



Bring The Focus Back Home

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Universities have lost touch with Australians, and now is the right time for the Federal Government to push through reforms, writes IPA Adjunct Fellow Sinclair Davidson.

One of the consequences of the COVID pandemic is that the Coalition Government (in office, never quite in power since 2013) has finally felt empowered to do something about Australian universities. Of course, 'doing something' in the Sir Humphrey style from the TV series *Yes Minister*:

He's suffering from Politician's Logic. Something must be done, this is something, therefore we must do it.

The determination to do something (anything) arises from a number of sources, and not just a reaction to the scarcely concealed contempt so many university administrators have for the Coalition parties. There is an alliance between two—perhaps informal—factions within the Liberal Party: those concerned about China (generally) and its alleged influence within universities



(specifically), as well as the more broadly based (generally) anti-university faction.

Much of the criticism on both counts is simply misguided, but—to be fair—there is much wrong with the Australian university system and a misdiagnosis is better than nothing. Following the somewhat haphazard revenge wreaked on universities in recent times, it seems the new Education Minister, Alan Tudge, may be arriving at a more accurate diagnosis of the system's ills, and is planning some large and important changes that address actual problems.

One of the misguided criticisms of academic staff is that they are sometimes disparaged as being incompetent idiots who could not hold down a 'real job', but they are also apparently so critical to our national security they were being infiltrated by hostile foreign powers. It is one or the other. But I am siding on the probability neither of those is quite true. I share concerns that 'foreign powers'—everybody seems to know who we are talking about—have been spying on and harassing their own citizens in Australia. If true, this is a much broader issue than just what happens on Australian campuses. First and foremost, however, this is a problem for the Australian Government (in particular, the various national security agencies) to manage. The provision of national security and safeguarding Australian sovereignty is a legitimate function of the Federal government.

The university sector had too little regard for the goodwill of Australians.

Then we hear those same foreign powers are trying to generate a positive image of their regime here in Australia. Australia does this, too. It is written into the ABC charter that one of its functions is to propagandise Australian attitudes to the outside world. Mind you, the Australian government is not honest enough to use the word 'propagandise', and the ABC is hardly the best choice for projecting a positive image of Australia.

Many eyes also have been on the recent cases involving Dr Peter Ridd and University of Queensland student Drew Pavlou, which while quite different in substance both fed into the disdain for universities. Ridd was fired from James Cook University for dissenting against the mainstream academic view that the Great Barrier Reef is endangered. Pavlou was censured by the University of Queensland for organising protests on campus. While noteworthy and important, I would point out that across the university sector few academics are fired for criticising their employer and student protests on Australian campuses are somewhat rare. My prejudice is generally against students who attend university with the intention to protest rather than learn, and so I would observe that sanctions for protesting are perhaps *too* rare. It is universally true that university management are gutless when it comes to student protests. So am I not so quick to judge Australian vice-chancellors who have taken action, at least on that score.

In those sorts of criticisms there is a lot of heat but little light. I am far more concerned with allegations that Australian universities have lost their way. That somehow, they are not living up to the expectations Australians have of higher education institutions. These allegations should be taken more seriously, and the university sector has failed to do so. I think many Australians worry that standards at Australian universities have fallen; either fallen through neglect or fallen by

having been traded away in pursuit of profit. I believe that neither of these claims is correct. But the university sector had too little regard for the goodwill of Australians and could have done much to rebut these concerns. In fairness, I too have realised this as being a huge concern for many people only in retrospect.

It is true that standards at university are lower than a generation ago, but there is no grand conspiracy for this having happened. Standards have been lowered deliberately. Furthermore, this did not happen for the purpose of attracting international students.

We, as a society, decided more young people should go to university. We, as a society, decided the ability to pay should not be a determinant of going to university. Sending more young Australians to university has been a popular and bipartisan policy for a generation.



Education Minister Alan Tudge (centre) visiting Western Sydney University's Werrington Park Corporate Centre in May 2021.

Photo: Sally Tsoutas

So, two things happened: the number of universities in Australia expanded and the Higher Education Contribution Scheme (later FEE-HELP) was introduced. This dramatically expanded the opportunity for young Australians to go to university. And they did. In droves. Let us be very clear: this is a good thing. Australia moved from having an elite university system to having an egalitarian university system. But you cannot hold 30 per cent of the population to the same standard as you would hold, say, the top five per cent. Exams became a bit easier. More allowances were made for academic ability and intellectual diversity in classrooms. Arbitrary and capricious teaching practices were boiled out of the system. Universities actually paid a bit more attention to good teaching practices.



A relentlessly one-sided critique of Australia is grounds for concern.

It is difficult to argue that Australia suffered from having made these decisions. University graduates earn a wage premium over non-graduates. Unemployment rates for graduates are lower than for non-graduates. Until COVID-19, the economy had been growing for decades. Australian living standards increased year on year. Australian universities do a good job providing Australian kids with a good education.

