

THE DAVID HUME INSTITUTE



THE PRICE OF IGNORANCE

The Hume Lecture 1995  
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Sir Stewart Sutherland

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**Sir Stewart Sutherland** is Principal and Vice-Chancellor of the University of Edinburgh.

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## FOREWORD

It was a particularly happy conjunction that Sir Stewart Sutherland's Hume Lecture in 1995 should fall at a time when The David Hume Institute was completing and celebrating the first decade of its existence. David Hume's ghost may have smiled wryly at the thought of a philosopher of religion who is also the Principal and Vice-Chancellor of the University which famously (or perhaps infamously) denied Hume a place amongst its professoriat giving a lecture under the auspices of his name, but he would surely have approved of that lecture's theme, namely the future of higher education in the United Kingdom. It is a theme to which the Institute has given some attention over its first decade, publishing models for the financing of students which now appear to command widespread support apart from the Government of the day, and also putting forward new models of university governance to take higher education away from the centralist and statist tendencies so often evident today.

Sir Stewart's wide experience makes him especially well placed to comment upon the current state of play in higher education and to offer insights as to possible future directions. His splendidly delivered lecture before a large and appreciative audience in the New Senate Hall of the University of Edinburgh can now be made available to a wider audience in our Occasional Paper series, and The David Hume Institute is delighted to be the means of doing so. It detracts nothing from that pleasure to say, as always in our publications, that the views expressed are those of the author alone, the Institute holding no collective opinion upon the issues raised.

*Hector L MacQueen and Brian G M Main  
Directors of The David Hume Institute  
February 1996*

## THE PRICE OF IGNORANCE

The President of a very distinguished private American University was challenged about fee levels by the father of one of his students:

How come knowledge is so expensive?

His razor-sharp response had the required effect:

If you think knowledge is expensive, try ignorance.

This is the context for the title of my lecture. Inevitably, since these are my professional preoccupations, I shall refer, for the most part, explicitly to Higher Education. However, the arguments can be transferred, *mutatis mutandis*, to all sectors of education, formal and informal. The challenge to those involved in education is often thought to be, 'How can you justify the large current expenditure on education?', but rather should be, 'What is the price which we should have to pay for ignorance?'

Mr Chairman, friends and colleagues, before continuing with my theme, may I first record the honour of the invitation to deliver this year's **David Hume Institute Lecture**, not least because it falls on the celebration of your tenth anniversary.

For someone whose academic training is philosophical to stand in this way in the long shadow of David Hume brings its own delights. However, these delights are tempered by anxieties, for it was Hume who wrote,

Whereas mistakes in religion are dangerous, those in philosophy are merely ridiculous.

It is nonetheless a comfort as well as a deflation to recognise that if mistakes are to be made in tonight's lecture they will be 'ridiculous' rather than 'dangerous'.

The lecture will be in two parts. The first which is much the more narrowly based, will be sub-titled **The Flag of Finance**, for in that section I shall invite you briefly to march under that flag. In the second section I shall broaden the discussion significantly to include comment on the nature and purposes of education and the nature of



'knowledge'. In it I shall try to breathe life into what some may regard as the phantoms of philosophy, and hence reflect that in the sub-title: **Poetry, Philosophy and some Phantoms Revived.**

### **The Flag of Finance.**

I was first made brutally aware of the price of knowledge over twenty years ago when I was a visiting Professor in the USA. At the end of my very first lecture on the first day of my first quarter, a large Texan student came up to me, jabbed me vigorously in the chest with one of his substantial digits and informed me:

Dis better be good. My ol' man's payin' four thousand bucks a year for dis.

I think that I can say in all fairness that the quality of my lectures outclassed the quality of his philosophical essays! However, he had a point. Not even education, or knowledge, is a free good.

