DAG
Democratische Academie Groningen

Memo: Moratorium on Growth

In this memo, DAG proposes the idea of degrowing the university. This idea extends beyond the individual university and calls for action on a collective level. DAG therefore also invites the CvB to share this proposal with the VSNU and OCW. We present an idea as to how to finance the project of degrowth, while also showing the clear benefits in terms of quality of education, sustainability, work pressure and the housing situation.

Summary of Recommendations

1) Suspend the budget for (international) marketing to attract students.
2) Adjust the parameter compartment such that faculties do not suffer from not growing in student numbers. Potentially by granting more “startwaarden.”
3) Reshape the growth-oriented real estate plans, towards a more sustainability-oriented plan.
4) Come to a housing agreement with the municipality of Groningen that provides affordable housing to (international) students and that makes the SSH obsolete in the future.
5) Invite the Committee of Deans to develop a strategy plan for the financing of education that stimulates quality over quantity.
6) At the VSNU level, recommend to follow a similar approach: stop growing in student numbers and come to a collective agreement to escape the prisoner’s dilemma. This would mitigate the financial impact of degrowth.

Analysis

The Basics

In the past 9 years the universities in the Netherlands have increased their student population from about 241.000 in 2010 to about 303.000 in 2019[1]. The RUG had a similar growth: 27.000 in 2010 and 31.840 in 2019.

[1] VSNU: https://www.vsnu.nl/f_c_studenten_downloads.html

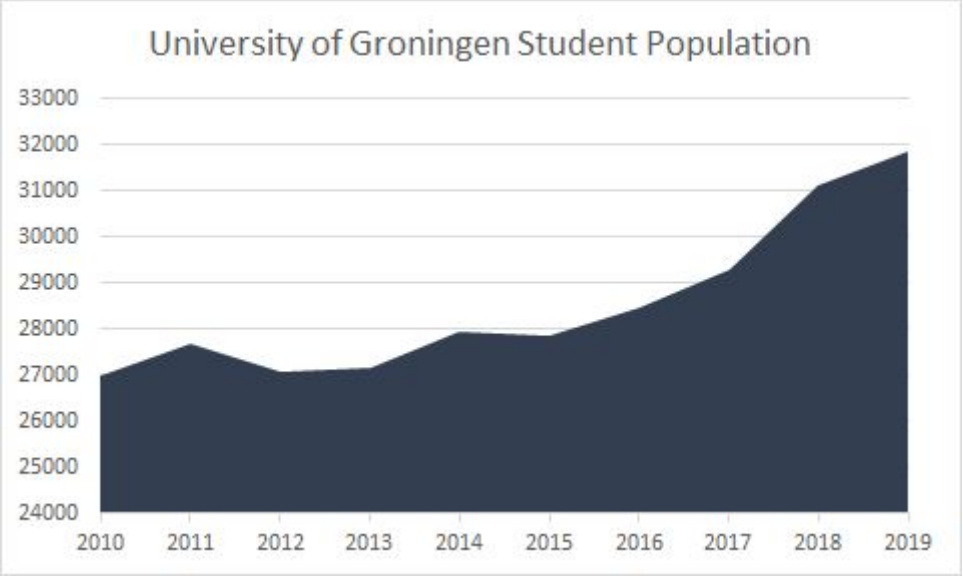

Figure 1: Number of enrolled students at the University of Groningen. Source of data: VSNU.

The table above visualizes the total number of enrolled students at the University of Groningen from 2010 until 2019. Particularly interesting is that before 2015, there could be a year of growth followed by a year of decline in total student numbers. Since 2015, however, the university has been consistently growing.

Compared to the numbers of *inflow* of students, that is, students who start their studies in the bachelors and masters tracks, we see that the numbers slightly, but not fully correlate.

