

# Notes to aid Discussion of the Appropriate mix of Funding of Australia's Public Universities<sup>1</sup>

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## ABSTRACT

Changes have been made to the provision of post-secondary education in Australia with little evident reflection as to the merit of the existing public universities or the nature of public education. This paper sets out some notes for the discussion that should be happening. It then lists some possible scenarios for change into the next couple of decades and draws attention to some of the implications of these changes for the Australian public universities and the preservation of public higher education. It is the author's hope that the changes that do occur will be governed by consideration of the nature of higher education as a public good and of the effect of the curriculum on education as a public good.

## Keywords

Generalist Education, Higher Education Funding, Public Goods, University Education

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In the lead-up to a Federal election in Australia later in 2001, the funding of higher education will become an increasingly prominent topic. As of February 2001, a parliamentary inquiry has been taking evidence on a variety of relevant matters; the Coalition government has announced various increases in research funding and an extension of the HECS scheme to cover the fees set by the universities of Australia for Masters degrees by coursework; and the Group of Eight Universities (Go8) continues keenly to express its commitment to the deregulation of fees for all local students. There is precious little discussion of any principles that might guide funding decisions and the accessibility of entry to higher education in Australia. In particular, there is little discussion of the meaning of public education at the beginning of the new century and of its merits and of whether guidance may be found in an examination of these questions. This paper attempts only to help to initiate such a discussion. It is framed within one of the so-called Group of Eight 'leading universities' of Australia and within the context of a debate about the appropriate corporate position of that university.

The paper adverts to the notion of a public good. It adopts the approach that a public good is one that is not entirely appropriable by individuals — that is, a good which is in some measure available to the community at large. It may be argued that this is an unduly restrictive approach; but to develop a broader approach would have added considerably to the length of the paper while possibly contributing little to the support of public education.

The author is happy to acknowledge that his perspective is very much that of a product of the investment in public education in the Menzies era. As always he is also happy to concede that he went on to become a socialist and that he has continued to resist reconstruction during the past two decades of rising market-mania.

### **On the Nature of Education and of Higher Education in Particular**

Education may be considered to involve (a) the teaching of skills (that is, how to do various things), (b) the transmission of a stock of accumulated knowledge (accumulated though possibly tentative and certainly incomplete understanding of the nature of things and processes, of how things are constituted and how they work), (c) the teaching of how to learn, how to gain knowledge, how to obtain access to knowledge and (d), more specifically, the development of an ability to be critical and skeptical of received knowledge. Education certainly requires scholarship. It may also involve research, defined as attempts to improve, extend and test humankind's understanding of the nature of things and processes.

All of these elements can be understood as conditions for the development of human capacities. Such development confers benefits on the individuals (the private good) and may confer additional benefits on the collectivity or society of which the

individuals are members. That is, the social benefit may be greater than the sum of the private benefits. To the extent that this difference occurs, one can talk of education having the character of a public good. Moreover, one can talk of curricula in terms of the extent to which they accentuate the nature of education as a public good.

If we hold that each person has the right to develop their being, to realise their humanity and to develop their talents and special capabilities, then it must follow that a person has the right to an education. There is a question as to how far this right extends.

It is possible to argue that a basic education, at least, is a condition of access to the rights of citizenship and a precondition of the exercise of the responsibilities of citizenship. Since the rights of citizenship are held to be general, the provision of at least a basic education cannot be made dependent on market power. One might go further to argue that as a society becomes more complex the level of education required for effective citizenship increases, although quite conceivably not to the level of higher education.

To claim that education is a public good is to claim that it makes possible for the community something above and beyond the sum of the achievements that are directly of benefit to the educated individuals. The quality of the interactions of individuals within the community has long been held to be increased with the level of the education of the individuals. Hence there can be collective achievements to add to the individual achievements; and these benefits are not appropriable by the individuals. Thus, in part, was the state's funding of elementary and then secondary education supported in colonial Australia.