Now I realise this is a controversial opinion. Many people I meet claim their children or grandchildren went to university only to become 'woke' or 'commies', but I doubt the reality matches the fear or whether the alleged effects will persist. Many young people become more outspoken after they turn 18, about the same time they go to university. We could and should have a long hard look at what people are learning in school, *before* they get to university. Apparently maths is racist, for instance. Speaking of racist maths: Critical Race Theory (CRT) is a problem. Bella d'Abrera at the IPA [has done important work](#) tracing its malign influence in the national curriculum. I am not convinced banning CRT—as some US states have done in their education system—is the best path to pursue, but I am open to the idea. Certainly CRT should be excluded from preschool and primary school education. That task is for State and Federal education ministers, not universities.

Others may claim universities have too many courses in basket weaving or gender-studies or some such generally low-value activity, but it is hard to get too excited about these claims. A much bigger problem is around the 'I-Hate-Australia' courses. It is reasonable that some courses should take a critical perspective of Australian culture, history and society, but a relentlessly one-sided critique of Australia is problematic and grounds for concern. Mind you, the Federal government funds the ABC apparently for this very purpose, and there are no signs of action on that front. Like the ABC, universities often appear to be contemptuous of Australian values, culture, and society.

Another argument I hear is that too many students go to university. That some students do not benefit from going to university, and they would have been better off doing something else. This is almost certainly true. While it is easy to make that determination after the fact, I have yet to hear precisely how we would select upfront which students should become waitresses or apprentices rather than attend university—and there is nothing to stop them self-selecting out.

Then there are allegations that universities are unresponsive to the needs of business. Like many of the criticisms of universities, these complaints are a hodgepodge. Some employers complain recent graduates cannot seamlessly fit into their own organisations. Others complain writing skills are underdeveloped (to which I respond: you should see their writing when they *arrive* at university). Then employers complain they cannot get enough graduates in their particular industry. On and on it goes.

There are some common sense solutions to business complaints about the university system. The business sector could try attracting graduates with higher salaries, or perhaps initiate scholarship programs. Remember the rule: You don't pay, you don't say. Too often business complaints about

the university system are rent seeking. Business wants something for nothing.

There *is* a problem, however, with business—university collaboration around new product development and innovation—but that is seemingly too complex a problem to form the stuff of public complaints, so I will leave that topic for another day. Now I want to deal with the elephant in the room: international students.

Universities were shut off from their lucrative cashflows.

Higher education has become an export industry. I happen to think that this is a good thing. But, then, I would. The arguments for education as export, however, go well beyond self-interest. Having paying customers can never be a bad thing. Having people voluntarily buy your product is itself a sign of quality. As I said, Australian universities do a good job educating Australians. Why not also educate foreigners? Especially when those foreigners don't crowd out Australians. They pay full fees. They spend money in Australia. Everyone wins.

International education is (should that be 'was'?) astonishingly profitable for Australian universities. That money is used to cross-subsidise all manner of things, including education for Australians. Universities used the money to finance research and so climb international rankings, which in turn attracted more international students. Nice business model. But ... this is where things started going wrong. In his 2007 book, *The Myth of the Rational Voter*, American economist Bryan Caplan identified four biases that lead voters to make poor choices. Unfortunately, profitable international education triggers at least three of the four biases.

The first of these biases is anti-market bias. People feel uncomfortable with the notion of universities conducting profitable businesses. There are good reasons why universities—even private universities—are organised as non-profits, and people got the impression that universities became too focused on making money and less so on educating Australian kids. I am not convinced this is true. To the contrary, Australian kids benefitted from a market-orientated emphasis on providing international students with a better-quality experience. But Australian universities failed to tell that story.

Caplan's second bias is anti-foreign bias. Unfortunately, too many people associate fluency in English with education and intelligence. Having a large cohort of students who are less than fluent with the Queen's English has led people to believe universities are selling their qualifications for cash. Let us be honest here; many native-born Australians struggle to speak and write well too. But, universities *did* drop the ball. Short cuts were taken. Language standards were manipulated. Too many horror stories of Australian kids having to 'carry' international students who could not speak English proliferated. Mums and Dads got angry. Universities failed to sell the notion of having large cohorts of foreign students, beyond pointing to how profitable it was.

Then there is pessimism bias. We are not quite sure what those shiny-pants academics are up to, but it cannot be any good.

To summarise the story so far: Australian universities transitioned from an elite education model to a mass education model. The number of students exploded. Heaps of foreigners, too. Universities are subject to many criticisms. Some of those criticisms are valid. Many are not. Add to all of that the fact that universities have treated Coalition governments with contempt. The perception had arisen that Australian universities were out-of-touch, arrogant, and dismissive of conservatives.

In 2020, the vultures came home to roost. The government's response to COVID-19 was to shut international borders, and thereby shut off universities from their lucrative cashflows. The rivers of gold suddenly and unexpectedly evaporated. The government pounced. It reflects very poorly on the Coalition that it waited until the university sector was weakened and opportunistically took advantage of weakness before responding to decades of abuse. Universities were denied access to JobKeeper and the fee schedule was reorganised. Thousands of jobs were lost across the sector. I suspect some institutions may still fail.

We have some hard thinking before us.

