

# **How financial metrics took over a public university**

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# What are the main drivers of the process?

- Transfer of real estate – devolution of risk
- Change in governance structure
- New Public Management
- Retreat of the state
- Rising student numbers

**Figure 3.1 Number of students enrolled in Dutch universities 1901-2009**

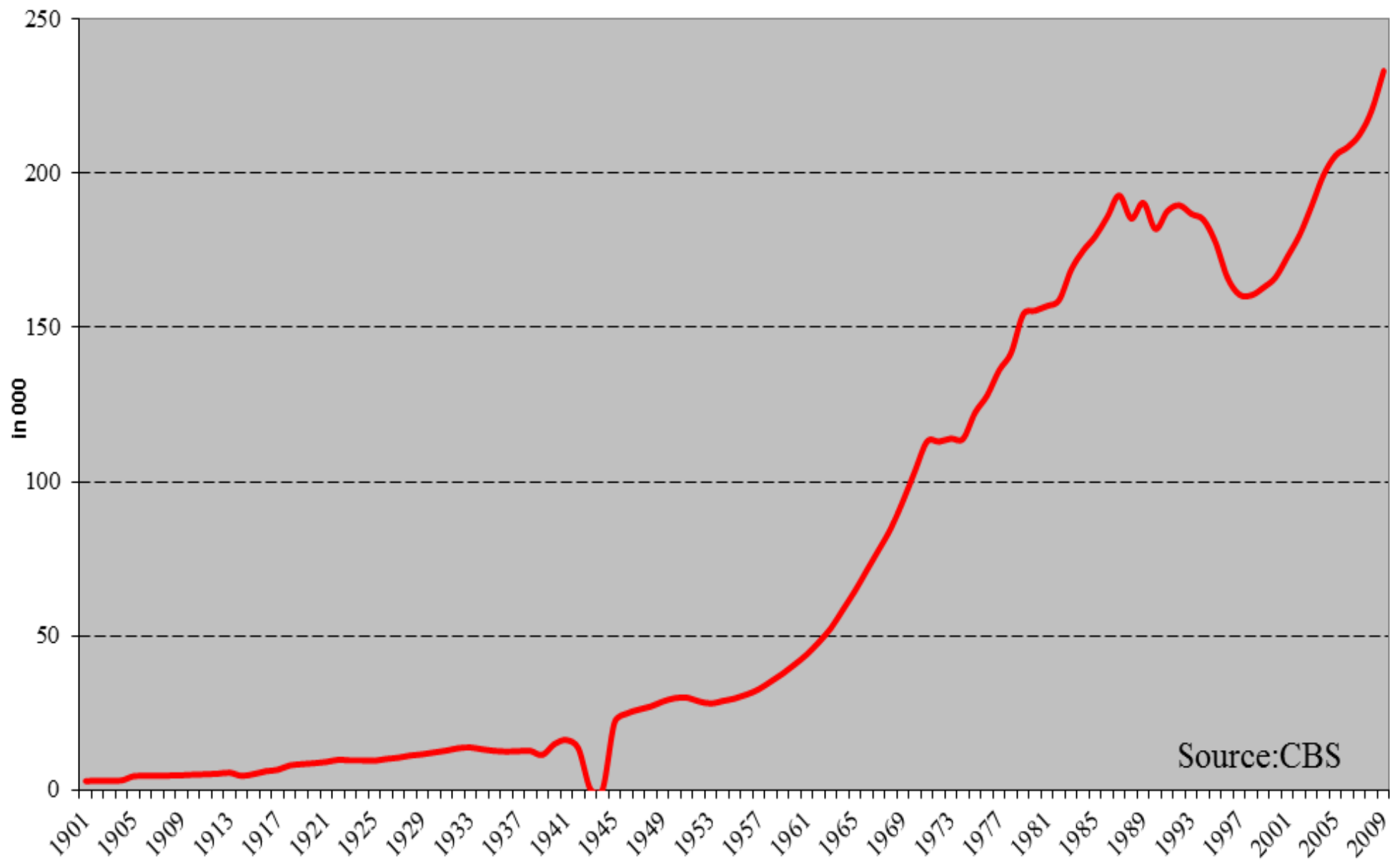
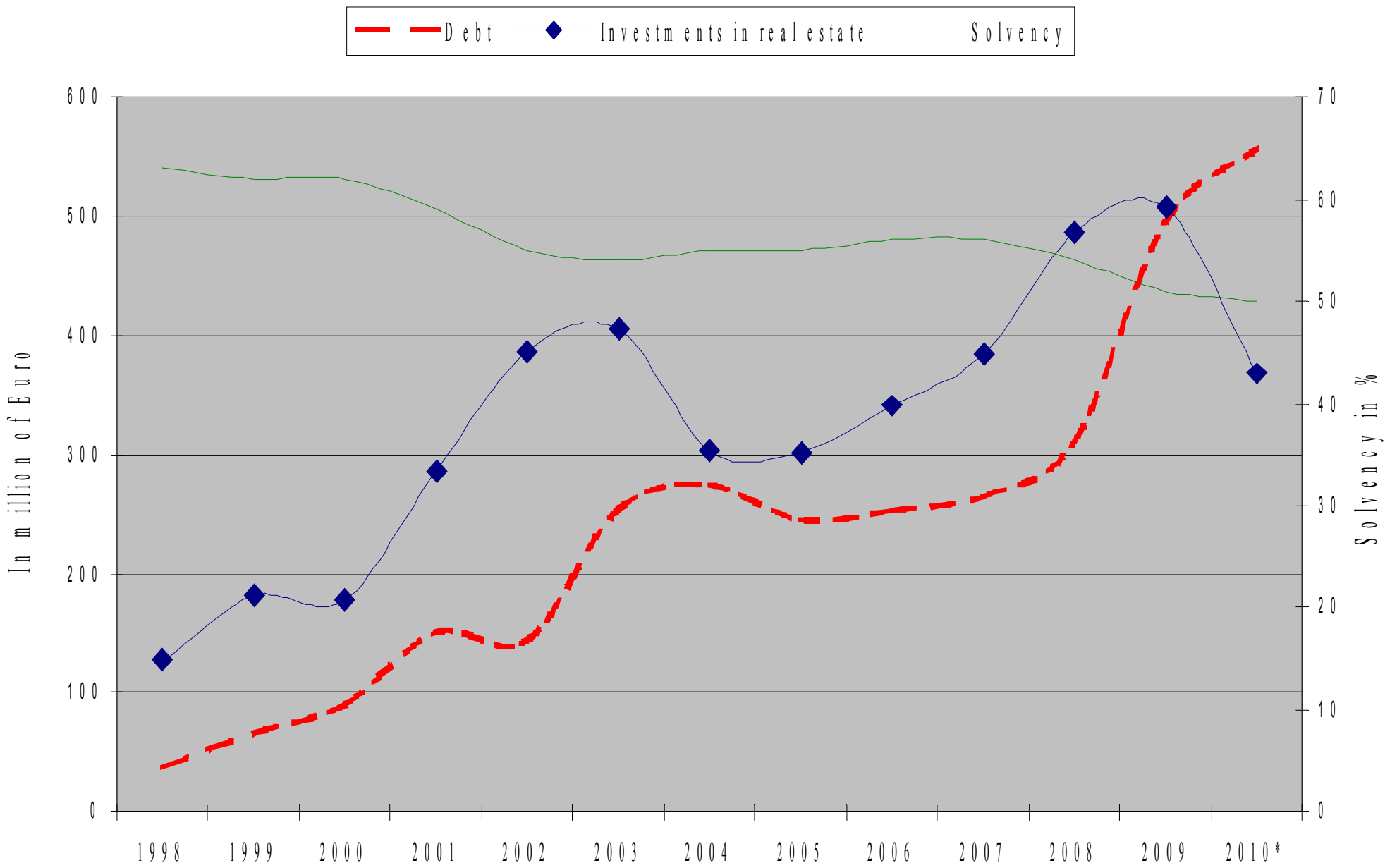
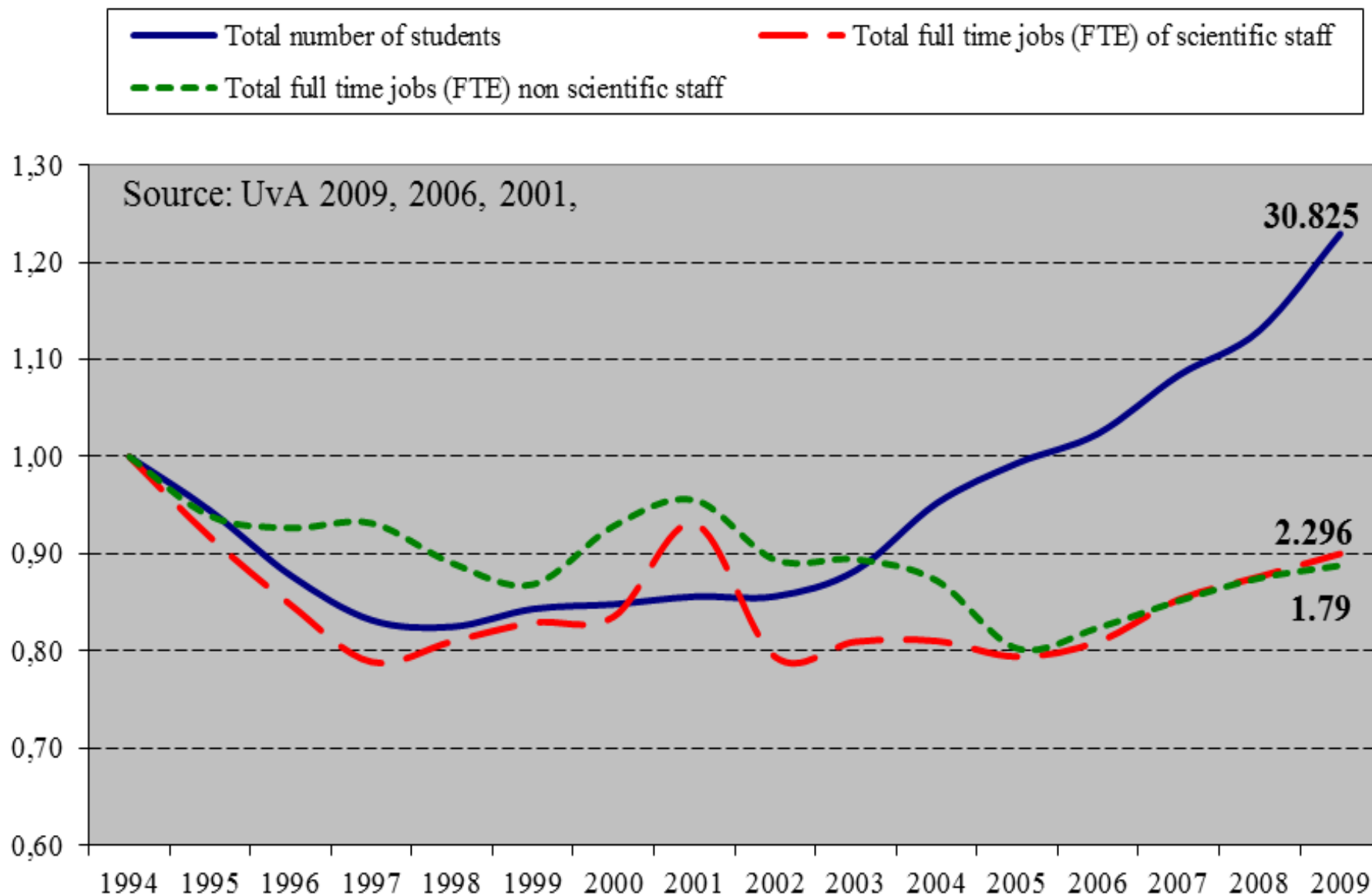


