

# **The Price of Higher Education: How Rational is British Tuition Fee Policy?**

## Abstract

This article examines the introduction of variable tuition fees for university students in the UK - an initiative which has become totemic in British higher education policy. The article seeks to identify the origin of this policy, using the work of Michael Oakeshott (1962) as a framework for discussing the rationality of new Labour. The rhetoric of the government during the passage of the 2004 Higher Education Act is analysed to identify the extent to which rationalism is demonstrated in the policy-making process and this is contrasted with Oakeshott's conception of policy as evolution. The article concludes that variable tuition fees resulted from a process of conservative evolution, notwithstanding rhetoric of rationality, and discusses the implications of this for the future direction of British higher education policy.

# **The Price of Higher Education: How Rational is British Tuition Fee Policy?**

## Introduction

Where does government policy come from? This paper will address one particular policy – the introduction of variable tuition fees for university students in the UK, an initiative which has become totemic in the debate about the commodification of British higher education. The paper will outline the specific measures prescribed by the policy and identify a number of key objections that were raised during the passage of the relevant legislation. The work of Michael Oakeshott, written in 1947 and published as a collection of essays in 1962, will be used as a framework within which to explore the ‘rationality’ of the new Labour approach to higher education and this will be contrasted with Oakeshott’s belief in policy-making as an evolutionary process. The paper will attempt to identify the origin of the variable fees mechanism and examine how this fits with new Labour’s ‘rationalism’. The concluding section of the paper will suggest that the variable tuition fee policy resulted from a process of evolution, notwithstanding rhetoric of rationality, and discusses the implications of this for the future direction of British higher education policy.

## Paying for higher education – the global context

In a period of global recession there are two economic forces that Governments have to reconcile when considering how best to pay for higher education. On the one hand there is the need to keep public finances under control at a time when taxation receipts are reducing and on the other a desire to increase the skills and knowledge base of the population in order to remain globally competitive. These twin pressures are particularly acute for those countries where the purpose of higher education is framed from an explicitly neoliberal viewpoint, where the means of the market and the ends of the learning process are inextricably entwined.

In response to this conflict many governments have chosen to shift the burden of paying for higher education from the taxpayer to the student. By 2005 Australia, Canada, Italy, Japan, the Netherlands, New Zealand, Spain and the United States all had some form of student fee system, spawning a range of student support schemes such as the Higher Education Loan Programme in Australia. Even China, not normally aligned with neoliberalism, has moved towards a more commercial approach in its rapid expansion of higher education (Dongping, 2006).

Unsurprisingly, students have not reacted favourably to the imposition of fees. Aside from the anticipated criticisms about the effect of student debt on future economic growth, there have been concerns about the ways in which tuition fees will affect participation rates from students with non-traditional backgrounds (see, for the Australian case, Chapman and Ryan (2005)) and the complaint that this approach “fails to acknowledge and recognise the social, cultural and economic advantages that a society gains when a large majority of its citizens have open and free access to public tertiary education” (New Zealand Union of Students’ Associations, 2009). Policy-makers have responded to these objections with neoliberal rhetoric grounded in a ‘rational’ definition of the financial benefits of higher education.

#### Variable tuition fees in Britain

The new Labour government in the UK has joined the global trend towards charging tuition fees for higher education. With effect from September 2006 all full-time students at English, Welsh and Northern Irish universities, excluding those from outside the European Union, have been charged a variable tuition fee. The fee was initially capped at £3,000 per annum and this limit has risen in line with inflation on an annual basis, to a figure of £3,225 in 2009. Universities can charge up to this amount, but can only charge the full fee if they have an approved Access Agreement with the Office for Fair Access (OFFA). In practice the vast majority of Universities have charged the full fee – exceptions being Leeds Metropolitan University and the University of Greenwich – leading some commentators to describe the situation as a higher education cartel in which fee elasticity is lower than it should be (Ward and

Douglass, 2005). For students, this 'top-up' fee represented a significant increase in the cost of higher education when compared to the fixed charge of £1,125 per annum that had been in place since September 1998.

However, alongside the new fee arrangements the government made sweeping changes to the way in which English students were financed. The variable fees can be paid using a tuition fee loan, obtained through the Student Loan Company and available to all students regardless of their parental income or financial circumstances. Maintenance grants and loans were also re-introduced, designed to ensure that students from low-income households received a basic level of financial support but that all students would make a contribution to their university education. The overall impact of the programme was to encourage students to consider their university costs to be an investment which would benefit them over a period of time and for which, therefore, it was appropriate to make repayments over a period not exceeding 25 years.

