Producers of systematic new knowledge and interpretations

Universities in British higher education—different building blocks to answer the question: Where next?

NIGEL THRIFT, VICE-CHANCELLOR AND PRESIDENT, UNIVERSITY OF WARWICK, COVENTRY, UNITED KINGDOM

This paper is born out of a recent attempt to provide policy prescriptions that might frame and guide the next few difficult years for British higher education: the Institute for Public Policy Research Commission on the Future of Higher Education. Arising from a time in which British higher education is under threat from government cutbacks and rising international competition, the commission’s report attempts to chart a route which will allow the British higher education sector to retain momentum through the next four or five years of famine whilst providing promises for the future. In contrast to the report, this paper provides a slightly longer-term prognosis by addressing a number of themes: the Robbins Report of 1963 and what happened thereafter, the vagaries of the present, the need to rethink the university, internationalization, and, last but not least, instilling a sense of universities as future goods which are a vital part of any national project.

Published in 2013, the IPPR report necessarily references the founding father of modern British higher education, Lord Robbins, whose report was published 50 years ago this year. But much has changed since Lord Robbins’s days. A small system, charged with serving an elite, has been replaced by a mass system which serves multiple constituencies and which consists of

---

1 More thought on issues like these can be found on a regular basis on my blog for the Chronicle of Higher Education at http://chronicle.com/blogs/worldwide
multiple kinds of higher education institution. It is worth reflecting on changes like this in more detail, not only because they are so wide-ranging but because they serve to show just what a rapid rate of change has been maintained in British higher education for nigh on 50 years now. Nine significant changes come to mind.

Nine changes—the need for a redefinition of the purpose

The first and most obvious change is one of scale. In 1962/1963 there were 216,000 home and overseas students in the United Kingdom. By 2011, there were 10 times this number. Even given the expansion of the British population, this is still a giant national step. In turn, this expansion has meant the addition of many new institutions, the expansion of existing ones, and, to an extent at least, a redefinition of the spirit and purpose of higher education as universities have increasingly become a part of the fabric of everyday life. Along with the increase in scale has come a different composition of the student body. Most particularly, women have become the majority of the student population. Given the so-called “massification” of universities, universities are now, therefore, very different beasts from what the parents of today’s students remember.

The second change follows on. What was a largely government-funded system has become much more diverse, consisting of ‘universities’, a term which is increasingly too generic to mean much at all: but currently applies to institutions which have recognised degree-awarding powers, particular modes of governance and at least 1000 students, a few private institutions which are likely to increase in number, and a substantial further education sector which increasingly teaches to degree level. At last count, in England the HEFCE (Higher Education Funding Council) funded 128 higher education institutions and 187 further education colleges. The funding for this system comes from many sources now: it’s certainly not just government sources like HEFCE. Overseas students, industry, technology transfer and start-up companies, science parks, the European Union, trusts, endowments—all play their financial part and, in many of these cases, a very considerable part indeed. The system has also begun to diverge quite markedly as different devolved administrations increasingly go their own way.

The third change is that managerial forms of governance have become more common as universities have grown in scale. This is hardly a new development—for example, the office of provost in US universities (a term which is spreading fast in British universities) came about in large part because of the demands of running larger organizations. The idea that universities can now be run as though they are congregations of schoolmen is simply fantastical.

Even universities such as Oxford and Cambridge which are still loose federations of colleges and departments have had to take on centralised functions as they have grown in scale. But the growth of centralised management has undoubtedly brought tensions with it.

The rise of the administrative university and of a cadre of administrators much larger in number than in the past has, in combination with the increasing power of lay governing bodies and the rise of adjunct faculty, produced a model of the university which has become more corporate in nature. It is not necessary to depict administrators as a kind of plague on the academic body or lay governing bodies as corporate stooges or to see all adjunct faculty as victims to be concerned that the ethos of universities is changing in ways which could cut across their ability to be worthy of the name. But the main reasons for this growth are also instructive and bring with them a range of their own bureaucratic imperatives. One is the growth in the size of universities which brings with it added complexity. Another is the rise of a kaleidoscope of constituencies which believe that they have a stake in what the university should be: staff have to be put in place facing toward each of these constituencies. Then there is the combination of government and private-sector attempts to order and to audit universities’ range and influence, whether through what often seem like annual policy initiatives and legislative diktats or through the rise of government and league-table information requirements. Again, staff need to be put in place to deal with these.

