

# Covid-19 pandemic and the economics of higher education



**M**ONEY can't buy knowledge, but the knowledge industry of the modern world, centred in our universities, runs on money. Universities worldwide are money-strapped now. The pandemic has done them in. I used to believe that economics leans more toward ethics than money, so the connection between education and money is marginal. I was coaxed into such an assumption having read the lecture delivered by professor Amartya Sen at the University of British Columbia, Canada, when the university celebrated the 40th anniversary of its Interdisciplinary Graduate Programmes in 2011. Professor Sen claims that one of the founders of modern economics, Adam Smith, was a professor of moral philosophy at the University of Glasgow. Professor Smith ventured into economics with his profound philosophical knowledge to establish the connection between economics and ethics. Professor Sen seems deeply influenced by the work of Adam Smith, and I'm somewhat influenced by professor Sen. As the pandemic hit education hard, ironically, I found Anthon Chekhov more influential than professor Sen when he wrote, "Money, like vodka, does strange things to a man."

Money does strange things to a woman, too! The president of Brown University, USA, professor Christina Paxton, wrote an essay, "College Campuses Must Reopen in the Fall. Here's How We Do It," in the *New York Times* in April 2020, in which she claims, "The reopening of college and university campuses in the fall should be a national priority." While professor Paxton sounded like a philistine to public health officials, faculty, staff, and students, who cared about health and safety, she had her followers. Some universities in the US before and after professor Paxton's article have flip-flopped between opening-again and closing-again as the cases of the coronavirus spiked in the campuses. But the tenor of her argument in the essay prioritised money, for she repeatedly reminded her readers of the importance of universities in the US economy, revenue generation, and employment. She was brazenly honest about the basic business model for most universities, which depend on tuition due twice a year at the beginning of

each semester. Remaining closed for a semester means losing as much as half of the revenue. So, she wanted universities re-opened and revenue regained immediately.

Fortunately for Bangladesh, the economics of higher education seems determined by leaders, who are compassionate. For example, *The Daily Star*, the premier English newspaper in Bangladesh, organised a webinar on July 11, 2020, to discuss the barriers to transition from classroom to online teaching because of the pandemic. Two students and six academic leaders participated in that webinar. They identified some of the pitfalls to online education such as inadequate physical and intellectual infrastructures, students' inability to afford devices for online classes, poor technology proficiency and Internet connectivity, students' anxieties, the digital divide between well-off and not-so-well-off students, and the absence of hands-on training. Surprisingly, none of the academic leaders seemed concerned about the economic costs of not opening the universities. Public and private universities are based on different economic models in Bangladesh, as elsewhere perhaps. Private universities are self-sponsored, while the public universities are sponsored mostly by the government. Public university professionals are hardly affected by the economics of higher education in Bangladesh as such.

While private universities are accused of commodifying education in Bangladesh—and they stand guilty to some extent on that front—professor Atiqul Islam, the Vice-Chancellor of North South University, the premier private university in Bangladesh, averred in the webinar that no one's education should be stopped because of the pandemic and that private universities shouldn't pressurise students over tuition fees and enrolment. His suggestions for remedial measures (tuition reduction, fee waiver, and scholarships offering) didn't smack of money. He proposed that small private universities that might not survive without enrolling students during the upcoming semester should consider mergers to help students pursue their studies smoothly. These recommendations have ethics and empathy embedded. The economics of higher education speaks a different language here thanks to the pandemic. Saving students' lives first to educate them later in-person is the new business model for higher education.

