

THE MARKETISATION OF
ENGLISH HIGHER
EDUCATION

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THE MARKETISATION OF ENGLISH HIGHER EDUCATION

A Policy Analysis of a
Risk-based System

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INTRODUCTION: THE MARKETISATION OF ENGLISH HIGHER EDUCATION

This book traces the long development of a recognisably marketised higher education (HE) system in England over a 30-year period from the mid-1980s and identifies five distinct stages of market reforms culminating in the Higher Education and Research Act (HERA) (HMSO, 2017) which introduced the risk of institutional exit (DBIS, 2015, 2016) to the already competitive market system established by earlier policy change (DBIS, 2011; DfES, 2003; HM Government, 2004). The HERA effectively shifts the risks of institutional failure onto students by presenting them with ever more applicant choice information and encouraging them to use their consumer behaviour to oblige weaker providers either to lower tuition fees or to lose market share to (newly encouraged) competitors. The new Office for Students (OfS) would regulate the system through the application of risk, concentrating its oversight mainly on those institutions that perform poorly against a range of monitoring data, including those relating to teaching quality. The OfS would no longer prop up (through student number allocations or cash) those institutions that failed in this newly competitive environment, and

it would overtly encourage new providers to replace them – by taking their market share – or to create additional supply. Either or both of these mechanisms are assumed by policy-makers to create a further fee differential by reducing the average tuition fee charged by providers that are not deemed to be the best. This represents a marked departure from previous attempts to introduce market dynamism into the sector and places the English HE system at the forefront of marketisation. This book, which traces the development of policy over a 30-year period, can therefore act as a ‘how-to’ guide or a warning of things to come in comparative analysis.

The various policy stages analysed in the following chapters often employ discourses apparent in previous stages of rationalisation of policy (albeit sometimes in other guises) and it is the purpose of this book to focus mainly on the arguments thus employed. They can perhaps be best understood as building blocks contributing to the extant edifice of marketisation presented here. In order to set policy reforms in their appropriate context, the book addresses the following set of questions: to what extent has there been a continuity of policy from the encouragement of public expenditure efficiencies and accountability in the 1980s to the emphasis on competition and risk in 2017? Was there an intention among policymakers that the system would have to go through incremental stages of marketisation to reach the 2017 position? (In other words, was it designedly cumulative, as part of a deliberate and phased policy of neoliberalisation of the sector?) Alternatively, has marketisation developed in response to factors beyond the control of policymakers, with government essentially reactive to factors out of its control? What role has the introduction of tuition fees paid by students (and subsequent increases) played in the development of marketisation in the English context? What, if anything, does the English case tell us about the nature of neoliberalism

or indeed the future trajectories of other national systems in the process of marketising and differentiating their institutions, such as the German Excellence Initiative? (Knie & Simon, 2018).

STRUCTURE OF THE BOOK

This account is based on a policy discourse analysis (PDA) of a dozen policy statements over a 30-year period. These are variously government-sponsored reviews, funding council reports and position papers, Green and White Papers and Acts of Parliament that have been used to argue for the introduction of market-like behaviours into the system (or systems, as until devolution in 1998, Scottish, Welsh and Northern Irish HE formed constituent parts of the UK system). This analysis does not dwell on the influence of individual universities, powerful lobbying agents as they can be alongside their representative ‘mission groups’ in the policy-making process, although their influence can often be divined in finalised policy; nor does this book have anything to say on research policy or internationalisation. The emphasis here is on pro-market arguments employed by governments to impact institutional behaviour in relation to undergraduate provision in the context of a relatively autonomous sector by global comparison (Huisman, Meek, & Wood, 2007).

