

LSE public conversation

Tuition Fees Assist Access: discuss

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Suggested hashtag for Twitter users: **#LSEfees**



Tuition fees assist access. Discuss

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In conversation with Martin Lewis

LSE, 11 February 2015

Tuition fees assist access. Discuss

- 1 The argument
- 2 The evidence

1 The argument

- History
 - 2006 reforms: good
 - 2012 reform: #**!!##
- Things to agree about
 - Good social science
 - Objectives of policy
 - Quality of teaching and research
 - Access
 - Size

Strategy for achieving those objectives

- Element 1: to promote quality and size universities should be financed from a mix of taxation and variable fees
- Element 2: loans to make higher education free for students (it's graduates who repay)
- Element 3: policies mostly earlier in the system to widen participation

My bottom line

- What stops people getting to university is not having good A levels or equivalent
- The policies that widen participation are those that get people to good A levels, i.e. policies earlier in the system
- The link between fees and access is that spending less taxpayer money on university students and more on students earlier in the system is much the most powerful way to widen participation

2 The evidence

- Pub economics: ‘free’ higher education widens participation
- Pub economics is wrong

2.1 Early child development matters

- Serious medical research (*Lancet*, etc.) has produced what is now incontrovertible and largely uncontested evidence that a child's first 1000 days (conception to age 2) strongly influences life chances, quality of life and life expectancy

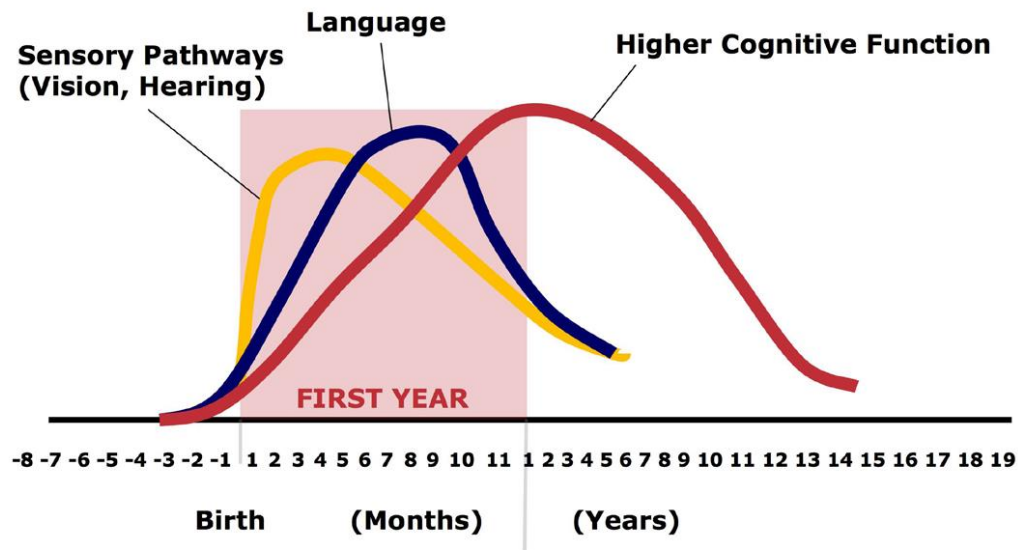
The neuroscience

http://developingchild.harvard.edu/library/briefs/inbrief_series/inbrief_the_science_of_ecd/



Center on the Developing Child
HARVARD UNIVERSITY

Human Brain Development Neural Connections for Different Functions Develop Sequentially