In recent decades in Australia, it has come to be held widely within the community that secondary-school students who can demonstrate a capacity to develop further their capacities through higher, post-secondary education (normally taken to be synonymous with demonstrating by some test a minimum standard of achievements in secondary education) should be able to proceed to higher education. Second, it has come to be held that entry into higher education should not be limited by considerations of social class or wealth, income, gender, ethnicity or physical disability. Third, it has been held for many years that higher education distinctly does have the character of being a public good, and not simply in that it may instill a respect for elaborate forms of private property and the rule of law (as Lord Macauley urged upon the British in the nineteenth century; see Thomas 2000). These days the likes of the British White Paper on a 'knowledge-based economy' (UK Department of Trade and Industry 1999) accept that a 'knowledge-based economy' requires a wide spread of higher education within the community. Fourth, it is held thus to be appropriate for the state to pay part of the cost of higher education. The extent to which the first two positions are put into practice is a different matter, as is the extent to which recent Australian Federal governments have been prepared to

respect the history of supportive state involvement in higher education (even during the era of conservative Menzies governments).

Reference has already been made to a case to the effect that the extent of the collective achievements that may be derived from higher education depends to a degree on the content of the higher education. The notion of education as a public good connotes that the whole of personal capacities engendered through education is greater than the sum of the parts. In other words, the overall impact of the employment of these capacities grows through their interaction. This, in practical terms, involves the communication of highly educated persons with each other. This, I would contend, is not systematically a product of higher education *per se* but depends on the organisation of human activity and the ability of people with different backgrounds to establish communication with each other. The meaning of the comment about the content of higher education is that communication is facilitated where there exist within organisations people who have had a generalist education.

The term 'generalist education' is shorthand for an education that encourages reflection on epistemology, a consciousness of the general as distinct from the specific (while it does not exclude the latter), and a capacity to synthesise. A specialist education, on the other hand, is one that focuses on a part of human understanding (on the physiology of the transmission of messages from an organ such as the eye to the brain, for example, rather than more holistically on the body as a biological system). The medical specialists may be able to communicate — if pressed — with each other; but it is part of the case for the generalist that the specialists have difficulty relating the development of the human body to environmental factors such as work stress, nutrition, the demands of the rapidly transforming human household, and so on. It has long been elementary within the notion of scholarship that the realm of the general may be systematically explored and that a person may assemble ways of understanding and relating with another. Thus it has been held, up to date, that the systematic undertaking of higher education combines a curriculum that is generalist with specialist curricula that are necessary for the more particular individual achievements. If this line of argument is sound, then through the development of the generalist curriculum an institution can more directly contribute to the nature of higher education as a public good.

Admittedly there is a contrary view, according to which the competition between individuals for attention to their skills enforces the development of communication — people are forced to make connections between their understandings, if only within the parameters of the competition (and by this means are capable of developing into generalists). This is an empirical matter on which observations seem to have been very casual indeed. It is conceivable that an understanding at the general level can come from competition for attention among specialists, from their collaboration and interaction, from within the discourse between them. While there *is*

a distinction to be drawn between different ways of developing understanding at the general level, it is notable that one of them may be regarded as being more systematic and more amenable to articulation within an educational curriculum than the other.

A generalist education is vastly more than a matter of exposure to a range of 'specialisms'. This interpretation is merely lazy. All the same, it is increasingly evident in the design of so-called 'liberal arts' degrees in Australia. Thus the problematic is said to be one of optimising the number of 'specialisms' or the degree of specialisation in some course or other. In fact the problematic is more that there is a trade-off between supporting specialist curricula as distinct from a generalist curriculum, which is not at all the same thing.