Nevertheless, successive governments have usually been able to cajole a national body of (often but not always reluctant) institutions to accept the gradual marketisation of their sector through a combination of a single regulatory and funding framework and a series of fiscal incentives reflecting changing policy priorities. The purpose of this analysis, however, is not to present a narrative historical account of ‘one damn funding incentive after another’; rather it aims to explore

arguments behind policy that account for the ways in which marketisation has been used to create the highly complex differentiated system we have today. Given the focus on arguments and rationalisation of policy, the analytical approach is PDA. The book identifies five main stages of marketisation policy (Table 1.1), which attempt to frame the development of and continuing application of many of the arguments in the policy discourse briefly outlined here:

Any in-depth analysis of English marketisation policy cannot be complete without contextual explanatory factors. Policy statements and legislative changes appear sometimes contradictory and certainly do not represent a linear trajectory from a simple state-mandated command system to a free-for-all. Each of the policy stages identified above can be seen as influenced by key external drivers. These include:

- the establishment of institutional mission groups (from 1994);
- neoliberal ideology (a global predilection for market solutions);
- domestic institutional league tables (from 2005);
- 2008 crash and the consequent ramifications for public spending; and
- 2015 onwards – growing perception that ‘there may be too many people going to university’.

The presence of these external factors in the policy domain shows the extent to which policy statements are often reactive, and questions the notion that the ‘neoliberal marketisation’ of such systems is designedly linear. The analysis is presented in three chapters covering the five stages outlined above and in a concluding chapter which presents the overall

Table I.1. The Cumulative Effect of Marketisation Discourse.

Stage 1: 1986–1992	Stage 2: 1992–2000	Stage 3: 2000–2010	Stage 4: 2010–2015	Stage 5: 2015–
Efficiency and accountability; human capital	Efficiency and accountability; human capital; diversity as a good	Diversity as a good; efficiency and accountability; human capital; differentiation	Diversity as a good; efficiency and accountability; human capital; differentiation; competition on price and quality	Diversity as a good; efficiency and accountability; human capital; differentiation; competition on price and quality; risk and exit

analysis and discusses the findings in the context of what they can tell us about the nature of neoliberalism.

CHAPTERISATION

Chapter 1 ‘The Genesis of Market Reforms: Efficiency, Accountability and the Celebration of Diversity’ traces policy development from the earliest uses of market-like concepts in HE in the 1980s and incorporates the Further and Higher Education (F&HE) Act 1992 (HMSO, 1992) which ‘freed up’ (incorporated) further education colleges (FECs) and state-run HE colleges and polytechnics. It covers the first two ‘stages’ of market reform: the ‘efficiency and accountability’ stage and the ‘celebration of diversity’ stage, both predicated on system growth and notions of human capital to meet the needs of the developing ‘knowledge economy’. Key policy drivers here included the radically marketised discourses and policies of the third-term Conservative government (elected in 1987) expressed in New Public Management theories and the international competitive realisation that human capital would be increasingly important in a post-industrial labour market (Hood, 1995). Participation in higher and further education therefore had to be increased (and necessarily widened), but increasingly the costs of the system also had to be made accountable and more efficient. The chapter proceeds to explore how system diversity slowly morphed into differentiation with the introduction of tensions within the enlarged sector around notions of quality and purpose expressed in the formation of mission groups representing the older universities. The Russell Group and the 1994 Group mission groups were both established in 1994, with the express purpose of differentiating themselves from what became known as post-1992 or ‘new’ universities. These

tensions were also expressed in the public debates around the Dearing Review (NCIHE, 1997) which rationalised the introduction of tuition fees (legislated for by the incoming Labour government in 1997) and state funding of efforts to widen participation. Fees and widening participation (WP) policy were to become the locus of further differentiation in two ways: first, it was older institutions that were keenest to lobby for variable tuition fees (on the assumption that only they would justify a higher fee because what they provided was of greater value); second, as state-funded WP developed, it became clear that pre- and post-1992 universities had quite different aims and priorities based on their different needs in relation to the selection or recruitment of students.