The most recent **Statistical Bulletin** published by the Scottish Higher Education Funding Council<sup>1</sup> records the following student numbers in Scottish Higher Education Institutions:

	<b>Under-graduate</b>	<b>Post-graduate</b>	<b>Total</b>	<b>Continuing Education</b>	<b>Total (1993-4)</b>
<b>Scotland</b>	133,832	22,935	157,767	132,426	289,193
<b>Edinburgh</b>	12,524	3,207	15,731	24,767	40,498

By any standard these numbers are high and represent a significant expenditure of public funds. The age-participation rate in Scotland (which has always been higher than England) is currently around 37%. To illustrate the growth which this implies, consider the following figures representing in the age-participation rate in United Kingdom Higher Education:

<b>1945</b>	<b>1960</b>	<b>1970</b>	<b>1990</b>	<b>1995</b>
3%	7%	14%	25%	33%

We are now a mass Higher Education system. The percentage of those commencing studies in University or College is lower than in

both the USA and some of our European competitors, but the high rate of success means that the percentage of the population who now graduate is as high, for example, as in the USA. Basically we still admit fewer students *pro rata* to population, but our success/completion rate is much higher implying greater value for money. Nonetheless the cost is high - as therefore is the price of knowledge.

In fact in 1993-4 the United Kingdom public sector contribution to the costs of Scottish Higher Education Institutions was £793m. [This includes Block Grants, Fees, Research Council Awards, and Public Sector based contracts for research and consultancy].

A recent study by Professor I H McNicoll of Strathclyde University<sup>2</sup> gives, however, a rather different perspective on this. As a result of the activities of the Scottish HEIs the public sector revenues received by the 'Exchequer' (both nationally and locally) is a staggering £672m. That is to say, the public purse invests in Scottish Higher Education £793m and receives back £672m or 84.7% of the total. [Approximately £580m of the return to the public purse is in the form of personal tax, expenditure tax and employer and employee National Insurance contributions.]

Now the conclusions to be drawn from this will doubtlessly be hotly disputed and of course comparable arguments can be adduced in the analysis of many other forms of public expenditure. What is not disputable, however, is that it would be wrong to identify the cost of Higher Education in Scotland ('knowledge') as £793m. Equally important is the fact that the 'investment' in Higher Education which is essentially to produce high quality graduates and a strong research base in Scotland, achieves those objectives and simultaneously produces a return to the Exchequer. This return is based on two different types, both of which are included - but not exclusively so - within the figures which I have quoted from Professor McNicoll's study. The first type of return is in the form of taxes and other levies arising out of what is a series of successful businesses. The second form of return, to which I shall now direct your attention is in terms of the impact on local and national economies of the presence of Universities in their midst.



The interim summary is that although the price of 'knowledge' is high, the actual cost in exchequer terms may well be significantly lower than the published figures seem to suggest.

My topic, however, is not 'the price of knowledge' but 'the price of ignorance'. What would be the price to be paid if we did not pay 'the price of knowledge'.

The study by Professor McNicoll, to which I have already referred, demonstrates one very clear and substantial local price to be paid in terms of what economists call 'the multiplier effect', whether measured in terms of local spend, or in terms of jobs created. Let me summarise in bullet points some key conclusions, each of which gives an answer to one aspect of the question of the cost of ignorance - that aspect which relates to a fairly minimal interpretation of the question: what if there were no Universities in Scotland? The figures which I shall quote again relate to the year 1993-4.

- ◆ In 1993-4 the Higher Education Sector in Scotland spent £1.1bn on Scottish goods and services [equivalent to 2.4% of the total Scottish GDP].
- ◆ The HEIs in Scotland employed over 30,000 people and by the multiplier process over 37,000 **additional** jobs were created.
- ◆ The output multiplier for Scottish HEIs was 1.79. That is to say, for every £100 of output by HEIs themselves, an additional £79 of output was generated in other Scottish businesses and industries.

The cost of ignorance defined in these narrow (indeed over-narrow) terms would have a dramatic impact on the Scottish economy. To illustrate my point in very broad brush, I can convert the Scottish average multiplier into a figure related to the University of Edinburgh. If anything, the figures which this produces are fairly conservative.

- ◆ The University of Edinburgh has 5,000 employees - larger, that is to say, than a major private sector company such as Ferranti.
- ◆ On the Scottish average multiplier this generates, 6,300 **additional** jobs in and around Edinburgh.

