Focusing and widening access to higher education

Elsbeth Johnson and Rana Mitter

With a foreword by Tony McNulty MP

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We emphasise that the contents of this pamphlet express only the views of the authors, and should not be taken as reflecting the views of other participants in the conference, the Young Fabians, the Fabian Society, or Barclays Campus Recruiting.

Foreword

After 18 years of Conservative education policies, a Labour Government achieved a landslide victory on 1 May 1997 by, amongst other things, promising to make education our top priority. One of the greatest challenges we faced was in the field of higher education. This sector was under-funded. Although the total number of students participating had increased, the numbers from non-traditional backgrounds remained very small. In some cases, students were arriving to begin their course lacking basic skills and unable to cope with a university syllabus. In other cases they faced serious overcrowding due to a lack of investment in infrastructure.

We remain absolutely committed to tackling these challenges and have already introduced a number of measures aimed at doing just that. An additional £165 million of funding has been allocated to higher education. New student support arrangements have been introduced to ensure universities are adequately financed in the long-term. At the same time, we are striving to improve access by increasing the cap on numbers by 500,000 in further and higher education. We will ensure that around one third of university students will pay no fees under the new arrangements. We will work with the Higher Education Funding Council and others to improve access and participation. The latest figures show that university applications from school leavers are up on last year.

However, we have not merely thrown money at the universities and hoped they would be satisfied. We have also embarked upon a drive to raise standards in schools, to ensure that all children achieve and that those who are able are not prevented from reaching university. The Schools Standards and Framework Act enshrines this principle in law and has been widely welcomed by universities because they recognise that it will improve the basic skills of the pool of students they are drawing upon.

We have also attempted to reinforce the link between education and the economy. We are tackling the skills gap which is hindering economic growth through the Welfare-to-Work programmes and the New Deal for young people, single parents, disabled people and the long-term unemployed. Those working in the higher and further education sectors are working in partnership with the business counterparts to make this a reality.

Nevertheless, the Government is not complacent and there is

much more to come. There is no quick fix solution to the problems faced by the higher education sector over the medium and long-term. Professionals, students, businesses, academics and parents all must make their voices heard and have their say. For this reason, I welcome the publication of this pamphlet as a vibrant and interesting contribution to the current debate on higher education.

I welcome in particular the pamphlet's emphasis on the quality of the education offered by universities as a breath of fresh air after the "pack-'em-in, pile-'em-high mentality of the Conservative Government. I applaud the value it attaches to researching the methods used by our colleagues in the rest of Europe and the United States.

The pamphlet also offers interesting ideas on mentoring and awareness raising as a means of increasing access, which must be a priority. It echoes the Labour Government's emphasis on basic skills, vocational courses and public-private partnerships as a means of ensuring that educational and economic policies are mutually beneficial.

Of course, there are some conclusions in the pamphlet with which I would have to disagree. For example, fee differentials would, in my view, have an adverse effect on access and participation, and be detrimental to the overall objectives of our higher education policy. Despite this, I happily recommend this pamphlet to all those who value the British higher education system and seek to ensure that we have a high-quality, modernised and accessible system to take us into the new millennium.

TONY McNULTY MP PARLIAMENTARY PRIVATE SECRETARY DEPARTMENT OF EDUCATION

1. Introduction

Higher education (HE) is one thing that Britain does well. A recent survey of 1,000 professors and 7,400 students by the German newsmagazine Der Spiegel reported that "British universities score best across Europe in a large-scale comparison of universities in 15 European countries." Our system produces graduates who in the space of three or four years have matured from school-leavers to critical, informed young women and men. But this system faces change. There are new demands upon it - from its participants, from a new government, and from those concerned about the skills gap which the UK continues to experience. It has recently been the subject of a major National Inquiry chaired by Sir Ron Dearing, which culminated in the publication of its Report in July 1997. While this Report recommended significant changes in the HE system, the Government has gone further still. The full, long-term implications of current Government policy will not be understood for many years. But the debate on HE and its outcomes goes to the very heart of many of the key ambitions of the new Labour Government, not least in terms of realising the concept of a civil society.

The aims of this pamphlet are to explore several key questions on the future role of HE. What do we want the HE system to achieve? Can we meet the demands of all its participants? How will the government's policies affect HE in the longer term?

2. What do we want our higher education system to achieve?

What is our aim in maintaining a higher education system? In answering this question within this pamphlet, we have deliberately restricted ourselves to teaching rather than research, in other words, the meeting between lecturer and student. We do not address in detail the research role of higher education institutions, except as they affect the way that teaching takes place. This is so that we can concentrate the argument on one or two key themes: we have no intention of downgrading the importance of research, which, we make clear, is crucial to our vision of the university.