The greater the competition between institutions of higher education for students, the greater is their tendency to shape their curricula to promote learning that confers direct private benefits. Simon Marginson claims that competition has emphasised the production of 'positional goods'. (Marginson, 1997) From what has been said above, this does not translate directly into the expansion of specialist programs at the expense of the generalist. However, it does appear to be true that corporate organisation requires that most employees be slotted into separate and specialised jobs, some of which may be better paid, more challenging and bear greater line responsibilities than others, but none of which involves the strategic development of the corporation. The credentials most obviously in demand are the testified capacities required for these jobs, as distinct from the credentials which attest to a generalist education. All the same, there is evidence known to many academic advisers that some employers do prefer to employ recent graduates with good records of achievement in generalist educational programs (the better to ensure corporate flexibility and the development of strategies).

Students may seek a generalist education with little regard for the private financial returns directly associated with it. Many students may regard a generalist education as a proper basis for continuing education. Second, there have been assertions by participants in a recent debate sparked by the publication of claims by Andrew Norton (2000a, 2000b, 2000c; see the last section of this paper) that many students seek out generalist programs of education because of their intellectual curiosity and desire to pursue intellectual interests *per se* (for example, MacIntyre 2000). In other words, a good generalist education may be at once something likely to enhance higher education overall as a public good *and* something considered by significant numbers of students to produce private benefit. A particular university may seek to differentiate itself as, for example, an institution which educates for general scholarship and for leadership and strategic thinking. In that specific case it may give high priority to a generalist curriculum.

Finally let me introduce the term ‘public education’. I attach to it two distinct but associated meanings. The first and probably more common meaning is education that is available to the people at large without consideration of social class or wealth, income, or any of the personal characteristics covered these days by legislation on discrimination. This meaning connotes an education that is collectively (or publicly) funded; and public education in this case is to be understood as an input, just as are public transport and public housing. The second meaning refers to education that is of the nature of a public good; and public education in this second case is to be understood as an outcome or state of affairs. It is the level to which the community has been educated. In the same way, public health is the level of the health of the community at large. My concern is with public education in both of its meanings, which will complicate what follows. In the first sense it has been seen as a condition of a liberal society; and in the second sense it has been seen as a condition of a ‘knowledge-based economy’ or ‘the clever country’.

### **On the Nature of a Public Institution**

A public institution is one which belongs to — is owned by, in a general sense — the public or the community at large. Proximately it may be, legally, the property of the state. An institution is a rule or a particular mode of organisation of some activity. In the latter case, it may have a legal identity and hence be the owner of property. Thus the legal owner may be a statutory corporation, such as the Australian Broadcasting Corporation, as distinct from ‘the crown’. A public institution of this sort nonetheless holds any property it has on behalf of the community at large. The community can properly exercise its ‘ownership’ by insisting that the institution be accountable to it (however difficult that may be in practice).

An Australian public university is a public institution and is owned by the community at large. As institutions established since the birth of liberal democracy, the public universities can be said to reflect, in principle, the values of the community. In fact, the values may be those of the politically dominant fraction of the community, and of that fraction as it existed decades in the past, moreover, albeit that the values informing the conduct of public institutions in a liberal democracy are supposed to be constantly contested.

According to the account by Turney *et al* (1991) of the establishment of The University of Sydney, William Charles Wentworth championed his proposal on the basis of the twin views of public education: that higher education is a public good and that access to it should not be confined according to the incomes or social class or religion of the prospective individual students. The definition of unacceptable discrimination has been widened since. Admittedly, Wentworth’s argument for the establishment of the University did intersect with the specific needs of the legal and medical professions at the time for local educational facilities. While the state was

chiefly responsible for the financing of the University, professors were to have a claim on class fees.

Private funding of an institution can come by way of student fees, endowments by private citizens, and the sale of particular services such as accreditation, advice, research capacity or research results. The most critical vehicle of private funding in the context of the present discussion is, I believe, the payment of student fees. It is on this that the issue of private versus public most critically turns.

