The reform of English higher education: universities in global, national and regional contexts

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There appears to be little coordination between national policies for higher education and for regional development, despite the fact that universities play a key role in local and regional economies (through direct and indirect expenditure on goods and services, the provision of jobs, the development of a more highly skilled workforce and the generation of new knowledge). The reform of English higher education triggered by the publication of the Browne report in 2010 has further encouraged higher education institutions to focus on their position within a national (and international) market place rather than as contributors to local and regional economies (and cultures). This article explores some of the reasons for this blind spot in national policy making.

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Introduction

The reform of English higher education, triggered by the Independent Committee on Student Fees and Funding (ICSFF) chaired by Lord Browne that reported in October 2010, appears to be taking place in a spatial vacuum (ICSFF, 2010). There is little, if any, connection between this agenda of reform, centred on the development of a more market-like (and national) system of higher education, and other political agendas relating to regional governance and development such as the replacement of Regional Development Agencies (RDAs) by Local Enterprise Partnerships (LEPs).

To be fair to the framers of the current reform their spatial ignorance is not new or exceptional. Universities and colleges are seen as constituting a national system; any emerging subdivisions within that system are assumed to be the result of informal stratification into ‘mission groups’ (for example, the so-called ‘top universities’ that are members of the Russell Group) rather than of regional groupings of institutions. Although regional associations of universities do exist, such as London Higher, their major functions has been to lobby on behalf of their members on common concerns, often in association with business interests. In most cases their membership of regional associations is a minor affiliation compared with membership of ‘mission groups’ that is regarded as a crucial element in their national (and international) ‘brands’.

Although all universities do promote social and regional engagement (and limited funding is available to support such initiatives), these
efforts are peripheral to the mainstream priorities of most institutions—student recruitment that is often national in scope and scale; student success (whether measured in terms of satisfaction rates or employment outcomes); and the struggle for research reputation and resources. Despite the emphasis on ‘impact’ in the Research Excellence Framework, this struggle is a largely national—and international—competition, a game played between institutions for positional advantage.

The only exceptions to this neglect of the regional and civic dimensions have been produced, incidentally and accidentally, by devolution in Scotland and Wales both of which, in effect, have opted out of the English reforms. If separate higher education systems in Wales and, especially, Scotland now exist, it is because the English system has changed not these other systems. To the limited extent, apart from these unintended (and, in England, largely ignored) devolutionary exceptions, that spatial factors appear to have been considered in the development of the English reforms these focus on the international dimension; alongside the dominant national space there is recognised to be a global space in which the reputation of English higher education must be protected and promoted and in which a worldwide higher education market operates.

This neglect is both surprising—and predictable. It is surprising because, in historical terms, English universities—with the important exceptions of Oxford and Cambridge (and, possibly, the original colleges in the University of London)—owed much more to civic and regional ambitions than to national policy (which played little role in the development of higher education until the 20th century, and has only played a decisive role since 1945). It is also surprising because, in more theoretical terms, concepts (and practices) of regional development have placed considerable emphasis on the role of ‘knowledge’ organisations, especially universities as producers of a highly skilled workforce, of research that can be applied for commercial (and community) advantage and of the cultural capital that can help to remedy social and cultural deprivation. Science and technology parks have proliferated. The creation of so-called ‘clever cities’ is seen as key to the success in the global future.

However, this neglect of the regional and civic dimensions is also predictable:

1. First, the development of higher education since the 1960s has owed almost everything to (national) state action. ‘County scholarships’ offered by local education authorities on a selective basis were replaced by grants payable to all students in the early 1960s, and then by loans in the 1990s. The funding of so-called ‘pre-1992’ universities, in effect, had already been ‘nationalised’ by the establishment of the University Grants Committee after the First World War. The funding of the former polytechnics, now the ‘post-1992’ universities, also became increasingly a national responsibility although through different mechanisms—well before the two sets of universities were combined into a unified (national) system in 1992. The emerging apparatus of regulation was also generated within an almost entirely national context. Finally, the universities themselves have come to see themselves as constituting a single—national and, indeed, international—academic community.

2. Secondly, the—indeed—powers of local government have been progressively attenuated. Local government has been replaced by, or subordinated to, executive agencies that lack any form of democratic legitimacy. With their much reduced powers local authorities are now treated as ‘delivery organisations’ for national policies. The great civic authorities that flourished between the 1870s and the 1960s, from late Victorian England to welfare-state Britain, have been replaced by shifting sets of acronymic (and, to the general public, largely invisible) organisations—RDAs then, LEPs now. The result
is an obsessively Westminster/Whitehall focused state, suffering from chronic mismatches between competences, capacities and expectations and vulnerable to domination by the world view (and petty preoccupations) of a metropolitan elite and the agendas and interests of national (and global) media. It is hardly surprising that reforms generated in such an environment have paid little attention to the regional and civic dimensions of higher education.

