

## Papering over the cracks: the Green Paper and the stratification of higher education

### Defending HE as a public good

The [Browne Report](#) (2010) and subsequent White Paper, [Higher Education: Students at the Heart of the System](#) (2011), set in motion a fundamental change to the nature of higher education in England (with implications for the rest of the UK). The recent Green Paper, [Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice](#), goes further toward completing the process.

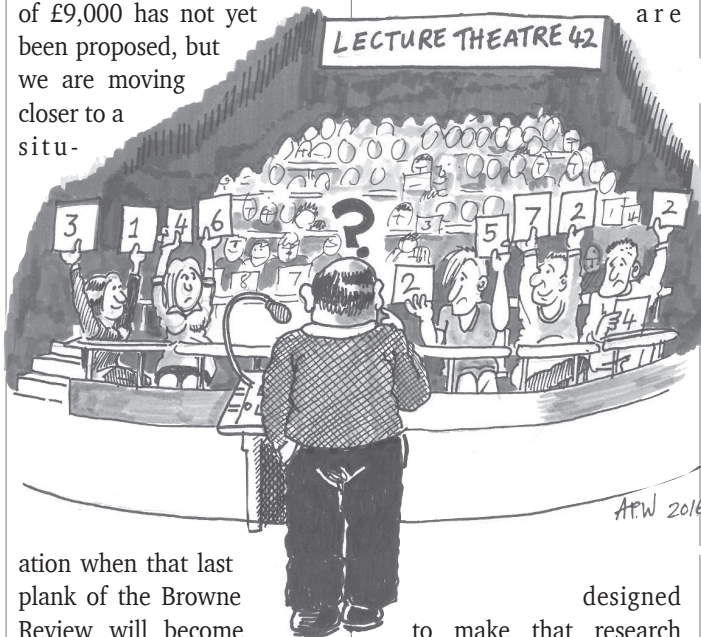
To be sure, there had been earlier developments toward managerialism and performance audits – beginning with the Jarratt Report in 1985, through the Research Assessment Exercise (replaced by the Research Excellence Framework), the Transparent Approach to Costing, the National Student Satisfaction Survey, and the introduction of student fees after the Dearing Report of 1997 – but that higher education as a public good remained paramount value (and, indeed, public accountability was frequently the justification of those changes).

### Increasing marketization and competition

Since the Browne Report the only purposes for higher education that have been recognized by Government are those of improved economic growth and investment in human capital. Each of these purposes is to be pursued through the marketization of higher education and market outcomes are held to be – by definition – an expression of what is in

the public interest, notwithstanding increasing concerns – [for example, by OECD](#) – that economic growth is no longer inclusive.

The Green Paper is all about increasing competition in the sector in order to begin a process of differentiation of fees across courses and institutions. The lifting of the fee cap of £9,000 has not yet been proposed, but we are moving closer to a situ-



ation when that last plank of the Browne Review will become politically possible (a Conservative-majority Government has removed the limited brake imposed by the Liberal Democrat coalition partners between 2010 and 2015).

### For-profit providers

The aim at this stage is to provide for the entry of 'for-profit' providers and enable them to have the title of 'university'. This is described as establishing a 'level playing field', by incorporating them in regulatory arrangements that do not advantage existing institutions. This description is something of a misnomer. It will be a level-playing field created only by re-defining the university so

that it no longer has to cater for a range of subjects or combine teaching with research and other activities (for example, third sector activities).

Nor will for-profit providers have to provide library facilities in order to access the research produced by other universities, since Government policies on Open Access

are likely to affect staffing. The curriculum will be centrally provided – Pearson, for example is a curriculum provider at A-level – and taught by hourly-paid or teaching only contract staff.

### Engineering the binary-divide

The lifting of the student numbers cap has already led to an increased concentration of students at 'selective' institutions and, consequently, pressure on other universities, primarily post-92 institutions. These now face more intense competition from for-profit providers, especially in subjects like business, health sciences, law, and accountancy.

This is likely to mean reducing fees closer to those offered by for-profits, as well as adopting their staffing models and restructuring course provision. This will reduce the depth and breadth of such universities and reduce their capacity to contribute to local communities, both economically and culturally, a contribution that is a vital public benefit, as described by New Economics Foundation in their 2011 report, [Degrees of Value: How Universities Benefit Society](#).

The section in the Green Paper on how to manage 'exit', then, is not directed simply at for-profits with their short-term orientation to shareholder value, but also to existing universities which may become financially compromised by the new competition. Equally, the section on governance and the possibility of changing corporate form is designed to

designed to make that research freely available. For-profit providers are stripped out institutions – what Michael Barber, member of the Browne Review and Chief Education Adviser at Pearson, [describes as 'unbundled'](#) – concentrating on a single teaching function delivered on a cost-effective basis. The level-playing field is open to free-riders.