What, then, do we want HE to achieve? Most narrowly, it should produce employable people. This is particularly important in the light of the UK's continuing skills gap in many areas, including technology and foreign languages. However, the years of a degree course, regardless of the discipline, should aim to produce critical thinkers. Undergraduates who have been trained to question accepted truths, construct wider principles from evidence, and ask penetrating questions will be in high demand from any employer. And finally, the university student should become aware of his or her place in a wider civil society: the same critical skills that make these students so attractive to employers will also make them fit citizens for a democratic, free-thinking polity. For the last reason, if no other, the government should show its concern to keep British higher education at a world-class standard.

How should we achieve those aims? The Government's answer and the terms of reference of the Dearing Report were that "there should be maximum participation in initial higher education by young and mature students and in lifetime learning by adults, having regard to the needs of individuals, the nation and the future labour market".²

But stepping back from this answer, there are other questions that we need to consider: what *is* higher education and how is it different from other post-18 educational options? Rather than the policy aim being merely to expand student numbers, it should be to expand the quality and the breadth of options for students of whatever age. This means two things. First, our policy goal on higher education should not be mass participation for its own sake. We must ensure that the

policies we design now do not cause universities, or indeed the Department for Education and Employment (DfEE), to be more concerned with the quantity of provision than with its quality, in the same way that Job Centres and the Department of Employment were more concerned during the Tory years with the numbers leaving the jobless lists, rather than with the quality of the jobs to which these people were going. Secondly, we must redefine higher education as part of a continuous spectrum of post-18 educational options, including a revitalised and properly funded further education system, and a respected vocational sector, fully integrated into the world of work. In the words of the Dearing Report's Terms of Reference, "students should be able to choose between a diverse range of courses, institutions, modes and locations of study."3 Finally, it must be recognised that higher education is highly dependent on the level of achievement of those entering its institutions. It cannot be acceptable that higher education lecturers spend the first year teaching undergraduates what they should have been taught in school. Higher education needs to provide a distinctive, additional element to the education system.

What, then, are the distinctive points about higher education? In our view, HE places value on developing broad, analytical abilities, often by the study of abstract disciplines. The distinctiveness of the HE sector is emphasised by the fact that its teaching is heavily influenced by the active research role of its staff. This contrasts with the FE sector which concentrates rather on developing sets of skills with a focus which is deliberately more vocational, and with its staff more fully occupied by teaching rather than research.

There is currently an unjustifiable status gap between the HE and FE sectors. The Government has rightly moved quickly to remedy one of the major causes of this disparity, namely the chronic underfunding of the FE sector. This new emphasis on the FE sector is long overdue. It recognises the important role that FE should play in any mature, Western economy, a lesson which other EU countries have long understood and put into practice. However, in order for this money to be best spent on the best courses teaching the best people, the DfEE now has to revitalise the FE sector. The concomitant result of this is that HE is not a priority area for additional funding. While many in HE may resent this, their concern may well be reduced if the result of the Government's policy is to provide a clearer distinction between what HE and FE do, but without implying that one is the poorer relation of the other.

However, to bring about this change in attitudes, we must have fostered an environment which puts students in a position to make a genuine choice at 16, 18, 25 or 53, about whether higher education is the right sector of the education market for them. They must feel able to make the decision "No" with a clear conscience if that is the right option for them, rather than go into higher education by default because the other options open them to social ridicule and automatically poorer employment opportunities. A key part of the expansion of the post-18 educational options is that people should be able to make rational choices based on what would be best for them and their future careers, not emotional ones based on a prejudice (reflected by society) that higher education is in some way better than vocationally directed education.

Whilst the concern of this pamphlet is higher education, we must recognise that HE is just one part of a larger educational picture: it must earn its distinctive status and the additional funding which has been long associated with this. There are unique opportunities for students and staff in higher education, however, and we believe that any reforms of the system must preserve this uniqueness. Universities are where our society has its most wide-ranging conversations with itself. Sometimes that conversation is rarefied or even inaccessible to those outside the field. We should rightly be concerned when academic discourse is of relevance to nobody outside a self-selected elite. But the conversation must also have the right to be difficult, or to go in directions that may seem pointless or even crazy. Some of those directions will be dead ends. But others will enable researchers, and later, society at large, to discover new and exciting possibilities for the way we live, and for defining who we are. John Maynard Keynes's notes on aggregate demand might not have been riveting reading for the commuter on the London and Northeast Railway suburban train in the 1930s, but his work helped to create the contours of the entire society we live in today. The same is true for other giants who have worked in and been shaped by the British higher education system: Bertrand Russell, Dorothy Hodgkin, and Ernest Rutherford for instance. In opening up the opportunity for young people to think in ways that they have never been taught to do before, and to be around those - both students and teachers - thinking in such ways, we keep the road open for the wider conversation to be available to thousands of people who may themselves never enter the doors of a university. The expressions "humanities" and "social sciences," are inclusive, not exclusive terms, and the university is only worthy of its privileges when it lives up to that ideal.