Chapter 2 ‘From Diversity to Differentiation: The Coming of the Market’ covers the third and fourth major stages of marketisation, spanning the period from 2000 to 2015, as differentiation is encouraged in order for HE institutions (HEIs) to be more competitive in the arenas of quality and price. The third stage encompasses the 2003 White Paper and Higher Education Act 2004, which introduced variable fees and the market in financial support bursaries, both overtly designed to enable differentiation. The fourth stage – the introduction of price and quality to the differentiation already in place – incorporated the trebling of variable fees in 2010, thus transferring the entire cost of HE to the graduate as recommended by the Browne Review of Student Finance (2010) and the White Paper *Students at the Heart of the System* (DBIS, 2011). This White Paper both rationalised and justified the raising of the tuition fee cap to £9,000 per year of study and attempted to deal with the ramifications for public spending created by the setting of fees by institutions at a far higher rate than predicted (government modelling had suggested the system would be cost-neutral). Central to both tasks was the increasing focus on choice based on

information and a series of incentives to change applicant behaviour. This approach was based on the assumption that many well-qualified young people from disadvantaged backgrounds were failing to maximise their opportunities by applying to institutions that demanded the highest University and College Application System (UCAS) tariff points for entry (a notion first identified as a social mobility deficit by the Sutton Trust report *The Missing 3000* in 2004).

In order to introduce differentiation based on quality and price, the 2011 White Paper established a complex set of student number control (SNC) incentives designed to encourage institutions to increase the number of high UCAS tariff applicants within their capped number of students at the expense of those less qualified. The declared intention (Taylor & McCaig, 2014) was to concentrate the best qualifying students in a smaller number of institutions (HEFCE, 2011), as better-informed applicants responded to the opportunity to study at higher-status institutions. The flip-side of this would be that lower-status institutions would lose better-qualified students and respond by competing among themselves, on price, for additional student numbers. Indeed, additional places were created for any HE provider willing to offer undergraduate places at £7,500 or below, a move designed to increase competitive pressure by expanding the number of HE providers from among FECs and new alternative providers (Evans, 2015, 2016; HEA, 2014; McCaig & Taylor, 2016). This extraordinary set of market levers represented a short-lived experiment (abandoned after two academic years) that conceptually took systemic differentiation to a new level, but also revealed the paucity of options to tackle the twin problems of having put the cost decisions in the hands of (unreliable) applicant-consumers, and the understandable tendency of HEIs to charge as much as they could for as long as they could, before any market effect forced them to set lower

fees. In recognition of the failure of the ‘high grades’ SNC regime, government decided to abolish number controls completely (in a surprise Budget announcement, HM Treasury, 2013) and put their faith in a demand-led open market (from 2015 to 2016) and promised legislation to encourage new providers to market: thereafter it was assumed that the supply of undergraduate places would finally meet (and perhaps exceed) demand.

Chapter 3 ‘The Higher Education and Research Act 2017: The Road to Risk and Exit’ represents a fifth stage of marketisation – the application of risk and exit, managed by a newly enhanced market regulator. This chapter contextualises the regulatory changes necessary to finally realise the opening up of the HE market. This was largely designed to encourage new ‘challenger’ providers who would henceforth be part of the same regulatory ‘level playing field’ for the first time (Bowl, McCaig, & Hughes, 2018). The new phase of marketisation went further than mere regulatory reforms: for the first time the risk of institutional failure was contemplated; no longer would financially embarrassed institutions be encouraged to merge and in effect be propped up by government via funding council student number allocations. Like any other competitive body in a capitalist system, they would be allowed to go into administration, and as part of the costs of a risk-based system they would also have to offer to compensate students still enrolled and have entered into credit-transfer agreements with other local providers so that those students could complete their studies.

