CORRIGENDA

1. The last issue of Vestes was incorrectly labelled "Vol. 27, 1983, No. 2". This should have read "Vol. 26, 1983, No. 2".

2. On page 55 of the last issue a letter appears from Associate Professor G. Curthoys and Mr R. Mackie who are described as President and Secretary respectively of the University of Newcastle Staff Association.

   It should be noted that Professor Curthoys and Mr Mackie were President and Secretary respectively during the events described in "Disruption and Due Process" (Vestes, Vol. 26, 1983, No. 1) in 1980, but do not now occupy those positions.

3. In the article "Women in Australian Universities 1945-80" in the last issue, an error in Table 6, p. 19 has been brought to our notice by the author. In that table, the figure for Women Staff as a percentage of Academic Staff in Australian Universities for 1975 should read 15%.

THE SRHE-LEVERHULME PROGRAMME OF STUDY INTO THE FUTURE OF HIGHER EDUCATION IN BRITAIN

GARETH WILLIAMS
Institute for Research and Development in Post-Compulsory Education
University of Lancaster

During the 1970s higher education in Britain stagnated. The proportion of school leavers who went on to full-time higher education reached 14% in 1973 and has not yet risen above that figure. In 1978 the Department of Education and Science published a discussion document which drew attention to the prospect that from the early 1980s the size of the age group from which most students come would start to fall. In 1996 there will be about 30% fewer eighteen year olds in Britain than there are in 1983. A declining age group combined with a stagnating participation rate raises the spectre of excess capacity.

In 1980 a working party of the Society for Research into Higher Education reported that

> *the fundamental problem facing post-secondary education during the next two decades is not demography but loss of confidence: loss of confidence by school leavers in the private benefits of higher education, loss of confidence by politicians in the social benefits and often a loss of confidence by academics in their own sense of purpose. These problems may be exacerbated but they are not created by public expenditure constraints.*[1]

With the help of a substantial grant from the Leverhulme Trust, the Society for Research into Higher Education set up a comprehensive programme of study into the future of higher education which I directed. The aim of the programme was not to undertake new research but rather to focus recent research findings and the views of informed people on the major strategic options likely to be available to higher education institutions and policy making bodies in the 1980s and 1990s.

The programme of study resulted in nine specialist reports, a review of the programme by the Director and Deputy Director, and a final report signed by a distinguished team of individuals with a wide range of experience in industry, commerce, government and the academic world.[2]

In this considerable body of evidence, amounting to two thousand pages of published material and several times that amount of unpublished documentation, many patterns and priorities can be discerned. However, five themes emerged over and over again during the course of the study and form the central message of the final report. These are:

- The relationship between academic institutions and the central government.
- The adverse political environment likely to surround academic institutions during the next fifteen years.
- The need for new patterns of courses.
- Arrangements for maintaining academic standards.
- The viability of mechanisms of finance that worked well during the period of expansion for the more stringent conditions likely to prevail in the 1980s and 1990s.

A central concern of British higher education policy during the next ten years will concern the relationship between higher education institutions and the state. How much external regulation of universities and colleges is appropriate in a system that is coping with the stresses and strains of adaptation without growth? Of course, governments have always been concerned with the universities.

> *A university is a trust confided by the state to certain hands for the common interest of the nation: nor has it ever heretofore been denied that a university may, and ought, by the state to be from time to time corrected, reformed, or recast, in conformity to accidental changes of relation, and looking towards an improved accomplishment of its essential ends.*[3]

This statement was made in 1853 not by a member of an embryonic ministry of education or university grants committee but by a respected professor of the University of Edinburgh, Sir William Hamilton. Long before that, of course, the Tudor and Stuart monarchs had taken considerable interest in the academic behaviour of Oxford and Cambridge Universities and before that the mediaeval church, which corresponded to the state, exercised a tight control over what was taught — the case of Peter Abelard being perhaps the best known example of academic freedom being kept in its place.

The debate about the relationship between higher education and the state in Britain, however, took on a new dimension after 1945 when central government became the dominant source of university funds. The issue of accountability for public funds was added to that of the social responsibility of institutions with considerable intellectual influence. What is the proper place of institutional independence in a modern publicly funded system of higher education? What is the proper balance between autonomy and accountability? Is it possible for autonomous institutions to conform to a more general national interest? The potential conflicts between autonomy and accountability, between academic and broad national interests were dam-

pened during the long period of expansion when resources were increasing. In crude terms there was something for everybody and innovation could occur without damaging existing vested interests. Academic coalition building was just a matter of waiting your turn. But when a positive sum game gives way to a zero or negative sum game, strategies must change. Previous allies become competitors in the struggle for survival. If this struggle becomes too fierce and, as some observers claim is happening in the United States,[4] students suffer as a result of competition between academic interests then the state is liable to step in and impose solutions on the warring factions. The first aim of the Leverhulme proposals is, therefore, to devise mechanisms for the governance and finance of higher education which will maintain the traditional independence of most British higher education institutions while at the same time encouraging them to be responsive to social and economic needs in the world outside.