The policy was extremely contentious and received Parliamentary approval in 2004 with a Government majority on second reading of just five votes. Seventy-one Labour Party Members of Parliament voted against their own whips – the largest rebellion that the Blair government had suffered. There were four principle concerns with the legislation expressed by Labour rebels. First, it was argued that the policy encouraged students into debt-dependency and that this would deter students from low-income households applying for university as they are disproportionately debt-averse. Second, there was a view amongst some MPs that education is a public service and should be available to students free of charge. In a sense these objections were seeking to reverse the status quo insofar as tuition fees had already been existence since 1998. However, some of these concerns were developed into an argument that the new variable nature of the fees meant that the government was creating a market in higher education and that this was anathema to a party that had traditionally opposed a free market in public services. In the debate Dr Ian Gibson asked his Labour colleagues:

“will we increase marketisation, market forces and so on to the point where we start to lose the purpose of what education and higher education are all about? That is true with creeping marketisation in any industry or in any aspect of human activity.” (Gibson, 2004)

A third concern with the policy was that the creation of a quasi-market in higher education would lead to a stratified system of universities in which the value of higher education institutions would be determined by the fees that they charged. The potential consequence of this could be the demise of those universities that were unable to recruit students due to their perceived low quality, or the creation of “sink” universities in the same way that school league tables have skewed demand against particular institutions. A final concern – and pertinent to the genesis of the policy – was that the proposal had not been contained in the Labour Party manifesto for the 2001 general election. Indeed, the manifesto promised that “We will not introduce top up fees and have legislated to prevent them.” (Labour Party, 2001, p18). As a result Clare Short, who had recently resigned from the government over the war in Iraq, complained in the debate that:

“This seems to be really questionable and incompetent policy making, and we have to ask where it has come from.... I do not know whether they come from the bowels of No. 10, or some of the advisers that circulate around No. 10, but they are not consulted on or publicly discussed, and they are then driven through the House with appeals to the loyalty of Labour Members to vote against things that they know to be right. We have seen that over and again, and it leads to bad policy making.” (Short, 2004)

Given these objections to the 2004 Higher Education Act from within the ruling party it is clear that the variable fees policy did not arise from a popular groundswell of opinion from Labour activists or their traditional supporters.

The creation of quasi-markets was a trademark policy of the Conservative administrations of the 1980s and 1990s and each piece of legislation was vigorously attacked by the Labour party in opposition. Tony Blair, in his much-cited Ruskin College speech which initiated the 'education, education, education' mantra, set out a framework in which a new Labour government would:

“replace the current inequitable and discredited mix of loans, grants and parental contributions, with a long term repayable contributions scheme covering maintenance and collected through national insurance.” (Blair, 1996)

Eight years later his government had introduced variable tuition fees, extended student loans and re-introduced grants. Where, then, did this controversial and apparently incongruous policy originate?

#### Oakeshott on rationalism in policy-making

Michael Oakeshott described the new Labour 'project', and its approach to education policy, 50 years before Tony Blair came to power. In his 1947 essay 'Rationalism in Politics' Oakeshott described how policy-making became a pseudo-scientific discipline in which decisions have to be justified on 'rational' grounds. He traces this movement back to Descartes and Machiavelli and identifies the works of Marx and Engels as well as the Education Act 1944 as the most recent instances (at the time of writing) of rationalism in policy. Hammersley (1995) describes the same phenomenon as part of an 'enlightenment' paradigm for policy-making in which scientific research and politics are twinned towards achieving social change. Whilst she distinguishes between three forms of the enlightenment model what they have in common is that they see "research as providing a theoretical basis for social interventions which will transform social life in a rational manner that is in everyone's interests" (Hammersley, 1995, p143).