3. The Policy Now

So will we achieve these lofty aims for the education of our students? Education policy is a notoriously long-term affair, often to the point of making it impossible to analyse its full effects. But, whatever those effects, they will be set in train by today's policies, which have recently

undergone significant change. What, then, are the changes?

The Teaching and Higher Education Bill which went through Parliament in 1998 fundamentally changes the basis for the provision of higher education in Britain. It followed the 1997 Report of the Commission of Enquiry into Higher Education (the Dearing Report). Dearing recommended that tuition fees be paid by students to cover a proportion of the costs of their degree courses, but also recommended retaining a mixture of grants and loans to fund students' day-to-day maintenance costs. In the end, the government decided against the latter recommendation and, from 1998, pursuing an undergraduate university degree will involve two separate costs.

First, students will have to pay upfront tuition fees (generally by direct debit) of £1000 a year (the fee is the same regardless of which university you attend). The fee is reduced if your family's gross income is under £35,000 per annum, and waived completely if that income falls below £23,000. Recently, this component has provoked media attention on what is known as the "Scottish anomaly." Because all Scottish undergraduate degrees are four-year MA courses, Scottish students will have the fourth year of fees paid for them by the government, so that they are not at a disadvantage compared to students elsewhere in the UK doing a three year BA or BSc course. Non-UK EU students will also have their fees paid. However, students from England, Wales or Northern Ireland studying in Scotland will have to pay all four years' worth of fees, although they are permitted to enter the MA course in the second year.

Secondly, from 1999, students will need to take out **loans to cover their maintenance costs**, and student grants will be completely abolished. Graduates will repay only the real amount they borrowed, inflated over time in line with RPI. Repayment will only be triggered once a graduate's income exceeds £10,000 per annum.⁵

These are the new policies with which the UK government is seeking to reshape higher education. How do they compare with those of other countries which may share some of our policy objectives?

4. Are there blueprints for Britain?

Britain remains a distinctive society with its own strengths, weaknesses, and needs. However, casting a glance at the way in which other countries arrange post-18 education offers some pointers for change. They also offer indicators for the implications of the new policies in the UK.

Germany

The German "economic miracle," so lauded in the post-war decades, has recently come in for much more criticism both internally and from abroad. Yet German productivity still remains above British levels, even after the restructuring of labour markets during the Conservative years. The education system has a part to play in this disparity. Post-18 German students can choose between universities and Technische Hochschule ("Technical high schools"); the latter specialise in engineering and other technical disciplines, and have strong ties to industry. Entry to either type of college is not selective; all that is required is an Abitur (school-leaving certificate). There is also a culture of migration within the system, with students often moving from one institution to another after a couple of years. This is an important feature, which we will see repeated in other systems, but not in our own. However, perhaps most notable, in comparison with the UK, is that there is no social distinction between attending a university or a Hochschule: nobody sneers at graduates of the latter.

Of course, the German system has disadvantages. The unrestricted entry means classes are large, meaning that the German undergraduate has to be much more self-reliant than the British one. In addition, there is no bachelor's degree; the first degree students can take is the master's, which may require five to seven years of study, particularly if students are working to put themselves through. Tuition fees are negligible in Germany, and there are means-tested grants, but students often still find themselves in financial difficulty because of the length of the course. Recently, Germany has started to look at restructuring its HE system. Nonetheless, that system remains highly respected and is perceived as having served its society well.

Belgium

Belgium is made up of two historically separate regions, each with its own language and culture. Belgium has had to work hard at becoming an integrated society; but its higher education system is an aspect of the country that is well respected and valued. It repays examination, because it manages to provide much of the balance that we seek for the UK system between higher and further education.