3. Thirdly, the dynamics of the ‘market’, at any rate as interpreted through the currently dominant neo-liberal discourse, leave little room for addressing their impact on disparities between regions and cities. Indeed these disparities are regarded not only as inevitable but even as beneficial, reflecting (as it is assumed they do) the outcomes of market forces. The hollowing out of once robust regional economies, the outsourcing of public services and the offshoring of manufacturing, textile production and service and support functions—all are regarded as part of same ineluctable process of economic liberalisation and modernisation. Regions, with the exception of a small number of high-technology innovation ‘hot spots’, have ceased to be a sensible frame of reference or analysis. The same neo-liberal discourse also discourages ‘non-economic’ considerations, whether equal opportunities for individuals, social justice or communal capacity building. In such an ideological context regional and civic responsibilities of universities can all too easily appear redundant.

This article is divided into four sections, alternating the descriptive and the theoretical. The first considers the development of English higher education from its early roots in the 19th century into the present mass system of universities and colleges—and, in particular, the extent to which civic and regional drivers were significant in this process. The second discusses the evolving relationships between local, regional, national and global economies (and cultures), how higher education and research contribute to these evolutions and how these evolutions have been theorised. The third analyses the major elements of the reform of English higher education, the drivers of this reform and how it should be interpreted. The final section, looking beyond the particular policy environment that has produced the Browne report and subsequent Higher Education White Paper, considers the impact of wider social, economic and cultural forces on the future development of English higher education.

The development of higher education in the UK

The development of higher education in the UK was a local business until well into the 20th century. As always, Oxford and Cambridge were exceptions. As the near-monopoly producers of the administrative elites that governed early modern England—and, later, the finishing schools for its political and social elites as well—these two universities were always subject to forms of national regulation, mainly through Royal Charters and other instruments that confirmed their privileges or (especially in the 19th century) national commissions aimed to reform their constitutional arrangements. But this regulation took the form of intermittent, and infrequent, interventions. Also their geographical positions were largely accidental, in any case dating from the pre-urban and pre-industrial geography of an older England. But for the contingencies of history Stamford in Lincolnshire would have been the site of an ancient university.

But the great majority of English universities were the creations of local, typically urban, elites. Their early history was part of the story of the development of the great industrial cities of Victorian Britain—Manchester, Leeds, Sheffield, Liverpool, Birmingham and the rest (Armytage, 1955). Their visual identities reflected the wider identities of urban culture—literally so in many
instances because the first university buildings were in the same style and idiom as much grander civic buildings (occasionally they were even designed by the same architects). The university was part of wider constellation of institutions—town halls that offered grand symbolic (rather than useful) spaces, public libraries, literary and philosophical societies, clubs where social and commercial elites mingled, even mechanics institutes. This model of a ‘civic university’, a label that revealingly has stuck, reached its climax with the establishment of the University of Birmingham by the local dynasts, the Chamberlains. More than a century later its original buildings are still some of the most impressive in England’s second city.

Although the (national) State endorsed the local initiatives that established universities through the award of Royal Charters, it did little to promote them. It lacked the administrative infrastructure to do so (the Board, later Ministry, of Education was concerned almost exclusively with elementary schools until at least the 1920s)—even if there had been a desire to do so (universities did not receive any central Government financial support until shortly before the First World War, and even that support was regarded as supplementary and remained limited until after the Second World War). Only in London, the nation’s capital, did the (national) State take a keener interest, motivated in the cases of University College by the desire to promote ‘Enlightenment’ and utilitarian values and of King’s College by the need to maintain an appropriate confessional balance. It is revealing that the establishment of Imperial College at the time of the Great Exhibition reflected the same desire to promote science, technology and commerce that motivated the urban elites of the North and Midlands.

In its origins higher education in the UK, therefore, largely reflected the values of localism. The technical and art colleges that grew into the polytechnics and now the ‘post-1992’ universities, although beneficiaries of the national decision to increase taxes on alcohol, were established by the same cities that had founded the ‘civic universities’, although in their new and more formal guise as local education authorities rather than through the voluntary associations that had given rise to these earlier institutions. In Scotland the three truly medieval universities—St Andrews, Glasgow and Aberdeen (King’s College)—were effectively re-founded as civic institutions after the Reformation, while Edinburgh and Aberdeen (Marischall College) had entirely civic origins. In Wales the establishment of the University of Wales, initially at Aberystwyth, owed everything to local initiatives.

