



The All-Party Parliamentary  
**University Group**

# Universities and the European Referendum

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Comparison essays

All-Party Parliamentary University Group

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## Introduction

At the end of October 2015 with speculation on the Prime Minister's deal in Europe beginning to increase, the All-Party Parliamentary University Group met to discuss the then proposed European Referendum, looking specifically at how the higher education sector could be affected by the deal and a potential 'Brexit'.

The discussion focused around arguments both in favour of remaining and of leaving the EU, when the sector should join the debate and there were comparisons made of the historic 1975 referendum and the more recent Scottish referendum.

Attendees at the meeting warned about the RAB cost to the UK from EU students who did not pay back their student loans. And others responded to this by quoting a recent study which had shown that UK graduates living overseas were more likely to be non-payers (being lost to the system) than EU students who return home after studying here.

Others noted that what had been missing in the wider debate so far, but also including within higher education, was that the referendum would be decided on emotional narrative and not by facts and figures. It was suggested that those people regarded as opinion formers should engage their workforce and disseminate their message to the broadest group of people. Attendees noted that the swing in the 1975 referendum was the success in setting out a bigger picture rather than arguing over complicated details.

It was felt that universities should think about their communities, inspire debate and provide information to their students and staff. Universities should ensure students are registered to vote and make the importance clear to those who may never have voted before. There were many calls for nonpartisan information to be easily available for the public.

Following the meeting and with the date of the referendum now set for 23 June 2016, the officers of the group felt that it would be useful to set out a remain and a leave argument in the form of short essays. They wished to present these to all members of the University APPG and to the wider interest public in order to help inform the debate.

## “Brexit and Universities” Bernard Jenkin MP

Our Universities are one of the UK’s greatest success stories. They are beacons of world-class research and teaching in both the sciences, arts and humanities. They attract students and academics from around the world. In 2011-2012, our universities contributed £73 billion to the UK economy.<sup>1</sup> They employ over 300,000 people in direct jobs.<sup>2</sup>

The QS World University Rankings puts four British universities in the top ten. Ten are in the top fifty, more than any country except the US. Throughout the whole of the rest of the EU, only two make it into the top fifty. London alone has twice as many.<sup>3</sup>

UK universities excelled before we first joined the EEC in 1973, and have continued to do so since. The possibility of leaving the EU should raise no concerns, but vice chancellors are entitled to seek reassurance from those who advocate that the UK should vote to leave the EU. Will they enjoy the same access to research funding which comes from the EU budget, the same international collaboration with other EU universities and research programmes, and the same ease of recruitment of academic staff and students from other EU member states?

First, what does “leaving the EU” mean? It does not mean leaving “Europe”. Leaving the EU would do no more than shift the UK’s relationship with our EU partners back to a more conventional, international basis. It does not mean an end to voluntary cooperation, only to enforced coordination. We would exit the present centralising process of legal and constitutional integration. We would leave the single institutional structure and single body of EU law, made by qualified majority voting and adjudicated by the EU Court of Justice.

Instead, the UK would take back control over its own laws, and quite substantial taxpayer funds. We would enjoy bilateral friendship, free trade and political cooperation with the EU and non-EU states more equally. We would gain influence, by recovering our own autonomous seat on many international organisations such as on the World Trade Organisation. As former M&S CEO Lord Rose, now head of the Britain Stronger in Europe campaign, has said:

“Nothing is going to happen if we come out of Europe, for the first five years. There will be absolutely no change...It’s not going to be a step change or somebody’s going to turn the

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<sup>1</sup> Universities UK.

<http://www.universitiesuk.ac.uk/highereducation/Pages/EconomicImpactRelease2014.aspx#.Vq857dWLSUk>

<sup>2</sup> Ibid.

<sup>3</sup> QS World University Rankings <http://www.topuniversities.com/university-rankings/world-university-rankings/2015#sorting=rank+region=+country=+faculty=+stars=false+search=>

lights out and we're all suddenly going to find that we can't go to France, it's going to be gentle process".<sup>4</sup>

How is this so? The government would pass an Act of Parliament to disapply the EU treaties to the UK, and to 'nationalise the *acquis communautaire*'. This means incorporating all the present legal obligations imposed by the EU into UK statute. This provides for continuity, but from then on under the control of the UK Parliament and courts. It would be foolish for the UK government or our EU partners to force through any dramatic changes to our laws or practical relationships, or to tear up long standing arrangements, say, for universities. Nobody advocates such destructive behaviour.