Alongside these measures to increase the competitive differentiation of the English system, the introduction of a Teaching Excellence Framework (TEF) (the subject of a separate volume in this series, French and O’Leary, 2017) seems designed to impact the market in a more subtle way. Born of the long-held belief that teaching and learning are seen as less

important than research within the HE system, the introduction of Gold, Silver and Bronze TEF ratings of teaching excellence acts as another piece of information for applicant-consumers who were previously confronted with league tables and other esteem markers based largely on research income and UCAS tariff requirements as proxies for quality. Initial TEF ratings showed (to no one's surprise) that excellent teaching is not distributed among HE providers in the same pattern as research excellence (DfE, 2017), and to that extent the TEF had the opportunity to be a subversive and even disruptive addition to the debate about what makes 'a good university'. However, plans to introduce variable fee caps based on TEF ratings were subsequently dropped (WonkHE, 2018) perhaps in recognition that the greater possibilities of price differential as a result of market competition would render the TEF link contradictory and confusing, given that TEF ratings are benchmarked by institution type.

Chapter 4 'Continuity and Discontinuity on the Road to Risk and Exit: Stages of Marketisation in Comparative Policy Analysis' presents a thematic overview of the varied and contingent trajectories of English marketisation policy over the 30-year period. Revisiting the five stages in their wider context allows for a deeper analysis of their development: rather than arguments for marketisation replacing each other, what this analysis reveals is the ways that arguments are retained and built upon as the basis for subsequent arguments, sometimes reappearing in different forms. For example, the first-stage arguments about 'efficiency and accountability' in the name of human capital maximisation, while always in the background during the 'competitive differentiation' period, reappeared during the final stage as government sought to shift the responsibility for public expenditure onto institutions and applicants (exhorting applicants to think carefully whether it is worth taking on debt in excess of the financial

returns from low-remunerative degree programmes) (DfE, 2016). Similarly, ‘diversity’, which was initially evoked as a celebration of the newly unified system after 1992 but then subsumed within ‘differentiation’, is reimagined in the most recent reform stage as a justification for innovative new providers to enter the market. Differentiation, once encouraged in discourse and by the introduction of variable fees in the early 2000s, plays an even more central role on the register of reputational ‘risk’, based as the system is on heightened regulation. HE providers will henceforth be differentiated not only by their teaching excellence (TEF) but also by their likelihood of having to undergo quality assurance checks, with the ‘better performing’ (and thus less at risk) providers left largely to their own devices.

This concluding chapter will also re-examine what this marketisation trajectory can tell us about the nature of neoliberalisation by examining some of the external factors that have shaped this particular system. This analysis reveals a number of policy drivers external to any intended marketisation project. Some of these policy drivers appear as unintended consequences that were not prefigured in legislation: rapid differentiation within the sector (following the unification of the sector in 1992); the introduction of tuition fees in 1998 (responding to an economic need to replace previous cuts); the publication of institutional league tables (initially by the *Times Higher Education* in 2005); the heightened need to control public spending after the crash of 2008 (which led to the shifting of the whole cost of tuition onto students); and the subsequent need to shape applicant behaviour to create a price differential that would reduce average fees to the affordable level (of £7,500 per year). This continued to the extent that by 2017 government was encouraging new providers to the market at the same time as questioning the return on investment for some young people if they elected to sign up

to some of the new provision government had encouraged into being. At each stage of development of what some might see as a steady and inevitable neoliberal marketisation process, in this analysis management of the system is revealed to be more of a contingent juggling act, with governments reacting to unplanned circumstances with often short-term 'solutions'. So, what in the end does this say about the neoliberal system? In order to explore these key issues, the book uses a specific framing of neoliberalism and market differentiation and employs a PDA approach.

NEOLIBERAL DIFFERENTIATION

Marketisation as Part of the Neoliberal Imaginary

English HE has become steadily more subject to market competition and in many ways has become the most market-oriented HE system in global comparison, accompanied by the highest average tuition fees outside of the HE market in the United States. The marketisation of HE systems is a global phenomenon that has attracted a high level of scholarly research employing theoretical concepts ranging from academic capitalism to neoliberalism. To what extent, then, is the English system 'neoliberal' and if the system can be so characterised, what can it tell us about the nature and perhaps the future direction of the neoliberalisation of systems in general? Much of the debate is focused on causation and trajectory. Differentiation is visible in two main aspects of HE policymaking in a system which has become increasingly marketised and diversified in the years since the 1992 Further and Higher Education Act (HMSO, 1992); the aspect relating to the needs and interests of HE providers and that relating to consumers of HE.