Belgium has a relatively low rate of attendance at its universities compared to the UK, but again, this is not because access is restricted. All Belgians who hold a school-leaving certificate (Belgians may not leave school until they are 18) are entitled to enter university. In practice, only a minority does, because most go on to Higher Non-University Institutions (HNUI), which are more focused on vocational training. But again, unlike the UK's unloved FE sector, to have graduated from a Belgian HNUI raises no eyebrows in polite society (you have to marry into a Dutch family to do that). The division between university and HNUI education is disciplinary, not social. If you want an engineer to build a bridge, you find a graduate from an engineering college, not from a university. If you want someone to discuss the Indo-European origins of Iberian languages, you go to a university. If you want someone to translate your business's contracts into Spanish, you go to an interpreting college. All Belgium's students in higher education are given the same level of government support for fees and tuition (unlike Germany, but like the UK, moderate but significant tuition fees are charged).

Only a third of the students who enter Belgian universities complete their courses, finding that academic work is not for them. But the system is flexible enough to enable those who do not continue after their first or second years to transfer to HNUIs if they wish, transferring rather than dropping out.

The United States

Attendance at "college" (that is, a first degree course following high school graduation) has for decades been a mainstay of most sections of American society. As befits a society as varied as the US, the higher education system contains many different options. For a start, there is a distinction between universities and colleges. The former take undergraduates, of course, but also have large graduate schools, professional schools

(for instance for law and medicine, subjects which US students cannot take as undergraduates), and research facilities. The latter are undergraduate only (although these do not make them educationally inferior, as they include institutions such as Vassar, Dartmouth, Smith, and Wellesley). Then there is a distinction between private and state institutions. Again, there is no guarantee that one will be better than the other; although private universities like Harvard, Yale and Stanford are world-famous, there are plenty of mediocre private colleges and universities, while state universities such as Berkeley and UCLA make excuses to no-one.

One of the most notable features of the university system, however, is that it is possible to transfer between institutions in a way that is still rare in the UK or indeed within the EU. One of the most notable examples of this happening within one state's system is in California, which runs three parallel systems of higher education. At one level is the University of California system, around eight campuses (including Berkeley, UC San Diego, and UCLA) which offer a traditional university education with world-class research and professional training, and aims to recruit not just within California but nationwide. At another is the California State University system with 20 campuses, which emerged from the state technical college system, and places priority on undergraduate instruction, particularly of students from the local area, offering online programmes as part of their remit of serving the local community. At a third level are the community colleges (found all over the US), which recognise the needs of students who are already in work by providing part time and evening classes. It is possible to accumulate course credits within any one of these systems and then apply for transfer to another system (or indeed to a college in another state). California, we should note, also has a large number of private colleges and universities.

The social changes catalysed by World War II led to a massive increase in war veterans going to college under the terms of the G I Bill, and the increasing need for higher education provision during these baby boom years led to an expansion in the number of state-funded higher education places across the country. The impact of the civil rights and women's liberation movements of the 1960s also gave sections of society traditionally under-represented in higher education a new presence there, as they saw education as a means of gaining upward mobility. It was fortunate that these movements coincided with the most prosperous period in recent American history. For once, federal and state fund-

ing was available to fill the demand for huge new campuses to be built. But while the public purse provided capital funding for buildings, students' entire costs were never covered: even in the good times, US students paid a proportion of their fees and maintenance.

Even now that times are perceived to be harder, there is still a one-in-two chance that an American will receive a college education. Partly because of the traditional lack of welfare provision in the US, as well as the large numbers of students, which has reduced the support available for any individual, applicants to college consider paying fees and supporting themselves to be a normal part of the process. This applies to students from disadvantaged socio-economic groups as much as those from better-off sections of society. Naturally, there is a large variation in the amount of fees charged, but state universities tend to charge a few thousand dollars for students who live in-state (i.e. whose parents are likely to have paid tax dollars into the state education budget). The lack of reluctance of sociologically disadvantaged US students to pay fees when set at a reasonable level says a great deal about the way in which education has been absorbed into public consciousness as a worth-while investment.

5. Delivering equality of access to all

"You do not take a person who, for years, has been hobbled by chains and liberate him, bring him to the starting-line of a race and then say, you are free to compete with all the others... It is not enough just to open the doors of opportunity. All our citizens must have the ability to walk through those gates... We seek... not just equality as a right and a theory, but equality as a fact..."

President Lyndon B. Johnson, Commencement address, Howard University, June 1965

When Lyndon Johnson made this speech, he was doing more than sending a graduating class on its way. Howard was the first major US university whose faculty and student body was predominantly African-American, and it provided a beacon lighting the way out of the secondclass status that white America had imposed on its black fellow-citizens. And 1965 marked the signing by Johnson of the landmark Civil Rights Bill, ensuring equal voting rights for all, a political achievement which progressive America, black and white, could hold aloft as a simple act of unadulterated good in the muddled years of war abroad and depression and economic inequality at home that marked the following decades. Johnson proclaimed the need for a "Great Society." His own faults and the sheer size of the problems that confronted him meant that much of his vision was never realised, but much more of it survives and vindicates him. And education is a key part of that vision. Our society is surely less riven, and will take less time to heal than the one which Johnson oversaw. Therefore, it would be shirking our duty not to tackle its problems. And the question of equality of opportunity in higher education is one of those problems.

