

**The University of Bath
International Centre for Higher Education Management
SRHE SWHE Network**

Markets in Higher Education: Mad Utopia or Sound Money?

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Chancellors' Building Room 3.5 University of Bath

ABSTRACT

For more than two decades, governments around the world, led by the English-speaking polities, have moved higher education systems closer to the forms of textbook economic markets. Reforms include corporatisation, competitive funding, student charges, output formats and performance reporting. But, no country has established a bona fide economic market in the first-degree education of domestic students. No research university is driven by shareholders, profit, market share, allocative efficiency or the commodity form. There is commercial tuition only in parts of vocational training and international education.

At the most, there are regulated quasi-markets, as in post-Browne UK. This differs from the experience of privatisation and commercialisation of transport, communications, broadcasting and health insurance in many nations. The article argues that bona fide market reform in higher education is constrained by intrinsic limits specific to the sector (public goods, status competition), and political factors associated with those limits. This suggests that market reform is utopian, and the abstract ideal is sustained for exogenous policy reasons (e.g. fiscal reduction, state control, ordering of contents). But, if capitalist markets are clearly unachievable, a more authentic modernisation agenda is needed.

BIOGRAPHY

Simon worked as a Professor of Higher Education at the University of Melbourne in Australia prior to starting at the Institute of Education in October 2013. His research and scholarship draw broadly on the social sciences and political philosophy, and are focused primarily on higher education policy, systems and institutions. Most of his projects are in comparative and international higher education. In the last decade he has conducted extended inquiries into higher education and globalization, and higher education and research in East Asia. His current research includes a comparative project on the role of higher education in constructing public good, which examines the intersection between on one hand state traditions and political cultures, on the other hand educational practices.