The fundamentals of our Higher Education sector are strong. Our universities are well placed to thrive and strengthen whether the UK is in or outside the EU. In fact, we should do better.

It is widely accepted that a post-Brexit UK would continue with tariff-free trade with our European partners. A post-Brexit UK would also be no less able to participate in multi-lateral scientific or other research programmes with our EU partners, given the strength of our higher education sector. Non-EU states already participate in such programmes.

Nor should there be any concern about UK universities losing research funding. The receipt of EU funding certainly makes Universities keen clients of the EU. Five of the top ten recipients of EU grants to universities between 2007 and 2013 were British and UK universities have benefitted from grants totalling around £730 million a year in this period. Even though EU funding is a small part of our universities' budgets (around 2.6% of overall funding and about 7.4% of research funding) this is significant, but must be seen in the wider context.<sup>5</sup>

Total science and research funding in the UK has remained a UK priority despite the austerity programme. The government is spending £5.8 billion on this in 2015/16.<sup>6</sup> However, EU membership requires us to contribute a total of some £20 billion per year to the EU budget. EU funding for university research was just 3.7 per cent of the UK's contribution. The UK made a net contribution of £9.9 billion to the EU last year.<sup>7</sup> That goes to supporting the spending programmes of other relatively wealthy EU states. So if we leave the EU, the UK government could continue to fund all the UK programmes currently funded by the EU and still we would get a spare cash of £9.9 billion per year to spend. This

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<sup>4</sup> Vote Leave. [http://www.voteleavetakecontrol.org/vote\\_leave\\_s\\_monthly\\_big\\_picture\\_update\\_november](http://www.voteleavetakecontrol.org/vote_leave_s_monthly_big_picture_update_november)

<sup>5</sup> Higher Education Statistics Agency <https://www.hesa.ac.uk/pr213>

<sup>6</sup> BIS [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/278326/bis-14-p200-science-and-research-budget-allocations-for-2015-to-2016.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/278326/bis-14-p200-science-and-research-budget-allocations-for-2015-to-2016.pdf)

<sup>7</sup> ONS Pink Book <http://www.ons.gov.uk/ons/rel/bop/united-kingdom-balance-of-payments/2015/index.html>

would give us an opportunity to spend money on our own funding priorities, like developing new smart industry opportunities, and research in universities.

Given all that spare cash every year, and given the need to boost spending on science research, no government in its right mind would use Brexit as a pretext to cut money going to UK universities. For vice chancellors to argue (as they all do) that universities would lose grants if we left the EU is the kind of fear-mongering this debate can do without. Which political party would threaten to do this? Not one of them.

Nor is there any reason to believe that UK universities would be cut off from all EU research funding if we did leave. You do not need to be an EU university to receive EU funds. Horizon 2020, the EU current research programme, allows bids from 'Associated Countries', such as Iceland, Norway, Israel, Turkey and many Balkan states<sup>8</sup> and 'Industrialised and Emerging Countries' including Russia, China, Brazil, India and Mexico.<sup>9</sup>

It is the UK knowledge base of our universities that makes the UK so attractive for EU research funds. Alison Wolf, the Sir Roy Griffiths professor of public sector management at King's College London, says that there are "all sorts of good reasons for staying in the EU – but preserving university teaching and university research money cannot be one of the most important ones".<sup>10</sup>

UK universities would also continue to collaborate with EU universities. Individual researchers, research groups and institutions share research and ideas all the time with colleagues both within and outside the EU. Nobody could stop this, even if they wanted to, which they won't. The most celebrated pan-European collaborative research project is CERN, based in Switzerland and founded in 1954, two years before the EU. Brexit would encourage universities to look more at global as well as European collaboration, though of course this is already the case.