All ancient, if famous, history? Since the 1920s, and with apparently irresistible force from the 1940s onwards, higher education in the UK has been subject to a process that can only be described as one of creeping nationalisation. The ‘red brick’ universities of the inter-war years still owed much to the voluntary initiatives of local elites. Even the establishment of the so-called ‘new universities’ of the 1960s still required a degree of local sponsorship, most concretely in terms of offers of suitable sites for their new campuses. But the directions (and subsidies) of the national State became central to the process of higher education development. The designation of the Colleges of Advanced Technology was mandated by the 1956 White Paper on technical education. Their incorporation in the university sector following the 1963 Robbins report was also a national decision. The decision to establish new polytechnics rather than continuing to expand the now enlarged university sector was announced in the famous Woolwich speech delivered by the Secretary of State for Education and Science, Anthony Crosland, in 1966. The detailed designation of the polytechnics, and identification of the colleges that would be aggregated to form them, were also decisions taken by the Department of Education and Science (albeit against a background of intense lobbying by local authorities).
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Since the 1970s the ‘nationalisation’ of higher education intensified—in two senses. First, the powers of local education authorities over what was then called the ‘public sector’ were progressively eroded. From the start a crypto-national funding system had existed in the form of the ‘advanced further education pool’ designed to equalise the financial burden on local authorities. Approval of new courses was firmly in the hands of Her Majesty’s Inspectors, and their accreditation was the responsibility of the Council for National Academic Awards. In 1982 a quasi-national steering mechanism was established in the form of the National Advisory Body, a curious local–national government hybrid. Following the 1988 Education Reform Act the polytechnics were ‘incorporated’ as free-standing institutions independent of local government, and in 1992 became universities—as the Colleges of Advanced Technology had become 30 years before.

Secondly, the so-called ‘autonomous sector’—in other words, the existing universities—was subject to similar erosion. Although the University Grants Committee (UGC), originally established in 1919, continued to act as a formal ‘buffer’ between universities and the State and as a conduit for public funding, it was increasingly subject to political control—in the innocuously entitled ‘letters of guidance’. The UGC itself took on an increasingly activist role, through direct interventions (the most celebrated of which was the introduction of the Research Assessment Exercise, initially labelled the Research Selectivity Exercise which rather gave the game away). It was abolished by the 1987 Education Reform Act and replaced first by the Universities Funding Council and, after the abandonment of the binary system in 1992, the present Higher Education Funding Council for England (HEFCE; and parallel funding councils for Scotland and Wales).

Since the early 1990s there has been no pretence that the higher education system is anything but national, with no room for the involvement of local government and dwindling room for the independent exercise of institutional autonomy. The effective determination of what fees institutions should charge (for UK and other European Union students), decisions about student support that in practice determine access criteria, the control of overall student numbers (and set institutional targets and limits), the designation of institutions—all these, and other equally significant matters, are the prerogative of national government. In addition even more precise ‘advice’ is provided in the shape of increasingly prescriptive ‘letters of guidance’ addressed by the relevant Department (currently the Department of Business, Innovation and Skills) to HEFCE. Finally, of course, higher education institutions are subject to a wide range of legislative and administrative requirements imposed by the regulatory State

However, localism has not been entirely lost. It survives in four main forms. First, many institutions recruit the majority of their students from their localities and regions. In the case of institutions with higher proportions of part-time and mature students local recruitment is inevitable. But even in the case of those institutions with a preponderance of younger full-time students there has been a slow drift towards more regional recruitment (and even of home-based students). The age of national mobility among students made possible by the universal maintenance grants introduced following the Anderson report in 1962 is over. Secondly, the governance of universities (always with the exceptions of Oxford and Cambridge) continues to reflect civic and regional identities. Most lay members of university councils and governing bodies are drawn from the cities and regions in which these institutions are based, with only a small addition of ‘national’ members. Thirdly, the growing emphasis on applied research, consultancy, technology transfer and ‘enterprise’ in general has also tended to accentuate the ‘local’. Although some of these links are with national and indeed global companies, many are also with small and medium-sized enterprises and

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start-up companies. Finally, most universities have been active in social and cultural engagement through a wide variety of mechanisms—including partnerships with local schools and colleges, and contributions of the cultural life of their communities (open lectures, exhibitions, musical and theatrical performance).

On the eve of the Government’s current market-oriented reforms of (English) higher education the localism of higher education continued to be represented in a number of ‘soft’ but nevertheless powerful ways—for example, in terms of historical memories, campus communities situated in wider civic environments, landscapes both spatial and physical but also imagined. The effective extinction of ‘hard’ forms of localism in terms of political control, policy formation, command over resources and institutional planning needs to be seen in the wider context of the persistence (and even the advance) of these ‘soft’ forms of localisms. All universities are ‘somewhere’, even if constructions of ‘somewhere’ have changed and continue to change.

Local, regional, national and global identities

These changing constructions of ‘somewhere’ are the subject of the second part of this article. To explore this topic it is necessary to engage with three sets of relationships—between universities and their regions; between higher education and research systems and the (nation) State; and, finally, between these systems and emerging forms of the global economy and world culture. But these are not separate and distinct domains. For example, national governments are often the most active promoters of regional development; universities are seen as key mediators between the global and the local (hence the ugly neologism ‘glocalisation’); and within the global environment they are generally actively pursuing their own institutional (local?) interests (mainly in the form of heightened reputation—or, in market terms, ‘brand’) or national interests (in the context of ‘market share’ or geo-political advantage). The space(s) occupied by the contemporary university are multi-dimensional and overlapping.