The fourth change is the trend to much higher levels of government auditing. Ironically, as government money goes down so rules seem to go up. The requirements of government have become increasingly onerous as universities have become caught up in a regulatory web of different agencies checking and cross-checking what universities are doing.

The fifth change is the much greater involvement of the private sector. The private sector is involved at all levels in the sector from outsourcing to private teaching companies to management consultancies. The degree of involvement varies around the world but it is increasingly rare to come across
a system that has none. Even France educates 10 per cent of its students through private providers. Meanwhile universities themselves have become much less reliant on public money in most countries. Of course, there are the obvious examples of endowment-heavy Ivy League universities in the United States but look too at US state universities, many of which are now receiving almost no funding from their states. In the UK, something similar has happened. The latest figures for 2009/10 suggest that British universities obtain an average of 57.3 per cent of their income from government but this figure conceals large variations, with some institutions getting much less from public sources.

The sixth change is the rise of technology. Universities are becoming the stamping ground of all manner of new information and communications technologies. On one account, heavily influenced by corporate interests and management consultants, universities will gradually become electronic providers of information. Actual face-to-face teaching will slide out of existence as the online takes over. A whole new sub-genre of management books has become concerned with instigating these new cultures of information technology-based learning [e.g. Thomas and Seely Brown (2011)] in a long line of thinking that has its origins in the dot-com boom of the 1990s. On another account, this time internally generated, universities need the push provided by the new technology to become relevant again [Taylor 2010]. Whatever the case, the pace of change, with new MOOCs—Massive Open Online Course—consortia announced seemingly every month, suggests that though there may be an “avalanche” [Barber 2013] still more change will come.

The seventh change is in international context. In the 1960s only 10 per cent of students came from overseas. Now there are over 400,000 overseas students (with the number predicted to rise still further, in spite of new visa regulations) and they are an absolutely vital part of the reason why British universities are economically viable—as well as making a substantial contribution to the UK economy as a whole. On top of this, British universities have gone out into the world. Most universities teach overseas. Some have overseas campuses or are partnering with overseas universities. The academic year 2009/10 marked the first year in which more overseas students were studying for British degrees beyond these shores than within them but this trend is only likely to strengthen. In other words, most British universities are now firmly international entities from numbers of international students to the proliferation of teaching overseas and they are becoming more so all the time.

The eighth change is the importance universities have gained as a component of the knowledge economy. Though one might well be sceptical of some of the more outrageous claims for the power of the knowledge economy, and of universities as drivers of economic growth, universities research and skilled graduates are now integral to what economies are thought to be about. Universities are no longer on the outside looking in. They are economic players in their own right. To begin with, the research capacity of modern economies is an essential part of the supply chain of knowledge and innovation, particularly because the generation of high-end knowledge and innovation is increasingly concentrated in universities as companies have withdrawn from research and development. Then, universities are vital linchpins of the collective intelligence of national and regional economies, crucially important in boosting these economies absorptive capacity. Then again, universities are the central element of the human-capital plans of most nations [Goldin and Katz 2008]. They improve the competitiveness of economies because their graduates, by obtaining higher education qualifications, lead skill-biased technological change and also stimulate an increase in the proportion of the workforce attaining high skill levels which leads directly to higher labour productivity. In other words, they provide the upper end of workforces which are needed to be more creative to spur innovation and boost productivity.

Universities are actors with real economic heft

Thus, universities have become a fundamental part of the dynamics of contemporary capitalism. They are now actors with real economic heft and there is no going back. Universities are a key term of the investment-education-innovation equation and, in the middle of a recession, it is difficult to argue that they should back down from their position as sources of economic growth and potential.

Finally, and following on, higher education has become an industrial sector in its own right. It is a vital—and remarkably successful—part of the British economy comparable in scale to the printing and publishing and legal industries and larger than the pharmaceutical, aircraft and spacecraft, and advertising industries in the UK. The figures are much cited but no less impressive for that. The UK higher education sector had an income of £23.4 billion a year in 2007/08, gross export earnings of £5.3 billion and more than one per cent of the UK’s total workforce. So far as its wider economic impact was concerned, the sector generated over £53 billion of output (Universities UK 2011).