The only likely change would be to UK participation in the Erasmus programme. Given the attraction of UK participation to so many other EU states, they would want the UK to be able to negotiate to remain involved so that both British and European students could continue to benefit from co-operation. This already occurs with a number of existing non-EU countries.

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<sup>8</sup> European Commission.

[http://ec.europa.eu/research/participants/data/ref/h2020/grants\\_manual/hi/3cpart/h2020-hi-list-ac\\_en.pdf](http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/3cpart/h2020-hi-list-ac_en.pdf)

<sup>9</sup> European Commission.

[http://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/Factsheet\\_international\\_participation.pdf](http://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/Factsheet_international_participation.pdf)

<sup>10</sup> Times Higher Education. <https://www.timeshighereducation.com/features/brexit-the-perks-and-pitfalls-for-higher-education>

EUREKA is another EU programme, for ‘facilitating the co-ordination of national funding on innovation aiming to boost the productivity & competitiveness of European industries.’<sup>11</sup> Its network includes Israel, South Korea, and Canada, so it would be likely to extend to the UK post Brexit.<sup>12</sup>

We could however make better use of UK government money. Sir André Geim, Nobel Prize winner and academic at the University of Manchester, spoke for many when he criticised the framework programmes during his Nobel Prize lecture: “I can offer no nice words for the EU framework programmes which, except for the European Research Council, can be praised only by Europhobes for discrediting the whole idea of an effectively working Europe”.<sup>13</sup> So leaving these arrangements could present much better alternatives.

Perhaps the biggest fears for universities from Brexit are about access for EU students to British universities, but we are entitled to demand evidence on which they base such fears. BREXIT could even advantage our universities. EU students currently make up a relatively small proportion of undergraduates at British universities, in 2014/2015: UK 84.6%, EU 5.2%, Non-EU: 10.2%.<sup>14</sup> The difference between EU and non-EU students is even wider at postgraduate level, where in 2014 there were 34,875 full-time international graduate students from the EU at British universities and 141,235 from outside the EU. Under current EU rules, European students are treated the same for fee purposes as British students. Undergraduates are also eligible for UK taxpayer funded student loans. EU students were £38 million in arrears in 2014.<sup>15</sup> In 2012 the Treasury had already lost £20 million in unpaid loans and the situation is now even worse. The Treasury may one day make universities pay the cost of these losses.

Of even greater concern, however, is that by charging EU students ‘home’ fees, we are asking universities in effect to subsidise the education of relatively wealthy European students, at the expense of not just poor people from our own country, but from the poorest countries, whose students are expected to pay the full fees. It is an almost unspoken rule that graduate and international fees subsidise the cost of home and EU undergraduates. Oxford and Cambridge estimate that it costs them around £16,000 a year to educate an undergraduate,<sup>16</sup> which means that they are subsidising around £7,000 per

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<sup>11</sup> European Commission. [http://ec.europa.eu/research/industrial\\_technologies/support-to-innovation\\_en.html](http://ec.europa.eu/research/industrial_technologies/support-to-innovation_en.html)

<sup>12</sup> EUREKA. <http://www.eurekanetwork.org/content/canada-and-israel-launch-joint-eureka-call-joint-projects>

<sup>13</sup> Times Higher Education. <https://www.timeshighereducation.com/features/brexit-the-perks-and-pitfalls-for-higher-education>

<sup>14</sup> Higher Education Statistics Agency [https://www.hesa.ac.uk/dox/pressOffice/sfr224/061046\\_student\\_sfr224\\_1415\\_table\\_1.xlsx](https://www.hesa.ac.uk/dox/pressOffice/sfr224/061046_student_sfr224_1415_table_1.xlsx)

<sup>15</sup> Telegraph. <http://www.telegraph.co.uk/education/universityeducation/10920523/EU-students-fail-to-repay-record-40m-in-university-loans.html>

<sup>16</sup> Independent. <http://www.independent.co.uk/student/news/we-need-tuition-fees-of-up-to-16000-says-oxford-vice-chancellor-professor-andrew-hamilton-8867323.html>

annum for each 'home' student, a group which currently includes EU students.