The labels conventionally used to describe these spaces are also fluid. The (nation) state has been viewed in terms of key distinguishing attributes—its command of resources (principally through taxation and borrowing), its legality (in a formal constitutional sense), its legitimacy (in the wider sense of its capacity to attract allegiance) and its provision of welfare (which from its first beginnings in the 19th century to its climax in the second half of the 20th century became almost its most important responsibility). As such the post-war welfare state came to be seen as coterminous with, even as containing, society. Yet this theoretical construction of the nation state is coming apart in the 21st century. Its command of resources has been compromised by the paraphernalia of global markets—multi-national corporations (in search of low-tax regimes); round-the-world round-the-clock trading in banking and other financial services; international credit rating agencies; outsourcing of manufacturing and services within globally and the rest. The legal sovereignty of the nation state has been qualified by the growth of (superior?) international law—and, in the case of the UK, European law. Its legitimacy is challenged by new allegiances (whether to Islamic fundamentalism, multi-cultural groups or Scottish or Catalan independence). Its ability (and willingness?) to safeguard the welfare of its citizens has been called into doubt. ‘Society’ has escaped its tight alignment with the State; hence the popularity of terms such as ‘civil society’ or ‘open society’.

The concepts of regionalisation and globalisation have also become unstable. The first has always been divided into a focus on sub-national regions such as Yorkshire or East Anglia and supra-national regions such as the European Union, although what appears to be a categorical difference may instead be partly a function of the historical contingencies of State formation.
For example, a single German *länd* may have a gross domestic product considerably larger than that of a collection of small nation states. But the use of the same label for, and occasionally the careless application of the same conceptualisations to, both the sub-national and the supra-national have led to confusion.

Even the concept of globalisation lacks clarity. It is used as an empirical label to describe the clutter of international organisations—the United Nations, the International Monetary Fund, the Organisation for Economic Cooperation and Development (OECD) and the rest—and the, gradual and inchoate, emergence of forms of global governance. But it is also used as an ideological label to denote the dominance of neo-liberal policy agendas centred on the liberalisation, and integration, of markets on a global scale. Occasionally globalisation is used also to describe the cultural effects of such liberalisation and integration, the growth of world ‘brands’ and local interpretations of those ‘brands’ (so-called Coca Cola-isation and Creole-isation). More occasionally still the concept of globalisation is stretched to include resistances to free-market globalisations, whether the emergence of new social movements (particularly with regard to the defence of the environment or the struggle against poverty and exploitation) or the threat of ‘blow back’ terrorism.

Higher education systems are caught up in these uncertainties. It can be argued that the transformation of the nation state, in particular the erosion of its welfare capabilities, is at the root of the current reform of higher education in England—even if the immediate form that reform has taken is to impose more prescriptive (and politically driven) forms of State regulation. This will be discussed in greater detail in the next section of this article where it will be argued that the apparent contradiction between ‘privatisation’ and ‘nationalisation’ is not really a contradiction at all but merely reflects the shift from a high-tax welfare to a lower-tax regulatory State. Universities also engage with both forms of regionalism, sub-national and supra-national. They relate to their cities and (sub-national) regions; but they also contribute, through membership of organisations such as the European University Association, to supra-national groupings such as the European Higher Education Area. Similarly higher education operates in a global environment in a number of different and even contradictory ways. These include the recruitment of international students, the provision of transnational education and the production of the science and technology on which many ‘market’ forms of globalisation depend and also of the ideas and counter-ideas that animate competing ideologies of globalisation.

Much of the literature about the contemporary university tends to focus on the local and the global, apparently missing out the national. A typical example is the 2007 OECD report by John Goddard, one of the prolific and productive writers on universities and regions—*Higher Education and Regions: Globally Competitive, Locally Engaged* (Goddard, 2007). In that report he highlighted the pressure on national Governments to maintain economic competitiveness by shifting into high-value, high-technology and knowledge-intensive industries (and services)—and the key role played by universities in that transition. But he also highlighted the parallel need to improve the local availability of global knowledge and skills—a process in which universities played an equally key role. At first sight the national dimension is missing. But in practice national Governments are the key agents in promoting regionalism, although usually not to the extent of allowing alternative regional power bases to develop; and responding to challenges, and turning to their (national) advantage the opportunities, of globalisation. Certainly in the case of higher education many supposed ‘regional’ initiatives are anything but in terms of the funding that supports them.

The result can be to reduce the forces acting on higher education to a three-way game.
between globalisation, regionalisation (in a supra-national sense) and localisation. Nationalisation then becomes a fading force, despite the high proportion of higher education funding provided (directly and indirectly) by national Governments and their increasingly powerful role in the regulation of higher education. Of the three still-active forces globalisation is clearly the most dominant because regionalisation is often regarded as a strategy for coping with, and exploiting, globalisation while localisation is seen as a kind of ‘junior partner’, the conduit through which the globalisation force is channelled into cities and regions (most of which, apart from global ‘hot spots’ are recipients or even victims of globalisation).