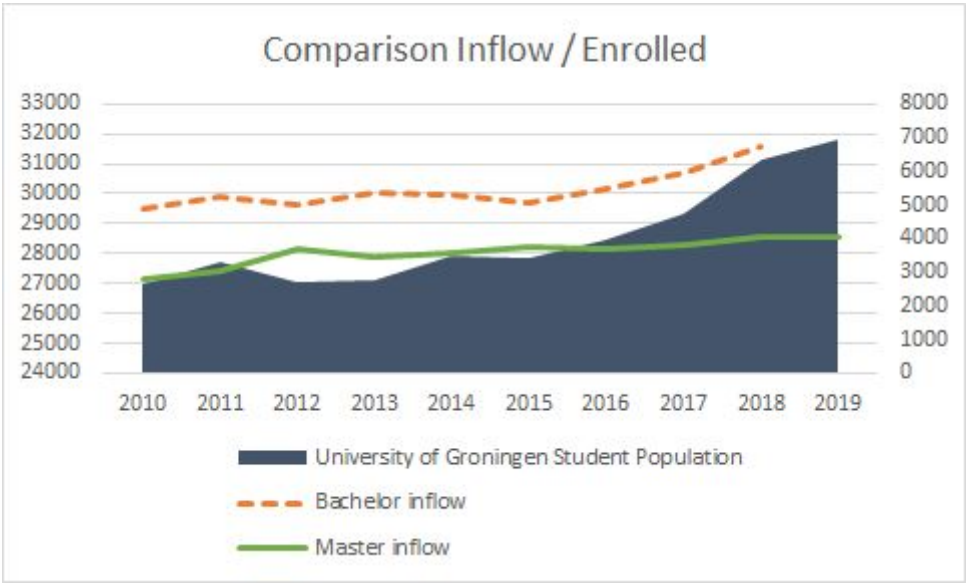

Figure 2: Comparison of enrolled students to the inflow per degree level at the University of Groningen. Source of data: VSNU.

As can be seen from the table above, the number of registrations do not relate proportionally to the number of total enrollments. This suggests that the *inflow* does not match the *outflow*, as it were. This suggestion can be confirmed by the number of diplomas per degree level (note: late-enrollments in the masters were not included in this graph, resulting in a higher number of diplomas than enrollments):

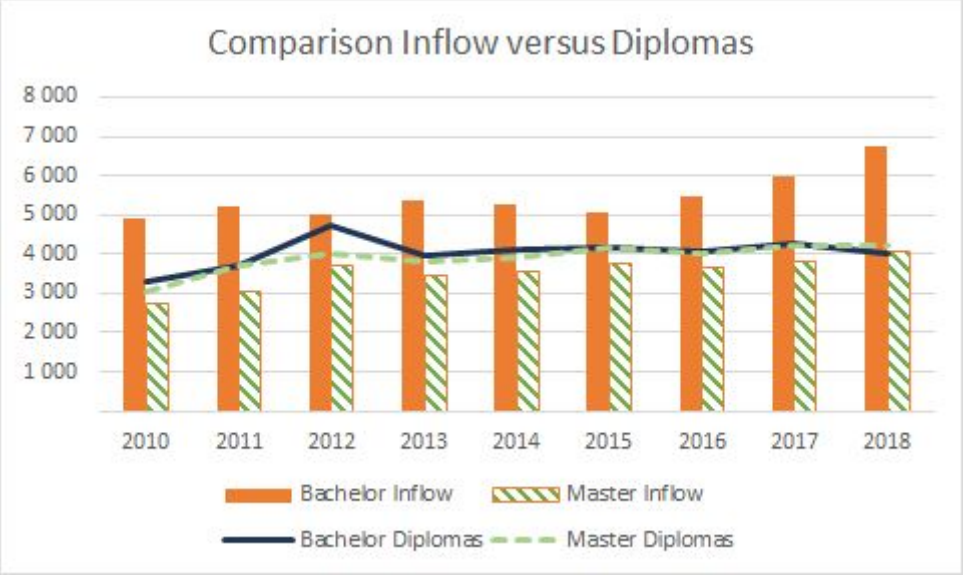

Figure 3: Comparison of inflow students to the diplomas per degree level at the University of Groningen. Source of data: VSNU.

The graph above shows how the number of bachelor diplomas stays relatively stable at around 4.000, with a notable peak of 4.720 in 2012, while the number of bachelor inflow grows since 2015 steadily. In other words, the number of registrations (inflow) is not growing proportionately to the numbers of diplomas (outflow). As a result, the overall student population grows over-proportionately to the growth in new registrations.

This is not a permanent trend, as it will take time for the rate of diplomas to “catch up.” Current assessments of the study results (“studierendement”) don’t seem to imply that in fact the outflow will be stagnating more. However, DAG would like to raise issue with that assertion.

The Problems

From various statements during the University Council, it is clear that the board of the University of Groningen is not intending to grow for the sake of growth. Instead, the growth of *all* Dutch universities is due to the financing model of higher education. This model consists of a *fixed* total sum of money that is then distributed proportionately to (mainly) the number of students, diplomas and promotions. In practice, universities are then incentivised to grow in order to compete for the fixed “pot of money” (which does not grow proportionately to the growth of universities.) This leads to a variety of problems. This memo will focus on three of those: sustainability, housing and work pressure.