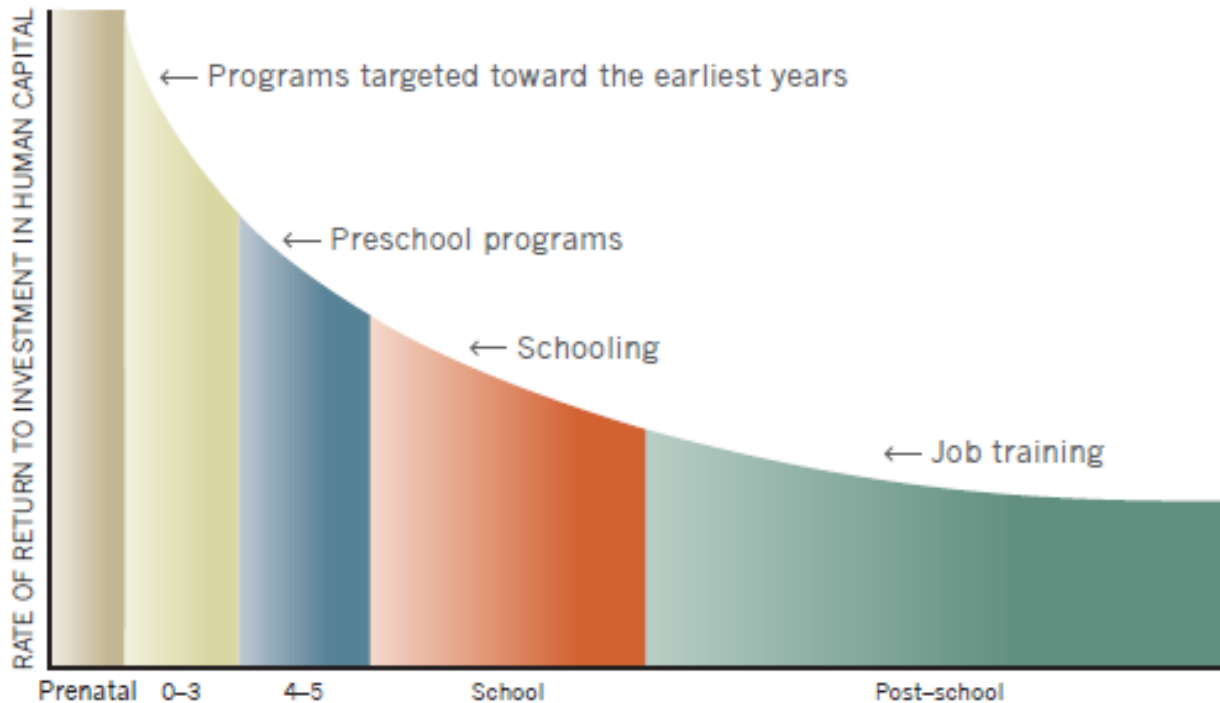


Source: C.A. Nelson (2000)

The economics

James J. Heckman (2012), Invest in early childhood development: Reduce deficits, strengthen the economy, <http://heckmanequation.org/>

Returns to a Unit Dollar Invested



James Heckman

James J. Heckman (2012), Invest in early childhood development: Reduce deficits, strengthen the economy, <http://heckmanequation.org/>