Many believe that the significant expansion in university entrance is necessary not only to ensure a well-qualified graduate pool but also to escape what many have viewed as the "elite" world of the university. (The view of university as an "elite" institution will presumably be held by some until the entire population attends it.) However, the policy aim should not necessarily be that everyone goes through university,

but that everyone has equal opportunity and access to be able to go there. We are not able to ensure equality of outcome, but equality of opportunity and access is a fundamental principle of this and any other Labour Government's policy.

The examples of Belgium and Germany, cited above, show societies which simultaneously link very wide access to university education with a full spectrum of post-18 options, none of which are regarded as being superior to any other. This removes the perception, so common in the UK, that the university is only the bastion of an elite. There is no such perception in Belgium, even when the actual proportion of the population at university there is smaller than in the UK.

Welcome to the TERA Zone: Encouraging disadvantaged groups to apply to university

It is widely assumed that greater upfront costs for students in higher education are likely to put off students from backgrounds where university is not traditionally considered an option. It will remain unclear for a while precisely what the effect of fees has been on the social makeup of the student body. However, recent research on the take-up of student loans (operating since 1990) suggests that "concern about borrowing and debt largely deterred students from lower social classes from taking out a loan." While this research referred to students who were already in higher education, not those considering it, it does suggest that a culture still exists in which university is considered largely in terms of a potential debt, unlike in the US, where college is regarded among disadvantaged groups as a passport to higher earnings and status.

It is our belief that this continuing apprehension about the costs of a university education is largely a failure of culture and of communication of information, which can be dealt with (as we suggest below) at relatively low cost. The experience of the long period when maintenance grants were available and tuition fees were paid by the state shows that low cost to students does not necessarily result in an increase in the number of students from lower socio-economic groups. A middle-class sixth-former who has received a good secondary education remains much more likely to apply to university.

The most recent study for HEFCE (the Higher Education Funding Council for England and Wales) that has been carried out on the "participation of non-traditional students in higher education" lends support to the idea that it is a cultural bias rather than lack of funds that prevent potential students from certain groups (lower socio-economic groups, ethnic minorities, the disabled, those with non A-level/Higher qualifications, those aged over 25) from applying to university. Students from "manual worker families" in the survey gave "lack of confidence" as a far more powerful reason than concerns about money for their failure to apply; twice as many interviewees from this background than from managerial/professional families gave this reason. Similarly, black students showed markedly less confidence than white peers about the prospect of going to university, but for those who think about applying, the aspirational element was high: university was "much more about self-esteem, widening career opportunities and enhancing earnings, but much less about natural progression."

The importance of an aspirational culture overall is suggested by one intriguing statistic. This study suggested, unsurprisingly, that ethnic minorities were seriously underrepresented in student numbers at universities. Yet within this bracket, there was a notable overrepresentation of students from Indian subcontinent ethnic backgrounds; young people from this background are more likely to be in higher education than either members of white or Afro-Caribbean black ethnic groups. Asian ethnic groups have traditionally had a culture heavily centred on educating children to aspire to jobs that will improve the whole family's income level and social status.⁸

The HEFCE survey was in part commissioned to consider whether institutions should be given further funding to accommodate the extra needs of "non-traditional" students. What they found was that, with some exceptions, such as the provision of access for the disabled, universities did not feel that taking on such students would in fact involve them in any extra costs. It was also notable that students from lower socio-economic groups, once at university, tended to perform well. University staff therefore suggested that there should be "provision of funding for targeted initiatives" to recruit such students in the first place. It was announced in August 1998 that HEFCE proposed the establishment of a £30 million fund to encourage recruitment of students from non-traditional backgrounds. In

We strongly support this idea. Below, we offer ideas for giving it more substance. In particular, we believe that it is crucial that it be coordinated with the Government's policy to reengineer Britain's schools.

Many universities have target programmes which send students and, less frequently, academic staff, to visit state schools and encourage applications. While highly laudable, these efforts tend to be *ad hoc* (being done on an institution by institution basis) and less than generously funded. More insidiously, there is also a tendency to send students into "good" state schools where the intake is already middle-class and more likely to be receptive to the idea of higher education. (And one must ask the question of just how fair it is to ask a 19-year old volunteer to venture into some inner-city comprehensives and motivate students of whom even the teachers walk in fear.)