But now we come to the present. In a period of seeming success, British higher education is poised on a knife edge. To begin with it is going through a
of a period of what might be called market nationalization. The intention, forced by government, is to make the sector more competitive in the name of the market on the grounds that markets are meant, though competition, to produce further efficiencies. This simulation of the market—imposed by such means as making students act like consumers, adding private providers and generally increasing the level of competition—is not without risk. Yet more efficiency gains can threaten to kill the golden goose if the system is already very efficient, and there is some evidence, that this may be the case. For example, one recent study placed the UK higher education system second in the world terms of ‘output’ but only 27th in terms of the ‘resources’ assigned to it [Universitas 21, 2012]. More generally, the UK invests a notoriously low proportion of its GDP in higher education, 0.69 per cent in 2007, as compared with 0.91 per cent in Germany, 0.98 per cent in the United States and 1.21 per cent in France [Universities UK 2011].

Then, as has already been pointed out, British universities are becoming a kind of safety net for problems which other actors cannot solve. They are asked to carry out more and more tasks, tasks which usually require considerable cross-subsidy and which, in turn, can threaten the viability of their core activities of teaching and research and consequently their position in international rankings. In Robin’s context, universities were expected to carry out four main functions: to provide necessary labour market skills, to promote ‘the general powers of the mind’, to advance learning through research, and to facilitate ‘the transmission of a common culture and common standards of citizenship’. But ‘a these aims and objectives now have to be added a host of other responsibilities: acting as a forcing ground for economic growth by becoming central nodes in urban and regional economies, producing social equity, demonstrating research ‘impact’, working as fire-fighters for global problems, and building into multinational organizations, all of this while still holding an acute responsibility to provide benefits for the broader public realm that Robbins so ably identified.

The net result is that British universities, ability to compete on the world stage may be being hampered just at the time when they need sustenance. After all, in world terms it is as though a set of institutions had won Olympic gold medals over and over again every year for 30 years or more. But, as has also been pointed out over and over again, the time of an unquestioned Anglo-American ascendancy over global higher education is well and truly over.

Producers of systematic new knowledge and interpretations

pointed out over and over again, the time of an unquestioned Anglo-American ascendancy over global higher education is well and truly over. British universities are doing more with less but there comes a point where less really is less. And if that point is reached, one of the few major British economic success stories of recent times could be damaged—perhaps irreversibly.

Rethinking the university

These events suggest that at least some rethinking needs to be done. The last few years have been a difficult time for the British university system as government reforms aimed at unleashing even more market forces have taken hold involving increases in undergraduate tuition fees, attempts to produce a free market in undergraduate places, and greater private provision. The best that can be said is that the system has tackled reasonably skilfully with the ups and downs of government policy on tuition fees and allied issues, and will survive in reasonably good order. But it is difficult to find many who believe that the current outcome is entirely satisfactory, whether they be the most convinced free marketeer or the most committed public-sector enthusiast.

The free marketeer will have been frustrated that the government, while allowing more private suppliers into the sector and producing an embryonic market mechanism by transferring student funding from universities to students and creating a so-called core-and-margin model which makes students with high examination scores mobile, has created, at best, a quasi-market when universities need to be free from state intervention [Glen 2013]. The public-sector enthusiast will be mightily vexed by both the move to a more commercial system and by supposed cuts—cuts which, until lately, only ever partially taken effect.

Whatever the exact situation, there is a general lesson to be had which extends far beyond local circumstances. British universities, like universities in general, have often had very little room to shape government policy. There are no doubt a panoply of reasons for this state of affairs but sitting somewhere near the top of the pile would be the fact that British universities have had very little idea about what they wanted and, by implication, what they didn’t want beyond some very general [and, of course, important] principles like academic freedom. They therefore spent most of their time gaming government proposals in order to seek various kinds of short-term advantage.

This is not atypical of the situation in many parts of the world. There is [ironically, especially given the plethora of books about the central something of...}
ture if it is not to become simply the 'corporation delivering higher education' (Holmwood 2011, 15) which some might like.

Those few books that do lay claim to the future of the university and higher education tend to do so in simplistic ways which usually rely on just one simple nostrum: information technology, market competition, beauty or some other aesthetic yardstick, 'the university' (as though it were a faithful), and so on.