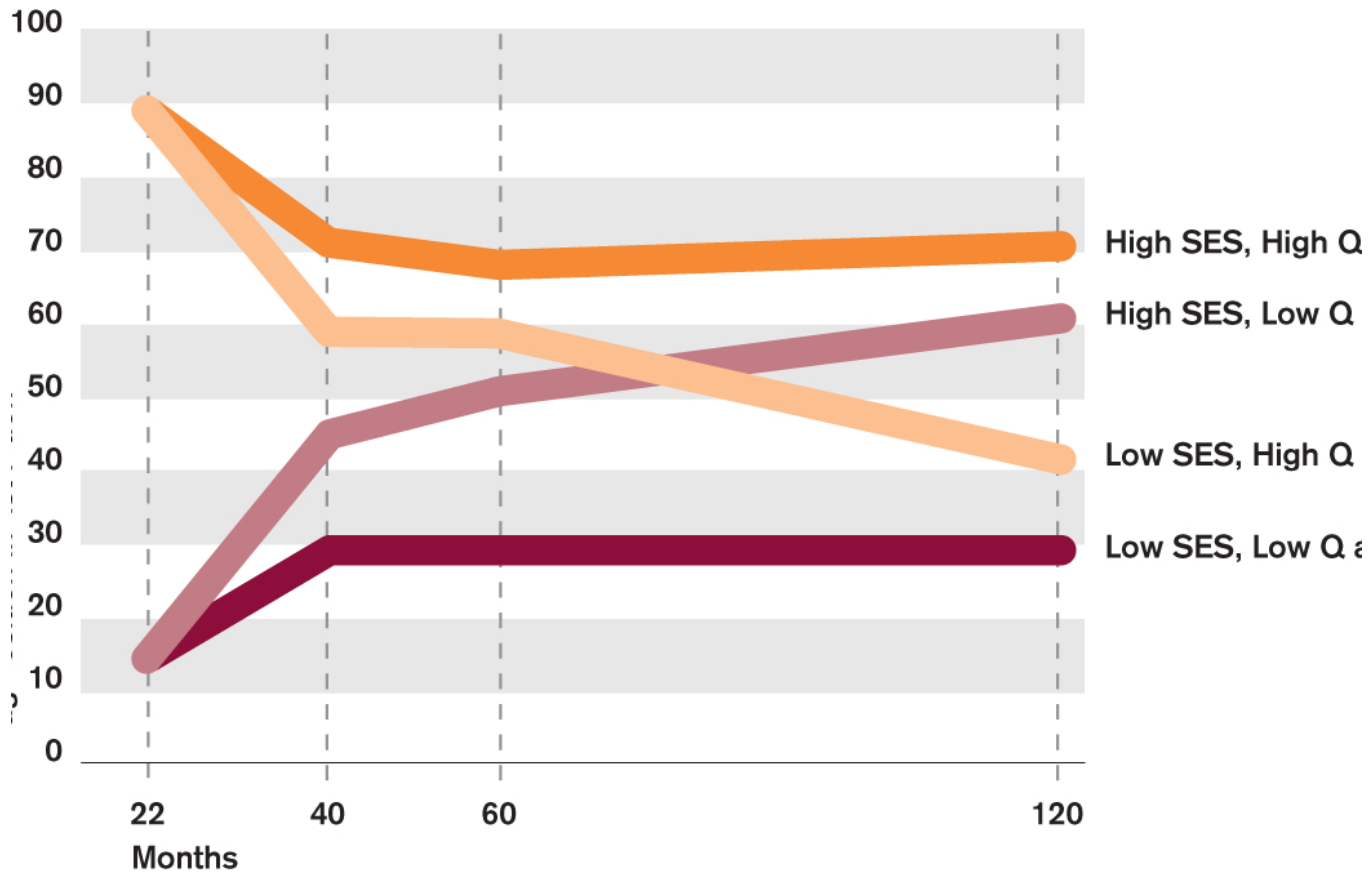
‘The highest rate of return in early childhood development comes from investing as early as possible, from birth through age five, in disadvantaged families. Starting at age three or four is too little too late, as it fails to recognise that skills beget skills in a complementary and dynamic way. Efforts should focus on the first years for the greatest efficiency and effectiveness. The best investment is in quality early childhood development from birth to five for disadvantaged children and their families.’

What does the evidence tell us

- Message from the neurological evidence:
invest early
- Message from the economic evidence:
invest early

What if nothing is done

Leon Feinstein (2003), 'Inequality in the Early Cognitive Development of British Children in the 1970 Cohort', *Economica*, 70/277: 73–98