There should therefore be a Tertiary Education Recruitment Agency (TERA) for the post-18 sector as a whole, run on a professional rather than purely voluntary basis. In keeping with the idea that a university education should be part of the development of citizenship, we highly favour retaining a volunteer element, but the whole operation should not fall on the shoulders of volunteers, who by definition can only devote part of their time to visiting schools.

TERA teams should go into all secondary schools and clearly explain to students from the age of 13 the paths and options for post-18 education that are available to them, and the means by which they can best judge which options to take. One important element coordinated by TERA would be contacts with current undergraduates who would act as mentors in schools without a tradition of sending students to university. TERA's remit should include giving details on subjects not taught at school which students might not otherwise understand are available to them: these include areas where the UK lacks enough graduates, such as engineering and non-European foreign languages. The Association of Graduate Recruiters has complained of a lack of qualified graduates in many areas including electrical and electronic engineering, computer science, and information technology.11 It may be that the problem that the Association bemoans lies as much at the school level as at the university, and that employers should be encouraged to contribute to the running costs of such an agency that would put the thought of studying the undersubscribed subjects into pupils' minds at an early stage. Some universities have already taken steps to attract students at school: Cardiff, for instance, annually invites around fifty able A-level students nominated by their schools to a summer camp for would-be engineers. (Of course, it is true that low salaries and status for many engineering jobs in the UK is also a significant factor in turning students away from those subjects, and one which the higher education sector is hardly in a position to alter.)¹²

In general, the DfEE needs to explain its policies more widely and in more detail, aware of the sensitivity of this area and the climate of fear among some potential students which was created during the weeks after the first policy announcements. Explanation of a fundamentally sound policy will work. Indeed, it is probable that this has already been proved by the fact that in the early days of the introduction of the fees policy there were alarmist views that the numbers of applicants were down on previous years. However, UCAS (Universities and Colleges Admissions Service) figures suggest that the numbers who have in the end applied for university courses this year are of a similar order to those of previous years.¹³ It is already clear that the DfEE is taking steps to explain its policies better: our proposals are that this explanation of policy be extended and taken into schools systematically and early on. By the time students are in their last year at school, it is too late, it is only natural that they shrink from taking on the financial commitment of tertiary education, and this reluctance will be reinforced if they are from families with no tradition of higher education and/or taking on debt. The NatWest Student Money Matters Survey 1998 suggested that sixth formers still have very distorted ideas about the financial commitment and level of planning needed for college.¹⁴

TERA's task is to relieve these fears and disseminate information. The agency should:

- Target schools in the most deprived areas, where the culture militates against aspiring to university or even post-16 education
- Explain what universities are (and are not: e.g., not just for a middle-class elite) from an early age, and allow students time to ask questions during regular visits over several years
- Give a breakdown of how the tuition fees and maintenance loans system works, portraying it as an investment for the future rather than just an upfront cost

For quality graduates, you need quality applicants

Linked to the lack of aspiration to university among school students in many deprived areas is the fact that most universities are not equipped to cope with students who cannot operate within the template of what higher education does. To a government whose priority is "education, education, education," in one sense, higher education should be the least of its worries. Britain, as we noted at the start, has a higher education system that garners great respect worldwide. Yet this is the same country that comes low in all tables of European school-leavers' achievements in maths, foreign language learning, and acquisition skills in their own language.

To criticise universities for not taking more students who have been socio-economically disadvantaged before 18 misses the point. It is not their job to teach school-level maths to first-year students in accountancy degrees. The fact that many universities do just this is to their credit, but it is a dreadful indictment of the school system.

David Blunkett, praising Cambridge's recent publicity campaign to take a higher proportion of state sector educated students, noted on July 1 that all students with three As at A-Level should be eligible to come to Cambridge.15 We strongly support this sentiment. But students who are already getting three As are not the problem. It is those whom the school system fails who are being hobbled far too early in the educational race. How do you fill advanced maths degree courses with enough students from disadvantaged socio-economic backgrounds when they may not be in a school environment which can teach them how to do quadratic equations? The steps the Government is already taking must be extended to ensure that potential university applicants are equipped to cope with the courses they will encounter. However, this should not be an excuse to give academic subjects higher social status. As part of the widening of preparation for post-18 options, we would hope to see an extension of vocational modules as part of the normal school curriculum (as has already happened with ScotVEC modules in parts of Scotland) to emphasise that this form of education is also available and in no way inferior.