Others offer more free-wheeling interpretations of the role of universities in their regions that tend to play down a layered approach. For example, Richard Florida in his work on the creative class and ‘clever cities’ emphasises the coalescence of entrepreneurial dynamism, technological innovation, social diversity and cultural experimentation to produce sites of exceptional creativity—in which universities are key players and to which they make manifold contributions (Florida, 2005). But this is very much the product of a serendipitous ‘market’ (social as well as commercial) rather than the result of a planning process. Goddard himself in a more recent book on The University and the City has also taken a wider view, emphasising not just the links between universities and regional economies but also their role in what he calls ‘place making’ (Goddard, 2013). This can be related back to more historically grounded accounts of the part played by universities in developing cityscapes and urban cultures (Scott, 2005).

One possible conclusion is that the existing layered conceptualisations—global, regional I (i.e. supra-national), national, regional II (i.e. sub-national) and local—have become less useful as a framework within which to analyse the linkages between higher education systems and the economy, society and culture. They assume a relatively stable spatial environment that may no longer exist when notions of both space and time have been disordered and rearranged by technology and culture. Although—of course—universities inhabit concrete spaces and ‘real worlds’, theorising their spatial environments may be better served by imagining a continuum (or even a dis-continuum!) along which universities act and are acted upon. This approach suggests that more emphasis needs to be placed in networks, which inevitably are fluid and semi-formed, and less on layers or scales against which institutions and systems can be mapped (Robertson et al., 2012). One perhaps unfortunate effect of this approach could be to play down the special character of the links between universities and their regions. So this is a conclusion that is likely to encounter resistance.

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The reform of English higher education is bracketed by the report in October 2010 of the ICSFF chaired by Lord Browne (ICSFF, 2010) and the publication 10 months later of the White Paper Higher Education: Putting Students at the heart of the System (Department of Business, Innovation and Skills, 2011) But neither start nor end point of this policy is watertight. Lord Browne’s committee had been commissioned by Peter Mandelson, First Secretary in the previous Labour Government, a decision that had been mandated 5 years before when that Government, anxious about its ability to secure a majority in the House of Commons for higher tuition fees, had made a commitment to review their impact. Similarly the 2011 White Paper represented little more than an interim stage in the reform process; significant decisions have been taken since its publication and substantial matters remain unresolved (Scott, 2013).

Yet the reform has had a cathartic effect. Opposition has been widespread, extending well beyond the expected opponents.
such as the National Union of Students deep into the heartland of the academic ‘great and good’ (Council for the Defence of British Universities, 2013). Distinguished scholars have felt the need to articulate their opposition to the reform and to identify an alternative to the drift towards a more market-oriented system of higher education that they believe is the Government’s strategic goal (Hotson, 2011; Collini 2010, 2011, 2012). The result is a sense of ‘crisis’ that equals, and may even exceed, that felt in the early years of Margaret Thatcher’s Government when funding for universities was sharply reduced.

The sense of ‘crisis’, however well justified, is also a puzzle. First, the current reform had long antecedents. The drift from academic to more instrumental forms of university education (and explicit vocationalisation of the curriculum, from an accepted hierarchy of institutions to heightened competition between them, from collegial to managerial norms in organisational cultures, from autonomy to greater accountability (and increasing surveillance) based on audit, assessment and other performance criteria is long established. Secondly, it is far from clear that the current reform is as radical as it appears at first sight. Like most contemporary reforms it reflects not only short-term compromises, political ‘fixes’; but also short-term media preoccupations, the headlines and sound-bites it can generate; as such it is unstable and probably unsustainable. The available evidence so far also suggests that universities have been able to absorb, and accommodate, this reform in ways that mitigate (subvert?) its stated goals.

Before pursuing possible reasons for the disassociation between the pervasive sense of ‘crisis’ in higher education and the incompleteness, incoherence and even timidity of the reform that has provoked this reaction it is necessary to describe the major components of the reform:

• The first is the decision to allow institutions to charge higher fees, a so-called ‘soft’ cap of £6000 a year (in effect, a doubling of previous fees) and a ‘hard’ cap of £9000 if institutions have made an ‘access agreement’ with the Office for Fair Access. The Browne committee had recommended there should be no cap, although an increasing proportion of any fees in excess of £9000 would have been clawed back to fund scholarships.

• Next is the continued availability of loans, for all students without means testing, to enable them to pay these higher fees—so ensuring that no up-front payment is required and, in one sense, higher education remains ‘free at the point of use’;

• Third is the introduction of a more generous repayment regime under which graduates are not required to make any contribution to the repayment of their loans until their incomes reach £20,000; a cap is set on the percentage of their income that can be used to make repayments; and any remaining amount is written off after 20 (or 30) years.

