

Universities need endowments

I am surprised that some newspapers and politicians want to criticise Oxford and Cambridge Universities for having an estimated £21 bn collective endowment, including all the Colleges. They should be celebrating this success in fund raising and investing.

These savings that come from gifts and from wise investing allow the Universities to do more. Money can be used to employ more and better researchers and tutors, and can be spent on providing help to students from lower income households. It is easier to run an independent global institution if it has its own capital to entrench its self government.

The articles we need are ones discussing how more of our universities can build substantial endowments. More can emulate Oxbridge success by encouraging gifts and legacies from former alumni. More could build investment portfolios that take a long term view and grow the value of the fund by a decent margin over inflation. University endowments can fund start ups and the growth of spin off businesses from the ideas their faculty members generate. They can build facilities for conference businesses, with most scope for residential conferences in vacations.

Oxbridge is striving to catch the Ivy League US institutions who have been very good at attracting donations and good at investing them. Oxbridge's endowments should be cause of celebration, not jealousy. All our universities should be pressing for more independent means, not less. Endowment money is not for immediate spending, but a guarantee of independence and solvency for the future. The bigger the endowment the more social good and academic excellence they can achieve.