In what follows the two terms 'institutions of public education' and 'public institutions of education' can be treated as being the same. The institutions of higher public education in Australia have proliferated in the past one hundred and fifty years of Australia's history and have taken the shape by the present time of 'public' (or 'state') universities and of colleges (or institutes) of technical and further education (TAFE). It is common these days to describe the activity of TAFE colleges as 'vocational education and training'.

If we think only of public access to higher education, the continued existence of the state universities and TAFE colleges as such is not required: the property of state universities and colleges may be privatised and the institutions may be subsidised by the state on certain conditions, specifically including conditions preserving public access. However, if we are to preserve the character of higher education as a public good, and if a generalist curriculum contributes directly to the character of higher education as a public good, it may well be that the continued existence of state or community-owned universities is necessary.

A private institution has no incentive stronger than the incentive to generate the greatest private benefit to higher education. This is not to say, though, that the private institutions do not have an incentive to maintain generalist programs, or that education as a public good relies upon a generalist content. It is not to say that the governors of private institutions largely supported by private endowments do not pride themselves on a commitment to what they see as the public good. It is not to say, either, that the management of public institutions cannot descend to grubby commercialism. It *is* to say, however, that private interests can claim an influence over private institutions if they offer them financial support. And, in principle if not in fact, the bulk of the financial support for private institutions may come from corporate funds and private student fees rather than from endowments (so from the incomes of the living who can well press their interests, rather than from the dead). The public institution, even if it is subject to the same pressures, can play them off against claims on the public purse. Whether the keeper of the public purse may press distorting courses of action on the public institutions is another matter, to which we return later.

It has to be conceded that Australian Federal governments have, as keepers of the public purse, put substantial demands on the public universities that they seek recourse to private funds. They have forced the universities to raise money beyond its recurrent grants and has encouraged them to do so by setting fees to be paid by some students, even by students who are Australian citizens or permanent residents of the country. Moreover, it has set up a Higher Education Contribution Scheme which requires students within state universities to contribute to the costs of their education. According to *The Higher Education Report for the 2000 – 2002 Triennium* (DETYA 2000), the proportion of actual student payments through HECS to federal government operating grants to universities more than doubled from the mid-nineties to an estimated 27 per cent by 1999. At least the damage done to the accessibility of higher education by greater recourse to student fees is limited by the central provisions of HECS that the payment of contributions may be made from future earnings and that a zero real rate of interest is charged on HECS debts.

It is more difficult to remain sanguine that state universities will be able to remain institutions of public education in the face of forms of injection of private fee payments other than HECS. I do not see how the charging of fees for undergraduate courses for local students above and beyond the Federal government's subsidies could be consistent. I do not see, even, how the present enrolment of private students in addition to state-subsidised students is consistent. Moreover, the extent of enrolment of international students at this time may need to be re-examined in the light of the degree to which it is pre-empting the enrolment of local students (despite the claim, to the opposite effect, that if it were not for international students' fees the infrastructures of universities would be less adequate on a per capita basis than at present).

The University of Melbourne has set up a private institution called Melbourne University Private to conduct some part of its private business in teaching and training. Such an arrangement could be constructed without necessary harm to the public institution. The private institution could contract with staff of the public institution and others for the provision of courses, and could award its own *testamurs*. The position of the staff of the public institution in such an arrangement would be comparable with the position they have long had as consultants to bodies outside the university. As long as there were no alienation of public property involved in the operation of the private institution with which the public institution had a contract, and staff time available to the public institution were no further pre-empted than in undertaking consultancies, there would be no substantial damage done to the public character of the state university by such an arrangement.

Access to institutions of ostensibly public higher education can be more or less public in fact. We know from investigations of the cost, social and cultural barriers to higher education that there is room for much greater accessibility. One of the ways in which a university can increase its accessibility is to reach out to encourage various



sections of the community to become familiar with the university and to contribute to one or another of its programs (and here I include not just language and culture programs but programs in law, town planning and so on). Correspondingly, the public-good character of higher education could be strengthened by community involvement in curriculum design and delivery. For people who are already graduates, access is opened through programs of continuing education. From a practical point of view, efforts to increase community involvement and to develop continuing education should be capable of benefiting universities through increasing the size of the constituency prepared to vote for greater state support.

