

New private university signals drive to privatise higher education in Britain

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BPP, a private company that possesses 14 sites around the UK providing law and business degrees, was granted “university college” status in July, creating the first private university in the UK for 30 years. The decision signals the coalition government’s drive to privatise higher education.

Massive spending cuts brought forward by the Conservative-Liberal Democrat government, combined with rising youth unemployment, has seen 200,000 students denied a university place this year. It is in this context that calls have been made to privatise higher education.

Until now university college status has been typically reserved for publicly owned institutions that provide a limited range of degrees and qualifications. Before the BPP granting, the University of Buckingham has been the only official private university in the UK, which was granted degree-awarding powers in 1983.

The vice-chancellor of the University of Buckingham, Terence Kealey, claimed that “state-funded universities have been so battered that they are reeling...step forward our private schools”.

The dean of BPP Business School, Chris Brady, offered the prospect that the private sector would gradually take over “failing” public universities and expand into areas where firms can enrich themselves. As for those areas that do not offer such prospects, Brady explained these would be left to fail and collapse.

In addition to introducing private universities, there is a call to consider methods to cut costs, jeopardizing decent quality education. One expected result of private firms entering the sector is the intensification of inter-university competition to gut the remaining public provision of higher education.

Such methods would involve compressing three-year

degrees into two years, as at Buckingham and BPP. This would be achieved either by intensifying studies, which places poorer students who have to work to fund their studies at a greater disadvantage, or cutting back on what is provided in a course. Intensified courses would also result in increased strains on staff, which will be exacerbated by job losses across the sector.

Other methods include distance-learning, outsourcing the teaching of degrees from universities and online learning.

The University of Buckingham was established by academics from the University of Oxford as an example of the elitist private-models found in the United States. Margaret Thatcher laid the foundation stone for the university and was chancellor between 1993 and 1998. The university itself has strong links with the financial elite. The last chancellor of the University of Buckingham, Martin Jacomb, was chairman of the Canary Wharf Group and recently retired from the boards of Rio Tinto and Marks & Spencer, as well as being on other boards in the past.

Elitism is rampant throughout the university.

Recent articles by its vice-chancellor and academics have agitated for further privatisation, arguing that better quality education and its funding meant raising tuition fees. Kealey has been a persistent challenger to the idea that education and science should be considered public goods and should receive public funding.

They also supported a campaign launched by private schools such as Eton in February of this year, which proposed a two-tier system involving private universities charging at least £10,000 to allow wealthier students to avoid overcrowded classes in public universities.

In a flagrant contempt for poorer students, the argument was made that private institutions would prevent wealthier, privately schooled students from being “penalised” by the allowances supposedly given to state-educated students in public universities.

The university itself is able to provide small classes due to charging at least £8,040 a year. Given its links and elitism, it is unsurprising that it enjoys one of the lowest graduate unemployment rates in Britain.

Although both BPP and Buckingham are examples of privatisation, there are differences.

One is that business-based, for-profit institutions typically provide vocational training and are described as “demand-absorbing”, i.e., where students have been unsuccessful in competing for the inadequate provision of public university places but are still desperate for a degree. In contrast Buckingham is an explicitly privileged institution founded by academics for the youth of the elite.

In BPP, academics have no authority, and the institution is run by a chief executive and board. These profit-driven universities typically seek to lower the costs of education by cutting the range of courses on offer to focus on the most popular. Given the increased fees students have to pay and the increasing competition, such courses are typically those that will give the greatest prospect for higher salaries, and therefore reflect the needs of employers before any consideration to provide a broad and genuine education.

Private firms are also noted for hiring the majority of staff on a part-time basis, with fewer staff to students. They are not entitled to meet Freedom of Information legislation and there exists no mechanism to ensure academic integrity, quality or freedom in such institutions.

Despite the dogmatic claims that accompany the praises of privatisation, international experience reveals a long list of failures. Philip, G. Altbach, writing in the *Times Higher Education*, notes the infamy of private universities in Latin America, which provided low-quality education in order to realise quick profits. Another example is Phoenix University in the US, which offers low quality. The university is owned by the Apollo Group that bought BPP in 2009.

Private higher education institutions are the fastest growing sector worldwide, accounting for 20 percent of global higher education in 2009. They have grown so

rapidly because of the huge cuts being imposed on public higher education, deregulation and the chronic underfunding of the entire sector for at least the last few decades.

Whichever model the Conservative-Liberal Democrat coalition follows, privatisation is being rolled out as the future. Calls are being made for traditional universities to function according to the market and rely entirely on funding from student fees.

The proponents are confident that this will be implemented as they note that under Labour, policies have already been put in place that effectively ensure traditional universities function as businesses, tailor courses in response to the market and tie funding increasingly to student numbers and business arrangements. The cuts will deepen this transformation. As Brady notes, the sector is only awaiting traditional universities to be able to set their own fees.

The assault on higher education is part of a generalised attack on welfare and social provision. Politicians, the media and others have stated categorically that a target of 50 percent of youth having access to higher education is “unachievable”.

This was expressed by Carl Lygo, BPP’s chief executive, who claimed, “The education landscape is changing...we will see a different picture emerge, where both students and employers will drive demand for their preferred method of study and training”.



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