Three examples will serve to identify how closely Oakeshott's definition of rationalism fits closely with the Blair government and its approach to policy-making. The first characteristic of the enlightenment politician is that they

prefer ideology over tradition. Oakeshott argues that this ideology has two key features – that it is new and that it is superior to everything that preceded it. The 1997 Labour party manifesto typifies this approach. In setting out Blair’s aspirations for the new government, it claims that “Our aim is no less than to set British political life on a new course for the future.” (Labour Party, 1997, p3) – even the epithet ‘new’ Labour is distinctive of the rationalist ideologue who “always prefers the invention of a new device to making use of a current and well-tried expedient.” (Oakeshott, 1962, p4)

Following his election victory, Tony Blair demonstrated an almost fervent desire to take the past and ‘scrub it clean’ (Oakeshott, 1962, p5) by declaring war on the status quo. In his 1999 Labour Party conference speech he envisioned:

“A New Britain where the extraordinary talent of the British people is liberated from the forces of conservatism that so long have held them back, to create a model twenty-first century nation, based not on privilege, class or background, but on the equal worth of all.” (Blair, 1999)

The term ‘model twenty-first century nation’ is an interesting one and brings us to Oakeshott’s second characteristic of the rational politician – a focus on creating ideal solutions to carefully defined problems. He argues that this turns the policy-maker into

“the character of the engineer, whose mind (it is supposed) is controlled throughout by the appropriate technique and whose first step is to dismiss from his attention everything not directly related to his specific intentions.” (Oakeshott, 1962, p4)

It is sometimes argued that ‘social engineering’ has become a feature of the Labour government. In higher education, for example, the move towards

wider access and participation has led to a debate in which the secretary of state recognises that:

“universities that try to take a student’s individual background, the challenges they have faced, into account, are liable to be accused of political correctness and social engineering.” (Denham, 2008)

A feature to note in this context is a dependency on measurement. Widening participation measures are targeted on students who meet certain statistical criteria – their ‘individual background’ - in order to ensure that the ‘target’ population is being addressed. Oakeshott notes that the enlightenment emphasis on problem-solving means that “There is no place in his scheme for a ‘best in the circumstances’, only a place for ‘the best’” (Oakeshott, 1962, p5). The proliferation of ‘best practice’, ‘benchmarking’ and ‘key performance indicators’ within higher education and other public services, as evidenced by a recent survey of these measures by Rodgers (2008), bears testament to the rationality of current government policy.

The third characteristic that Oakeshott identifies in the rational policy-maker is a tendency “to believe that political machinery can take the place of moral and political education.” (Oakeshott, 1962, p6) In this way, utilitarianism and instrumentalism are accepted as appropriate ways to approach policy issues because the pre-determined ends will justify the means. Equality and social justice can be reduced to socio-economic algorithms. Within the higher education tuition fee policy, for example, there was the presumption that households earning less than £60,005 per annum need to be helped into universities, and that these students require targeted financial assistance in order to be persuaded of the potential benefits from higher education. This is a distinction based on income, so the inference is that a marginal change in household earnings would suddenly make the potential student more sensible about their life chances – which is clearly unlikely to be the case.

### Policy as evolution rather than rationalism

Oakeshott was highly critical of the enlightenment approach to politics, partly because it was inconsistent with his conservative instincts, but this was not a party political or even a right-left attribution – Oakeshott was as critical of Hayek as he was of Marx. It came instead from a genuine belief in the pervasive power of human nature and its attendant, inevitable, fallibility. His principle objection to rationalism was that it introduced a false perception of certainty and perfection into policy making.

He argued that the environment within which policy operates is a dynamic arena that reflects social, cultural and faith norms which have been established over centuries and that are in a constant state of flux. To try and impose an artificial sense of order onto such a moving target will require us to unlearn everything that makes us who we are. In his view, policy would come from action and reflection rather than from ideology and:

“springs neither from instant desires, nor from general principles, but from the existing traditions of behaviour themselves. And the form it takes, because it can take no other, is the amendment of existing arrangements by exploring and pursuing what is intimated within them.”

(Oakeshott, 1962, pp123-124)

Franco (1990) argues that the notion of politics as the pursuit of intimations is a logical corollary of Oakeshott’s conservatism and his faith in tradition. The role of government in this model is to manage society’s behaviour rather than to mould it.

“He (Oakeshott) accepts the multiplicity of activity and diversity of opinion that currently constitutes our condition. And he understands the office of government to be, not to change this condition into something else, but simply to rule over it as a referee rules over a game.”

(Franco, 1990, p150)

Policy is, thus, an evolutionary process iterating between action and ideology over a period of time to bring about transitional change rather than revolution.

Political actions build into ideologies and the subsequent desire to move away from these old ideologies leads to new political actions. To paraphrase Eliot – another conservative voice of the twentieth century – society is transformed “not with a bang but a whimper” (Eliot, 1936)

The parallels between Oakeshott’s description of rational politics and the higher education policies of new Labour appear to be very clear, but can this concept be used to answer to Clare Short’s question about the genesis of the Higher Education Act 2004?

