

If I'm paying for your education, so can you

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The proposed £21,000 in university fees isn't a burden, it's a bargain.

The Government is about to introduce a new test for those considering a university career. The central question will be punishingly direct. Do you want to run up a debt of £21,000 in order to go to the best British universities? Some people will, apparently, be put off applying to our elite institutions by the prospect of taking on a debt of this size. Which, as far as I'm concerned, is all to the good.

The first point that needs to be made about the so-called deterrent effect of a £21,000 loan is that anyone put off from attending a good university by fear of that debt doesn't deserve to be at any university in the first place. Incurring such a relatively small debt to pay for the huge economic benefit conferred by proper higher education is a fantastic deal. Over a lifetime, the direct financial benefit in higher earnings is around £400,000. Those who attend our best universities can expect to earn even more. Borrowing £21,000, at preferential rates, to secure twenty times that sum, is an offer you'd have to be a fool to turn down. And if you're such a fool that you don't want to accept that deal then you're too big a fool to benefit from the university education I'm subsidising for you.

I accept that some graduates will take up jobs which do



not command handsome salaries. Individuals may pursue admirable work for which there is no great monetary reward, in the Church, the arts or public service. In these cases there is a strong case for the taxpayer bearing the cost of their degree. But why should the vast majority, who go on to benefit financially from their degree, be subsidised by me?

Those of us who are net contributors to the State, graduates or not, are getting a terrible deal for our money. We could guarantee far superior healthcare and schooling for our families if only the Government gave us back the money which it confiscates from us in taxes and then spends on the schools and hospitals which it runs so badly. But of all the money wasted by the State there is perhaps no greater scandal than its mismanagement of the funds it takes to spend on higher education. The system it has built to disburse our money is inimical to equity, liberty and excellence.

Higher education is now a nationalised industry, with universities utterly dependent on state support for their survival like all the nationalised industries which taxpayers had to subsidise in the past, from British Coal to British Leyland, UK Universities suffer from grotesque inefficiencies, low motivation, ministerial second-guessing, poor salaries, and a stifling excess of bureaucracy. But at least with British Coal the taxpayer was subsidising the poor. Although it was a hideously inefficient mechanism, giving taxpayers' money to British Coal did transfer resources from the wealthy to keep working-class people in jobs. The stunning injustice of our current higher education

system is that working-class people in jobs are paying taxes to subsidise the wealthy. Because anyone who graduates from university, whatever their social origins, is then in a position to make far more money for themselves than they ever pay out for their degree.

The current system of university funding, with students paying fees which do not reflect the real cost of their courses, let alone the real benefits they will then accrue, is profoundly inequitable. But worse than that, in an effort to legitimise this unfair process ministers have progressively imposed a level of state control on universities which is crippling higher education.

The State has set a national target for the number of students, it has decreed that state support for the best universities should depend on meeting specific recruitment targets from certain socio-economic groups and it now proposes to link future state funding to government oversight of internal university management.

It is understandable why ministers should wish to set targets and monitor the management of institutions who receive Government largesse. They want to promote efficiency and productivity. But central planning is no more likely to work with universities than it did with pig-iron smelters in Siberia. As Alison Wolf, Professor of Education at the University of London's Department of Education, has pointed out, the Government's approach "is precisely analogous to the way in which the Soviet planners ran their economy and it has precisely the same drawbacks". Quantity is measured rather than quality, research and innovation are cut back in favour of processing numbers, the whims of politicians take precedence over the individual judgments of professionals. The universities which once produced Rolls-Royce minds have become Lada plants.

The British higher education system is betraying all the symptoms of strangulation by over regulation. Professors are paid peanuts, more students are getting progressively more worthless qualifications and our research ratings are dropping precipitately behind nations such as America where universities

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First-rate universities with superb research facilities do bring benefits to the nation, economic and cultural. But the only way Britain can match America in

boosting such institutions is by freeing them from the State, allowing them to charge reasonable fees and giving academics the autonomy professionals deserve; in a word, by privatisation.

The only reason they still make cars in Oxford is because the British motor industry is no longer run by the State. How much longer can we afford to run Oxford University on the principles of British Leyland?

This article does not necessarily reflect the views of the Education Forum.

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