Differentiation is important for any HE provider wishing to position its 'offer' in relation to other providers; this can be manifest either in individualised or in collective terms. For example, older 'pre-1992' universities not only aim to differentiate themselves from each other for competitive reasons (given that they may broadly select applicants from the same national and international pool), but as a grouping they seek differentiation in relation to newer post-1992 universities and other providers. Differentiation of this kind is important within a national regulatory system such as has emerged in the UK and (particularly since devolution in 1998) in England. International comparisons (e.g. Huisman et al., 2007) found that the English HE system was the most diverse of the countries studied. They noted that 'although the formal binary divide disappeared, many differences have continued to exist between the "old" and "new" universities, and that these differences were maintained through government-driven market mechanisms' which encouraged mission-diversity rather than state planning (Huisman et al., 2007, p. 574).

Differentiation between and among providers can manifest horizontally, for example by subject discipline (specialised or broad), by mode of delivery (work-based learning, part-time), by mission (as 'access' institutions or those aiming to maintain the 'world class reputation' of English HE). Equally, and especially since the introduction of variable tuition fees (2004 HE Act) and the publication of institutional league tables and other consumerist guides (*Which? University*; the *Good University Guide*) based on selected metrics of performance (including the entry qualifications required), differentiation can be represented vertically with all regulated providers expressed as a list with those deemed 'better' at the top of the distribution.

This shift away from an appreciation of a broad and diverse set of HE institutions that satisfied different wants of

different student groups and employers to a simple linear hierarchy is seen as a threat to the project of WP to groups historically under-represented (e.g. Archer, 2007), and the relative immobility of this hierarchy severely curtails the opportunity for social mobility for students at lower-ranked institutions (Boliver, 2011). Such linearity of the system drives differentiation as expressed in statements of institutional positionality and mission (Bowl & Hughes, 2013; Graham, 2013; McCaig, 2015, 2016) that confirm differentiated approaches to widening access to HE, in turn reflective of their respective student intakes. Government incentives to further drive differentiation in respect of tuition fee variance and by concentrating the highest-qualified applicants in the highest-ranked institutions, such as the High Grades SNC policy (DBIS, 2011, discussed in Chapter 3) also reinforce and oblige (re)positionality in the form of tariff points demanded by the UCAS. Indeed, one of the few ways that institutions can move up the league tables is by increasing the UCAS points required. Once again, given the well-documented links between social class deprivation and educational attainment (Archer, 2003a, 2003b; DBIS, 2015; HEFCE, 2010; OFFA, 2010; Social Mobility Commission, 2016; The Sutton Trust, 2004), differentiation from HE providers' perspective enables the highest-ranked institutions to more easily select applicants most likely to seamlessly maintain the provider's prestige and world ranking. Other, less successful providers are thus left with the less prestigious role of 'WP'.

From the applicant-as-consumer point of view, differentiation is important to the decision-making process. A consistent argument throughout the various policy statements analysed in this book is that since the introduction of variable fees and especially since the financial crash of 2008, the onus is on the individual to optimise her/his choice of HE course, and the mechanism for this is information (DBIS, 2011;

Sellar, 2013). In the English (indeed UK-wide) system of applications for school-leavers, UCAS enables any applicant to apply to study on any course at any institution they believe they will be qualified for, based on predicted grades. There is a UCAS tariff which enables a comparison of equivalent qualifications and required grades and which functions, in the absence of actual variation in tuition fees, as the effective price differential that drives supply and demand in the system. Demand for places from suitably qualified applicants at the highest-tariff institutions exceeds supply, enabling such providers to be selective; at lower tariff points, on any given degree programme, the supply of places is less restricted and lower-ranked institutions are usually obliged to compete among similar institutions to recruit students. The consumer in this market then chooses a degree programme they can ‘afford’ to ‘purchase’ when their actual grades are attained in the same way any retail consumer chooses the version of a product or service that she/he can afford at the time.