- ◆ In the narrower sense, the cost of ignorance in Edinburgh, had our forebears not had the good sense to found the Tounis University in 1583, would be that there would be over 11,000 fewer jobs in Edinburgh today.

### Poetry, Philosophy, and some Phantoms Revived.

It must now be plainly said, however, that this is a very minimalist way, albeit an important one, of talking of the cost of ignorance, and I want to turn your gaze gradually from the accounts of our Universities to the purposes of our Universities. After all, if it were **simply** a matter of creating jobs, then there would be other options for the use of public funds. The investment might well be used in equally productive ways measured by that criterion alone. It is not the purpose of this lecture to speculate upon that.

By way of contrast let me turn for a moment to the poets and philosophers. It was Robert Burns who opened an Epistle to Robert Graham of Fintry with the following lines:

When Nature her real masterpiece designed,  
And framed her last, best work, the human mind.

The greatest price of ignorance is denial of fulfilment and flourishing to that 'last, best work, the human mind'.

It was the great German philosopher Immanuel Kant, whom, he confessed himself, David Hume 'awakened from his dogmatic slumbers', who wrote,

Man only becomes fully man, through education.

This is indeed a high view of the purpose of education, of the consequence of knowledge, and a conversely severe view of the price of ignorance. The price is, according to Kant, our very identity as human beings. Now one can argue about the absolute nature of such a judgement, and the exploration of the myth of 'L'Enfant Sauvage' by educational theorists in the eighteenth century was in part just such a discussion. However, there is much that is characteristically and recognisably human whose development in the individual is directly related to education understood in the widest sense of the Greek tradition of **Paideia**.

From this high flown start let me descend to consider an artificial tension which distracts us from some more fundamental questions.

According to this view, the great tension, and therefore the background about where the cost of ignorance would most clearly fall and therefore where it would most fairly be charged, is between the individual and the national economy.

On the one hand, the Robbins principle is quoted which refers to the availability of Higher Education to those who are qualified, capable of benefiting and motivated so to do. On the other, the demands of the economy as the sole justification for the massive expansion and therefore spend on Higher Education, is set in opposition to individual fulfilment. Then both sides invoke the principle,

‘The beneficiary pays’,

and assume that the other is the beneficiary.

‘If the individual student is the beneficiary in terms of individual development’ argues Gradgrind, ‘then the individual student must pay’.

‘On the contrary,’ protests Oliver, who as you will recall is rather inclined to ask for more, ‘if the economy needs vibrant, bright, well-educated graduates, it should be prepared to pay the price’.

Of course, it is not like that in reality, only in set-piece debates. There are all the other considerations of how much the economy can afford, but also of how we can open the doors of access to the whole community, on the Robbins principle. At one level, it is undoubtedly true that individual human fulfilment and flourishing is significantly underpinned by education. The aim of any civilised society must maximise such flourishing. Equally, however, we can only underpin such provision if we as a community can afford to do so.

The tension is there in current argument, but it needs to be set in a broader context.

Consider three different nations and the relevant bases for their economic strength/survival.

1. **Kuwait.** The strength of its economy is based upon natural resources - oil.
2. **The Philippines.** Any strength in the Philippine economy is based on cheapness of labour.
3. **Singapore** has no natural resources. [It even imports fresh water], but it has risen above the danger of an economy based on cheap labour to one based on the talents and high-grade skills of its citizens.

In the case of both the Kuwait and the Philippine economies the price of ignorance would not be the collapse of the economy. In the case of Singapore it would.

[In different ways Kuwait has had to learn the dangers of lack of skills and education in the general population, and in the period of liberation following the Gulf War attempted to introduce the process of Kuwaitization action through education in basic and not so basic skills. This process was ironically described to me by a Kuwaiti Minister in the following terms: "Whereas before each family had five or six servants, now we must make do with two or three!"].