More commonly, thinking about the future of the university has been cast in negative terms in what sometimes seem like endless jeremiads lamenting past glories and criticizing much of what is currently occurring [e.g. Collini 2012, Docherty 2011, Holmwood 2011, McGettigan 2013]. In particular, the general air of piety cannot conceal the fact that they say very little about what universities ought to be like in the future. They are strong on what they don't like and weak on what they would like to replace it with. Their strategy, insofar as there is one, seems to be to state a set of immutable principles and then refuse all negotiation. Back to the future, if you like: If any adverse change happens then it can always be steered home to government, the market and the cravenness of university leadership and satisfyingly condemned with the appropriate degree of outrage. But this kind of reaction cannot and clearly is not holding. In particular, it ignores the fact the university as we know it now is only the latest in a long line of forms of university [Clark 2009]. For example, the basic research apparatus of seminar, specialized journal paper and scholarly monograph was invented in and exported from Germany and it was not without its critics at the time. Even as late as 1869-70, there were only seven resident graduate students in the whole of the US Ivy League. The point is that there have been many other forms of university than what in many countries of the world has become the default position, passionately defended as if it is somehow the only way of going on. There is no necessary reason why supposed fundamentals like the lecture or the seminar or indeed academic qualifications cannot be re-invented without bringing into question the whole of the academic enterprise—which is not to say that care does not need to be taken in doing so. Witness just the changes of the last 50 years noted above as an exemplar of how fast university systems can mutate.

Eight building blocks for the future

Given that we can therefore expect change to continue, it may be best to work out what the chief building blocks of British universities might be in the future. Eight of these building blocks seem particularly important.

First, universities must remain as disinterested producers of knowledge for its own sake. Universities are now becoming one of the only concerted producers of systematic new knowledge and interpretations in the world as corporations and other actors withdraw from basic research, seeing it as a cost rather than an investment. So, as almost the only arts of systematic knowledge, they bear a heavy responsibility and not least because of the pressing problems that the world faces which they are now an integral part of solving, from new diseases to global warming. Increasingly, this must mean collaboration. Of course, for some decades now, universities have been collaborating internationally on problems like AIDS and climate change but as the scale of the problems has increased so the need for collaboration becomes ever more pressing. Many British universities have responded internally by producing global priority programmes that integrate particular research on global priorities across disciplines and externally by joining with overseas universities to leverage their research but, even in the case of institutions like Oxford and Cambridge, they cannot have the resources on their own to meaningfully respond to the scale some of these problems. That suggests that universities need to cooperate even more fully, a point I return to below.

Second, universities must remain as conscious moulders of sceptical and informed citizens. They are places where people can meet and discuss their differences—and often agree to disagree—in a safe and liberal space committed to the values of the enlightenment, often in a formative period in their lives. Though they were originally set up to take on this mantle, it was always assumed that this would occur on a much smaller and face-to-face scale. Perhaps the most important aspect of this problem is the need to ensure that one of the original ambitions of universities can remain active, that is, their ability to impart something of value beyond simply their ability to educate and transmit various skills. That depends on students teaching things to each other as well as being instructed: interaction between people of different cultures and faiths can produce a quality greater than the sum of its parts. The best universities do this. They refuse to simply pressure and regiment (Cubbage 2012). They try to instil purpose. These are important.
from volunteering programmes through business start-up and entrepreneurial programmes through to much more ambitious international programmes, meant to relieve poverty and hardship. Encouragingly, many of these programmes have been student-generated.

Third, universities must remain focussed on being public goods. But what is meant by that innocuous-sounding phrase is, of course, a highly moveable feast. To begin with, as the vast literature on public goods in economics shows, there are genuine problems of definition. As an empirical fact, higher education is a good of often limited supply, and therefore not available to everyone who wants it. In principle there is no economic reason why it cannot be supplied privately: New York University, for example, brands itself as ‘a private university for the public good.’ Then, there is the issue of which publics the public-good argument applies to. As Kennedy (2011) has argued, making arguments concerning why university resources should be devoted to particular publics in compelling and general terms is often very difficult and can instead be seen by some constituencies as implicit politicization of the university. There is no explicit method for determining which publics a university should serve, although they clearly serve more and more such constituencies. But what is clear is that to be worthy of the name, universities must pass some kind of public-benefit test which also recognizes that they serve many different publics: universities are run by and for myriad publics who are not just national but international in nature: staff, students, alumni, donors, companies, government, local and global communities, and they have to try to balance off the needs of all of them.²