While tuition fee variation is still largely absent from the market (fees in 2017–2018 were clustered very close to the £9,250 maximum), applicants are expected to make use of a variety of data that help make explicit what is widely held to be implicit – that some HE providers and degree programmes are more desirable from the point of view of future financial and career success for the individual. Conversely, of course, there are some providers and programmes that are less remunerative. Key Information Sets which combine data on student satisfaction (the National Student Survey), the expected employability of graduates from a given course (Destination of Leavers from HE survey) and other aspects of the programme such as guided teaching hours, are to be augmented by subject-level TEF ratings and a calculation of Longitudinal Educational Outcomes (LEO). It is those applicants who fail to aim for the highest possible course who are

most likely to progress into employment that does not lead to the full repayment of their loans. That becomes a problem for government spending of course, which is why government strives to create a system whereby differential outcomes are reflected in differential tuition fees to create a dual-price mechanism. This, it is assumed, will lead to applicants eschewing less remunerative courses, forcing providers to lower their costs to maintain ‘market share’. While the individual applicant-consumer has a large role in this process (albeit hampered by a reluctance among many to aim as ‘high’ as they could), a further level of differentiation has most recently been encouraged on the supply side – the removal of the cap on student places (HM Treasury, 2013) and the active encouragement of many more new providers to the market (HM Government, 2017). How could such a differentiated system fit within the rubric of neoliberalism?

A Definition of Neoliberalism in the English HE Context

While it is now commonplace to link the market reforms discussed in this volume, and the Labour, Coalition and Conservative governments that introduced them, in a seamless narrative of neoliberalism, this book questions those assumptions. Neoliberalism, most commonly defined as the encouragement of market mechanisms in public HE (e.g. Agasisti & Catalano, 2006; Brown & Carrasso, 2014; Lynch, 2006; Marginson, 2013; McGettigan, 2013; Meek, 2000; Ka Ho Mok, 1999; Molesworth, Nixon, & Scullion, 2010; Paulsen & St John, 2002; Sellar, 2013; Varman, Saha, & Skálén, 2011), is often employed as a high-level concept not necessarily designed for, or amenable to, empirical analysis. Undefined, neoliberalism can become little more than a catch-all trope rather than a hypothesis to be tested.

As a result, many causal factors behind policy change must be considered. These include the drive for international competitiveness in the face of globalisation, public financial crises and the business interests of institutions – which are external to the specific and deliberate control of governments designing a supposedly coherent neoliberal system.

This study is based on a specific definition of neoliberalism in the context of English HE; the theoretical ‘neoliberal market model for higher education’ (Marginson, 2013) is based on the assumption that the market is the most effective and efficient distributor of goods and services (Agasisti & Catalano, 2006; Brown & Carasso, 2014; Lynch, 2006; Newman & Jahdi, 2009). However, it is well understood that markets in HE are very different from perfect competition models (Agasisti & Catalano, 2006; Brown & Carasso, 2014; Marginson, 2013; McGettigan, 2013; Molesworth et al., 2010) and that neoliberalism in this context instead implies the use of market incentives by governments within a regulated system in an effort to change behaviours, be they institutional, academic or student behaviours (McCaig & Taylor, 2017).

A neoliberal HE system – exemplified by the English case – implies a demand-led application process within a regulated system established by the state to match demand for places (what applicants want to study and the level of tuition fees they are willing to pay) with supply (the number of places and nature of provision offered by providers). However, this has never been as linear a process as some might envisage. Considering the ‘efficiency and accountability’ stage of reforms in 1988 (the subject of Chapter 1), Walford found that:

Recent British government policy on higher education has not been totally coherent. For example, there have been measures instituting

increased central control that contradict the main thrust towards privatisation which has been identified in this article. However, the ideology of privatisation has been a decisive influence in the way government policy on higher education has evolved in the last eight or nine years, and it may also be argued that the process of privatisation demands increased government control in the short term to establish the new system (Walford, 1988, p. 60).