Access to higher education is fostered in principle by the articulation of universities with one another and with the greater articulation of universities with TAFE institutions and senior secondary colleges. I do not see that damage is necessarily done to public education by a differentiation of universities from one another, as long as transfers between the universities do not depend on students' market power. On the other hand, I would cavil with the view that as long as the majority of state universities remain public the pre-eminent few may become private without significantly damaging public education. At the very least, privatisation involves the transfer of places from the public to the private domain, and a degree of transfer for which scholarships could not sensibly compensate.

### **On the Nature of a University Education**

There are some institutions of higher education which provide courses at a distance — that is, through written correspondence, by television and radio or online. These institutions may be public or private. The success and popularity of distance education as a form of higher education can hardly be gainsaid in the light of the experiences of institutions such as The Open University in the UK and of Australian institutions. Public higher education in general is preserved as long as some of the distance education is public. Whether this represents the retention of public *university* education is another matter.

There can be considerable disagreement as to what constitutes a university education. An Australian 'human ecologist', Doug Cocks (2000), has recently predicted that '[d]istance learning will become increasingly practicable and campus life will become a less important part of university experience'. Some would argue that although university education involves the sharing of inquiry and exploration by the teacher and the student, as opposed to instruction, the sharing does not require either being together in geographic space or the involvement of other students. Others argue that, on the contrary, a university education involves students being together in the same space and thus interacting with each other in direct and multi-dimensional communication. Yet others argue that a university education is about learning to lead intellectually and that this requires that students are together in the same space. If

being together in geographic space is important then university education means access by students to the geographic space. But are we here referring to a range of qualities of higher education, rather than to a clear distinction between university education and other sorts of higher education?

University education has been understood, since the middle of the twentieth century, at any rate, to rest on a 'nexus' of research and teaching on the part of the academic staff. The research may be either basic or applied. For a much longer time, teaching has been linked with scholarship. Where institutions are denied the opportunity to pursue scholarly activities related to their teaching activities (not to speak explicitly of research), it is held that the quality of education can be expected to decline.

Raymond Gaita (1997) has argued that it is not important whether this or that institution is a university but whether in an institution there is an 'epistemic space' in which to reflect on the intrinsic value of knowledge. This position, though, does not address the issues of whether academics are able to undertake research or how curricula should be designed or the balance between generalist and vocational curricula, all of which — as much as the willingness of staff to reflect on their disciplines — determine the character of the student's education.

The Boyer Commission (1998) seemed clearly to have in mind a definite category of institutions when it addressed the place of undergraduates in 'research universities' in the United States. It is concerned principally with one category of institutions distinct from others which it would have been impolitic to describe as colleges. In other words, The commission appeared to consider its 'research universities' as the institutions which alone merit the term 'universities'. Incidentally, the Commission did not consider the funding of the 'research universities', which include state and private universities.

### **On Scenarios for Change in Public Institutions of Higher Education**

Any one of several scenarios could develop for the restructuring of Australia's national system of higher education and for the restructuring of the institutions which constitute the system. (i) There may be amalgamations of the smaller and regional universities with each other and/or with the larger metropolitan universities. (ii) There may be developed arrangements whereby the smaller and regional universities provide first and second year teaching and associated gatekeeper assessment for the larger metropolitan universities to which successful students then migrate for their senior years. The first set of universities would undertake other, specialised activities as well; and not all successful students would physically migrate to other universities as opposed to enrolling in units of study to complete their degrees at metropolitan universities by distance education (perhaps predominantly via the internet). (iii) The smaller and regional universities especially may establish