Fourth, and following on, universities must be important contributors in social mobility. Whether they like it or not, universities are and always have been the preserve of elites in that they sort and sift, examine and pronounce via apparatuses like restrictive admissions, examinations, grading, and so on, all on the basis of a meritocratic principle which must produce elites in one way or another. But, there is a constant and enduring tension with a democratic principle, both from a general and entirely legitimate demand for widened social access and from the fact that universities often depend upon a public which still pays for them in one way or another, even when they do not directly benefit. Widening social access has, of course, been a key chal-

² But, at this point in time, the forms of governance used to achieve this expanded collegiality are, at best, untested and at worst downright confusing. More to the point, they only rarely allow these different constituencies to talk as productively to each other as they might. Academic staff are becoming disillusioned as a result; they often feel distant from the control of their institutions. But many other publics involved with universities feel similarly. A new account of collegiality is urgently called for.

Fifth, universities must become an integral part of the machinery of economic growth. Having reached an important point in which they are recognised economic actors, they need to maximize their effectiveness for the sake of a nation that desperately needs economic growth. That means protecting and then, over time, expanding funding for basic research but it also means ramping up applied research even further as a quid pro quo. A series of different means of scaling up applied research come to mind, from basics like spin-outs and licensing and technology transfer generally through national industrial centres to general business advice for small and medium sized enterprises.

Sixth, universities must become even more multicaltional. Universities which were generally thought to be relatively geographically concentrated—after all, they are still all generally named after single places—need to continue to experiment with ways of becoming multilocational not just within but between nations. What this means is that we need to think about what a university is as a space of interaction. This is where internationalization can have a positive role instead of being simply seen as a means of gaining individual competitive edge by different universities. So far as research is concerned it would be possible to argue that there is no longer such a thing as an individual university in any case. There are probably more interactions by academic staff between institutions than within them. The ‘university’ has become a system of interaction which operates across the globe, as all manner of analyses from studies of co-citations to actual ethnographies of science show. So far as students are concerned, the situation is beginning to catch up, not least because universities are increasingly populated by international students who, having moved once, have a greater propensity to move again. Within the next 10 years, a degree may well include a period of time in another location as a matter of course as universities begin to put flesh on the bones of the idea of ‘global citizens’. What is the spatial limit of the university in these circumstances? Does there need to be one, indeed?
Seventh, universities need to be not just competitive but collaborative. That means experimenting with new models of ‘university’ which understand universities as being much more cooperative entities than in the past. As a matter of course, university academics cooperate with academics from other universities so this ought not, in principle at least, to be a problem. But it still seems to be a considerable one. There are a number of reasons why. One is culture. University cultures are often very different from one another. Differences have often been fostered over many decades or even centuries. Then there is snobbery. Universities carefully monitor their relative performance and find it difficult to cooperate with other universities that they do not see as their equals. Finally, there is finance. Universities are marginal financial concerns and the risks of cooperation can be substantial, especially in the early years.

But in recent years, universities have been cooperating to a much greater extent, stimulated by bodies like the Research Councils and HEFCE which are increasingly insisting on collaboration or putting aside special pots of money which aim to promote it. This kind of activity can clearly go further.

What is not necessarily being suggested are more mergers. There have indeed been many instances of successful merger, especially in London. But mergers often require considerable investment and are therefore difficult to arrange in straitened times. But federations of universities are a different matter. These might or might not be regional. They might or might not be based on cooperation between different types of universities. They might or might not include overseas players. What is most crucial is to encourage experimentation to determine exactly what federations can deliver.

Eighth, the university student-funding system needs to keep in touch with the population’s expectations. The issue of fees is about more than just the extra money involved. There are wider issues at stake. One of the major problems that politicians currently face is how to make sure that they keep a compact with a middle class beset by the perils as well as the potentials of globalization. Modern welfare states have tended to rely on a compact which spreads its benefits to all sections of society, albeit differentially. But as these benefits have tailed off, so the increasingly squeezed middle class is likely to gradually withdraw its consent. That is part of what is now happening so far as higher education is concerned. The imposition of tuition fees at £3000, generous though the deal actually is, has, from experience of talking to students and parents, produced a situation in which the middle class identifies the short-term issue of an increase in fees as symptomatic

of psychological break point has been reached which means that the middle class is increasingly dissatisfied with higher education because it is seen as symptomatic of a set of wider changes which adversely affect them. So far as universities are concerned, it is increasingly likely to judge them less in terms of general welfare and more in terms of means and ends, and it is likely to judge them more harshly as a result.