International fees, including ironically students from the Isle of Man and the Channel Islands, are usually between two and three times as much as 'Home' fees and membership of the EU precludes us from charging these students international rates. Many of these EU students, especially at Russell Group Universities, come from elite schools on the continent and would be well able to afford international fees.

Were we to leave the EU, therefore, our universities would benefit from the rise in fees on EU students. This extra income could be used for research, to employ more teaching staff, to provide more equal access for poorer British undergraduates or those from the poorest countries, or to provide much needed financial support for both undergraduate and postgraduate students. And of course, with all visa and immigration policy back under UK legal control, UK governments would be accountable.

The final fear concerns the ease of employing European staff under the present EU free movement provisions. Restrictions on free movement could also restrict employment opportunities for British researchers in the EU, but the main concern for British universities should be to ensure that the best people get UK academic jobs no matter where they are from. This is not the case under the current system. While we remain in the EU, UK immigration policy must discriminate in favour of EU citizens and against non-EU citizens. This makes it easy for a university to employ a Hungarian, or an Austrian but hard to employ someone from, say, the US. But compare where the major scientific research is taking place. The UK should have easier access to the best scientific minds from the US. There is no level playing field in academic jobs. The 31,000 non-EU PhD students in British universities are at a disadvantage when applying for post-doctoral jobs than the 11,000 EU students in the same position.<sup>17</sup> Most international students, wherever they are from, return after completing their degree to get a university position or job in industry in their home country, but some of the best wish to stay behind to benefit the UK and the British economy.

Instead, this frustrates excellence in research that vice chancellors are calling for. BREXIT would help UK universities compete with our true international rivals, the big US universities, the Commonwealth, and the emerging universities of Asia. It is worth noting that the UK's universities have been opening campuses in Asia and the Middle East, not Europe, since this is where you see the best growth and potential

World-class research and research should know no land borders, only frontiers of knowledge yet to be breached. EU membership costs the UK money which would be better

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<sup>17</sup> Higher Education Statistics Agency

[https://www.hesa.ac.uk/dox/pressOffice/sfr224/061046\\_student\\_sfr224\\_1415\\_table\\_1.xlsx](https://www.hesa.ac.uk/dox/pressOffice/sfr224/061046_student_sfr224_1415_table_1.xlsx)

spent on UK universities, and encourages the UK government to cut the UK off from global talent. Few if any benefits of EU membership would be closed to us if the UK votes to leave. UK universities will be no less attractive, probably more so.

Leaving the EU is not to leave Europe. Nor will our universities lose Europe by embracing the world. Our brilliant universities will grow all the stronger.

## **“Universities and the European Union” Professor Dame Julia Goodfellow**

The UK’s membership of the European Union is of direct relevance to the success of our universities. The European Union makes our outstanding universities even stronger which in turn benefits the British people. The EU enhances university research and teaching, contributing to economic growth, employable graduates and cutting edge research discoveries. As major employers and intellectual stakeholders in our own right, universities have both the right and a responsibility to be a voice in this crucial debate.

Universities large and small, across the country agree: a Brexit would mean cutting ourselves out of the established networks and unique support that the EU provides, and risks undermining our status as a world-leader in science and the arts. For this reason, throughout the referendum debate, university leaders will, through evidence, stories, events and debates, be highlighting how the EU makes our outstanding universities even stronger, which ultimately improves people’s lives.

Let me be clear, to recognise the benefits of EU membership does not exclude wanting to push for reform to make it work better. This is why Universities UK has invested such a significant amount of time in lobbying to build alliances across Europe and to secure policy reform in areas from Horizon 2020 funding, to data protection and copyright. We play a leadership role in science and research that we can be proud of: actively making the case for policy reform to strengthen the role of innovation, science and universities within a successful modern Europe. This is something we should be embracing, and building on, not relinquishing in favour of a peripheral position, with less to recommend us as a partner.

I want to give a little more detail on three fundamental reasons why EU membership matters to universities.