associations with TAFE institutions and senior secondary colleges in their immediate neighbourhoods. (iv) Metropolitan universities may themselves establish cooperative arrangements between themselves for the joint provision of some units of study. (v) There may be a significant reappraisal of the modes of teaching of senior undergraduate students (for example, along the lines of the reappraisal by the Boyer Commission 1998). (vi) There may be a formal division of universities into two tiers, as envisaged by the vice-chancellors of the Go8 universities. In this scenario, the latter universities would be substantially deregulated and enabled to set their own fees and determine their own balances of programs (as between different undergraduate degrees and as between undergraduate and postgraduate programs) and would be predominantly privately funded (where the smaller and regional universities would continue to obtain the greater parts of their funds from the Federal government). This scenario could actually include all of scenarios two to five above. While an extended consideration of the possible scenarios is beyond the scope of this paper, one should note their implications for the preservation of public education.

The requirement that students should generally migrate to complete their higher education worsens the accessibility of higher education, in so far as a move means having to live away from home or in an area in which the cost of living is higher. The substitution of distance education for conventional 'classroom' education may reduce the quality of some areas of education. People entering or re-entering higher education relatively late in life and with commitments that tie them to particular locations may therefore experience a diminished public education. On the other hand, access to higher education is fostered in principle by the articulation of universities with each other and with TAFE institutions and senior secondary colleges. It could be argued that the pressure felt by the smaller and regional universities to develop specialisations would increase the breadth of education in the state universities overall.

The creation of a formal structure of two tiers could imperil the capacity of some institutions to provide a university education for some of their students. The second tier would be able to undertake research in only limited areas and only accidentally in areas in which it might be preparing students for senior studies in the first tier of universities (the Group of Eight evidently). More and more academic positions in the second tier might come to be fractional or sessional or merely to supervise responses to teaching by distance mode. Recourse would have to be had to distance education whether or not such a mode of education were suitable for the particular area of study.

There is an important sense in which state funding may contradict the character of an institution as a contributor to education as a public good. State funding of universities provides the government of the day with a vehicle for the pursuit of its own agenda in higher education, no matter how contentious that may be. It is said to follow that a diversification of funding for the state universities should free them to

some extent from government pressures and enable them, reflectively, to develop in more generally useful and widely supported ways. More specifically, it might be argued that they could even develop in a way that better defended the universities as institutions of public higher education. Thus, greater autonomy may result in a better direction of research money, the provision of more scholarships to members of the recognised 'equity groups', greater diversity of programs and perhaps the more systematic adoption of curricula that develop strategic and leadership skills among students. All the same, Simon Marginson (1999) has suggested that the diversification of funding in recent years in some universities at least has not discernibly increased the diversity of academic programs, at least at undergraduate level. All that a diversification of funding may mean is that institutions become beholden to multiple financiers with different particular agendas.

During the year 2000, Andrew Norton sparked debate by putting an argument for the deregulation of fees for university courses (see Norton 2000a, 2000b, 2000c to which there were spirited replies by, *inter alia*, MacIntyre 2000, Manne 2000 and Stewart 2000). Andrew Norton is employed by the neo-liberal 'think-tank', the Centre for Independent Studies and was a member of the staff of the present Federal Minister for Education, Training and Youth Affairs, Dr David Kemp. The argument is essentially that the deregulation of fees would force universities to mount courses that are desired by students and to the degree to which they are desired (whereas evidently, at present, the universities tend to put on Arts programs in particular because they are cheap to mount). The argument is flawed at various points (for instance in presuming that preferences for Arts programs would decline were full fees to be charged, so that universities would be forced to increase the evident employability of an Arts credential in order to maintain any Arts programs). In the context of the present paper, it is flawed deeply in so far as it entirely disregards the time it takes to create and mount new courses and the waste involved in redundancies forced by sudden mood swings and variations in demand. The case for the deregulation of fees is deficient in its own terms.