Paul Krugman, a Nobel Laureate in Economics, calls professor Islam's stance, and the stances of that are similar to his, the

"economics of not dying" in his essay "On the Economics of Not Dying" in the *New York Times* in May 2020. Professor Krugman argues that generating incomes for improving the quality of life is not the economy's ultimate purpose. What makes the major contribution to the quality of life is not dying, he contends. Until the pandemic, people hardly realised that universities are more vulnerable to death than humans. Fee revenues have fallen sharply; endowments and donations have shrunk; research funding has close to disappeared

are lower priorities these days, for universities are investing in deluxe dormitory rooms, elaborate student centres, and expensive gyms. In order for that to happen, universities have taken on staggering amounts of debt to expand their physical plant. The economic viability of so many universities is determined by what happens out of the classroom. Now that the universities are physically closed and the social side of the universities is altogether missing, spiralling tuition and other fees that far outpaced the rate of inflation have stopped

seem to have evolved further along that line by adding more bullshit jobs. Why do universities need coaches, local and global advisors, brand ambassadors, ranking consultants, legal advisors, public relations bureaucrats, and equity fund managers? These sharks gut the coffers of universities built by faculty. Where are they now, when the universities they've leached face an existential threat? The pandemic exposes that universities serve people who can't serve universities, because they're nimrods. They've skewed the economics of universities to mire them in what Graeber calls "managerial feudalism."

So, faculty governance in universities erodes and administrative bloat increases. Universities gradually shift away from teaching, research, and community service into extraction and embezzlement. Greed, insensitivity, and cruelty underpin the economics of universities. In Bangladesh—as elsewhere, private universities are more vulnerable to these vagaries than the public ones. Besides a handful of faculty (fortunately I fall in that bracket!), most private universities in Bangladesh have laid off and furloughed faculty and staff along with reducing salary and withholding benefits to weather the pandemic. Because the pandemic has upended the economics of the universities, where would the money come from to sustain the faculty and staff at full throttle? Some universities ask this wrong question to justify their economic mismanagement. The right question is: Where did the money go?

I would like to conclude with a personal note. I enrolled at a public university in Bangladesh in the mid-90s to pursue a Bachelor's and a Master's in English literature. I paid Tk 120 (USD 1.42) as tuition for a year. At the end of the year, I was informed that I was awarded a merit scholarship for three years from the board I was affiliated with. The university refunded my tuition along with a stipend every year. When I recall these days, an infinite sense of gratitude overcomes me. I feel indebted and patriotic. I wonder what my feeling would be like if I had to pay Tk 10,00,000 (USD 11,795) for my Bachelor's and the same amount for my Master's.

Economics critically determines ethics, emotion, and civic engagement of the students universities serve. The pandemic urges us to revamp all three.

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(with some exceptions in biological sciences); and room and board income for residential universities have all diminished. Almost all universities around the globe are in a financial fiasco. And because most courses last 4 years, a fall-off in applications during one year has lasting effects on income for the years ahead. Some universities that were already in a chronic economic crisis will not survive the slump caused by the pandemic. Before they perish, though, they will expose the "foundation of wilful ignorance" about the economics of higher education, as professor Krugman implies.

Professors Richard Arum and Josipa Roksa added further arguments to the economics of higher education in their essay "Your So-Called Education" in 2011 in the *New York Times*. They claim that academic investments

rolling in. Universities are in a disarray. If the pandemic lingers, the crisis will exacerbate. As a consequence, some universities will crumble, not because they've exhausted their utilities, but because they were built on a flawed economic model.

Fixing such a flawed model of economics in modern universities warrants considering the complex ecosystems that besiege universities these days. Anthropologist David Graeber deplores the "bullshitisation of real jobs" in universities in *Bullshit Jobs*. From 1985 to 2005, Graeber notes—from Benjamin Ginsberg's *The Fall of the Faculty*—students and faculty populations at American universities increased by 50 percent, while administration increased by 85 percent, and the number of administrative staff increased by 240 percent. Since 2005, universities around the globe

## No place for an ordinary man!



**T**HE photo of Md Fazlur Rahman has been making rounds across social media. At first glance, it may appear that he is a mentally challenged person, but a close inspection will prove otherwise. His heart-wrenching words echo his miseries.