Issues like these suggest a certain degree of caution about how tuition fees are constructed. At the very least, they suggest that government still needs to be actively involved in funding access to higher education unless and until universities other than Oxford and Cambridge can build endowments which allow them to offer needs-blind scholarships as a matter of course. Students need to see that societies understand that their investment in their education is an investment in the future of all. Currently, they see a public good invested in the future of the nation becoming a private good invested in personal gain and this sends messages about how and why they are valued which cannot be healthy for the long term.

But there is another related issue too. UK universities live in a globalized world in which students are by no means limited to Britain for their higher education choices. They can look overseas if they so wish. Although the numbers are still small, they are growing rapidly. Thus in 2010/11 just under 9,000 students studied in the United States, many of them with substantial scholarships. In other words, better-off students in particular can choose departure from the British higher education system as a viable strategy in a way that would have been all but impossible in the past. More and more of them are likely to do so under current circumstances.

British universities in a globalized world

The issue of a globalized world leads on, once more, to the vexed issue of internationalization. It is clear that British higher education is now an international activity. But what is less clear is that the level of international competition with British higher education is increasing all the time.

US universities have been expanding overseas at some rate. Australian universities have been growing rapidly and are avid internationalizers. Canadian universities are committed to the goal of doubling numbers of international students within a decade and are becoming increasingly attractive to international students. Chinese universities are expanding at sometimes breakneck speed and the Chinese state has an explicit policy of concentrating its
Too many research universities are under-capitalized.

In the face of this accelerating competition, it seems clear that the UK has undercapitalized its universities. It has too many research universities because they compete with each other for a limited number of students. And scale means something - there are a few giant universities in the US, such as MIT and Stanford, that can afford to do everything. There are no such universities in the UK, and this is why the UK is becoming less competitive.

In the UK, there are far too many small universities. This is because the government has not put enough money into them. The government should be investing in the universities that are doing well, not just the ones that are struggling. The government should also be encouraging the universities to work together more closely, so that they can pool their resources and compete more effectively.

In the UK, the government should also be investing more in research. The government should be providing more funding to universities for research, so that they can attract more international students and industry partners. The government should also be encouraging the universities to collaborate more closely on research projects, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' libraries. The libraries are the lifeblood of research, and the universities need to have access to the latest research in order to remain competitive. The government should also be encouraging the universities to collaborate more closely on research projects, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' computing facilities. The computing facilities are essential for research, and the universities need to have access to the latest technology in order to remain competitive. The government should also be encouraging the universities to collaborate more closely on research projects, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' faculty salaries. The faculty salaries are essential for research, and the universities need to have access to the best researchers in order to remain competitive. The government should also be encouraging the universities to collaborate more closely on research projects, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' administrative staff. The administrative staff are essential for research, and the universities need to have access to the best support staff in order to remain competitive. The government should also be encouraging the universities to collaborate more closely on research projects, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' building capacity. It is not just that the British universities are under-capitalized, as well as hampered by the lack of government funding. There are also other factors that are affecting the universities, such as the lack of students and industry participation. The government should be doing more to encourage the universities to work together more closely, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' library capacity. It is not just that the British universities are under-capitalized, as well as hampered by the lack of government funding. There are also other factors that are affecting the universities, such as the lack of students and industry participation. The government should be doing more to encourage the universities to work together more closely, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' computing capacity. It is not just that the British universities are under-capitalized, as well as hampered by the lack of government funding. There are also other factors that are affecting the universities, such as the lack of students and industry participation. The government should be doing more to encourage the universities to work together more closely, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' faculty salaries. It is not just that the British universities are under-capitalized, as well as hampered by the lack of government funding. There are also other factors that are affecting the universities, such as the lack of students and industry participation. The government should be doing more to encourage the universities to work together more closely, so that they can pool their resources and compete more effectively.

In the UK, the government should also be providing more funding for the universities' administrative staff. It is not just that the British universities are under-capitalized, as well as hampered by the lack of government funding. There are also other factors that are affecting the universities, such as the lack of students and industry participation. The government should be doing more to encourage the universities to work together more closely, so that they can pool their resources and compete more effectively.
Building Success in a Global University

Prizes. In practice, this is a difficult path. But it is likely to be one which will be followed by more and more English universities in the future. Signing student exchange agreements cannot be enough. Belonging to such multinational universities could have all kinds of advantages, from staff being able to work in numerous jurisdictions to accelerated career opportunities to producing global citizens as a matter of course to, not least, being able to access new sources of research funding.

