

## Abandoning universities now would be an act of callous ...

Published: January 16, 2026, 3:15 am

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The FT [notes this morning](#) that:

*The Treasury is resisting calls for a £2bn bailout of UK universities, insisting that they should not be treated differently from other hard-pressed industries, raising fears of bankruptcies in the higher education sector.*

*The Treasury's opposition to a sector-specific bailout for universities, which was confirmed by officials from three Whitehall departments, comes despite increasing warnings that some universities face crippling losses because of the Covid-19 crisis.*

They add:

*Its resistance has caused division in Whitehall as well as objections from senior figures in the university sector. They warn that a bailout is essential to protecting the national research base that will play a key role in the post-Covid recovery phase.*

To give this some context:

*Universities have asked for a doubling of this year's research funding in order to plug an immediate £790m shortfall this year and the forthcoming hit to their budgets caused by the expected collapse of the international student market, which is worth £6.9bn annually in the UK.*

The callousness of those resisting support is breathtaking.

First, universities are not like other businesses. They're not, actually, businesses at all. It's only a neoliberal fetish with the corporate form that has ever suggested that they are, and that they should be revenue maximising, income-generating assets funded by off-balance-sheet loans provided by the government as a sham to pretend that the sector does not have public sector cost when in fact it very obviously does. That sham is what has now failed.

The reality is that universities were for a very long time, and for decades during the

post war consensus era, a critical part of the education system which the grant and subsidised tuition system intended should be open to all for the benefit of society at large.

There was limited competition between universities, of course. And there was an undoubted hierarchy, based in no small part on snobbery. There still is. But there was also substantial cooperation. The universities were part of the education system. They were not competing enterprises.

And now we have reached the point where the pretence that they are akin to companies, competing in a market place, is going to blight lives. That is because markets are, of course, premised on the idea that those in them must be able to fail. Only the fittest survive. So be it, the exponents say. That way only the best get access to capital.

But that ignores the cost of failure. In particular it ignores the blighted lives of those who suddenly find the course they were offered, and into which they have invested much, will no longer be there. What sort of justice is that?

And it ignores the blighted towns and cities who lose these institutions and all the spin offs that come from them, including for some the vital chance to study near home, because not every student is 18, or willing and even able to leave their family or home town to study.

But worst, it treats accessible education as expendable. Those making the decision probably know that they and their like will always get access. What do they care? For others that is simply not true.

Treat this issue then as being one where an elite - call them The Treasury if you like, for that is what they have always thought themselves to be - wish to reinforce their status by eliminating universities, and those that go to them and teach there, that they think unworthy of the title. The zombies will be gone, they will claim.

And maybe there are a few universities that are in the margins. Although, let me stress, they are not the ones most people will first think of. There are universities with strong finances that fail students right across the spectrum. But finance is now all that matters.

And students, staff, towns, cities and whole futures are to apparently be abandoned in pursuit of the idea of the education market that never existed. And that is callous.

I stress, I am not saying that all courses at all universities need survive forever. I think sensible, co-ordinated and cooperative consolidation over time might make much sense. But I stress all the conditions I note.

And I am not saying that all the admin burden in universities need survive either,

because much of it is the result of the cost of the supposed market structure that the sector is forced to use.

To put it another way, enforced cooperative reform in a system stripped of its faux autonomy and removed from the pretence of competition would be a valuable condition of any university bailout.

But to abandon the sector to its fate? That would just be callous and unforgivable irresponsibility that people would not forget.