### ***The EU supports researchers to achieve more together than they could do alone***

First and foremost, EU membership plays a crucial role in supporting and facilitating excellent research which improves people’s lives. The UK does disproportionately well in securing EU research funding, securing 15.5% of the funding allocated under the last programme (FP7). Of all 28 Member States, only the Netherlands receives a higher proportion of funding relative to GDP and population size. UK universities do particularly well out of this, and EU research income makes up a growing proportion of university research income in this country.

But the [contribution of the EU to UK universities](#) is not about the money, nor is university support for the EU motivated by a self-serving desire to protect our income streams. The reason that EU support is so unique, and irreplaceable at national level, is that it is collaborative. It brings together top minds from across Europe and beyond to tackle global challenges which require global solutions. Working together, [European researchers can pool their knowledge, infrastructure and resources to achieve more together than they could do alone](#).

The **FORECEE** project, coordinated by UCL and involving 14 partners from across Europe, including, the Karolinska Institute, the Stockholm-based medical university; Erasmus MC, a group of Rotterdam-based experts on medical decision-making; and the University of Cambridge is a good example.

The four year project will aim to develop a test that can look at any woman's epigenome to determine her risk of developing breast, cervical, endometrial or ovarian cancer. In the words of the project coordinator, Martin Widschwendter, quoted recently in the Times Higher, 'these sorts of scale projects [are] only really feasible if top institutions across Europe join up, as there are so many specialties that you have to involve'. In this project, the Karolinska Institute has a *unique* resource: a collection of unused cells from 500,000 cervical smear samples taken from women in Sweden undergoing tests from 2011 onwards. Some of our strongest partnerships are in Europe. At least 60 per cent of the UK's internationally co-authored papers are written with partners from other EU countries, and the total number of co-authored research papers written with partners in our top five EU partner countries is greater than the number produced with the US, Australia and China combined.

This is facilitated in large part by the EU. By providing a single framework for collaboration, the EU reduces the bureaucracy associated with bringing together players from different countries, all with their own rules and regulations to comply with. In the words of one respondent to a UK Government Review into the Balance of Competences on Research and Development, EU research *'offers a substantial simplification: institutions do not need to negotiate and re-negotiate the terms of collaborations every single time, as they do with other funding sources*.

However, it is misleading to suggest there is a choice between Europe and the rest of the world. UK universities' global success depends on sharing knowledge within the EU, as well as internationally. Our membership of the EU helps UK universities to fund and facilitate global collaborations as well as European ones: between 2007 and 2013, EU projects involved partners from over 170 countries. Such initiatives increase our profile, visibility and influence worldwide.

To those who say we could survive on our own, I would agree. Our universities are world-class in their own right and do not need the EU to survive. But we must recognise that fundamental to our success as universities, and as a nation famed for its science and innovation, is our international outlook. Why then would we choose to isolate ourselves at a time of growing interdependence and risk putting our sector at disadvantage at a time of growing international competition? Without the EU, our research would be less connected, more fragmented and arguably less relevant on the world stage.

To assume, as some Eurosceptics do, that we could negotiate access to EU programmes from outside the European Union is a very dangerous game to play. We have no idea whether, and on what terms, the UK could negotiate access to EU research programmes outside the EU. A major European power leaving the EU is unprecedented, and continued participation in EU programmes would require approval from all 27 remaining Member States. Given that the UK currently wins about 10% of EU research funding, the idea that our European partners would stand for this is unconvincing.

Even if the UK could negotiate some access, we would move from playing an influential, leadership role in European science and research to picking up scraps from the side-lines, constrained by rules and regulations over which we have had no say, while paying into the EU budget on a bilateral basis. The example of Switzerland, a non-EU member state that did participate in EU programmes until a vote on freedom of movement stalled negotiations, is an instructive one for the UK. In order to benefit from EU support, you have to play by the EU's rules and even the status of an 'Associate Country' is a fragile one. Switzerland's suspension from EU programmes has left a world-leading science sector unable to lead an EU project or access ERC funding, hurting the Swiss science as a result.

