proposed changes will do little to improve access to and the quality of, the student experience. 'Real' competition is needed.*



The rhetoric is right: the title, the foreword, the summary and the main contents. The government has a vision of universities in which they do not and cannot take their students for granted. Universities will have to explain what they offer, explain how satisfied students are, and explain whether their students get good jobs.

It sounds good, and it could be. But the vast majority of universities will still get a quota of 95 per cent of their current student numbers. When your market share is all-but-guaranteed you have little incentive to strive for perfection or even to improve.

Statistics can be manipulated. Students want their university to appear great, so that their degree is worth more in the marketplace. Once the world looks at these statistics, students have an incentive to be generous. Faculty can ask leading questions, or can undertake surveys at times when only the keen students are present (at optional classes for example). As soon as a university's future depends on these numbers, they will think of ways to massage them – just as schools started offering all sorts of courses that were defined as “equivalent to” GCSEs.

That is why real competition is important. The core-margin model, whereby universities are guaranteed around 95 per cent of their student numbers is simply too comfortable. That number needs to come down, and it needs to come down quickly. The White Paper states that “the core will reduce every year” but gives no indication of the extent of speed of reduction. There is an opportunity here, but no way to tell whether government will seize it.

Finally, the White Paper is mercifully short. There are few paragraphs of pure guff. But there are weak points and omissions. The material on rewards for teaching and access are “aspirational”, in that government seems to have precious few levers that it is willing to pull to change anything – for better and for worse. Universities are self-governing, and that is the bottom line.

This is a paper about undergraduates. There are only a couple of paragraphs about postgraduates – the government has accepted the recommendations of the little-noticed Smith report. And there is nothing at all on research. Undergraduates are important. But they are not the be all and end all of universities.