

## The Campaign for Free Education debates New Solutions

# How to fund education

## “A realistic policy”

By New Solutions

**N**EW Solutions is a group of student movement independents campaigning for change and a solution to student hardship. It is not dictated by any faction.

Higher Education is facing cut after cut, and student hardship needs alleviating now. Sixteen years of hot air and rhetoric gave students nothing. Now we have the opportunity to lobby for solutions to the financial problems that students face.

During 17 years of Conservative government, cuts in education spending have left students suffering the consequences of ever increasing hardship, and a fall in the quality of education they receive is evident.

The last 12 months have seen the student movement debate education funding and given students a credible voice at the negotiating table.

The New Solutions principles that have helped shape the debate on education funding play a vital part in creating a fair and effective funding policy. New Solutions believes that any new method of education funding should help expand opportunity for all, provide quality education and training, end hardship and be free at the point of entry.

Any new funding system should:

- Involve increased government expenditure on education
- Be income related
- Be government run and not privately operated.

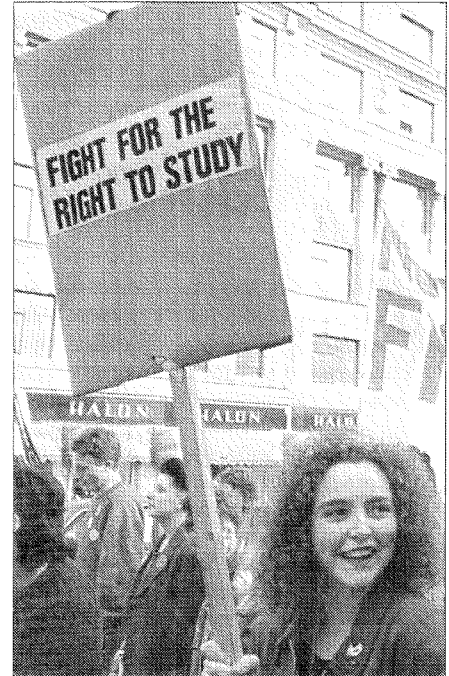
There are three main beneficiaries of Further and Higher Education: society, business and the individual. It is only when these groups contribute to the costs of education that expansion will be fully funded and quality maintained. Any future funding system must be based on such a partnership.

Progressive taxation must play an integral part in the funding of education. Students and staff in post-16 education want to see an improvement in the quality of educational experience. Further efficiency gains and an increase in public-private partnership

schemes need to be matched by increased investment in institutions.

The Business Education Tax would ensure that medium and large scale business contributed to the costs of post-16 education. The money raised would help fund Further Education and part-time students (in both HE and FE). The revenue gained from an education business tax can be used to educate and train the next generation of employees.

The New Solutions group are firmly opposed to top-up fees, or indeed any student paying any kind of fees at all. Top-up fees, tuition fees and the privatisation of the student loans company must be stopped, as they would create a multi-tier elitist education system. In order to create an education system that is open for all, we must relieve student hardship and ensure institutions have the funding to guarantee students a high quality education.



## Realistic for whom?

By Rosie Woods\*

**G**OOD! New Solutions are against students paying tuition fees, for increased government spending on education, for progressive taxation, and for taxing profits more.

So they're for free education — education as a right, education accessible to all? Oh no! They told us a year ago that to demand a living grant for students was “revolutionary and unrealistic.” They claim that the March 1996 National Union of Students conference decision to abandon grants and support student loans instead ended “sixteen years of hot air and rhetoric”, and gave “students a credible voice at the negotiating table.”

The credibility of the policy among impoverished and debt-burdened students seems not to matter to New Solutions. And, far from leading to “negotiations” about taxing the rich to spend more on education, New Solutions’ policy victory has opened the door for university

bosses to press for students to pay tuition fees. Once the principle is conceded that education is an “investment” for which students should pay, then they will be pressed to pay more and more.

And, whatever New Solutions say about *opposing the privatisation of student loans*, the loans will be run by the banks (with government guarantees). If it is “unrealistic” for the government to provide money for grants, it will be equally “unrealistic” for them to provide up-front cash for loans.

The basic argument of New Solutions is that each of three “groups” must contribute to the costs of education, “society, business and the individual.” How can “society” or “business” exist as “groups” separate from “individuals”? This is a round-about way of saying that students from working-class families should pay for education by having to take out loans to live on. Education

## INSIDE THE UNIONS



## Bureaucrats against Blair?

**A**S Tony Blair and his Christian Democrat centrist group prepare for an open break with the unions, there are signs that even the TUC leadership has finally woken up to what's going on. It takes a lot to make John Monks angry, but the Blairites' calculated "hijacking" of this year's TUC conference provoked an unprecedented public rebuke from the mild-mannered General Secretary.