While Walford clearly identified the encouragement of market-like incentives imported from the business world and the gathering of powers by the state, which we would today recognise as neoliberalism, it was in his analysis designed to be a temporary phenomenon. Perhaps it was; retrospection can often confound post hoc theoretical analyses that search for logical coherence in public policymaking. So what can we say about the system that has evolved in these 30 years?

The English neoliberal tuition fee system, it seems, takes a middle ground between a freely privatised market and the continuation of state planning. Rather, it is designed with several key characteristics in place: to encourage the individualised responsabilisation of risk in the labour market; to reduce public exposure to debt (because the state underwrites tuition fees and thus carries the risk of non-repayment), yet at the same time to ensure the system is responsive to labour market needs and the national economic imperative. It consists of some market incentives but is contained within a regulatory system to control the overall quality, size and shape of the sector. A neoliberal HE system is thus an alternative to a truly open market driven by an 'invisible hand' (Meek, 2000) which no government controls and no system contains; in this definition, the United States, which has over 4000 HE providers, none of which are subject to the same

degree or level of regulation by any national structure, is an example of an open market rather than a neoliberal system. Neoliberalism, from the outside, is a contained market – contained by a system of policy levers operated by the state. Internally, neoliberalism is manifested as the application of selected market incentives in order to shape preferences and outcomes, bounded by a single regulatory framework.

Neoliberalism, thus defined, can make use of various policy imperatives: human capitalism, WP, social mobility, social justice or any other variant of policy required by the state to meet its ends. It could justify the celebration of an elite and the reintroduction of a binary divide. It could pick winners and concentrate research funding, even without the apparatus of apparent competition such as Research Excellence Framework (REF) or the TEF (Sellar, 2013). The key questions, from the point of policy analysis, are why do states select some policies and not others; and what constrains them from other options?

It is the recognition of constraining factors that reveals the continuing importance of non-state actors; where do they fit in the supposedly monolithic neoliberal apparatus? What drives institutions? What drives the publishers of league tables? What role is there for the influence of economic and marketing theory? What role for the internationalisation of HE in response to the globalisation of economies? Does monolithic neoliberalism have anything to say about all these elements? This book traces policy development over three decades culminating in the Higher Education and Research Act (HMSO, 2017), yet this latter Act attempts to introduce much more freedom into the market in a way that potentially challenges our working definition of a neoliberal HE system. If neoliberalism in HE is typified by a focus only on narrow measurable market outcomes (Lynch, 2006) or purely in the name of economic efficiency (Agasisti & Catalano, 2006), the

new regulatory requirements for accreditation in England ensure that maximisation of economic value is not in fact the only goal.

Rewarding teaching excellence, for example in the form of TEF ratings, potentially threatens the existing market hierarchy of institutions (as exemplified by league tables) by changing the definition of what constitutes excellence. Can this be said to challenge the notion of a neoliberal system in which the state holds all the regulatory cards, or does it merely represent a shuffling of levers? Similarly, post-legislative changes to the operation of the HERA regime exempted new challenger providers from many of its prohibitively expensive strictures; does this mean that competition from outwith the regulatory system is designed to act on institutions within the system? That might make the regime more of a market than a neoliberal system as here defined. The most recent reforms are also reliant on a much lighter-touch, risk-based regulatory system (to the extent that will not protect providers from exiting the market) which may question the ability of the system to contain the market within the state's boundaries. Other definitions of neoliberalism stress its 'amorphous' nature consisting a 'complex, often incoherent, unstable and even contradictory set of practices' (Shamir, 2008, p. 3) with the potential of blurring the boundaries between economy and society. We will re-examine the relationship between neoliberalism and the English variant in the concluding discussion.