• Fourth is that the intention behind the Browne committee’s recommendation to allow institutions to charge higher fees (and the revised proposals made in the White Paper) was to fund continued growth in student numbers. The (unacceptable) alternatives were to restrict student numbers or reduce per capita funding (the ‘unit of resource’).

• The fifth component is reduce direct block-grant funding to institutions via the HEFCE in proportion to the increase in (indirect) fee income. This is in contrast to what happened when fees were increased to £3000 in 2005, the extra fee income being ‘additional’ to the existing HEFCE grant.

• The sixth component, consequent on the fifth, is to restrict any additional funding to high-cost and/or strategic and vulnerable subjects, on the grounds the fee income generated by institutions will exceed the amount they previously received. As a result institutions are now wholly dependent on fee income to teach students in most humanities and social science subjects.
Next is the decision to allow institutions to recruit as many well-qualified applicants (initially those with AAB grades at A level or their equivalent, and now those with ABB grades). Initially additional student places were also made available to institutions charging low fees (defined as £7500 or below), although they have now been scaled back. Other places, and the total number, will continue to be subject to a student number control.

The final major component of the reform is to encourage new (private) providers to compete with (public) higher education institutions. To allow this to happen, a new ‘lighter-touch’ regulatory regime was promised and existing criteria for the award of degree-awarding powers and university titles have been relaxed. It was anticipated that HEFCE would take on the role of ‘lead’ regulator.

It is perhaps significant that no major component of the 2010–2011 reform related to the role universities play in their regions. Although the framers of this reform expected differential fees to be charged (which has not happened—so far), there appear to have been no expectation that one basis for differentiation might have been different regional cost bases. Similarly, although the ostensible goal of this reform is to stimulate the growth of a higher education market, there appears to have been no expectation that regional markets would develop. Any market it is assumed will operate within a national space.

The only—but big—exception is that this reform only applies to English higher education. It has sometimes casually been assumed that, once the Scottish Parliament had been (re) established and a separate Scottish Government created, it was inevitable that the higher education systems north and south of the Border would diverge. It has also been assumed that the devolution of powers to the National Assembly in Wales would have a similar, if more muted, effect. But such an outcome was certainly not the intention of those responsible for devolution. The possibility of significant divergence alarmed the Scottish universities in particular. Until the Labour Government introduced higher fees (in England) in 2005 there is little evidence that divergent pressures would win out over the convergent pressures represented by a common system of research assessment, similar systems of quality assurance and shared policy assumptions in areas like widening participation, social engagement and university–industry links (Gallacher and Raffe, 2008). If the (national) UK higher education system does splinter into three or four (sub-national) systems, the primary cause will not be Scots or Welsh separatism but the determination of the Government (in England) to abandon older forms of ‘public’ higher education and strive to create instead a more market-oriented system.

However, this attempt to create a more market-oriented system of English higher education has been far from successful:

i. The desire to produce variable fees has been largely frustrated. The great majority of institutions has priced up to the fees cap of £9000—for two major reasons. First, charging the maximum possible fee has been interpreted as evidence of the strength of institutional ‘brands’; to charge less suggests a lack of quality or of confidence, or both. Secondly, a substantial number of graduates will never pay back the full amount of their loans (because of the generosity of the current repayment regime), which has produced a price-insensitive ‘market’. So it is logical for students to receive the immediate benefits of a better funded education and for institutions to maximise their income.

ii. As has already been said, the repayment regime is too ‘generous’ to be sustainable in the medium and long run. The Government itself has admitted that the Resource Accounting and Budgeting charge—the
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proportion of expenditure on loans that will never be recovered—will exceed 30%. Critics have suggested even higher figures (Bekradnia and Thompson, 2012a). As a result real (as opposed to nominal) public expenditure on higher education in England will increase not only during the transition from the old grant-based to the new fee-based funding regime but in the longer term. As a result colleges and universities are almost certain to suffer further cuts in their direct income.

iii. Although in formal terms higher education will remain ‘free at the point of use’ because no student will have to pay their fees upfront but instead be eligible for a loan, the effect will be further to discriminate against ‘non-standard’ students. Demand from part-time students has already collapsed as a result of the (perhaps inevitable) decision by most institutions to increase part-time fees in (approximate) step with full-time fees. There is also evidence of further differentiation in student intakes between different institutions that has an important spatial dimension; the continuing mobility (and, therefore, greater ‘choice’) of students from more privileged social groups is in sharp contrast to the reducing mobility (and shrinking ‘choices’) among those from less privileged social backgrounds (Croxford and Raffe, 2013a, 2013b). The Institute for Public Policy Research (IPPR) Commission on the Future of Higher Education, chaired by the Vice-Chancellor of Warwick Nigel Thrift, recommended that second-tier vocationally oriented higher education should be offered in local colleges (re-labelled ‘polytechnics’) (IPPR, 2013).