Behind the scenes, the union bureaucracy is incandescent with rage against the bossy middle-class clique who are (for the moment) only too happy to take the unions' money and repay them with a regular kick in the balls.

Until very recently, for instance, Alan Johnson was the only signed-up Blairite to lead a union. Even he now appears to be thoroughly alienated. As well as telling the Great Leader to keep his nose out of the postal dispute, Johnson (together with sidekick Tony Young) has signed the 'Keep the Link' statement. At the Labour Party NEC Johnson had the temerity to suggest that the Great Leader was excessively keen on even the most unpopular aspects of the Tories' union legislation. The Great Helmsman did not deign to reply.

Ken Jackson of the AEEU is another alienated right-winger. Until recently his union was unique in positively supporting a break

between the Party and the unions. After the TUC, that policy was abruptly reversed and Jackson went public against Blair. Not, perhaps, very democratic, but then we are talking about the AEEU.

The most interesting case-study is John Edmonds of the GMB. Edmonds can legitimately claim to be a bit of an intellectual, and was coming out with heretical stuff about "disengagement" between the unions and Labour long before Peter Mandelson created Tony Blair. At the Labour Party conference Edmonds made a speech that openly sneered at the Helmsman's sucking up to the CBI. The GMB was the only big union delegation to back Red Barbara's pensions rebellion.

At a fringe meeting, in front of TV cameras, Edmonds described Gordon Brown's training policies as "a load of old bollocks." He has signed the 'Keep the Link' statement.

Rodney "£4.26 per hour" Bickerstaffe and Bill "I'm prepared to die for the union link" Morris both declined to sign the statement. Their reasons were identical: "Everyone knows where I stand, and to sign a statement would look like a sign of weakness." These two firebrands, coincidentally, both came up with a further brilliant argument: "Give them [the Blairites] enough rope, and they'll

hang themselves", which presumably means don't do anything to rock the boat before the General Election.

Given that Bickerstaffe is privately predicting that a Blair government will provoke an early showdown with the public sector unions in order to prove his anti-union credentials, this reasoning is clearly just too subtle for simple intellectuals like ours to appreciate.

Asked to account for the different approaches of Edmonds (on the one hand) and Bickerstaffe and Morris (on the other), one 'Keep the Link' campaigner said simply, "he (Edmonds) is brighter, isn't he?"

Perhaps the most telling evidence of a change in the bureaucrats' approach to the Labour Party is the reaction to threats from the Great Leader's minions of a witchhunt against Jeremy Corbyn (over that Gerry Adams business). Corbyn received just five pledges of support from MPs: Skinner, Simpson, Livingstone, Benn, and that inveterate right-wing democrat Tam Dalyell. He did, however, get a public hug from John Monks and unsolicited pledges of full support to him personally and the Campaign Group as a whole from Morris and Bickerstaffe.

It looks like the old cart-horse might just hitch up with the left.

*By Sleeper*

should be debated — so the right-wing argument implies — into a "good investment", its value to be measured by increased pay rather than enlarged awareness.

Research by the National Union of Students in the 1980s showed conclusively that "negative attitudes to loans have adversely affected working-class and low-income participation in further and higher education."

Those students from working-class families who do go to university will end their courses with tens of thousands of pounds of debts, to be repaid from incomes which for many of them will be no more than average. They strive to minimise debt by doing part-time work alongside their studies. This leads to underachievement and undermines the wages and conditions of other workers.

New Solutions say they want expanded education, just the same as the left does. The difference is not that New Solutions have found some special cheap way to provide expanded education, but that they say it is "realistic" for students to pay, and "unrealistic" for the state to pay.

Excuse me! In September the government announced that it would spend at least £15 billion, probably more, in the coming years, on the new Eurofighter plane. Did New Solutions say that was "unrealistic"?

The Tories have given the rich tax cuts totalling £10 billion a year. We've not heard New Solutions condemning this as "revolutionary" and "unaffordable."

Just 500 people in this country own £71 billion between them, yielding at least £3 billion a year in interest and dividends. Is that "realistic"?

The basic arithmetic is as follows. At least £30 billion a year is taken in interest and dividends by the rich, another £30 billion in over-the-top salaries, £70 billion in profits, and over £20 billion in military spending. To provide for free education and the rebuilding of the Welfare State a government based on the labour movement would have to take about £40 billion of that £150 billion. Revolutionary, perhaps, but not unrealistic.

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