Until we see these changes, the school system will continue to let students, and indeed universities, down in two ways. First, by failing to provide the aspirations to their pupils, and secondly, by failing in some cases to teach them to the level required by higher education courses.

6. Potential consequences of current Government policy

We want to turn now to what we believe could be two potential consequences of the introduction of tuition fees for HE, one practical, and the other cultural.

Fee Differentials within the HE System

One of the most intuitively powerful arguments used in the debate of the early 1990s on the abolition of grants in favour of loans was that a loan-based system would lead to fewer students from working-class backgrounds entering HE, deterred by a disinclination to take on debt. Will the Government's new policy put off applicants from these backgrounds?

Research is ambivalent about the effect of fees on student take-up. The United States, for example, where there is a one in two take-up of college education, sees students from all backgrounds taking up loans of substantial amounts (for fees alone, some \$25,000 at a top college, and many thousands of dollars even for less prestigious ones). This, of course, links in to the widely held aspirational value which all levels of American society ascribe to a college education. Preliminary evidence in the UK does not suggest a massive drop-off in applications to universities for the first academic year when fees will be introduced.

But the government needs to extend its logic. If the final evidence is that fees of £1000 do not prevent students from applying, would a fee of £2000? Or £4000? Well, it depends. Let us rephrase the question. Would students be prepared to take out loans, repayable at subsidised rates over time, to attend the London School of Economics? Or the University of Glasgow? The advantages they would gain from attending prestigious, challenging institutions of this sort, both at the time and in later life, would suggest that the answer should be yes - provided the appropriate safeguards were structured into the system of repayment and these were clearly explained to potential students by the DfEE. But would students be prepared to pay a similar amount for a small institution which did not have as fine facilities or as good a reputation? Probably not.

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The obvious conclusion, not yet addressed by the DfEE, is that fees need to be differentiated between institutions. The implication of the standard fee of £1000 is absurd: that all universities are offering the same product of the same quality for the same purpose, and should therefore charge the same amount. Furthermore, it implies that the costs of providing courses are identical at all institutions, which is also clearly not the case. If fees do not *per se* put off students (as the government maintains and preliminary research seems to support), there is no argument against fees on grounds of equality of access and opportunity. Then by the same logic, there is no argument against differentiated fees either. Differentiated fees would have no impact on low-income students because in the future, as now, they will not be liable for tuition fees.

Clearly there will not be an infinitely elastic price range for education, even at top institutions. Many of the arguments in favour of this change can be taken by analogy from the funding of local government. Some argue that since the bulk of university funding comes and will continue to come from central government, the universities have no right to play around with the level of fees which fund only a marginal amount of their total budgets. But the majority of council funding also comes from the centre as well, yet council taxes vary by hundreds of pounds, and are frequently regarded as an indicator of the council's performance - as well as a reflection of the costs of the services provided by the council and, in turn, the needs of its constituents. But while there is little logic in a "one-size fits all" policy, there is certainly a role for government regulation to ensure that fees do not become outrageously high or ludicrously low. What is needed may be a kind of OfUni, to play a regulatory role in the case of potential abuses, but otherwise allowing variations within the system. Universities may need to charge more than £1000 to cover their costs, but others may need to charge less than this to attract students at all. Differentiation has been the life-blood of how the HE system has developed. A new funding regime should not be an excuse to straitjacket that system at a time when it faces its next stage of crucial development.

Students become "consumers" buying an HE "product"

It seems possible that upfront payment for higher education may encourage students to take degrees that make it more likely that they will be employed. However, since many graduate recruiters, particularly in

the service sectors, are not particularly concerned at the discipline of the job applicant's degree, the introduction of fees may not in itself rectify the undersupply in, say, engineering.

Therefore, it may be necessary for companies to increase the number of bursaries that are available in subjects discussed above where there are too few graduates. It might be suggested that this would bias people's choices away from other subjects which do not have scholarships attached. However, in practice it seems unlikely that many students who will be tempted by a bursary to study engineering or food sciences would otherwise have taken media studies or English literature; nor are courses in the latter, which are generally filled up quickly, likely to haemorrhage all their students away to the temptations of chemistry. Furthermore, the explanation in schools from TERA teams that bursaries will be available for certain subjects will help place options for consideration in school students' minds early on.

Higher education should not be a Gradgrindian feeder to convert schoolchildren into fodder for the labour market. But having said that, there is no reason why society should not offer some incentives to students to consider courses where the country lacks skills and whose graduates are certain to find employment.

Products of the marketplace?