***The EU enhances university's positive contribution to local economy and attractiveness as a destination for talent***

It is important to understand however, that the EU isn't solely good for researchers. Universities are important contributors to the UK economy, contributing over £73 billion – or 2.8% of all GDP – annually. This contribution is supported and enhanced by the EU. First and foremost, EU research itself is an engine for growth: the long-term impact of FP7 is estimated at 900,000 additional jobs and a growth of GDP of nearly 1% across Europe. [With EU support, UK universities help turn ideas and research discoveries into new companies, products and services](#). For example, the University of Ulster's Nanotechnology and Integrated Bioengineering Centre, which received £1.6m of European Regional Development Funding in 1996, has now generated 25 patents and three high-value spin-out companies in medical sensors and electro-stimulation devices. Together these companies are valued at almost £100m with over 150 skilled employees and produce medical innovations which have a global impact on health costs and people's lives.

With EU support, UK universities also foster entrepreneurship and employability both on and off campus. Plymouth University is a partner in the EU 'Unlocking Potential' programme which has been supporting people to develop and businesses to grow for over ten years. So far it has helped to create over 1300 graduate level jobs in over 800 businesses through skills training, placements and a dedicated recruitment platform.

Finally, and perhaps most importantly, our membership of the EU makes the UK a more attractive destination for global talent, which contributes to productivity and generates jobs. 15% of all the academic staff at UK universities are from elsewhere in the EU. Among them are some of the most talented and productive researchers working in the UK. More than half of the UK-based recipients of the prestigious European Research Council 'Consolidator grants' were European non-British. Russian-born Professor Sir Konstantin Novosolev came to the University of Manchester through an EU project, where he was later to co-discover the 'miracle material' Graphene. It is now estimated that Graphene's share of the global market will be more than £250m by 2024.

5% of students at UK universities also come from the rest of the EU, making a profound contribution to the UK economy, as well as intellectual life at UK universities and the student experience. In 2012-13 alone, EU students at UK universities spent £2.27 billion and generated £19 billion for the UK economy. Many will also go on to leadership positions in their home countries, with a positive knock-on effect for UK business and diplomatic relationships.

Some will argue that European students and researchers will still come to the UK even if we are not in the EU. This is a careless, risky assumption to make. Leaving the EU and putting up barriers to work and study makes it more likely that European students and researchers will choose to go elsewhere – strengthening our competitors and weakening the UK's universities.

### ***The EU provides global opportunities for British students, staff and researchers***

To conclude, I would like to emphasise that the EU doesn't just attract bright and talented people to come to the UK – it provides opportunities for British people to widen their horizons, enhance their opportunities and increase their understanding of other peoples and cultures. Perhaps that is why 70% of full-time students in higher education said they would vote for Britain to remain in the EU in a referendum, according to a national survey of 1,000 students by the Higher Education Policy Institute (HEPI) and YouthSight Monitor.

Over 200,000 UK students and 20,000 UK university staff have spent time abroad through the Erasmus exchange programme, enhancing their employability in the process. Students

who have pursued an Erasmus work or study placement have been shown to be 50% less likely to experience long-term unemployment, and more likely to start their own business. The Erasmus programme is the single largest source of funding for UK students hoping to study or work abroad. It is a UK Government priority to increase the number of UK students gaining international experience because it equips them with the knowledge and skills they, and the UK, need to succeed. We are competing in a global knowledge economy and the UK needs individuals who are adaptable, mobile and who understand how to interact with people from all over the world.

Over 3, 500 researchers have also been supported by the EU to hone their skills abroad, boosting the profile of UK research. This matters because international connections and collaboration are crucial for excellent research. Mobile researchers have been shown to be more productive than their counterparts who stayed at home.

Beyond economic considerations, connections between people enhance international understanding and contribute to prosperity and stability. Perhaps the greatest achievement of the European Union and one too often forgotten is its role in ensuring peace in Europe for the longest continuous period in the region's history.

## ***Conclusion***

Our universities are about the future of this country, and the future of this country will be shaped by the result of this referendum. That is why Universities UK, and our members, are standing up and speaking out on this most important of issues.

The choice we face on referendum day, is whether we can better support future UK graduates and provide better benefits for society inside or outside the European Union; whether we want to embrace or turn away from our leadership role in Europe; whether universities can maximise their positive contribution to society at the heart or at the margins of the world's single largest bloc of knowledge.