Approaches to Policy Discourse Analysis

This book employs a PDA approach to examine the development of marketisation policy over time and in the guise of a dozen policy statements over the 30-year period since 1986.

PDA (Fairclough & Fairclough, 2013) differs from the more established critical discourse analysis (CDA) approach. CDA is a useful tool for comparative analysis of statutory policy statements that follow an established format, such as Office for Fair Access (OFFA) agreements or TEF submissions, because their purpose is to establish positionality in relation to a specific set of issues the regulatory body has identified (Bowl & Hughes, 2013; Graham, 2013; McCaig, 2015). Equally it can be used to compare non-statutory but formal sites of communication and positionality, as employed by Fairclough (1993) when comparing the discourses used in academic recruitment advertisements placed by old and new universities.

Criticality can be employed in the analysis of these documents if the research purpose is to identify variation by issues such as responsibility or ownership (often visible in the changing use of pronouns) and particularly if such responsabilisation is shifting over time (e.g. in multiple documents from the same institution) or between institution types, for example a tendency for one specific type of HE provider to establish positionality in relation to quality or access that can be used to differentiate it from other providers or types of provider. CDA is useful as it employs the market notion of positionality as a projection that takes institutions and organisations beyond their essence (Foucault 1972, 1979); a projection enables positionality in the marketplace of ideas and values (Fairclough, 1993; Gibbs & Knapp, 2002). It accepts that there are varied types of 'goods' (definitions of utility of an HE institution) and that the application of positioning and repositioning in the marketplace for these goods can be contained in the discourses employed.

While CDA is a useful tool for analysis of institutional responses to policy incentives, the ambition of this book is to analyse the policies themselves and the arguments employed

to justify policy change. It thus uses political discourse analysis (Fairclough & Fairclough, 2013) which is an approach that recognises that governments have a far greater degree of freedom than institutions' repositioning along a set of pre-determined market tracks. Critical PDA is also more appropriate in this instance because the documents subject to analysis do not share the characteristics of fixed responsive position statements over time and in direct comparison to documents submitted by all providers to the same regulatory body, as is the case with OFFA agreements or TEF submissions, nor are they periodically reissued to enable comparison (and positional change) over time.

The policy documents critically analysed in the following three chapters of this book are variously government-sponsored reviews and reports, Green Papers, White Papers and Acts of Parliament. They appear at different times in the last three decades of UK and English HE policy, in response to different issues, and they have different audiences and purposes. They are not documents establishing (or shifting) market positionality within a fixed frame of reference; they are arguments to justify the reformation of policy, to change the frame of reference. Government has to persuade; in essence these policy statements reflect problems identified, either politically (in response to internal party pressures) or in wider terms of responding to new requirements of the system (e.g. in response to global trends, real or ideological). PDA thus allows the researcher to analyse the gestation and trajectory of system-level policy, and in turn reveal the extent of the influences of competing ideologies, longer-term economic policy imperatives, and also the constraining factors represented by other non-governmental actors. In the case of the policy documents that are the subject of this book, critical PDA helps us reveal the varying – and non-linear – ways that successive governments have introduced and rationalised

marketisation policies into the English system. Set in their appropriate context, this series of policy reforms reveal the shifting understanding of what the marketisation of the English HE system could mean, which set of levers would most appropriately enable the desired outcomes (at any given moment) and, most importantly, they reveal the role of other factors and, by extension, the paucity of monolithic neoliberalism as an analytical tool. Neoliberalism is shown to be merely a framing device for often reactive policymaking; in itself, I will argue, neoliberalism as a meta-discourse contributes relatively little to our understanding of the success or failure of marketisation arguments.

This book will now proceed to look at the first two of the five stages of marketisation (Chapter 1), followed by stages three and four (Chapter 2) and fuller analysis of the fifth and final stage (Chapter 3) before concluding with an overall analytical discussion chapter.