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Inequalities in higher education are one of the forces of rising inequality

What is the role of economic resources in determining opportunities in academic education and research, freedom in the positive sense? This was the focus of the University of Cape Town TB Davie Memorial lecture presented by Professor Ravi Kanbur. As a professor at Cornell University in the United States Kanbur researches and teaches in development economics, public economics and economic theory. He is also a former chief economist for Africa at the World Bank.

In his lecture, Kanbur made three broad propositions, firstly economic inequality causes academic inequality, which in turn sustains economic inequality; economic inequality curtails positive freedom and positive academic freedom; and that to enhance positive academic freedom, policy should target general economic inequality as much as specific academic inequality.

"Inequality is not rising everywhere nor in the world as a whole. But there is, indeed, a sense in which we are living in an age of rising inequality," he said.

There is widespread evidence that educational achievement in terms of level and quality is correlated with the economic resources of a student's household and the effect of wealth inequality is accompanied by inequalities across gender and ethnicity.

The inequalities in education, and in higher education specifically, reflect economic inequality but also propagate it. "This is particularly so in this era of labour saving technical change, where the rates of return to each additional year of education have increased dramatically, and more so at higher levels of education," he argued.

"While inequality of years of schooling has been declining overall as basic education enrollment has increased, inequalities persist at higher levels of education and furthermore the rate of return to additional years of schooling has become more unequal. The overall effect is that inequalities in higher education are one of the forces making for rising inequality."

These forces are counteracted in some parts of the world by redistribution of different types, but not in others. But the fundamental forces of displacing basic labour in favor of educated labour and capital, are strong and strengthening. Academic inequality is thus part and parcel of economic inequality, as cause and consequence. According to Kanbur these fundamental

forces of capital accumulation and technical change are also making for rising inequality and the varying inequality trends globally can be explained by policy.

"If household economic resources determine access to and performance in the academic sector, and public resources devoted to the academic sector also determine access to and performance within the academic sector, which should be targeted if the objective is to equalize academic opportunity and thus enhance academic freedom and equality of academic freedom? Direct policies towards academic inequality are an obvious answer. But I wish to argue that general policies towards economic inequality are an important complement, and in some cases can be even more powerful," he shared.

Returning to his second proposition that economic inequality curtails positive freedom and positive academic freedom, Kanbur used the following example to explain the difference between negative and positive freedom: "neither poor nor rich are forbidden from begging—they have negative freedom. But only one of them has the positive freedom to beg or to not beg. A similar distinction can be drawn in the realm of markets. On the one hand a free market could be argued to enhance negative freedom if an individual is not prevented from purchasing commodities on the market. But whether the individual in question can actually purchase from that market depends on whether the price can be afforded. Economic resources are a key determinant of positive freedom, no matter the provisions for negative freedom."

Kanbur emphasised that it is difficult to have a clear measure of positive freedom as the current outcomes such as actual school enrolment, actual health outcomes etc do not consider the opportunities available to individuals even if they have the same educational outcomes.

No individual's circumstance group (race, gender etc) should be denied equal access to the average income (or education or other element of wellbeing) in the society as a whole. To the extent that the average of a group is below the overall average it could be argued that there is curtailment of freedom in the negative sense. But equally, lack of access to income curtails positive freedoms as it reduces choices available to the individual.

Kanbur ended by sharing that, "since the underlying economic forces of our time are geared towards rising inequality, policy has to be targeted purposively to addressing and countering these forces to enhance positive freedom, including academic freedom in the positive sense."

[Read Professor Ravi Kanbur's full text](#)

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