Britain: Funding crisis in higher education

Jordan Shilton 24 May 2007

With the abolition of student grants—and, more recently, the introduction in England of tuition fees for students—ever-greater responsibility has been placed on individual students in Britain to fund their further education.

In addition, the type of education a student can receive is being prescribed by the dictates of the market. Many universities across Britain have in recent years decided to cut and even close departments, as well as axe staff, in "reforms" designed to increase efficiency. This has been generally accompanied by the claim that these changes are necessary in the interests of financial stability—i.e., to increase profitability and ensure support from business.

For example, in 2004, the University of Exeter closed down some of its departments, at a loss of 130 jobs. In June 2006, Liverpool John Moores University cut back its language courses and its Business Information School. In March 2007, Manchester University announced 400 job cuts as a result of a debt totalling £30 million.

A spokeswoman for Liverpool John Moores University outlined the motives behind its decision. Commenting in the *Guardian* newspaper, she said, "This adjustment will allow Liverpool John Moores University to adopt a more externally focused approach by reducing the language choice and placing it as a supporting element in more market-aligned studies, such as international business studies and tourism and leisure."

University science departments have been extensively targeted for cutbacks. Exeter University's cuts in 2004 involved ceasing to teach chemistry, while the physics department at Reading University was targeted for closure at the end of 2006. In a letter to the *Guardian* on November 8, 2006, Sally Hunt of the University and Colleges Union (UCU) noted that 70 university science departments had been closed since 1999. She also

stated that the physics department slated to be closed at Reading was "renowned as one of the best teaching departments in the country."

Recent proposals from universities have often included demands on all departments to make savings. Proposals accepted at Dundee University, for example, targeted seven areas in particular but also called for savings across all four schools in the institution.

In some instances, decisions on cutbacks are being taken in secrecy, with staff, students and the wider public denied concrete information about proposals until they are finalised. At the University of Dundee, in the past two months, similar cost-cutting proposals were voted through by the University Court without any clear information as to their rationale. Any information given by officials invariably raised more questions than it answered.

Writing in his blog, ex-British diplomat turned whistleblower Craig Murray, who is now Dundee University's rector, a senior post elected by students, commented: "At my first University Court meeting, held the first working day after I took office, the University administration forced through the closure of undergraduate teaching in modern languages and in town planning, and adopted a five year framework of cuts. Accepting hypothetically that short term savings were necessary, I could not see the need for the immediate adoption of a five year programme before their Rector had even had time to read through the papers (which I received two hours before the meeting).

"Interestingly every academic and graduate representative on Court voted against the cuts, but they were rammed through by an array of co-opted members, who appeared without exception to be either businessmen or from the government's educational administration establishment.... In the analysis given by the University administration of different academic departments, they were viewed solely in financial

terms. Just what they cost and what they brought in. There was no mention of educational values or wider societal considerations."

Dundee University is just one institution that has seen financial difficulties. Earlier this year, Strathclyde University was forced to cut 250 jobs in a move that came only a week after Dundee had announced its proposals.

Some officials and spokespersons for the various institutions in Scotland have blamed this year's financial difficulties on a pay deal struck between lecturers and the universities at around this time last year. The deal was the culmination of prolonged strike action by lecturers. By blaming the financial crisis on the pay deal, universities are preparing the ground for demanding wage reductions.

A spokesman for the group Universities Scotland, Robin McAlpine, raised the probability of future cost-cutting measures. He told the *Scotsman*, "Universities are setting their budgets just now and it's entirely possible that this may not be the end of significant cost-saving moves. Across the higher education sector, the bill for the pay deal comes to a minimum of £60 million more than we get in public funding. That £60 million has to be found from somewhere."

In Scotland, when the issue of cutbacks is raised, discussion inevitably centres on the introduction of tuition fees, a policy that is currently only in place in England. An article in the Scotsman in January, published shortly after Strathclyde University had announced its cuts, complained, "An investigation by the Scotsman last March revealed that, while English universities could expect to benefit from an extra £1 billion a year thanks to the introduction of top-up fees, Scottish institutions had no idea what their budgets would be from 2008."

The article then proceeded to justify the introduction of tuition fees on the grounds of Scotland's economic future: "Jack McConnell, the [Labour] First Minister, has insisted that Scotland can only hope to compete on the global stage by marketing itself as a high-skill, rather than a low-wage, economy. But how can that be done when the country's universities are having to cut staff to make ends meet? Top-up fees will guarantee institutions south of the Border billions more—with the prospect of further riches once the cap on those fees is lifted in 2009."

Some estimates suggest that an average student can be burdened with debts in the range of £20,000 upon leaving university. The rising cost of tuition fees means that this debt burden will increase, leaving students to pay off a sum that could take most, if not all, of their working lives.

Another financial pressure on students is the creeping privatisation of student accommodation, which will see many young people priced out of university and others pushed further into debt. A 2006 survey by the National Union of Students (NUS) and Unipol, a student housing charity, produced worrying results. It found that the average cost for student accommodation per week stood at £82, an increase of 37 percent since 2001-2002. Today, more than 50 percent of all student accommodation will be developed completely or in part by private initiatives.

The report notes with concern that rent prices in private accommodation do not take into account those who are less well-off and points out that increased addon charges for various services could leave many priced out of the market.

A December 4, 2006, article in the *Guardian* quoted Veronica King, the NUS vice-president (welfare): "This is a timely reminder that the increased price and lack of choice of university accommodation will need to be addressed to truly ensure poorer students can access higher education.

"For the students for whom luxury is not affordable, there is a significant risk that accommodation costs, coupled with the burden of top-up fees, may affect their choice of where to go to university. We are also extremely concerned as the survey shows that private providers are not as good as universities in providing accommodation for disabled students, housing dependants and students with caring responsibilities."



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