

Higher Education: Public good or Private commodity?

Filippakou Ourania², Williams Gareth¹, ¹*Institute of Education, UK*, ²*University of Hull, UK*

Abstract

Mass higher education accompanied by ideological shifts towards perceiving higher education primarily as a major contributor to economic growth, and privatisation of its finance have been the dominant features of English higher education during the past quarter century. This has brought some benefits but also dangers: growing inequality, short term rather than long term drivers of policy and management, and the neglect of benefits other than the economic ones. In England this is resulting in an inevitably very diverse system being treated as if all its manifold objectives and activities served similar ends. We argue that while some aspects can legitimately be considered as private there are many of its functions which serve a much wider public interest.

Outline

‘Private goods are excludable; those who own the good can exercise private property rights, preventing those who have not paid for the good from using it or consuming its benefits. Private goods are also rivalrous; consumption by one consumer prevents simultaneous consumption by other consumers. In contrast a “public good” or service is neither rivalrous in consumption, nor excludable in ownership, and is available to all. Such goods -- national defense being the classic example -- will thus either not be provided or provided in insufficient quantities by the private (market) sector and therefore must be provided or subsidized by the state.’ (Dill 2014) Can higher education be considered as another example?

The most important policy changes in UK higher education over the past quarter century have been the achievement of mass higher education, the ideological shift which has led to the near hegemony of the belief that the main justification for expenditure on higher education is its contribution to the higher monetary incomes of individuals and general economic prosperity and the consequential rapid growth in private funding of both research and teaching. The system which thirty years ago Burton Clark showed to be one of the freest from government and market interference has become very much dominated by market forces and government regulation established to guard against market excesses. In a generation the culture of universities and colleges has changed dramatically. A branch of activity which, at least since the time of the Robbins report fifty years ago, was unquestionably dominated by a public good ethos has shifted very largely to one dominated by market considerations.

No longer can those engaged in the academic study of higher education take it for granted that higher education is seen primarily as a public good; this claim carries less *legitimacy* than it did. A consensus has evolved, which embraces the state (both its bureaucratic and political branches), an increasing range of organized interests and think-tanks, and many of the more immediate stakeholders such as employers and

university governing bodies and even includes many students, parents, faculty and administrative personnel that much of higher education is about individual economic benefits.

Unsurprisingly this has led to counter claims from those who believe that higher education, like health is intrinsically a matter of collective public interest not simply an aggregation of individual interests. Some of this is, of course, self-interest of those making the arguments: not all academic subjects can easily claim that they lead directly to higher individual incomes or greater economic output and for them it is important to show that higher education has other rationales than the promotion of economic prosperity.

But there are bigger issues at stake. Three are vitally important.

- ◆ What is and what should be higher education's contribution to a more equal, or at least a fairer society?
- ◆ To what extent is higher education a set of activities whose provision should be long term considerations as opposed to the essential short term concerns of competitive markets?
- ◆ Are there not important dimensions of human life other than economic success and what contributions should higher education be making to them.

The analysis can usefully begin by asking 'what kinds of outcomes are being promoted if higher education is more of a private than a public good. What kinds of purposes are being pursued? What kinds of compromises are possible between two conflicting ideological conceptions?

An analysis of this kind alerts us to the social dynamics at work. It also suggests that evaluations of higher education as a public/private good should incorporate questions such as:

- What interests are served by these changes?
- Are some interests being marginalized?
- If there is a state agenda what are its drivers and how persistent is it?
- To what extent is the agenda global, national or merely local in character?

Filippakou (2014)

In attempting to answer such questions it is necessary to accept that a modern mass higher education system is hugely diverse, that it must serve many different, sometimes conflicting, interests and that if it is to be successful it is very expensive: the bills must be met either publicly out of taxation or privately out of personal incomes in some way.

Peter Scott has linked the debate to the idea of the civil society. He writes 'In the United Kingdom universities were firmly located within what has come to be defined as 'civil society', insulated from both political command-and-control and also from the immediate pressures of the market. Their status as 'public' but not 'State' institutions reflected this positioning. However, both the concept and territory of 'civil society' have been undermined by the neo-liberal shift.' (Scott 2014)

The issue for both theoretical and policy debate is how far it is appropriate for the shift from public to private to go. As for Aristotle the answer must be all things in moderation. But that, does not answer the question of where the balance should lie.

For researchers and for governments there can be no general answer: for such a diverse activity as mass higher education: the only honest way is to be clear about which aspect of higher education is under consideration and to try to find a suitable answer for each: blue skies research, applied research, knowledge transfer, professional training and upgrading, increasing cultural awareness, personal development of the potential of individual students, increasing their ethical awareness, to name but a few. The balance is not necessarily the same for all of them and nor is it clear that all universities and colleges should attempt to do all of them. The main problem with what has become the English approach to mass higher education is that, while lauding diversity, most commentators and policy makers are attempting to find one size fits all solutions.

References

- Clark, B. (1986) *The Higher Education System: Academic Organization in Cross-national Perspective* (University of California Press)
- Dill, D. (2014) 'Assuring the Public Good in Higher Education: Essential Framework Conditions and Academic Values' Filippakou and Williams, 2014
- Filippakou, O. 'Higher education as a public good: notes for a discussion' in Filippakou and Williams, 2014
- Scott, P.(2014) 'Higher Education, the Public Good and the Public Interest' in Filippakou, and Williams, 2014
- Filippakou, O. and Williams G. *Higher Education as a Public Good; Critical Perspectives on Theory, Policy and Practice* (Peter Lang, New York) (forthcoming)