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## **Inegalitarian populism and the university: British reflections on Newfield's *The Great Mistake: How We Wrecked Public Universities and How We Can Fix Them***

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Chris Newfield's superb book describes the dismantling and privatization of US public higher education over the last decades, a process that accelerated after the 2008 financial crisis. He shows how politicians, policy analysts and university leaders in the US gave up the articulation of higher education as a public good in favour of its private benefits of investment in human capital and service to the corporate economy. This could just as easily be a description of the higher education debate in England since the Dearing Report (1997). This introduced a tuition fee to be paid by students, which was defended in terms of the direct economic benefit to students of a degree. However, continued public funding was justified on the grounds that there were extensive public goods associated with higher education and that it was right that these should be publicly funded. Since Dearing, these arguments have been wholly absent from policy documents and no Vice Chancellor has sought to defend universities as a public good. Worse, private interests aggregated through the market have become the very definition of the public interest, while claims of public benefits realized through the direct funding of

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higher education are represented as an ideological cover for the sectional interests of faculty.

According to Newfield, the consequences of privatization have been severe. They include reductions in public funding and a dramatic rise in the student debt burden, research directed toward commercial interests through co-sponsorship involving cross-subsidies from teaching revenues (deriving from humanities and social sciences), the narrowing of the curriculum, reductions in teaching support (despite higher fees) and a declining quality of learning. These effects are described in eight interlinked ‘devolutionary’ stages that represent a vicious cycle of decline. Each is presented in meticulous and highly readable detail through case studies, aggregate data, and ‘deconstruction’ of other diagnoses of the maladies of public higher education and a reanalysis of their data.

The question he poses is the extent to which this devolutionary cycle is self-reproducing. Rising inequality, the declining job prospects of the US ‘middle class’ (i.e. those with college qualifications), and stagnant real wages alongside the rising costs (well above inflation) of higher education have undermined the ‘graduate premium’. Investment in human capital is not for the benefit of individuals, but for employers, since productivity gains are appropriated by shareholders. Higher education has become reduced to a ‘sorting’ mechanism for a race in which the costs of entering are now higher than ever and the rewards are lower. This, for Newfield, is the catalyst for a radical rethink. Once the costs of privatization are recognized, a new articulation of higher education as a public good can be made, one where it is at the service of ‘full participation in higher learning across all economic and racial groups’ (309). Mass higher education, he argues, only makes sense as a form of public investment.

I find his reasoning compelling. However, the book was written and published before the great populist disruption that delivered Brexit and the Trump presidency, neither of which seems to augur the racial and economic justice that motivates Newfield. I also read the book as the Higher Education and Research Act was passed as one of the last actions of Parliament before its dissolution in preparation for the June 2017 election (itself a consequence of Brexit). The Act establishes the architecture for the regulation of teaching and research for higher education providers (as we must now call them) in the UK.<sup>1</sup> The Bill was warmly welcomed – urged, in fact – by the body representing universities, Universities UK.<sup>2</sup> The Bill is the culmination of a series of changes to higher education in England which have promoted its privatization. These changes began in 2009 with the ‘impact agenda’ requiring all publicly funded research to be directed toward a private beneficiary. They continued in 2011 with the removal of all direct public funding of undergraduate degrees in the humanities and social sciences and their replacement with student fees and publicly supported (income-contingent) loans. At the same

time, for-profit providers were provided with access to those loans and offered the title of university, notwithstanding their status as teaching-only institutions and the restricted subjects offered. The former adviser on higher education to Pearson (one of the major for-profit education corporations) and member of the Browne Review that instigated the changes, Sir Michael Barber, has been announced as the head of the new regulatory body for teaching, the Office for Students.

We are used to thinking of the US as a ‘laggard’ welfare regime. However, with regard to higher education, it has always been a ‘leader’ – for example, in terms of the early development of public universities and in terms of the proportion of the age cohort graduating from university. In this respect, Newfield sees the post-war expansion of public higher education in the US as reflecting an egalitarian tradition. That tradition, he acknowledges, was deeply racialized. However, he regards the development of public higher education as part of a process of democratization that would create full participation for all, even if it had begun with segregation, which did not end formally until 1967. He does not say very much about the racial implications of neo-liberal privatization except to imply that it is ‘structurally racist’ (280) as is evident from its effects, notwithstanding its apparent ‘neutrality’ (deriving from standard market ideology).