Singapore took on board the implications of where its economic future lay by massively increasing its investment in education and higher education. In the 1980s Lee Kwan Yu took the view that the age-participation rate at University level should be held around 8 per cent. That policy has now been changed and the growth of the University sector and the APR has been given high priority. It is interesting to note that the other "Tiger" economies, even where initially underpinned by natural resources and/or cheap labour, have been following suit.

In these cases individual development and flourishing is not seen in opposition to, but as a condition of, a flourishing economy. The messages for Scotland (better understood here, I hope, than in some parts of the Kingdom) are clear. The 'lad o' parts' is not a drain on the economy he is an investment in it, and so is his sister.

I think that my point is clear and that stated in these terms is incontestable. However, the sceptics amongst you - and surely in an

Institute named after David Hume there must lurk the capacity for a sceptical rejoinder or two - have an obvious line of riposte.

A strong economy and a workforce to fuel it surely requires much more than self-designed and chosen programmes of individual self-fulfilment and flourishing. It requires 'core skills', 'basic skills', 'transferable skills'. It requires us to teach Entrepreneurship rather than English Literature, bottom-line Accounting rather than the far-flung horizons of Buddhist Philosophy or perhaps even Boolean Algebra. There are those who accuse the more mature Universities of being too effete to offer vocational training. Training, I shall return to, but implying the lack of vocational education in Scotland's ancient Universities is to recall a phrase of Quinton Hogg: 'clotted nonsense'. We educate the nation's doctors, dentists, lawyers, vets, farmers, foresters, engineers, nurses, teachers, architects and so on and on. The price of ignorance there would be very great indeed.

In our very foundation lay commitment to the professions and we still do it well.

But the slip of the tongue which I noticed before may take us to the heart of the matter - the difference between training and education. And it is here that the greatest price of ignorance would have to be paid.

[There is one 'apparently risqué' way of making the point about the difference between education and training - but one, in reality which makes the point very well. Suppose your twelve-year old came home from school and reported that he or she had been having sex education. Then you might be somewhat interested to know what this amounted to. If, however, he or she came home and reported that they were having sex training you would take a rather different and more urgent interest in what that meant—doubtless bedevilled by nightmares about what core or transferable skills could possibly be. However, enough of that example; the point is made].

### Civil Society

My concluding claim is that the largest and least recognised price of ignorance is that it is, to quote the title of Ernest Gellner's recent book one of the determinants of the *Conditions of Liberty*. If a society

such as ours is to remain viable in its present democratic form, then it will have to be structured around more than a combination of individual aspiration and economic growth, indispensable as both are to present social and political priorities.

The preoccupation with economic growth which has been forced upon Universities has been both salutary and in the best sense educational. But it has its limitations. These show in two ways.

The first is that those who had political objections to the basic concepts of capitalism, or who simply felt their academic priorities and values under threat, had apparently only one alternative view of the purpose of Universities. If it was not Gradgrind demanding that Universities fuel these dark satanic mills, or more recently these air-conditioned computer linked city offices, surely it must be Oliver asking for more so that he could continue his individual pilgrimage towards fulfilment. In allowing the non-utilitarian case to be made for education only in these individualistic terms, its proponents have allowed themselves to be driven into corners with dire academic and social consequences. I shall return to these.

This way of structuring the argument about the purposes of Universities in terms of either serving the economy or serving individual aspiration has had one other very unfortunate consequence. There has been a communal loss of nerve in Universities as we allow ourselves to forget that we are major institutions which have a role of leadership within society rather than simply being the pawns of political programmes - whether of the left or the right. Part of the role of Universities in society is to help structure and set agendas for the future: it is not our role simply to be an item on the agenda of others.

Now what has this to do with education? and the difference between that and training?

The first and most important point to be made is that education may and will include training and the imparting of skills. But it is much more than that.

One can train a rat to respond to a bell; one might even talk of the rat learning. One can even train someone of my generation to work the video-recorder and perhaps even hail it as a triumph of life long



learning. But in neither case would such training or acquisition of skills be properly classified as education. Why not? Because it may impart skills and the ability to respond, but it does not give understanding.

There are many points of difference, but critically understanding involves being able to distinguish truth from error, good argument from bad argument; to know when to adapt techniques to new environments, when to revise or discard some long-held assumptions and when opinion is masquerading as knowledge.