"They took away my rickshaw! How on earth will I now pay the instalment of Tk 80,000? How will I survive?"

"What do you intend to do?"

"What can I do? Hang myself, I guess."

The coronavirus pandemic has left thousands without any means to earn a living and Fazlur is one of them. Perhaps Fazlur has a family—a father, a mother, a wife and a child. Now that he has no work, no earning, where will they stay, what will they eat? How will he sustain himself and his family?

Fazlur had borrowed Tk 80,000 to purchase a battery-operated rickshaw, to toil under the scorching heat in order to make some money to feed his family. Maybe that day they were waiting expectantly for him to return with some food to quell the pangs of hunger. Fazlur could not relieve them of that painful wait. Officials from the Dhaka South City Corporation (DSCC) snatched his rickshaw away from him near Jigatala as such rickshaws have been banned in the capital. Earlier, the city corporations had warned of such crackdowns on battery-operated rickshaws. Unfortunately, Fazlur was either not aware of the ban or too desperate to take heed.

A lowly rickshaw puller defying the order of the city corporation! How dare he?

So they had to forcefully confiscate his rickshaw. Perhaps it had been smashed to pieces. Who cares about a few miserable folks—a hungry child, mother... Who has the time for such things when you have to clean up the city, make it modern? The law must be enforced, and for that, they have to start somewhere. Otherwise how will they show that they are doing their job?

So men like Fazlur Rahman invariably make it to the list of "things that must be done". His

instalment is worth a measly Tk 80,000. In terms of per capital income, Fazlur Rahman's income would be Tk 180,000. If his instalment was worth Tk 80 lakh, or Tk 80 crore, or Tk 800 crore, then perhaps it would have been worthy of consideration.

There is no accurate data regarding the number of rickshaws, including the battery-operated ones, in the capital. Not even the officials who impounded Fazlur's rickshaw know the number. Instead, what they have are connections with those who make and sell the rickshaws.

Meanwhile "human haulers" drive freely around Dhaka, but unlike rickshaws, no one keeps account of the number of such vehicles plying the streets. They are driven by underage drivers who possess no licences, neither do they have the road permits to operate on the routes they use. Simply put, human haulers are illegal. They stay on the streets by paying bribes of at least Tk 700 on a daily basis. The question inevitably arises: If the authorities can ban and confiscate rickshaws, then why not human haulers? The city corporation officials may say that human haulers are not under their control, but that is not the actual case.

The reality is that owners of human haulers are not like the helpless indebted Fazlur. They are in fact political leaders and law enforcement officials. As a result, they try to justify their operations saying, "How else will people commute?" Moreover, people like Fazlur cannot afford to pay bribes worth Tk 700 every day.

Most of the public buses on our roads which are in a dilapidated state lack fitness certificates, road permits and licenses. On the other hand, many such buses and trucks do have the documents—their owners are worth Tk 80 crore or Tk 800 crore. When people like Fazlur are there to suffer, why would bus owners face any hardships? Bus owners have borrowed crores from the banks, and if their transport is confiscated, then the banks will go bankrupt!

Buses occupy large portions of the roads, turning them into "terminals". And they justify this by saying that the vehicles need to be parked at some place and that the transport is for the public's benefit. Thus, legality does not seem to matter here. The problem only lies

with Fazlur's illegal rickshaw.

It's not hard to spot what is legal and what is illegal. By acquiring trade licenses from city corporations, hundreds of commercial schools, colleges and universities have been set up in residential areas. Such an act is not legal under our law, yet the city corporations have granted them the licenses. Will these institutions now be demolished? Most likely not, because it involves the future of education and the economy of the country.

At one time there used to be nearly 56 canals in Dhaka; now there are 26. The remaining canals were filled and used to construct multi-storied buildings. And those influential quarters worth Tk 80 crore or Tk 800 crore are the ones responsible for eating up these canals. None of these wrongdoings are unknown to the city corporations. Will we ever get back those canals? Will the illegal structures ever be demolished? Of course not! Because millions will be lost. As long as we pay no heed to the likes of Fazlur, it will be business as usual for all.

