



**Higher Education in the UK and the USA since Margaret Thatcher and Ronald Reagan:  
Converging Models?**

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**The English Experiment in Market-based Higher Education - ideology and reality disconnected**

Abstract:

The UK government's proposals for new arrangements for financing HE in England represent a new ideological development. The Dearing committee's settlement in 1998 introduced student fees on the basis that the benefits of higher education were shared between student and state and therefore the cost should be shared. The new arrangements make the student entirely responsible for meeting the costs, and although the case that this has not been argued by the government, the logic of the Dearing settlement would appear to be that there is no public benefit from the education of higher education student.

Despite this apparent ideological shift, the reality in England is that the government will continue to subsidise student education, though only by providing subsidies for loans that students will be provided in order to pay their fees - direct funding of University teaching is to cease. There is a different ideology at work here, more recognisable as based on neoliberal economics, which relies upon market dynamics and consumer choice as the drivers for quality improvement and cost containment.

This paper will explore the new ideologies and their implications, as well as the contradictions and difficulties they pose when applied in public higher education.