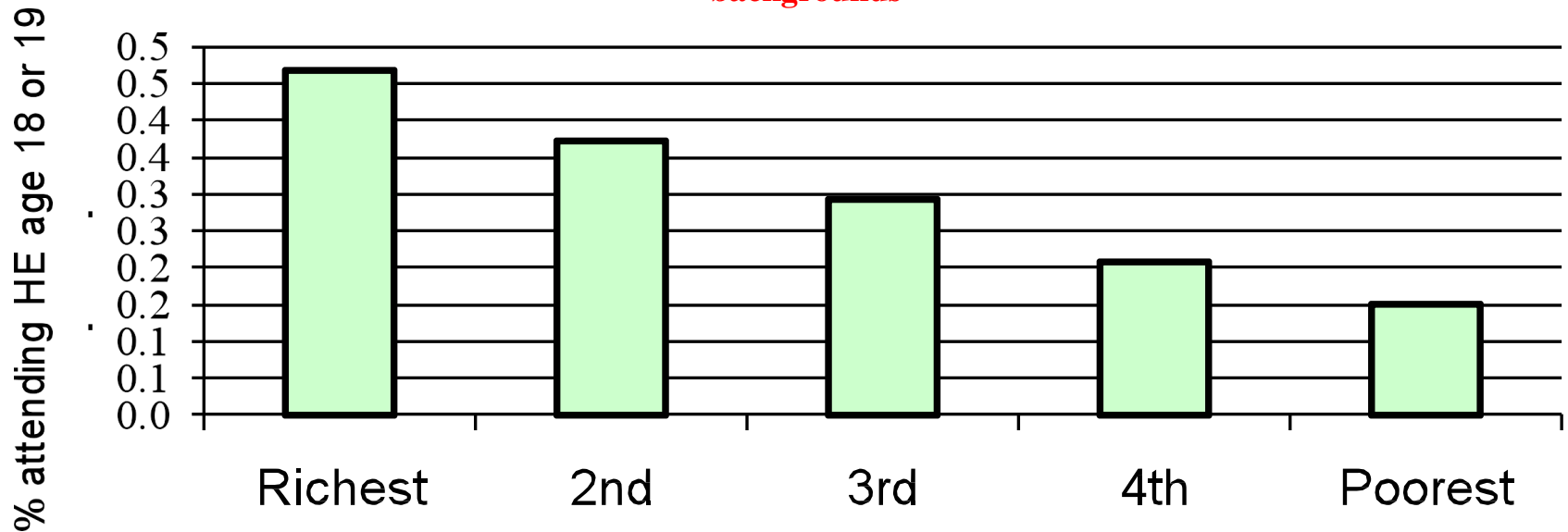
2.2 School attainment matters

- Access to university is determined mainly by what happens at school

England: Fewer poor people go to university

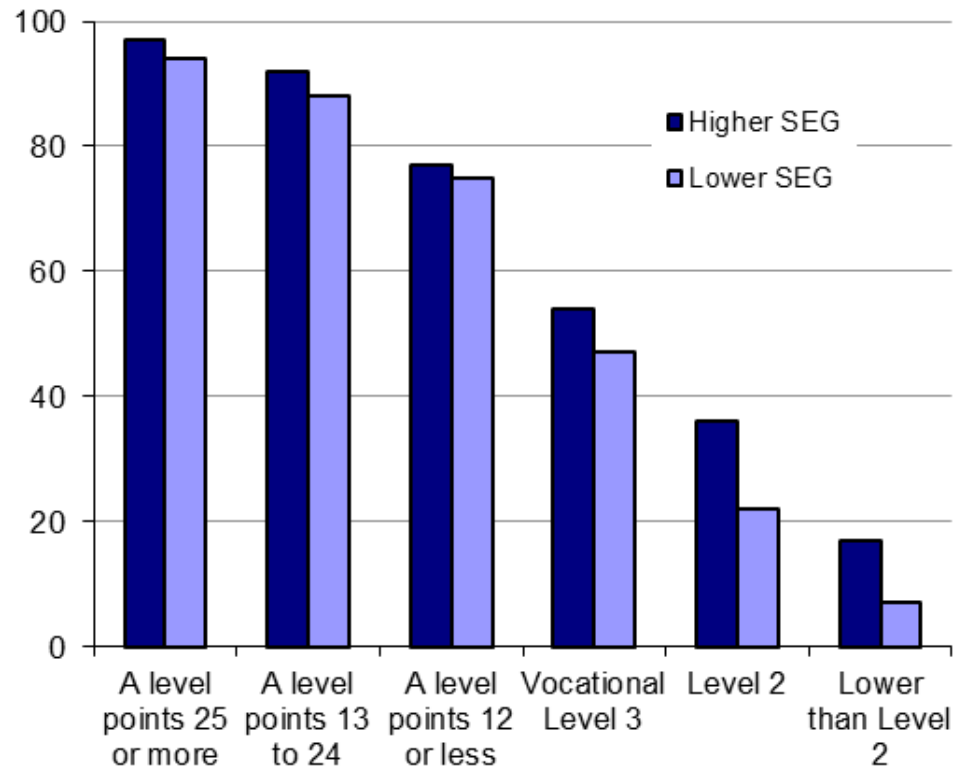
Chowdry, Haroon, Crawford, Claire, Dearden, Lorraine, Goodman, Alissa and Vignoles, Anna (2013), 'Widening participation in higher education: analysis using linked administrative data', *Journal of the Royal Statistical Society*, Series A, 176, Part 2, pp. 431–457

25% of young people from the best off backgrounds get top grades, only 3% of those from the poorest backgrounds