The wholesale deregulation of state universities seems to me to be unlikely because of the electors in marginal seats. On the other hand, it may be possible for the Federal government to promote the further privatisation and deregulation of some of the Go8 universities. It is not at all clear, it must be said, that the largely privatised universities would be much better off financially in that event. There is absolutely no clear evidence of whether or not the applications to a Go8 university would be sustained were it to become a full-fee charging private institution. At the very least, it and other Go8 universities would have to continue to belittle the second tier and the federal government funding on which it depended (a 'straightjacket' and 'security blanket' in the words of Brown 1999).

As for partial deregulation, it may be said that some universities have already accepted the enrolment of private local students, from which it is a small step to 'top-up fees' for undergraduate students in general (notwithstanding that in some cases the additional fees may be set at zero or, on the other hand, at such a high level as to make the use of the term 'top-up' rather silly). It may also be said that the notion of public access can be retained to the same extent as it is retained under the present HECS arrangements by allowing students to pay the top-up fees alongside or after their HECS contributions (that is, after the liabilities have been incurred and earnings have passed a certain level).

There is a question as to whether some sort of distinction between two tiers is necessary to ensure that some universities in Australia remain capable of attaining the highest standard internationally. There are certainly strong expressions of this view. These will be further strengthened once it is noted that the government is implying that where it were to fund any activities of new universities the funding would come from the existing pot (DETYA, *op cit*). But it is necessary to examine what it means to attain the highest standard internationally. The universities in the first tier may be able to remain accessible to a broad range of Australians through student transfers between tiers, through scholarships, and so on. On the other hand, the university of 'an international standard' will be a 'globalised' university, more or less indistinguishable from others of the same standard except in regard to the nationality of the majority of its students. Will such a university be able to claim that it remains capable of contributing to public education as a public good for members of the Australian community? Will it be true that what such a university contributes to the good of the global community at large is good enough for the less abstract local community?

Three Vice-Chancellors — Chipman, Gilbert and Schwartz — recently contributed thoughts on appropriate developments of Australian universities to meet the challenges of so-called globalisation in papers published by the Centre for Independent Studies. They identified a need to forge close relationships with major firms in information technology, so as to be able to head off the possibility that corporations such as Microsoft and News Corporation will themselves become providers of courses directly to individuals. With the resources so assured and with the recruitment of notable organisers of research, the universities — or the very oldest of them at any rate — will putatively have positioned themselves to recruit the very best of students from throughout the world and to contract for the undertaking of lucrative research. They will have commenced a virtuous circle of growth and increasing wealth.

There are major problems with the three Vice-Chancellors' presentations. (i) The opportunities for lucrative course delivery using the newest of information technology are for courses in the further education of professionals, not necessarily in the first degrees of young school-leavers. This point is acknowledged by the Vice-

Chancellors but not pursued. (ii) There is great deference to ‘the imminent industrial revolution’ and to globalisation but little apparent reflection on these phenomena. (iii) The reader is invited to think of students as customers, as if eighteen year olds are fully informed about what and how to learn (and anyway there is a problem with imagining that customers in a supermarket enter with all the information they need to make their choices). (iv) There seems to be no perception in the views of any of the Vice-Chancellors of knowledge other than instrumental knowledge.

What is the alternative to the thrust of the thinking being developed particularly within the organisation known as The Group of Eight (Leading Universities)? It is that the Go8 universities take the initiative in creating better networks with smaller and regional universities, that all universities remain together in campaigning for more public funds, that they pursue the Democrats and the ALP assiduously in this campaign, that they develop strategies to attract and impress the multicultural community at large, as well as students while they are still students. The punchline to bear in mind when you hear of the possibility of emulating the Ivy League universities in the US in generating endowments is that to attract the endowments, the most important thing is to convince students by the time they graduate (and their parents) that they have received the best and most honestly provided education that the universities can provide and that the universities are proud of their efforts.

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