British universities as a national project

But, for all the talk of internationalization, what is perhaps most needed in Britain at present is to instil a sense of national project. I do not mean by this a sense that all of the population should be ideologically aligned around a single vision of the future, as if that were either possible or desirable, but rather that the population has a sense of what is necessary to secure a prosperous future and some notion of how that might be achieved. Most of the currently more successful nations in the world have this basic instinct and act on it in however diffuse a manner in order to remain institutionally and culturally central within the global economy and global culture. In particular, they recognise the need to invest for the long term which, in turn, means investing adequately in human capital. That is a difficult challenge for the UK which has what is chiefly a renter economy whose main characteristics are a large financial centre, weak domestic manufacturing, a highly deregulated labour market, low levels of public and private investment and the inevitable corollary of a relatively low commitment to research and innovation.

Devices and mechanisms are needed that will allow the British nation to make concerted and meaningful investments in vital future goods like higher education over a long period of time so as to promote innovation-led growth. After all, chief amongst: the ways in which a nation invests in its future are those activities centred on higher education. Higher education provides precisely a series of future goods: a well-trained and creative workforce, research and innovation, social and cultural assets that build a sense of what the industries of the future might be. That is to say, in general they build firepower for the future.

But there are other reasons why future goods need to be the subject of more investment. One is that Britain is going through something like a war in economic terms. The corollary is a responsibility to the young people that have been cast into this war who now deserve some recompense for their situation, not now perhaps but certainly in the future. Many of the largest investments in higher education have come out of situations like this, including the US post-1945 GI Bill but also much of the thinking on higher education reform in Britain after the First and Second World Wars led by writers like R H Tawney [Steele and Taylor 2008].

The other is an intergenerational argument. It is possible to argue that the contract between the generations has been broken in modern Britain. ’We know that the bulge of post-War baby boomers in many advanced Western countries will grow old and will reach a point when they want to command a lot of resources without working to generate them anymore. We know that the environment is changing fast and avoiding or, more likely now, adapting to these changes is going to be very expensive. We also know that we are currently seeing a massive increase in public debt which will have to be paid for out of our taxes then. There are good reasons why the next generation may not be as much better off as we like to think.’ [Willetts 2010, 142]. In order to restore some degree of intergenerational equity, action needs to be taken which will rebuild the bridge to the future by investing in future goods.

So how can these three pressing imperatives be addressed? There are some obvious actions which need to be taken around the structure of the economy. It has become almost a cliché that the British economy is too short-termist and there are things that need to be done here, most notably to get British companies to invest for the long term [Cox 2013]. Again, much of Britain’s physical infrastructure has become depleted and needs attention. Then, the quality of Britain’s labour force needs upgrading, especially at the intermediate level. But although all of this is known and generally accepted, it seems difficult to arrange things in such a way that allow any changes to be turned into a national project which allows the future to take hold.

Pressing need to find institutional mechanisms

There are numerous reasons for the current state of affairs but one is that funding runs according to short-term political cycles. There is a pressing need to find institutional mechanisms which will husband investment so that it can be used to invest in the longer-term.

Governments around the world have increasingly turned to sovereign wealth funds as a means of husbanding such resources, including education. Indeed, the first such instances of sovereign funds were created by the state of Texas in the last half of the 19th century to fund public education: the Permanent School Fund was created in 1854 to benefit primary and secondary schools,
Future Fund, part of which was devoted to research and innovation, although this fund has been subject to raids by politicians for ad-hoc initiatives. The prevailing opinion seems to be that a British sovereign wealth fund might be a step too far but there may be other options. One would be to order the national accounts so that investment goods become visible and then commit to increasing the proportion of national spending on such goods by a certain percentage in each and every year.

Conclusion

At the heart of the contemporary British disease lies lack of investment in the future. The mechanisms which currently exist to propel our society into a better future are too weak to produce anything other than a whimper. The British nation has under-invested in its future for far too long and it is in danger of repeating that pattern again. If British higher education is to survive as a strong force in both Britain and the world we need to somehow break that pattern and instigate a different way of proceeding.

References

James, W. 10/2010. 'The Ph.D. octopus' in Richardson, R. (ed.) [2010] The Heart of...