England: Who goes to university? It's school attainment, stupid

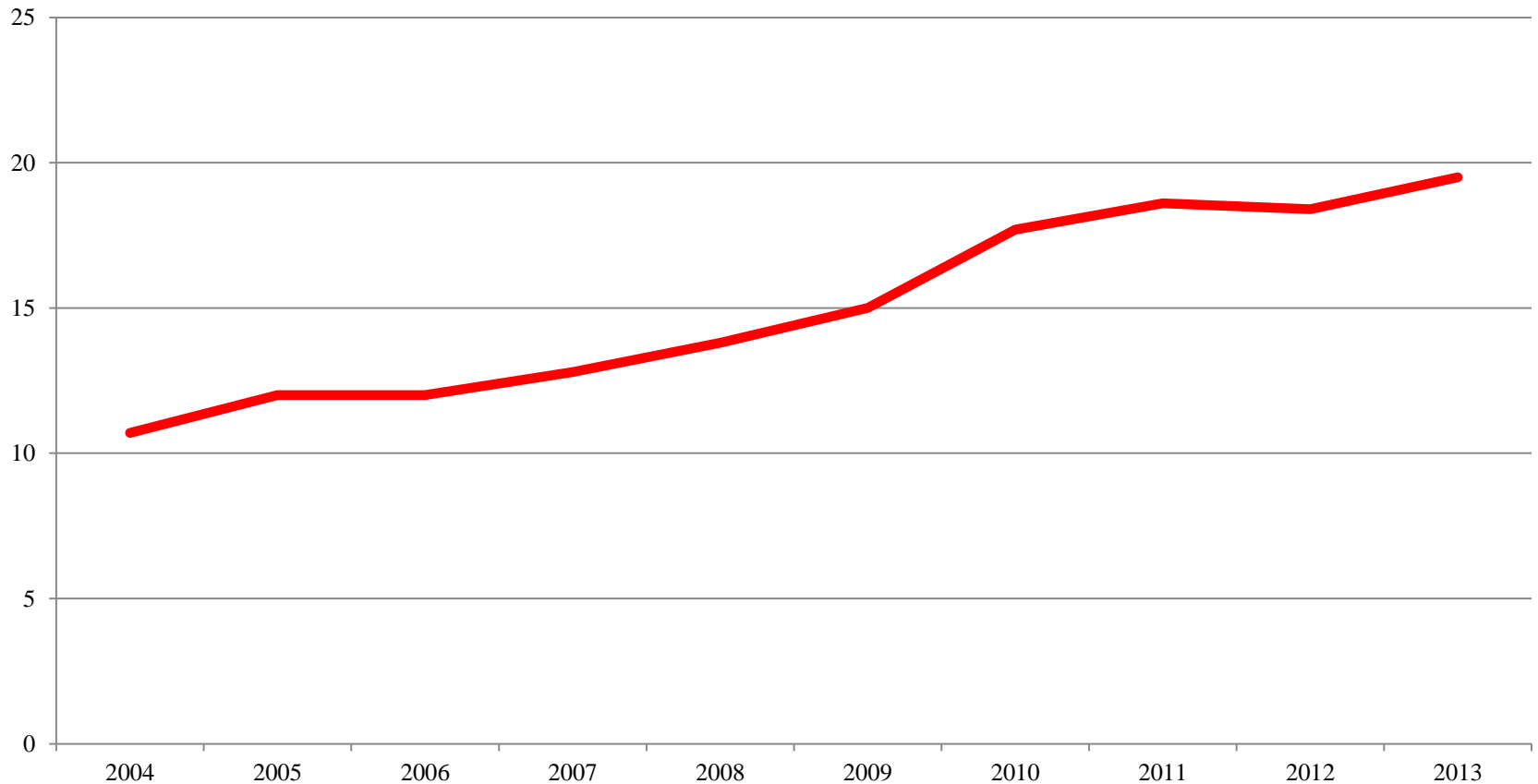
Office for National Statistics (2004), *Focus on Social Inequalities, 2004 edition*, London, Figure 2.15)



The 2006 reforms: What happened?

Application rates from people in most disadvantaged areas, 2004-2013

UCAS (2013), UK Application rates by country, sex, age and background (2013 Cycle, January deadline),
30 January 2013



For gluttons for punishment

Nicholas Barr and Neil Shephard (2010),
Towards setting student numbers free,
http://econ.lse.ac.uk/staff/nb/Barr_Setting_numbers_free_101217.pdf

Nicholas Barr (2012*a*), ‘The Higher Education White Paper: The good, the bad, the unspeakable – and the next White Paper’, *Social Policy and Administration*, Vol. 46, No. 5, October, pp. 483–508