1) Sustainability

The growth in the total student population requires more and larger facilities. Think, for instance, of lecture halls, exam halls, offices for extra staff in teaching, IT, maintenance, etc. This leads to some issues with regards to sustainability:

a) **More waste**: Despite the best efforts, a growing institution will have a growing amount of waste. The RUG formulated in its 2015-2020 Roadmap the goal to reduce the total waste per employee / student to about 27kg[2]. While the best efforts have been made to achieve this goal, the actual total waste production has been rising[3] since 2013 due to the growth of the university[4]. The goal will thus be missed.

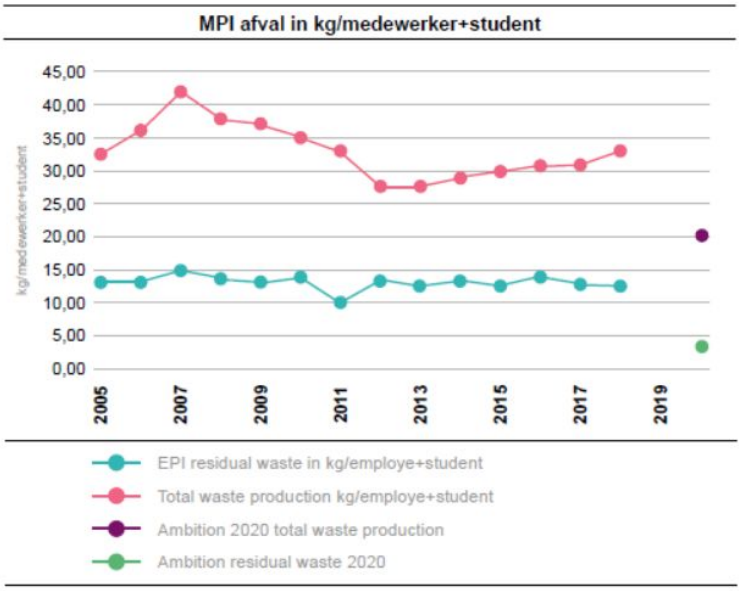

Figure 4: Waste in kg per staff / student. Source: RUG (2).

b) **More energy consumption:** Due to the large amount of students, the library, the harmony building and the Aletta Jacobs hall have extended their opening hours, leading to an increase in consumption of energy for those buildings[5]. Overall the RUG has managed to keep its purchase of additional energy on a steady level (at about 10 GJ per staff + student) but will likely miss its 2020 goal of 8 GJ / staff and student.

[2] The graph figure 4 indicates that the goal was 20kg. However, on the 2018 Social, Health, Safety and Environment report (see RUG (2)), the goal of 27kg is stated. In the original 2015-2020 roadmap, a reduction of 15% in comparison to 2005 is stated. That would equal about 27kg / employee+student.
[3] RUG (2): Sociaal, arbo en milieujaarverslag RUG 2018. https://drive.google.com/file/d/14X6v87f5aVGLSFAFDLWSojd-VIqVI_zO/view?usp=sharing
[4] RUG (3): Notes from the sustainability armchair meeting, 04-09-2019.
[5] *ibid.*

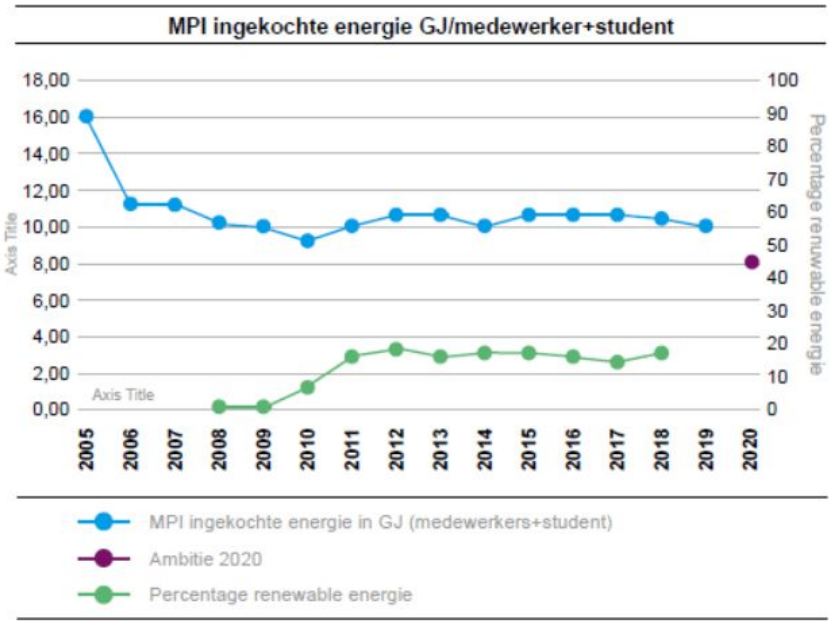

Figure 5: Purchased energy in GJ per staff and student. Source: RUG (2).