Such an education is the very essence of what a University's purpose is<sup>3</sup>. Such an education, to make the connection to Gellner's book with its sub-title "Civil Society and its Rivals" is a *Condition of Liberty*. One obvious point - where there is no education democracy is a frail flower indeed. Those new democracies which are serious about remaining democracies know this well. Those old democracies which forget this are fair game for the demagogues. To put not too fine a point on it, that is perhaps the greatest price of ignorance.

But, of course, we are not near such a precipice, nor would I want to over-dramatise. However, if we were to take understanding, as I have sketched it, for granted, then that would be a price which we would in due course pay.

I conclude by pointing to two features of our contemporary situation which give pause for thought. One concerns the nature of University curricula, the other concerns some of the marker buoys of contemporary society.

If part of the purpose of a University is education in the wide sense which I have given it, over against training, then there are two internal tendencies which give cause for concern. The first is the consequence of over-specialisation in the curriculum. I am not discounting the many benefits of the single honours degree system, but it is interesting to remember that it has not fully engulfed some of our most clearly vocational courses where the breadth and fullness of the education has a high premium—the degree programmes, for example, in Medicine and Law.

It is inevitable that some of our students will want and need to be very highly specialised for they are the cutting-edge researchers and

scholars of the future. But it would be wise for us, while we still have it, to maximise that extra year of degree level education which is the foundation of the Scottish degree programme

The second internal drift is the tendency towards planting the flag of relativism which denies the commitment to distinguishing between truth and falsehood, between good opinion and bad. This, in popular culture, is the ultimate reference of all questions, all decisions to the bar of 'Whatever grabs you, baby'. John Stuart Mill asked whether pushpin is as good as poetry. If the answer of academe is, 'Yes', then it does not deserve to be funded as a provider of education, although it may have a role in a society based upon the provision to the people of bread and circuses.

Finally, however, let us note some tendencies in society which seem to move us into dangerous waters. The argument about the purpose of Universities which polarises two alternatives of individual development or fuelling economic growth has the significance which it has because it mirrors very well the shape of our society and its focus upon the twin goals of self-development and economic advancement.

Both of these have much to be said for them, but both trigger the conditions of an increasingly segmented and ultimately atomistic society. A counterweight has to be found. The counterweight, in Gellner's terms, is the revivification of the idea of Civil Society—'that set of diverse non-governmental institutions which is strong enough to counter balance the state' without impeding its legitimate functions. Such institutions vary from the self-regulating professions and professional institutes, to the capacity to run a legal system based upon jury verdicts, and from an unimpeded and responsible media to, dare one say it, a University system founded upon the twin commitments to the pursuit of truth and the canons of reasonable judgement and argument. These are the purposes of Universities. This is the knowledge and understanding which at best they offer. These are the conditions of civil society. The most devastating price of ignorance would be the loss of civil society as we know it, for that way lies fragmentation and the seduction of authoritarian solutions.

## NOTES

1. *Higher Education Institutions: Students and Staff 1993-94* Statistical Bulletin, 5/95. October 1995, Scottish Higher Education Funding Council
2. I.H. McNicoll, *The Impact of the Scottish Higher Education Sector on the Economy of Scotland*. Committee of Scottish Higher Education Principals, 1995. ISBN 0 9521691 4 2
3. I have dealt more fully with these issues in "The Idea of a University?" in *Universities in the Twenty-first Century*, National Commission on Education. ISBN 0-9523114-0-2.

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## **Books**

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*edited by Richard Dale, Woodhead-Faulkner, London, 1986*

Governments and Small Business

*Graham Bannock and Alan Peacock, Paul Chapman, London, 1989*

Corporate Takeovers and the Public Interest

*Graham Bannock and Alan Peacock, Aberdeen University Press, 1991*

Social Policies in the Transition to a Market Economy: Report of a Mission to the Russian Federation organised by the United Nations January 1992

*Michael Hay and Alan Peacock, Alden Press, Oxford, 1992*

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