One of the main criticisms that has been made of the final report, however, and the second of its main themes, is whether resource stringency is inevitable in British higher education. Were the Leverhulme team right to let the probability of a zero or negative sum game dominate their debates? Is this not an excessively pessimistic extrapolation of current trends?

Critics of the report have put forward three grounds for hoping that the 1980s and 1990s may in fact be better decades for higher education than were the 1970s. First, there are claims that low participation rates in the United Kingdom will rise towards those of other advanced countries; second, it is claimed that most of the fall in the birth rate between 1964 and 1978 occurred in working class families whereas the higher education population is drawn mainly from middle class families; third, some observers expect that a change of government in the late 1980s would bring about radically different political attitudes towards higher education.

I am unconvinced by any of these claims. Participation rates in full-time higher education in Britain stagnated during the 1970s. The percentage of school leavers going on to higher education was lower in 1981 than it had been in 1972. Although there are many reasons why people undertake higher education there is little doubt that this stagnation in participation rates was associated with declines in the private rates of return to traditional full-time higher education. In general the earnings of graduates fell relatively to average earnings during the decade of the 1970s.[5] The best available evidence is that in the foreseeable future the earnings of graduates in general are unlikely to rise in comparison with average earnings. Technological change will continue to bring about some changes in relativities. For example, people with skills related to new electronic technology will probably maintain their advantage for a few years yet. In general, however, the decline of the public sector and the fact that technology is beginning to affect some of the jobs previously done by lower level graduate manpower lead any dispassionate observer to doubt whether there will be any recurrence of the boom conditions of the 1960s when any university degree was a worthwhile private investment. It is indeed true that a change of government could bring about a resurgence of the public sector, and hence an increase in graduate jobs. But the kind of government that favours public expenditure is unlikely to be one which favours significant increases in earnings at the top end of the scale.

International comparisons of higher education are notoriously difficult to make. It is widely believed that British participation rates are low compared with those of other economically advanced countries, but traditional comparisons ignore the very considerable amount of further education (TAFE) in Britain (some of which could certainly be included as higher education in most other countries). It is also the case that few other countries make the same sharp distinction between full-time and part-time higher education as Britain. If the considerable number of part-time British students is included the picture changes significantly. The inclusion of Open University students, for example, makes a big difference. Recently published figures by the Department of Education and Science show that if all the various categories of students are included participation rates in British higher education amount to about 30% rather than the 14% usually quoted.[6] This takes Britain near to the top of the international league table with only the United States, Japan and possibly Sweden and Canada higher. However, this figure includes a significant number of evening only students in advanced further education colleges and may well include some double counting. Williams and Blackstone, after making allowances for part-time students studying fairly intensively, but excluding casual students, conclude that nearly a quarter of British young people undertake some form of higher education.[7] This is about what would be expected from a moderately wealthy European country and gives no reason to expect any significant 'catching up' during the next ten years or so.

Another reason why some observers are optimistic about future participation rates is that the number of babies born to middle class families fell very little between 1964 and 1978. The Royal Society (1983) and the Association of University Teachers (AUT 1983) have published figures which claim that in the light of this middle class fecundity there is no reason for resource stringency in universities during the rest of the present decade.[8] The figures were examined in considerable detail during the course of the Leverhulme study, in particular in a very careful review by Farrant.[9] The implication of his figures is that the fall in potential entrance to higher education between 1983 and 1996 may be of the order of 25% rather than 33%. Even the Royal Society, which is concerned only with universities, the most middle class of the higher education institutions, can predict at its most optimistic, stable numbers of university students between 1983 and 1990 and a 15% fall in the following five or six years. Overall the Leverhulme conclusion was that there is little chance of a dramatic reversal of current trends resulting from middle class reproductive behaviour though it is certainly a factor to be taken into account in detailed planning. In the six months since the publication of the report there has been no new evidence which would make me want to reconsider that judgement.