c) **More construction**: To facilitate the rising number of students, the RUG has large construction projects planned. Some examples are the Feringa Building, the renovation of the Harmony Building and the expansion of the Noordpunt. While the university is trying its best to make construction as sustainable as possible, it cannot be understated that construction work per se is one of the largest global contributors to energy consumption (36%) and CO_2 emissions (39%)[6]. Construction work is an energy and carbon-emission heavy industry: no construction remains the greenest option.

d) **More commuting:** Due to the housing situation in Groningen (and the rest of the Netherlands, too), many students choose to commute from their parent's home to the university. *More than 20%* of the RUG's CO_2 emissions originate from commuting to the university[7]. And while many green*er* traveling options exist, such as electrically driven trains and Groningen's fancy electric busses, the green*est* options remain walking and cycling. But with a growing university and an only slowly growing supply of affordable housing, these options seem not viable anytime soon for many students.

2) Housing

Underlying the problem of commuting is the housing shortage in Groningen. The growth of the university has led to the exhaustion of the already scarcely available, affordable living spaces for both students and residents. The issue has been a topic of discussion not only in the university but also the municipality. Understandably, the broader community in and around Groningen has participated in a debate (sometimes held in occupied spaces) that

[6] World Green Building Council: https://www.worldgbc.org/news-media/global-status-report-2017
[7] RUG (3).

touches on socio economic issues that extend far beyond the realm of influence of the University of Groningen. That is, however, not to say that the growth policy of the university has not had its fair share in contributing to a situation that some may call a housing crisis.

Fundamentally, when in spaces like the Netherlands in general, where housing is already short, attracting students from abroad for the sake of growth will only intensify the problem of shortage of housing. While new construction work is good in that respect, there are all sorts of issues arising with more construction (clogging of streets - which is particularly difficult in times of a pandemic, CO2 emissions, etc). Ultimately, degrowth is not only a proposal for the UG but for the city as well.

On the issue of shortage of housing, many students have also complained about the *quality* of housing. Seldomly any student has not dealt with dampness or black mold on their walls[8]. Furthermore, insufficient lighting also deteriorates students' capacity to focus during their studies. As lockdown measures may become more common, having a good, affordable room where students can focus fully and feel at home will become more important.

Degrowth allows for the housing market to cool down. It could potentially incentivise landlords to improve their housing and make them thus more competitive. Currently, the demand for housing far outweighs the supply, creating little to no incentive for landlords to improve the quality of their houses. Nevertheless, further measures to ensure the quality are necessary and a laissez-faire approach may not be sufficient in a post-growth city.

3) Quality of Education and Work Pressure

As mentioned earlier, the capacity to concentrate is hindered by the quality of housing. Even further, (in the case seminars take place offline again) seminar groups at the size of 23,8 students per teacher on average[9], with some classes even going as high as 28 students per teacher[10] - compared to an average of 13,5 at the UvA, it is evident that the amount of individual attention staff can feasibly provide per student is limited. This is a problem because it's crucial to provide individual feedback to ensure the quality of education.

Nonetheless, some teachers go beyond their allocated hours for big seminar groups, which DAG has expressed its gratitude for in our Thank You, Teachers campaign. This, however, leads to work pressure problems. This has been a massive issue amongst staff for years. For this reason, degrowing the student population while maintaining the size of our teaching workforce is imperative to truly *degrow* and not *descale*.

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[8] While certain media hysteria has blown up the effects of black mold on people's lungs (Borchers, A.T., Chang, C. & Eric Gershwin, M., 2017 https://doi.org/10.1007/s12016-017-8601-z), dampness and mold nonetheless decrease concentration capabilities of people (Harding et al, 2019, https://doi.org/10.1016/j.bbi.2019.11.006).

[9] ttps://www.timeshighereducation.com/world-university-rankings/2020/world-ranking#!/page/0/length/25/sort_by/rank/sort_order/asc/cols/stats

[10] My own experience in the semester 1 of 2019/2020 Arts Sociology.

