

Education's response to adversity

from Richard Pearson

The small-print in the UK government's recent review of the future of higher education is worthy of close examination.

THE UK government's long awaited 'Green Paper', *The Development of Higher Education into the 1990s*, has been widely criticized for its lack of originality and new ideas. But students, educationalists and employers alike will ignore it at their peril. If the final policy statement appearing in 1986 after the period of consultation follows the expected pattern, then many students may have their higher education aspirations frustrated, teachers will have increased workloads and decreased job opportunities, and while many employers will gain from the likely increase in the output of industrially relevant graduates, they may face a growing shortage of good generalists. Driven by the twin pressures of financial restraint and the demographic change which will significantly reduce the 18-year-old cohort over the next ten years, the paper sets out the government's expected priorities for higher education to the end of the century, a key priority being to make higher education more responsive to the needs of the economy.

It is important to get the demographic influence in perspective. There are two features that everyone agrees on. First, the major source of entrants to higher education will continue to be the 18–21-year-old population, and second, the size of this cohort will fall by one-third over the next decade, with most of this fall coming in the early 1990s.

In 1983 the Department of Education and Science (DES) published details of its then current thinking on the future demand for higher education. The report led to widespread comment and criticism from, amongst others, the Association of University Teachers, the Royal Society, the Royal Statistical Society and the Committee of Vice-Chancellors and Principals, who all agreed that DES had taken insufficient account of the rising proportion of women and mature entrants wishing to enter higher education, and the social class differential in the changing birth rate. In particular, it was noted that the birth rate for social classes I and II, which has provided nearly two-thirds of university entrants in the past, rose during much of the relevant period and as such the overall fall in student demand would not be as great as simple demographic trends suggested. There was also criticism that that no allowance had been made for policies that might increase the participation from working class families, or improve accessibility for mature students.

In the light of these criticisms, the DES forecasts were revised in 1984. The key figures are that the number of 18-year-olds in the population will fall from 914,000 in 1984 to a trough of 613,000 in 1995 before rising to 681,000 in the year 2000. Two projections of qualified demand are given by DES (Fig. 1). The projection, Variant X, assumes that student demand will continue at the levels prevailing in 1981–82, and that women will continue to catch up with men in their degree of participation in higher education. DES assumes, however, that the qualified demand index for women will

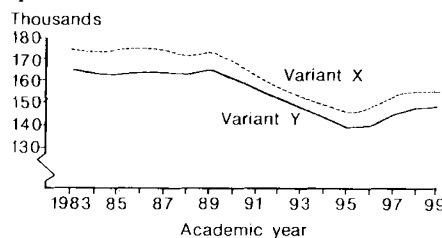


Fig. 1 Projections, from the DES report, of the total number of home initial entrants for the academic years 1983/4 to 1999/2000. Variant Y is the revised version.

not exceed 85 per cent of the observed level for men.

Variant Y, revised again in January 1985, assumes that student demand will continue at the levels observed in 1983, after the public expenditure cuts had caused some redistribution of higher education places. Both variants are based on assumptions about the prevailing real value of student grants and the influence of various social and economic circumstances, including labour market opportunities for graduates. DES concedes that, by 1999, actual student demand could be outside the limits set by Variants X and Y. The figures suggest a fall in student demand over the period to 1995 of about one-fifth.

For young home initial entrants to higher education (aged under 21 years), Variant X shows demand rising slightly to a peak of 134,500 in 1985 before falling back to 107,500 in 1994 and rising again to 117,700 in 1999. It is assumed here that the age participation index (API) will rise from 14.4 per cent of the age group to 16.9 per cent by 1999. Variant Y anticipated that young entrant demand had peaked in 1983–8, and that the peak age participation index assumed (for 1999) is 13.9 per cent of the age group.

Mature entrants have to be added to these totals, and the DES projections pro-

vide for a small growth from 37,500 in 1983–84 to about 40,000–43,000 mature entrants for the academic year 1989–90 and about the same number in 1994.

The government's current expenditure plans assume that expenditure will be available to meet a level of demand equal to variant Y. The University Grants Committee, interpreting these figures, has said that universities should plan on the assumption of a 2 per cent per annum cut in resources until 1990. This could be equivalent to the closure of a major institution each year.

A key theme of the green paper is meeting the needs of the economy which is seen to require a switch in places towards science and technology subjects. There is, however, some doubt whether suitably qualified and interested students will exist to fill the additional places. The paper finds it remarkable that the public sector institutions cannot fill their current places in science and technology subjects. Student interest in science and technology will therefore have to increase significantly over the next few years if it is to counteract the downward demographic trends and allow for the increased number of places to be filled.

Perhaps the most profound and unexpected part of the green paper is the appendix in which performance measures are proposed to help evaluate the effectiveness of individual institutions. Costs per student, years per graduate, cost per graduate, non-completion rates, entry qualifications, and initial labour market success are all factors to be measured. These in turn are consolidated into a 'rate of return' which, it is argued, can be used in the future to measure not only differences across the binary line, but also between institutions, and between subjects and departments within institutions. On the research side DES sees measuring outputs as rather harder, for example, in measuring the 'quality' of a book or an article, so it is working on ways of measuring inputs to research and their relationships to teaching.

Performance indicators may in due course prove to be even more controversial than the policy perspective, and it will be interesting to see how the debate about the future of higher education develops over the next year. □

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