

Library House, (2006), "The impact of the University of Cambridge on the UK economy and society", 63p, Cambridge: Library House,

[http://www.libraryhouse.net/publications/download/Cambridge\\_University\\_Economic\\_Impact.pdf](http://www.libraryhouse.net/publications/download/Cambridge_University_Economic_Impact.pdf)

*Summary: The report applies the Higher Education Impact Model to assess and quantify the economic and societal impact of the University of Cambridge and its significance in a global context.*

*Method:*

In 2005 Library House developed the Higher Education Impact Model, a model designed specifically to analyse the impact (which is an 'effect of significance') of any type of HEI on economies and societies. In a nutshell, the model describes the impacts of academic teaching and research on the economy and society as a result of 'expenditure' and 'core activities'. The impacts are categorised as direct, indirect and induced and are further divided into the following ten distinct 'modules': direct expenditure; indirect expenditure; labour productivity; knowledge transfer; entrepreneurship; usage of science and arts; societal productivity; non commercial knowledge transfer; cultural and social contribution; access to science and arts. Full details of how the model works can be accessed on <http://www.impactmodel.org>.

*Findings:*

- The two internationally recognised ranking systems (THES and Shanghai Jiao Tong) place Cambridge in the top three research universities worldwide. Oxford and Cambridge are the only two European universities to feature in the global top 20. Cambridge comes second only to Harvard for the number of publications per research funds spent. 81 researchers from Cambridge have received the Nobel Prize, more than any other university worldwide. In addition, Cambridge has achieved its global standing from a much smaller financial base than the leading American universities (endowment at Cambridge is £150,000 per full-time student, at Harvard is £700,000).
- The authors estimate that if the university ceased to exist 'the economic impact on the East of England region over the next ten years would require replacement of a net present value of £21.2bn in GDP and approximately 77,000 jobs'.
- The average Cambridge graduate pays £61,000 more in taxes over his/her working life than the average UK graduate, although during the course of their studies Cambridge graduates benefit from £4,100 more in teaching grant than other UK graduates.
- The university plays a key role in the Cambridge Cluster, which currently consists of almost 900 technology companies. The university has produced more than 50 spin-out companies, the total licensing income of which amounts to £2.7m per annum.
- The impact on society of the core activities of Cambridge University is much more difficult to quantify and this is an area that needs further research. One could list the achievements of Cambridge graduates in many different fields, including the many breakthroughs to which research in the medical field has led. In addition, in 2003-04 more than 7,770 students and graduates took part in voluntary activities of a charitable nature benefiting nearly half a million people.