British higher education institutions as a whole face, therefore, the challenge of adaptation without growth. They will either have change forced upon them as large scale excess capacity begins to emerge or they will adapt in an attempt to attract new types of client. The Leverhulme proposals for a radical reform of British higher education are made against a background of this Hobson's choice. Obviously a few strong universities could survive and prosper by continuing to offer the traditional pattern of courses but it would be a risky strategy for the rest. That is the main danger of misplaced optimism about future trends in the demand for higher education. It can encourage the complacent view that the system can continue much as it has always done. In my view this will be disastrous for substantial segments of the higher education system, including many universities.

At an early stage in the Leverhulme enquiry there were two schools of thought about the best strategy for survival and revival in this harsh environment. The first believed that central control was necessary with funds and functions allocated between institutions and departments according to an overall development plan. The second group thought that competition between institutions and between students should determine the structure of the system and the allocation of resources. On the whole those people with a clear vision about the aims and objectives of higher education favoured the centrally imposed solutions. Of course opinions differed about what these aims and objectives are or ought to be: and there was a certain variety of opinion about what the centrally imposed solutions ought to be. Some people thought that excellence should be preserved at all costs and that this could best be achieved by returning to the traditional elitism of British higher education. Others, who favoured broader access, wanted to impose quotas on institutions in order to force them to admit more students from social groups seen as disadvantaged. At the other extreme those who saw the higher education system not as a purposive organisation but as a complicated network of diverse activities with multiple objectives and many ways of achieving them tended to favour some form of competitive market. There were differences in this camp also. Some would go all the way and make higher education a purely commercial activity. Others favoured continuing central government finance but thought that it should be distributed on the basis of competition amongst institutions to provide various academic services rather than in the form of general block grants to institutions.

On the whole the authors of the Leverhulme report favoured a shift in this direction. They put independent institutions at the centre of their strategy. But institutional autonomy can never be unconstrained, especially when the activities of the institutions are concerned with the future of a substantial percentage of the nation's able young people, and when they depend substantially on public funds. A considerable part of the Leverhulme report is concerned with examining the legitimate external restraints, and voluntary collective constraints academic institutions should impose upon themselves in order to forestall external regulation.

The report has little time for one common misconception. Institutional autonomy is neither a necessary nor a sufficient condition of the academic freedom of individual teachers and students. Neave shows clearly how in many countries on the continent of Europe individual academics are protected by law in universities which are subject to very considerable external regulation.[10] It is, according to Neave, their status as permanent civil servants which protects the academic freedom of professors in France and Germany. On the other hand academic senates and academic planning committees can be as restrictive of the freedom of individuals and individual departments as a central government planning agency. Research workers on so-called 'soft money' who have little representation on university planning bodies are likely to feel this particularly keenly. A case for individual academic freedom can be made out simply as an end in itself in a democratic society. No such case can be made for institutional autonomy. Its justification must be instrumental. The university must be able to demonstrate a capability of responding to needs outside itself. The survival of any individual academic institution, or indeed of the higher education system as a whole, is not necessary if its functions can be performed better or more efficiently in other ways.

Ultimately the case for the independence of universities (and other institutions of higher education) rests on the belief that society is better served if decisions about the orientation of intellectual activities are widely dispersed. No one, not even a democratic government with a huge parliamentary majority, has a monopoly of truth. *Excellence in Diversity* takes the view that on the whole knowledge and understanding are more likely to increase as a result of incremental changes along a broad front rather than through sharply focussed

developments in particular areas. There is clearly a question of balance, however, and this broad philosophical position is not seen as inconsistent with recommendations that in a time of financial stringency research funds need to be more clearly distinguished from resources for teaching than has been traditional in British higher education. It is suggested both that the UGC grant should contain specific guidance about the assumptions made about the research activities of particular universities and also that each institution should establish a research fund from which departments and individuals could compete for resources.

While in general competition between autonomous institutions is seen as the best way of determining resource allocation in a time of financial stringency it is clearly recognised that the nature of the competition must be closely watched. In particular competition must be such as to increase the diversity of types of student learning experience on offer but it must do this in such a way as not to prejudice the traditionally high standards of British higher education. My own position on this has shifted slightly since the publication of the report. *Excellence in Diversity* is based on the premise that competition in itself will encourage diversity. I am now not so convinced that this is entirely true. In markets where consumers are not well informed, established producers will be able to manipulate consumer demand to persuade people to purchase the goods and services that they want to supply. In higher education the funding agencies must always be on the look out for worthwhile innovations that risk being strangled at birth by existing vested interests; specific grants for innovation are a virtual necessity in a period of sustained resource stringency.