iv. Far from supporting continuing growth of student numbers, as the Browne report had intended, the new fees and funding regime appears to have brought that growth to a grinding halt. Student applications fell sharply, and admissions were down by 13% in the first year of this new regime (2012–2013). Applications for 2013 entry recovered slightly—3% on average—but still remain well below the totals for the years leading up to regime change (UCAS, 2012 and 2013). As a result total student numbers in English colleges and universities will fall as the larger pre-regime change cohorts are replaced by smaller post-regime change entries. The longer-term impact of higher fees on student demand remain contested between those who argue demand will ‘bounce back’ and those who argue that English higher education now faces a lengthy period of steady-state or even declining numbers, in a historic reversal of half a century or more of mass expansion (Behradnia and Thompson, 2012b).

v. The near inevitability of further cuts in (direct) public expenditure on English higher education has already been mentioned. As long as the UK Government pursues its headline policy of deficit reduction (against a background of sluggish economic growth that is, at least in part, the product of that policy), public expenditure on ‘non-protected’ areas (in other words, apart from the National Health Service, school-level education and overseas aid) is certain to remain exceptional vulnerable. As the bulk of (direct) public expenditure on higher education will now be on research (QR—or ‘quality research’) as determined by the outcomes of the Research Excellence Framework) and high-cost (science, engineering and medicine) and strategic vulnerable subjects, the effect will be to make ‘top universities’, in other words those with high research ratings and heavy commitments to science and engineering, most dependent on State funding—and, therefore, exceptionally vulnerable to further cuts in public expenditure. Another, wholly unintended and arguably perverse, reversal.

vi. The decision to create a ‘free market’ in (formally) well-qualified applicants, initially those with AAB grades at A level or its equivalent now extended to those with
ABB or equivalent grades—at the expense of tighter student number controls on the rest (and the total)—will further intensify the social-class bias of entry into English higher education, which is also a geographical bias. Figures obtained by The Guardian under the Freedom of Information Act and correlated with publicly available population statistics have illustrated this bias in the context of entry to Oxford and Cambridge. The London Borough of Richmond-on-Thames sent 279 students to Oxbridge in 2012 for every 1000 16- and 17-year olds; Halton on Merseyside sent just 0.2 (The Guardian, 2013). The higher education reform will intensify the (re)emergence of ‘two nations’ in England in both social and geographical terms—the comfortable classes centred in the world city of London and its even more prosperous home counties periphery; and less privileged located increasingly in the Midlands northwards and westwards. As higher education plays a key role in the distribution of life-chances and allocation of cultural capital (mass systems even more so than the more blatantly elite systems of the past), it would be a mistake to regard the intensification of social-class bias as some kind of sideshow.

The first sentence of this article stated that the reform of English higher education triggered by the Browne report appeared to be taking part in a spatial vacuum. This is true in terms of its explicit policy direction. There is no apparent connection between the Government’s policies for higher education and its policies on regional development, despite the prevalence of rhetoric asserting that universities are key agents in local and regional regeneration and also key intermediaries between the ‘local’ and the ‘global’ (in both economic and cultural contexts).

However, this does mean that the current reform is without spatial consequences. Two are of particular significance. The first is the degree to which the unilateral reform of English higher education is likely to contribute to the splintering of the wider UK system. Such splintering could weaken the UK’s research base (and reputation of its universities), as well as creating new barriers to student mobility between England, Scotland, Wales and Northern Ireland. The second is the impetus which this reform may give to the further differentiation of the student body—into a coherent population of younger, well-qualified, more mobile and more privileged, students attending ‘top universities’ (or would-be ‘top universities); and a more diverse population of older, part-time, working class or black and minority ethnic students who are less mobile and less privileged and are more likely to attend ‘local’ institutions. This differentiation has two distinct spatial aspects. The first is that, as has already been discussed, this differentiation is geographical as well as social, cultural and academic because a disproportionate number of students in ‘top universities’ are already drawn from London and southern England (and enclaves of privilege and prosperity in the North and West). The second is that it could accelerate the erosion of the substance, if not the label, of the ‘civic university’, and contribute to an attenuation of the social and cultural relationships between universities and their cities and regions and so make it more difficult to establish economic links.

Creative spaces—civic or ‘virtual’?

The future of English higher education—and of the 21st-century university more broadly—cannot be reduced to a simple choice of paths, on the one hand the continuation of an essentially ‘public’ system or its replacement by a supposedly more dynamic ‘market’ system. All systems are mixed, with elements of both the ‘public’ and the ‘market’, just as they comprise ‘mass’ and ‘elite’ strands within them. The idea current in the 1960s and 1970s that the development of modern higher education systems could be envisaged in terms of a linear trajectory—from
elite, to mass and finally to universal forms—has proved difficult to sustain in the light of the persistence of elite features in mass, and even universal, systems. In a similar way a linear (and, by implication, inevitable) transition of ‘public’ systems into ‘market’ systems is also too simple—and too determinist. The reform of English higher education, despite the intentions and claims of its framers, has demonstrated the naivety of such categorisation. Future historians are as likely to regard the current phase of development in English higher education as a further stage in its ‘nationalisation’ (by emphasising the increasing burden of regulation and final dismantling of any ‘buffer’ between higher education and the State) as a radically new experiment in ‘marketisation’ (despite the ugly paraphernalia of consumerism and ‘brands’). If universities are truly ‘in crisis’, it is not wholly or even mainly because of the current reform of English higher education however ill-judged.