These new providers are likely to compete for cost-sensitive, debt averse students, and – because their model will be online course material with 'local' tutorial support – students for whom expensive living costs to attend a residential university mean that they need to study close to home.

facilitate mergers, including with for-profit providers. Open University, for example, is already in competition with itself through its for-profit offshoot Future Learn which is a vehicle designed for venture capital investment.

In effect, the Government is promoting the market to engineer a new 'binary divide'. However, it is unlikely that it will be struck between post-92 institutions and older ones as in the past. It is likely to be drawn at a much higher level, perhaps including some post-Robbins institutions and excluding some Russell Group institutions. What is certain is that these institutions will experience competitive pressures, deriving from the new fees regime, but also a tightening of research funding, leading to restructuring of subject offering and changes in staff structures to take on more casualization.

## Silent on research

The Green Paper is relatively silent about research, although indicating a commitment to continuing with QR funding through the REF and maintaining funding of Research Councils in money terms, if not real terms. However, there will be increasing calls for this funding to be concentrated in fewer institutions. So, RCUK funding has become concentrated in fewer institutions (in part, a consequence of 'demand management' to reduce administrative pressures on peer review) and there are similar trends with QR-funding, despite it being more dispersed than that of research councils. Indeed, the Russell Group has long lobbied that when research funds are tight they should be more

concentrated on fewer institutions, specifically the members of the Russell Group (see their 2012 report, [Jewels in the Crown: the importance and characteristics of the UK's world class universities](#), and note that it does not refer to the UK's world class university system).

## Differential effects for staff

This stratification of higher education institutions will have differential effects for staff. The character of work and staffing structures are likely to change at all institutions, but be more pronounced at those pushed cast below the divide. However, we can expect other effects to be more pronounced at those institutions that are pleased to call themselves 'elite' or 'selective'. They will experience a tightening of audit culture, metricisation and individualized performance management. In this, the Teaching Excellence Framework will be added to the Research Excellence Framework in a situation where preaching the mantra of being a 'Global Top X (insert a number just above actual rank order position) University' encourages their prospective students to be particularly sensitive to rank order position.

## Small differences are magnified to large claims

As the experience of the NSS shows, small differences are magnified to large claims. So, the Russell Group declares itself to 'outperform' other universities – [an average of 85 per cent satisfaction compared with a sector wide 82 per cent](#) – and rank order positions are used to differentiate

universities. However, this is a form of Maoist performance management, since being above and below average operates in relation to a shifting denominator. A programme of study can perform well in one year, its staff can decide to continue with their effective practices into the following year and discover themselves to have dropped by virtue of changing performance elsewhere. Performance can have improved, but relative position can fall and all managers are concerned about is rank order position. Equally, any differences can derive from characteristics of the students and small changes. For example, if ethnic minority students score differently from other students, or if female students score differently from male students, then differences will be produced by the composition of the students, not differences in course quality. This is the reason why HEFCE previously declared cross-subject and cross-university comparisons using NSS scores to be invalid and excluded statements about rank-order position from being included in KIS data.

Although many academics believe that post-92 universities have had more managerial and less collegial structures than older institutions, it is the latter that are leading in individualized performance management – whether through grant capture targets, REF quality indicators, H-index measures, or student evaluation scores. Research-intensive universities are increasingly audit-intensive universities.

## Less public funding, more government control

There is a deep contradiction in the current situation. Universities are less dependent on public funds, yet are subject to tighter government direction. Universities are more market-oriented.

But subject to more central-planning. We have moved from a system of publicly-funded universities to a system of debt-financed universities maintained by our students, but where their interests are less well-served. In 2009, a [European Commission Report comparing different systems of tertiary education](#) found the UK to perform best on research and on teaching and also to offer best value for money.

That is the system that has been dismantled since 2010 promoted by politicians and advisory committee members who are promoting the interests of for-profit companies, and by Vice Chancellors pursuing salary packages commensurate with their presumed status as CEOs of large corporations.

It is time that policies for higher education reflected the interests of students and wider publics.

*John Holmwood is co-founder of the Campaign for the Public University. He is editor of [A Manifesto for the Public University](#) (Bloomsbury 2011) and blogs regularly on higher education issues for the [Campaign for the Public University](#), [Research Blogs](#), [Open Democracy](#), [Sociology and the Cuts](#), and [Universities in Crisis](#). John is a Professor at the University of Nottingham.*