The largest amount of press comment and the sharpest hostility from academic interests has been aroused by the proposals about the structure of courses. The report suggests that two year pass degree courses might replace the present three year specialised honours degree as the linch-pin of the higher education system. The basic structure of higher education in Britain has changed very little during the past half century. Eighty per cent of the student load of universities and 60% of the full-time equivalent students in the public sector are on three or four year honours degree courses. Fairly generous grants are available for all students on degree courses: grants for students on other courses are at the discretion of local authorities and are usually much less generous. Grants are not available for part-time students. It is hardly surprising, therefore, that all students who are able to qualify take the full-time honours degree route. The Leverhulme team (with the exception of Sir Bruce Williams) did not think that this concentration on a single course structure was compatible with the diversity they were seeking to encourage. of specialisation in English secondary and higher A separate line of argument criticises the high level education which starts before students take their GCE O levels at the age of sixteen. It is claimed that an initial two year pass degree could be more general in content than the typical honours degree and therefore impose less specialisation on the fifth and sixth forms of secondary schools. Claims are also made that the pass degree would be attractive to many adults and would increase access by being able to be provided in many more institutions than specialised honours degrees.

The report laid considerable stress on the need for pass degrees to be both worthwhile qualification in their own right and to lead to a variety of subsequent one and two year specialised modules at honours and masters degree levels.

Indications at the end of 1983 were that the proposals were opposed by the universities, who feared that two year courses at a time of stagnating demand would mean even fewer students than otherwise, and by the government, on the grounds that two year initial courses would inevitably lead to considerable pressure for large numbers to do a further two years specialised study. Nevertheless the debate about course structures has certainly been opened up, and there are many indications that the public sector in particular intends to put considerably more emphasis on two year courses with transfer where appropriate to honours degree courses with full credit for studies already completed.

In some ways the debate in Britain about course structures is analogous to the debate a few years ago about the structure of first class cricket. It used to be thought that no serious cricket match between major cricketing countries could take place in less than five days. However, declining participation rates amongst spectators and changing technology in the form of television and rapid air travel finally brought about great changes in the structure of international cricket. One day series are now popular amongst spectators and, what is more, against all the advice of the cricketing establishment, seem to have had the effect of bringing new life to the three day and five day game. A somewhat closer analogy is higher education in the United States where the proliferation of two year associate Bachelors degree courses seems to be on the whole invigorating for the institutions offering the more traditional four year degrees.

The other area in which the Leverhulme report has radical proposals is in the area of the finance of institutions. Most universities, polytechnics and colleges receive over three quarters of their income from a single source — the UGC in the case of the universities and the advanced further education pool in the case of the local authority institutions.[11]

Excellence in Diversity claims that any mechanism for financing higher education institutions is a compromise. There is a compromise between the claims of academic freedom and the claims of elected governments to establish priorities and to require accountability for the use of funds. There is a compromise between the desire of institutions for guaranteed funds to enable them to plan rationally according to their own academic criteria and the wish of external funding bodies to use financial incentives to encourage particular kinds of response. Here as elsewhere the aim of the Leverhulme proposals is to establish a balance of influence between: (i) teachers and research workers with professional expertise, (ii) agencies responsible for the implementation of national local policy, (iii) students who are the main consumers of the teaching services of higher education institutions and (iv) employers of graduates and users of research. The report claimed that a balance between the pressures can best be achieved and the independence of institutions safeguarded if they receive their income through several different routes. In broad terms, the proposals are that on average academic institutions should receive about half their income in the form of block grants from their main funding bodies. The other half should be made up partly from earmarked programme grants from the main funding bodies, partly from full cost research grants, partly by grants from local authorities, partly from student fees (which following the Robbins report it is suggested might comprise about 20% of the income of higher education institutions)[12] and partly through earned income from industry, commerce and government.

Contrary to the claims of some critics the report explicitly rejects the notion of 'privatization' of higher education. Along with the British Robbins report and the Carnegie Commission report in the United States, however, the Leverhulme signatories take the view that academic institutions can be really independent only if they obtain significant funds from sources other than monopolistic funding agencies. The fact that he (or she) who pays the piper calls the tune was disguised when resources were growing. When plenty of money is available many tunes can be played. But in the past three years universities, polytechnics and colleges have found themselves very much at the mercy of a very small number of apparently not very well informed decision makers.

A Leverhulme inspired higher education system in Britain would certainly be no bed of roses for the institutions. But it would encourage and permit responsible response to advances in knowledge and the rapidly changing needs of a high technology society. I am convinced also that it offers the prospect of preserving all that is genuinely excellent in British academic life at the present.