The French historian Fernand Braudel made a famous distinction between the longue durée and histoire événementielle. In his great works his focus was very much on the former, factors such as climate and demography, trade and beliefs, and he paid little attention to the ‘history of events’, the acts of Emperors and Empires. This mode of analysis offers interesting possibilities for the understanding of the dynamics of contemporary higher education systems that are deeply embedded in social, economic and cultural structures (and, as a result, relatively resilient when faced with politically or ideologically motivated restructuring). The roots of the ‘crisis’—or transition, or transformation—are perhaps to be found in the longue durée not the histoire événementielle. Three deep-structural factors, in particular, are worth considering, all of which have important spatial dimensions:

The first is suitably Braudellian, demography and people-flows. Demography has multiple impacts on English higher education. These include the declining proportion of younger people in the English population, concentrated especially in the older industrial regions and among the working class (a category that is also being attenuated by shifts in occupational structures); the—counter—impact of immigration, and higher birth rates among immigrant populations, concentrated in and around England’s capital and ‘world city’ London; and the increasing global flows of high-end knowledge workers, international students, economic migrants and refugees, currently still towards the North Atlantic world of Europe and America but likely to shift. All three impact directly on higher education—the first by tending to increase inequalities within the system while opening up the longer-term prospect of establishing a lifelong learning system serving all ages; the second by intensifying the divergent experiences of metropolis and periphery; and the third by providing a crucial income flow.

The second factor is the, long heralded, ‘decline of the West’. The shifting of the world’s centre of economic gravity eastwards to China and India, recklessly accelerated by global capitalism’s restless search for higher profits and lower costs, will erode the long post-war prosperity of North America and western Europe. This clearly has far-reaching implications for English higher education, which can only be partly mitigated by international collaboration and overseas adventures. Often emphasis is placed on the reduction in income from international students. But among the most significant, although least noticed, implication is the possibility of maintaining higher education’s current ‘world class’ science and research base. This base may have been more dependent than is often supposed on the apparently inexorable rise in student numbers fuelled by welfare-state ambitions (viewed in these terms, world-class research and widening participation have been mutually supportive rather than competitive policy strands). As the public funding of higher education declines, to be replaced by new fee regimes, the sustainability of the West’s research base (which is still the world’s research base) may become more difficult.
The third factor is the shift in communicative cultures powered by advances in information and communication technologies. The ‘abolition’ of space (and time) is ceasing to be theoretical construct and becoming an intense social reality. It has manifold implications for universities—for example, the learning styles of students (Twitter and Facebook), course delivery (Massive Online Open Courses—or MOOCs) and the organisation and management of institutions (unbundling ‘academic work’ and forming global alliances). But the most important, and most relevant to this article, is its impact on the university as both a ‘space’ and a ‘place’. The relationship between the university and the city has been central to its historical development. Both were physical ‘spaces’, the former located prominently in the urban landscape (before the rise—and fall—of green-fields campus universities). That relationship continues to be important—in terms of the economic impact of student and staff consumption and institutional investment, of regional regeneration and development and of urban life-styles and cultural dynamism.

But in a world where excited talk of MOOCs is mounting, the future of that relationship—spatial, social and cultural—can appear clouded. In a global world where it is possible to be, simultaneously, everywhere and nowhere ‘places’, whether cities or campuses, can come to be regarded as constraints rather than providing creative spaces. Yet ‘places’ are difficult to shrug off. In an otherwise expansive endorsement of the Brave New World of unbundled and marketised higher education a recent IPPR publication emphasised that entrepreneurs found ‘the eco-systems of a city itself...beneficial to their aspirations’—admittedly in contrast to the campus of a university (Barber et al., 2013). The—intriguing—implication is that the university of the 21st century should re-engage with its urban and regional environment rather than float off into a virtualised globalisation (or, rather, that the most effective global strategy is—even more—to think, and act, locally).

There can be no doubt that the reform of English higher education by the Coalition Government formed after the 2010 General Election has produced a pervasive sense of ‘crisis’ in colleges and universities. However, the struggle to articulate effective responses has been difficult. Two reasons can be suggested for this difficulty. The first, and more superficial, is that the reform has deep roots; it represents policy continuity more than ideological rupture. The second, and more fundamental and interesting, reason is that this ‘crisis’ is not only, or mainly, the result of a (rather faltering) drive to create a ‘market’ in higher education but an accumulation of deeper structural change—and none is more significant than the reconfiguration (but also revalidation) of the partnership between the university and the city.

References