Unlike the UK, which, until devolution of some powers to Scottish, Welsh and Northern Irish assemblies after 2000, is highly centralized, the US federal state has a relatively weak role. Higher education policy, for example, is mainly a matter for the separate states. At the same time, the US also has a developed system of private research universities and liberal arts colleges that charge substantially higher fees than do public universities. Private universities function as part of elite social reproduction. Their effects are mitigated to the extent that there is robust public higher education which offers programmes that are both cheap and have high educational value. Privatization has undermined this role. It has also facilitated for-profit providers offering lower cost degree programmes to those from disadvantaged backgrounds, especially African Americans (Cottom 2017). Their expansion involves ‘gouging’ students for loan revenue, while providing courses that offer little labour market advantage. They also put pressure on public higher education provision of two-year and four-year courses, thereby creating new forms of stratification that reverse the democratization that Newfield attributes to public higher education. In effect, the privatization of public higher education is re-creating an ascriptive status order on the basis of race and class.

In the UK (and elsewhere in Europe), higher education up until its expansion after the Robbins Report of 1963 was also an ascriptive status order. As in the US, the growth of public higher education coincided with the reduction of inequality associated with the expansion of the welfare state and inclusive economic growth. Unlike the US, however, the Robbins reforms created a

single system of public higher education, with the two institutions most like the US ‘Ivy League’, Oxford and Cambridge Universities, both incorporated within it (polytechnics, which had been recommended for inclusion were finally included in 1992). All undergraduate degree programmes were provided with the same funding regardless of institution, with variation only for higher cost subjects, such as STEM and studio-based subjects.

The authors of the Robbins Report were aware of a status hierarchy among institutions, but, like Newfield, they believed it would be mitigated over time and that the combination of merit-based selection, supported by grants to students, together with an expansion of the numbers going to university would also serve to undermine the role of private secondary schools and their ‘integration’ with Oxford and Cambridge (the main basis of elite social reproduction). The principle was to be that, university places ‘should be available to all who were qualified for them by ability and attainment’ (1963: para 30).<sup>3</sup> Similar arguments guided the expansion of higher education in other European countries, especially in those with strong social democratic orientations, such as the Nordic countries and the Netherlands.

The creation of a system of public higher education, then, had gone further in the UK (and some other European countries) than in the US, but the retreat from it began earlier in the latter country. Significantly, Newfield is concerned with the *privatization* of public higher education. In most of the data he discusses, its various stages are all traced as beginning in the late 1990s and accelerating again after 2008. Most strikingly, he makes no mention of the *audit processes* and *performance management measures* that have formed such an important part of UK higher education since the 1980s and have been widely treated as ‘market proxies’. Newfield implies we should not elide *audit* with *privatization*. If we treat the former as a measure to ensure public accountability, we can see that it does not necessarily have the deleterious consequences that he associates with privatization. While audit may increase academic anxiety, it does not disrupt any of the public goods associated with public higher education. As academics, we may have been focused on our own well-being and missed the sociologically more important process. Moreover, audit measures may even have provided ‘objective’ criteria that have enabled discrimination in staff and student recruitment to be identified and even addressed (even if there remains an attainment gap for BME students), and thus, may even be part of ensuring the ‘full participation’ that democratization requires.

I have been careful to set the comparison with the US in these terms since we can now see the UK (more specifically, England) as being about a decade behind the US in the retrenchment of public higher education. Because the process began earlier in the US, its costs and consequences were potentially available to policy-makers and university leaders. In fact, the European Commission reported in 2009 on the efficiency and effectiveness of tertiary

education within the European Union, also including comparisons with the US and Japan (St Aubyn, Pina, Garcia and Pais 2009). The report addresses higher education *systems* (not individual institutions) and assesses them for teaching and research outcomes as well as value for money. The Nordic countries and Netherlands do well, but the UK comes top in both research and teaching as well as value. The United States fares badly, confirming Newfield's devolutionary cycle. Of course, not all EU countries have 'unprivatized' systems of public higher education, but those that do well are unprivatized. The fact that the UK outperformed all others is potentially a consequence of an effective audit regime. Yet, just a year after the publication of that assessment, the Government began the radical unmaking of English public higher education to move it in the direction of US higher education whose failures were increasingly evident. This might be termed 'ideology diffusion', or 'policy unlearning', the process by which policies are innovated and worst practices transferred.