### Is new Labour higher education policy driven by rationalism?

We have already seen prima facie evidence that the new Labour government works within the rationalist tradition. As well as the professed vision of a changed society and the focus on best practice described earlier the whole approach that ‘new Labour’ has taken towards education policy bears the hallmark of the rational politician. Oakeshott notes that:

“From the earliest days of his emergence, the Rationalist has taken an ominous interest in education. He has respect for ‘brains’, a great belief in training them, and is determined that cleverness shall be encouraged and shall receive its reward of power.” (Oakeshott, 1962, p.32)

He goes on to summarise the contents of Blair’s Ruskin Speech with unerring and unnerving prescience. In particular Oakeshott describes the way in which education will be pursued by the rationalist as the means to an economic end. The rationalist’s argument is that, as an economy develops, it requires higher levels of skills to remain sustainable. Education is seen, therefore, as an investment in both society and in the individual.

Much of the thrust of educational policy during the Blair governments was in support of this objective. In higher education universities were exhorted to widen access to under-represented populations and a 50 per cent target for participation was established in order to “ensure that the country has Higher

Education institutions that can compete with the best in the world in teaching, research and technology transfer and that they link closely with business to generate jobs and wealth” (DfES, 2002, p16). Cozy “donnish dominions” (Halsey, 1992) were to be shaken up and the White Paper that preceded the Act – *The Future of Higher Education* – underlined the perceived link between university access, economic development and social justice by asserting that:

“Our future success depends upon mobilizing even more effectively the imagination, creativity, skills and talents of all our people. And it depends on using that knowledge and understanding to build economic strength and social harmony.” (DfES, 2003, p6)

We are left with the over-riding impression that the ‘top-up’ fees policy is an essential and obvious way of achieving the ‘new Labour’ vision of a ‘knowledge economy’. Policy is driven by a reforming public service agenda and is a rational way of achieving socially and economically desirable outcomes. But there is a problem with this picture of social justice in action. If variable fees and the student finance reforms that accompanied them are indisputably desirable and stem so obviously from the ‘new Labour’ philosophy, why weren’t they in the 2001 election manifesto? Indeed, if they were such a rational outcome for higher education why did the Labour party go out of its way to deny the policy just two years before the proposal was floated in the White Paper?

One possible – cynical rather than sceptical – suggestion might relate to the political arithmetic. Perhaps the Labour party were concerned that they would lose the election if they announced the policy through their manifesto? This seems unlikely for two reasons. First, there was no suggestion in 2001 that any party other than Labour would win a Parliamentary majority. Tony Blair had an existing majority of 179 and faced a Conservative opposition that was still in shock from its 1997 defeat and divided on the key issue of Europe. Second, if the policy had already become as obvious as is implied by the White Paper then it does not make sense for the Labour party to have denied it so vehemently. Even following their 2001 election victory educational

researchers were still convinced that the “no top-up fees” commitment would hold (Hurrell and Greatrix, 2001). Politicians are well aware of the consequences of breaking manifesto pledges, as was noted in the debate:

“it is an overriding argument that when the entire House of Commons has pledged itself to a particular policy, it should do its utmost to keep faith with the country, rather than breach faith with the country.” (Hague, 2004)

We must conclude from this that the variable fee policy has its origins between 2001 and 2003 – and this implies that it was a policy of reaction. The White Paper points to one of the practical prompts for variable fees – the alleged under-funding of the university sector over a number of years. Vice Chancellors had been concerned for a number of years about the cumulative effects of changes to their revenue grants, which they believed were reducing in real terms. The net effect of this was that universities were making financial choices between either teaching larger numbers of students with less resource or closing ‘unviable’ courses completely. In the lead up to the reform of higher education funding several high profile closures, including European studies at Durham University, chemistry and music at the University of Exeter and geology and cartography at Oxford Brookes University, helped to create a climate of concern amongst university interest groups. Universities UK, the lobby group that represents Vice Chancellors, argued that the higher education funding gap in 2004 was £8794 million (Universities UK, 2004) and suggested that this was significantly impairing the ability of the sector to maintain its international position. It was keen to recommend that the funding burden should be shared, in what looked like an old-fashioned British compromise:

“Universities UK welcomes and supports the government's proposal to replace the current system of up-front fees for full-time undergraduates with a graduate contribution scheme ... While public funding will always provide the majority of funds for the sector as a whole, private funding from graduates, industry and business will

make an increasingly important contribution.”  
(Universities UK, 2004, p11)

While the rhetoric of government highlighted the vision of enhanced life chances of students the ‘top-up’ fees policy was driven by the practical reality of a higher education funding gap and the need to maintain tight public spending. However, the strongest evidence that the 2004 Act did not come from an explicitly rationalist perspective can be found in the summing up statements of Charles Clarke, Secretary of State for Education, as he called on MPs to support the Bill in its second reading. His exhortation to Labour rebels to vote with the Government has something of a ‘whimper’ about it, notwithstanding the strident language:

“they can decide to vote against it, but if they do so, they should be clear that they will be voting against more money for the universities, voting to keep up-front fees, voting for a system that discriminates against working class communities, voting against grants and voting for higher repayments afterwards. ” (Clarke, 2004)

He argues, therefore, that to vote against the Act would maintain a fixed fee regime that had been very unpopular when first introduced by the Labour government in 1998. The Education (Student Loans) Act 1998 itself was a response to the 1997 Dearing Report into higher education which concluded that universities were under-funded, and which had been instigated by the previous Conservative administration. Paterson observes that “Labour rejected all the schemes of funding students which Dearing proposed, and decided to complete the process the Conservatives had begun” (Paterson, 2003, p171), thereby accepting the prevailing accepted neo-liberal wisdom on the purpose of higher education and its funding requirements. Simply put, the introduction of ‘top-up’ fees was part of a reaction to a previous policy, which was itself a reaction to circumstances that had existed a decade before. As Kettley (2007) notes the current situation is:

“a product of the macro-economic and social policy objectives of the New Right and New Labour. Successive governments have tried to manage human capital and achieve economic growth by expanding HE” (Kettleby, 2007, pp333-334).

Political action has led to the creation of a public perception of a ‘new Labour’ attitude to higher education, which is a mixture of neo-liberalism and public finance real-politic – what Ball (1990) calls the “discourse of derision”. The 2004 Act, therefore, flourishes the rhetoric of vision and rationality but is actually part of a British tradition of incremental educational reform that can be fairly described as a conservative approach to policy formulation. This is similar to the conclusion of Greenbank (2006) who agrees that there is a gap between the rhetoric and the reality and:

“characterised policy formulation as rather ad hoc, piecemeal and muddled. It therefore seems that while the government promotes a ‘rational strategic approach’, its own policies do not reflect this” (Greenbank, 2006, p161).

#### Where will future higher education policy take us?

Will future governments adopt a conservative or rational approach to the development of British higher education? The answer to this will inevitably reflect personal beliefs about the role of education, but there are three conflicting elements to consider: vision versus progression, intervention versus mediation, and positivism versus pragmatism.

The rationalist visionary would argue that education is a significant factor in enabling social mobility. The status quo will not, without coercion or leadership, simply hand over economic power to those who have previously been under-represented in the highest levels of skills and education. Education policy should adopt a clear vision about how to effect social change, such as “positive discrimination through carefully worked out and constantly revised formulae for translating measures of disadvantage into

extra educational benefits” (Halsey, 1995, p229). To change society significantly, says the rationalist, we need to know who should be studying what and put policies in place to ensure that they do so.

Is this what universities are for? An alternative view argues that a significant function of higher education is that the student discovers for themselves what their strengths are and where their interests lie. This is a view based on fallibility – students can and will make mistakes, and will learn and develop from this. Their growth as individuals will be one of indirect progression rather than directed at the behest of a visionary programme of socio-economic development. Part of the ethos of higher learning is that we do not know all the answers yet. If higher education is to be genuinely emancipatory it may be that visions of the ‘twenty-first century university’, in which the skills needs of the nation are known and become the primary educational objective, are actually be counter-productive.

The second dichotomy – between intervention and mediation – is less easy to call. The rationalist will argue that the socio-economic ends will justify the use of a range of policy tools directed at the target under consideration. A conservative approach would favour a mediated outcome in which change takes place over time as the result of conflict resolution and subsequent reflection. In the case of higher education, there is an ethical issue with both of these arguments. If a particular policy intervention has a positive impact on the life chances of an individual then it may be considered immoral not to implement it immediately. However, if the effect of the policy is negative, then the intervention may damage individuals whose life chances may be blighted as a consequence.