Alan Tudge—the latest Coalition Minister for Education—looks very promising. In June this year he basically read the riot act to the sector at the annual Universities Australia conference. This is a sector unused to assertive Education ministers. The day of his speech, the education editor at *The Australian Financial Review* described Tudge's views as being a 'fringe' agenda. That's the voice of elite arrogance. Consider what Tudge said:

Our public universities were initially established for one purpose: to educate Australians. Let's not forget this. ... In the past several months, I have had almost every Vice-Chancellor talk to me about research and international students, but not many talk to me about their ambitions for Australian students.

Damning. Tudge also said "we will need to think differently about international students, taking into account four broad objectives":

1. Providing revenue for institutions and the economy
2. Enhancing the learning experience of Australian students
3. Ensuring that we have the workforce skills that we need
4. Strengthening our people to people linkages

All are important, not just the first.

That nice business model where universities charged full fees to foreigners which paid for research to climb up international rankings, in order to attract even more full fee-paying foreigners, lost sight of the needs of Australian students. Vice-Chancellors could not explain to the Minister how this benefited Australians and Australia. It never occurred to many of them to make the case. Every university should immediately sack their government relations people, if not their entire PR departments. The university sector will not be returning to business as usual. Well, that is what Tudge implied. Coalition Education ministers are notorious for being all talk and no action, but for



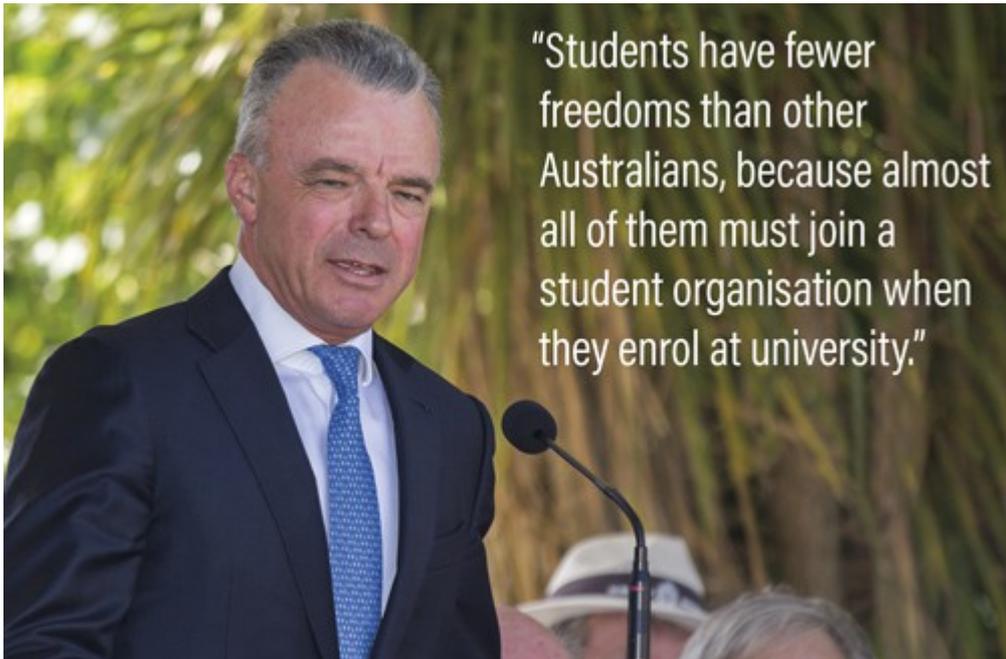
the moment I am hopeful.

This long rambling story does suggest we have some hard thinking before us. Clearly, large segments of the population are unhappy with the university system. Some of those criticisms are valid, but many are not. We do need to think what it is universities do. Many people have an industrial perspective of university—they exist to train people to get jobs. Ironically, those same people very often have a romantic view of university—a place where people discover themselves and grow as human beings. Certainly, many people hold the view there was a golden age of university education—when they were at uni—that has been lost.

Then we need to think about how much we want to pay for our university system. Then who pays? The model we had was that foreigners paid a lot of the cost of the education system. Now young Australians are going to pick up more of the tab. They also will be paying off a lot of the debt accumulated over the last 18 months.

Over the last 30 years there has been phenomenal change in the Australian higher education sector, mostly for the better. But, I agree, universities became arrogant. They lost their moorings. They lost track of the fact they exist to serve Australian society and Australian interests. They allowed perceptions of neglect to grow and fester. They were defiant in responding to criticism from the Coalition government. It is simply not a viable government relations strategy to await the election of a Labor government (as was clearly the case in 2019).

If universities are chastened remains to be seen. Coalition governments tend to be all talk and no action. So whether Alan Tudge actually carries through remains to be seen. Certainly his speech to the Universities Australia conference is the most exciting thing I have seen from an Australian Education minister since Brendan Nelson banned compulsory student unionism (only to be later reintroduced), and vetoed funding several postmodernist Australian Research Council grant applications. Nelson tended to speak softly, but had a big stick. I hope Alan Tudge—who already has spoken loudly—also has a big stick. He is going to need it if he hopes to reform the university sector.



Brendon Nelson

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This article from the [Winter 2021 edition](#) of the [IPA Review](#) is written by IPA Adjunct Fellow, Sinclair Davidson.