In this context, the 2008 financial crisis and the subsequent politics of austerity has had transformative effects on higher education in England that are more far reaching than in other sectors. In effect, university leaders (and, by implication, their academic staff) accepted an 82 per cent cut in direct public funding of undergraduate tuition in return for raising tuition fees directly from students, supported by income-contingent loans (see Smith 2011). This was done in a manner that increased total revenue to the system, albeit bringing in its wake a redistribution of that income away from post 1992 institutions towards the Russell Group (see Wolf 2015). Although fees are currently £6,000+ and capped at £9,250, it is clear from the Browne Report that the long-term intention is 'uncapped' fees, set by what the market in education as a 'positional' good will bear. Indeed, most vice-chancellors regard the level of overseas student fees as a guide to what they might be able to charge were fees to be uncapped (the analogue in the US is the difference in fees between in-state and out-of-state students, a differential which does not apply to private universities). Competition from for-profit providers is intended to peg fees back to £6,000 for some universities, thereby converting them into teaching-only institutions, with research increasingly concentrated in fewer institutions.

The Browne Report recommended that the removal of a cap on fees should be associated with each university creating a fund for tuition fee support. Once again, Newfield's analysis shows how most such support operates in the US to require 'co-funding' by the student which, in turn, generates debt for students from poor backgrounds far greater than under previous arrangements. It might be objected that student debt in England is less problematic than in the US where it is commercially provided without the protections provided by income-contingent loans. However, what should be noted is that

living costs have a loan maximum of £8,200 and, therefore, additional costs have to be raised from parental contribution or by part-time employment. The evidence presented by Newfield is that student employment is associated with lower attainment by students from disadvantaged backgrounds (with the ability of students to take unpaid employment as ‘interns’ to provide work experience having the opposite effect).

If Newfield’s analysis is correct, we are on our way to a system that serves inequality rather than ameliorates it. This is not likely to be evident in international league tables of institutions where it is possible that some universities will continue to do well. Their success, however, will be bought at the cost of a system that will fail the majority who will be leveraged to pay for it. Meister, another academic from the California system of public higher education, writes of the way that ‘privatization as financialization’ took place in the context of a tax-salary bargain where universities, ‘could theoretically raise revenues from enrolment growth for as long as [students] were more willing to incur debt than to pay higher taxes’ (2011: 134).<sup>4</sup> In both the US and England that ‘bargain’ is undermined by a decline in the ‘graduate premium’, but populist mobilizations against taxation reinforce a bad bargain.

It is clear that vice chancellors do not wish for the revenue constraint that a system of higher education funded by taxation would imply. Even if income contingent loans do not have the negative consequences of the US system where student loans cannot be defaulted, they do contain a contradiction. The pool of student graduates includes some who will pay back their loans and also be responsible as taxpayers for supporting the costs of the loan system deriving from those who do not repay the full amount. The Conservative Party announced as part of its 2017 Election Manifesto that it intends to use graduate income data to identify courses that do not have a graduate premium for the Office for Students to reduce fees on those courses.<sup>5</sup> At the same time, while measures are in place to allow fee rises in line with inflation (and subsequently to lift the cap), the income threshold has not been raised in line with inflation (as promised when the system was introduced).<sup>6</sup>

The future of higher education is poised at a critical moment. The neo-liberal politics of taxation and privatization of public responsibilities is generating widening inequalities. The politics of austerity is used to justify reductions in public spending that hits the poorest, women and ethnic minorities hardest and to provide tax reductions that benefit the wealthiest. Universities are now an integral part of this dynamic. If, as Newfield suggests, this is the moment for a radical rethink, it is unlikely that the university will be the site of the necessary critical reflection. The Higher Education and Research Bill passed through Parliament with little or no criticism from university leaders, and apathy on the part of most academics. Given the opportunity to defend public higher education, its further privatization was meekly accepted, seemingly with little appreciation of what was at stake.

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## Notes

1. Higher education is a devolved matter and how the other jurisdictions adapt to these arrangements is yet to be determined, though likely to be most contentious for teaching given that Scotland, for example, has not introduced the English tuition fee regime.
2. See, for example, the letter of 25 May 2017 from the President of Universities UK and the Chair of Guild HE to Members of Parliament, 'The Higher Education and Research Bill: Ping Pong', available at: <http://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2017/uuk-guildhe-letter-higher-education-research-bill-250417.pdf>. [Accessed on 26 May 2017]
3. See Holmwood (2014) for discussion.
4. For a discussion of financialization of higher education in England, see McGettigan (2013).
5. See pp. 52–3. Available at: <https://www.conservatives.com/manifesto>. For discussion of the arguments underlying the policies, see McGettigan (2013) [Accessed on 25 July 2017].
6. The 2017 election which reduced the Conservative majority and included a Labour Party commitment to end fees, had the consequence of the government introducing a freeze on fees and increasing the income threshold for repayment.

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