As no-one can tell in advance whether a particular intervention will be positive or negative there is always a risk associated with any intervention. In taking this risk, the rationalist could make the situation worse for students. In not taking the risk, the conservative might add decades to the period in which desirable change takes place. The advantage of the rationalist approach in these circumstances is that the risk associated with the intervention will have

been quantified as part of the positivism associated with rationalism. Variable fees fall into this category. The risk that students from more deprived backgrounds might choose not to enter higher education as a result of debt-aversion was a significant concern of Labour backbenchers, and it led to some changes in the legislation to mitigate this risk.

The final element – positivism versus pragmatism – brings us to the heart of the new Labour approach to higher education. The rationalist will take the view that learning is an economic activity which has measurable costs and definable outcomes. The conservative view is that education is process of personal development which will be motivated by the interests of the individual and that:

“education is not to be confused with that accommodation to circumstances in which a newcomer learns the latest steps in the danse macabre of wants and satisfactions and thus acquires a ‘current’ value in the world.” (Oakeshott, 1989, p93)

In this context, the 2004 Act has an overtly rationalist view of higher education. Skills acquisition is the function of the university education and students should look on their tuition fees as an investment in the future on which they will earn a graduate premium by way of return. However, there is at least one way in which the Act reinforces the conservative view of higher education. Whereas at primary and secondary education levels, the government maintains a very close control of school spending and the curriculum taught, at the tertiary level government have reiterated their belief that universities should set their own agendas for learning, teaching and research.

The Act provides for this in two ways. First, it frees up the universities to earn income from a variety of sources – in particular it encourages them to make more of the possibility of ‘third tier funding’ from charitable donations and commercial sponsorship. This is recognised by the White Paper which argues that:

“We believe that this will also have the benefit of enhancing the independence of universities by making them less reliant on government funding.” (DfES, 2003, p87)

Secondly, the variable nature of the new fees regime allows HEIs to encourage particular lines of learning that fit with their institutional objectives through discounting and bursaries. Thus, an institution wanting to encourage a community of theologians might choose to make their religious studies courses free. Unlike the previous fixed fee policy, the new regime gives universities freedom to shape their institutional profile according to their collective academic conscience. Where the Act fails, however, is in identifying a way in which this collective conscience might find a voice.

The emphasis of the rationalist rhetoric on accountability and benchmarking, which has been further embedded by the 2004 Act, may add to the forces behind new managerialism (see for example Deem and Brehony, 2005) that arguably silence the voice of the community. The cap on fees introduced by the Act – creating oligopolistic behaviour at best, monopsonistic at worst – also discourages diversity within the sector. Universities that seek to differentiate themselves on grounds of ethics, politics or pedagogy risk finding themselves isolated in a competitive market in which the weakest may face merger or closure.

The next phase in the development of this policy will probably be a decision on how far and how fast to raise or remove the fee cap. The ultimate success of the new Labour policy on university tuition fees may well depend on whether the next government – of whichever party – takes the ultimate evolutionary step towards a free market in higher education.

## Conclusion

Paying for universities in a period of global recession represents a challenge to countries seeking to improve their skills and knowledge base through higher education. Governments in Australia, New Zealand and the United States have looked to increase the proportion of these costs paid directly by students, using a variety of mechanisms to spread their future financial burden. This paper has examined the development of tuition fees policy in the UK and, specifically, the introduction of variable fees in the face of opposition from the Government's traditional supporters and contrary to explicit promises made in its 2001 election manifesto. The new Labour project in the UK has employed the rhetoric of rationalism to develop a vision for higher education which contains elements of the types of rationalism described by Oakeshott (1962). He argued that the rational politician will seek to pursue a vision of education which is essentially utilitarian. The notion that the beneficiaries of higher education pay for this investment in their future fits well with this rational approach to learning, but this is not the argument that new Labour have adopted to support their policy. Instead, their conversion to the deployment of variable fees appears to have been a process of evolution forced through circumstances, rather than any rational policy planning – an outcome, ironically, also foreshadowed by Oakeshott.

This paper has used Oakeshott's (1989) later work on education to challenge the prevailing neo-liberal policy drivers. The final section of the paper has sought to provide some thoughts on where these drivers might lead us and, in particular, whether uncapped tuition fees are inevitable. At the heart of the debate on fees, wherever they are employed, is the need to determine what society wants from its universities. It is only by deciding how 'rational' we want our higher education to be that policy-makers can reach conclusions about the most appropriate ways to pay for it.

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