The day Fazlur lost his rickshaw, perhaps a hundred more were launched in the capital, even though launching new rickshaws is not allowed, it is happening daily. Someone has assured that Fazlur would get a new rickshaw. Fazlur got his smile back. But how long will he be able to operate that rickshaw on these streets? Without connections with the right parties or people or the syndicate that dictates which rickshaws must be taken off the streets, it is hard to keep a rickshaw's ownership.

Golam Mortoza is a journalist at *The Daily Star*. This article has been translated from Bangla by Minam Haq.



A distraught Fazlur Rahman after his rickshaw got confiscated. It was his only source of income.

PHOTO: PROTHOM ALO

### ON THIS DAY IN HISTORY



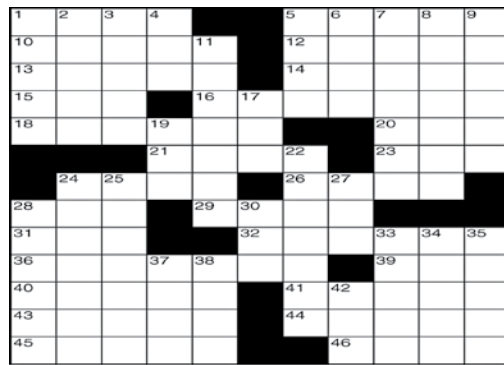
OCTOBER 9, 2004  
First Afghan presidential elections

On this day in 2004, for the first time in Afghanistan's history, voters went to the polls to choose a president, selecting Hamid Karzai, who had served as the interim president after the fall of the Taliban regime in 2001.

### CROSSWORD BY THOMAS JOSEPH

- |                            |                       |                                  |
|----------------------------|-----------------------|----------------------------------|
| <b>ACROSS</b>              | 32 Toy-filled target  | 9 Trick-taking game              |
| 1 Large truck              | 36 Tom Hanks movie    | 11 Hopes                         |
| 5 Huge hit                 | 40 Macaroni shape     | 17 Clay, later                   |
| 10 Nurse Barton            | 41 Wear away          | 19 Animation frame               |
| 12 Therefore               | 43 Gladden            | 22 Like Prometheus               |
| 13 Tricks                  | 44 Sofa's kin         | 24 Flower part                   |
| 14 Extreme                 | 45 Does kitchen work  | 25 Reception feature             |
| 15 Major fuss              | 46 Stiff drink        | 27 Road-house                    |
| 16 Black leopard           |                       | 28 Tender of nursery rhyme sheep |
| 18 Schoolbag item          |                       | 30 USN rank                      |
| 20 Put away                |                       | 33 Higher than                   |
| 21 Burden of The Animals   |                       | 34 Kind of pool                  |
| 23 Apt. ad abbr.           | <b>DOWN</b>           | 35 Deal maker                    |
| 24 Porter of song          | 1 Throw away          | 37 Carry                         |
| 26 Sound from an angry cat | 2 Steer clear of      | 38 Has debts                     |
| 28 Jazz style              | 3 Wall worker         | 42 Vault part                    |
| 29 Checkout act            | 4 Hot blood           |                                  |
| 31 Smelter supply          | 5 Eschew              |                                  |
|                            | 6 Turn to liquid      |                                  |
|                            | 7 Flower parts        |                                  |
|                            | 8 Horror movie sounds |                                  |

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### YESTERDAY'S ANSWERS

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A G E S H U T T L E  
D I D P E N I D A  
A L A B A M A O I L  
R E C U R O N E S  
S W I G C A C T U S  
P O O L T R A U M A  
A N N E S T R E A M

### BETLE BAILEY



### BY MORT WALKER

### BABY BLUES



### BY KIRKMAN & SCOTT