The payment of upfront fees by students has increased the prevalence of the view that education is a "product". This is reflected in the growing and understandable sentiment among students that if they are to hand over bags of used fivers to their institutions of choice, they should be able to seek a better quality of "service". (Indeed, the term "service" is increasingly appropriate given the role of the lecturer now goes well beyond that of simply teaching.) The institution of teaching quality assessments and training courses for academic staff is a response to this legitimate demand.

There are some potentially dangerous paths which have been suggested: in particular, as demands are growing on academic staff simultaneously to take on more students and to publish more frequently, some departments have suggested that the solution may be formally to divide research and teaching staff, and possibly even teaching and research institutions. We believe that this is a highly undesirable direction to take. The pursuit of research keeps academics fresh-minded, and brings a search-

ing, analytical note to their work which is transmitted to their students. To separate these two functions would impoverish both research and teaching.

The separation of functions argument is a small facet of a much larger viewpoint that misunderstands the fundamental nature of education. What is rarely stated is that in fact, the £1000 fee imposes something other than new rights on students; it imposes new responsibilities. They will for the first time be concerned to get value for money, but this also means that they have to be worthy and capable of receiving it. The analogy with a product breaks down at this point. Petrol is a product. You fill up your tank and hand over your credit card. Unfortunately, it is not yet possible to stick a nozzle in a student's ear and shake information in. Education cannot simply be a means by which cash is handed over and learning somehow pumped into the student's brain as if a university were an intellectual filling station (an Upper Second presumably being three star unleaded). *Knowledge* may be primarily about information. Education is not. Nor is it a product. It is a process; but it is a two-way process. There are many ways of turning people into citizens. Higher education is one of them.

7. Conclusions and recommendations

- Mass participation in higher education should not be regarded as a good thing in and of itself: the concern is with the quality of the education and the skills that graduates attain.
- As a society, we must take on board the experience of European and American systems which recognise the legitimate difference between higher education (HE) and further education (FE); we must restructure FE's funding and its links to business and employers so as to change its current image as the poor relation of HE.
- We must resist any moves to separate teaching and research functions which would rob HE of the unique and fruitful relationship between the two.
- We must set up a national Tertiary Education Recruitment Agency (TERA) to educate pupils about post-18 alternatives early on, particularly for socio-economic groups and deprived areas which have not traditionally had such information or the benefit of mentor relationships.
- The school sector must provide university applicants with a level of school achievement which equips them for a first-year university syllabus. Simultaneously, we should encourage the use of vocational modules at school alongside academic subjects to emphasise at an early stage that there is nothing inferior about vocational training (as has already happened in some parts of Scotland).

- The Government should recognise the potential need for fee differentials (both above and below the Government-prescribed level). This recognition will mean that the need for differentials, which most academics believe is inevitable, will occur in a controlled way, with Government regulation if necessary.
- We must recognise the continuing skills gap in certain sectors of the UK economy, in particular in manufacturing industry. This could be in part remedied by the manufacturing and engineering companies encouraging the study of relevant subjects, both by contributing to TERA and by offering bursaries to encourage applications in undersubscribed disciplines.

Notes

- ¹ "British best in Europe," *The Times Higher Education Supplement*, May 8 1998.
- ² "Terms of reference and membership," *Report of National Committee of Enquiry into Higher Education*, 1997.
- ³ "Terms of reference and membership," Report of National Committee of Enquiry into Higher Education, 1997.
- ⁴ "Further education grants system 'close to collapse'," *BBC Online*, 6 July 1998.
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- ⁷ Terence Hogarth et al., *The Participation of Non-traditional Students in Higher Education: summary report* (Warwick: Institute for Employment Research, 1997), pp. 17-18.
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- ¹⁰ "Candidates get right to check exam marking," *The Guardian*, 18 August 1998.
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- ¹⁵ "Merit is our only test for entry, Cambridge tells state pupils," *The Guardian*, 2 July 1998.









Focusing and widening access to higher education

Knowledge may be primarily about information. Education is not. Nor is it a product. It is a process; and it is a two-way process. There are many ways of turning people into citizens. Higher education is one. We do not claim that it is a better way than any other. But it is an important part of the cement which society produces to hold itself together.

In this pamphlet, Elsbeth Johnson and Rana Mitter explore several key questions on the future role of higher education. What do we want the HE system to achieve? Can we meet the demands of all its participants? How will the government's policies affect HE in the longer term?

The authors argue for the creation of a Tertiary Education Recruitment Agency to educate pupils about post-18 alternatives early in their career, and they examine how the fees system and government reforms can be harnessed to develop a dynamic and responsive HE system, helping shape the citizens of the 21st century.

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