The Costs

There are several ways of mitigating the financial impact of a degrowth project. They can be summarized as 1) internal budget allocations, 2) municipal cooperation and 3) VSNU / OCW agreements.

1) Internal Budget Allocations

The RUG spends close to K€ 500 on international marketing. Further M€ 1,2 are set aside for empty rooms in SSH housing. Additionally, the last financial framework of 2021 foresees an available budget for projects of M€ 10. In total, with a quick back-of-the-envelope calculation, M€ 11,7 can be seen as a safety net in case arrangements outside of the RUG fail. However, DAG is of the opinion that both the municipality of Groningen and the OCW ministry could be convinced of the overall benefits for the city and higher education in general.

2) Municipal Cooperation

With the outbreak of the COVID-19 pandemic, cities are investigating ways of unclogging streets and making everyday life safe. More importantly, the amount of waste produced by takeaway food delivery has seen a particular peak during the lockdown of the first half of 2020. Most takeaway customers seem to be students. Finally, as mentioned above, the affordable housing problem of Groningen is sharpened by a massive, yearly influx of students. From the perspective of sustainability, housing and volatility of business, a large student population brings many risks to the city of Groningen.

A degrowth project, opposed to a descaling project, would increase the ratio of students to staff. As staff at a university usually bring in mid- to high-income citizens to the city, the municipality has an invested interest in keeping them at the city of Groningen. With the increase of labour costs in 2020 due to the raise in pension costs, the RUG is in need of support from the municipality to aid in covering the so-called “Loonprijsbijstelling.” This, combined with the positive effects on the city when degrowing a student population, could be sufficient arguments to request from the city financial aid.

3) VSNU / OCW Agreements

Finally, to return to the issue of how the first stream of funds (‘eerste geldstroom’) from the ministry are distributed amongst universities, there can be two approaches to escaping the collective action problem. On the one hand, universities as a collective have an interest in maintaining that stream of funds consistent, while decreasing their student population. On the other, the Bekostigingsactie WO by the trade unions and WOinActie from 2019, has put

the University of Groningen under pressure to arrive at an agreement to the financing of higher education at VSNU and OCW level. This proposal can be seen as a proposal for the VSNU as well.

To begin with the first issue, the VSNU has recorded the funds per student available to universities over the years. In 2001, this was at about K€ 20,1 per student. Ever since, the funds have decreased to around K€ 15,3 in 2018.[11] While the VSNU argues that this is due to the ministry not growing the funds available with the growth of the student population, critics would argue that conversely, universities have grown over proportionately to the funds available to them.

DAG would argue that both sides have a fair point. On the one hand, universities *have* grown over-proportionately. On the other, they may not be solely to blame for that, since the incentives created by the way of distributing funds are that of growing the student population. If universities A, B and C grow in student population by 2% but university D grows only by 1%, their share of the first flow of funds does not grow by 1% but *decreases* by 1%.[12] Hence, if the incentives would turn around and degrowth is favoured over growth, universities could benefit from an increasement of the funds per student ratio.

This can be done by demanding from the OCW to freeze the distribution parameters ('verdeelsleutel'). In our example, universities A, B, C and D keep their shares independent of their growth or degrowth (so, A,B and C 25,3% and D at 24,1%). With a fixed distribution of the first stream of funds, universities have on the one hand a predictable income and on the other an incentive to decrease their student population, as it would result in more funds per student available, since degrowing will not be "penalized". Furthermore, degrowth becomes the incentive because universities can begin to compete with each other based on how small the classrooms are: smaller classrooms are a good indicator for the capacity to offer more individually tailored education. With a frozen distribution of the funds, a university that keeps growing would therefore harm itself, as its funds will not grow proportionately to the student population.

This has an obvious advantage for the OCW: degrowing universities bear no extra costs while increasing the quality of education. Naturally, asymmetries will arise after a couple of years of this measure wherein one university could be receiving far too much money compared to its size. To address that, freezing funds should be an intermediate measure to arrive at a fair compensation for universities in the future. Furthermore, preventing universities from becoming elitist by introducing Numerus Clausus, as is the case in Germany, also needs to be addressed. But nonetheless, it would be a first step at allowing universities to degrow.

[11] https://www.vsnu.nl/dalende-rijksbijdrage.html

[12] At equal distribution of a finite source, a disproportionate growth of shares leads to an unequal distribution of the same, finite source. Depending on how much that finite source has grown, this does not necessarily lead to less nominal funds, but necessarily leads to less funds *per student*.