Figure 3.2 Selected financial indicators for universities in the Netherlands



**Figure 3.4. Indexed fulltime jobs and students at the UvA (1994=100)**

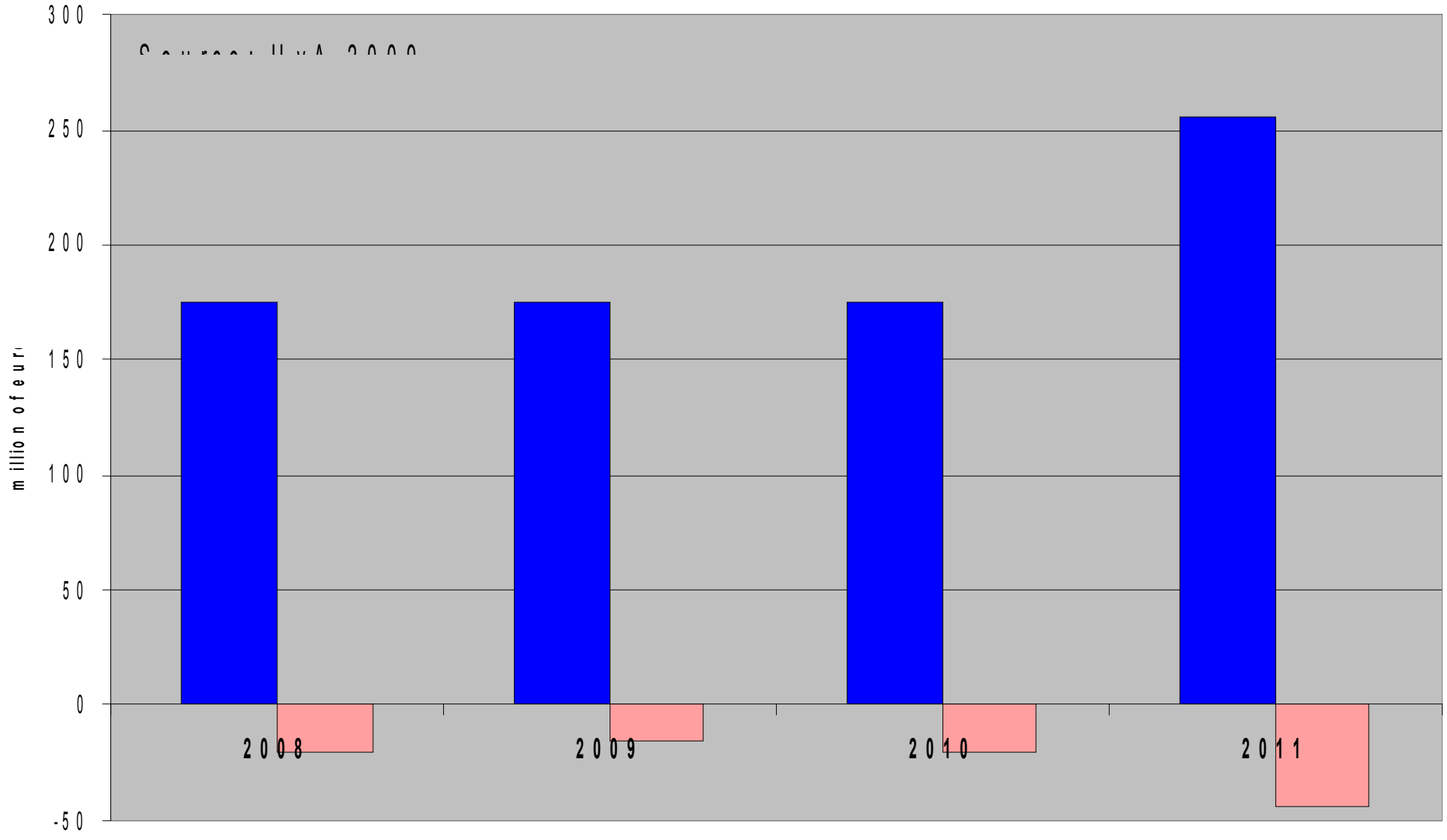


# Financialization

- Initial plans
- Creating inner market
- Loans
- Derivatives
- Real estate

Figure 3.5: Notional and market values UvA derivatives

■ underlying value swaps ■ fair value swaps



# Conclusion

- Institutional format has been transformed to meet the requirements of the banks
- Risk devolution
- Winners and losers → corporate influence
- Real estate valuation has become critical
- There are no breaks to keep cost structure from pushing through 12%