

## Universities and Tertiary Education

The contribution of universities to education is critical in a number of ways. Obviously through their scholarship they contribute knowledge and understanding. Through their research in the education field specifically and in the involvement of postgraduate students in that research, there are further important contributions. There are instrumental benefits to the economy and many other areas. University academics play a part in influencing and in some cases determining, the content of syllabi and examinations at secondary school level. This can have a great influence on the uptake of the subject and how people come to view the importance of the subject in later life: the nature and importance of history and historical research is a case in point as is science and scientific knowledge. Thirdly, universities play a role in training teachers.

Much of the debate about universities and what they do focuses on the research rather than on the teaching and learning. Almost universally, appointments of academic staff are made on the basis of research competence rather than teaching ability. And the advancement of academic staff similarly privileges research.

It is generally true that as one progresses from primary school to university the attention given to interaction between student and teacher decreases and the traditional teacher/lecturer talks and the student listens and takes notes: transmission teaching increases. Lectures traditionally have been supplemented by tutorials with classes of a very small number of students. In most universities over the last decades the number of students in tutorials has increased, so defeating the original purpose. That research output so strongly influences advancement and tenure leads to many academic staff offloading their tutorial responsibilities to graduate students.

So, many students don't bother to attend lectures but decide to crib notes from other students or simply study the textbook. And tutorials are of marginal benefit. Even the top universities in the UK have suffered. The practice at All Souls College, Oxford of requiring an essay addressing one word, such as death or water, is gone.[1] Admittedly, this "sometimes seemed to test only the ability to sound brilliant while saying not much of anything".

In the last few decades the debate about universities generally the focus has tended to be on the phasing out of certain subject areas, in the arts and humanities in particular, the increasing attention given to economics and commercial subjects such as business administration. The ethics of involvement of faculty in research for companies and government concerned with pharmaceuticals, military weaponry also attracts debate.

An example of a different approach is provided by Roskilde University in Denmark established in 1972. The basic teaching principles are "inter-disciplinarity and problem-orientation, the traditional division of study into narrow academic disciplines has been replaced by an inter-disciplinary approach to the identification and solving of problems. As in the university's research, students are encouraged to demonstrate the relevance of different theoretical perspectives to their chosen subject. [In project work] students are trained to organise and write major project reports based on the results they have obtained during research and analysis; in group work students learn the meaning of cooperation and responsibility." There is a "close connection between research and teaching. Research staff are assigned as tutors to the project groups. The teacher interacts with the group as advisor and discussion partner." [2]

There is also the issue of which students from other than the more economically advantaged can afford to be enrolled. Access is particularly difficult in some countries and in respect of some universities. In the U.K. for instance a few universities are overwhelmingly the source of recruits to highly paid positions in the law and commerce. Increased fees have made access more difficult. In Australia the impact of fees and patterns of individual expenditure have led to the majority of undergraduate students being employed for over 20 hours a week. They may skip lectures and attend tutorials mainly because their presence or absence is taken into account in awarding degrees. They may arrive at the tutorials without having attended lectures or read the selected course readings. Exams have been replaced by assignment essays so that students may pass merely by choosing a limited range of topics to study.

### Issues for Universities

The important issues for universities, in addition to teaching effectiveness, include their place in the future intellectual space of society and the role staff play as "public intellectuals"; access by students on merit criteria before any other consideration; the extent to which their course structure reflects what is important and not just what students are prepared to pay for; and their functioning as organisations. In some universities, corporate culture has gone as far as hiring brand consultants whose reports recommend how academics should speak in public!

Many universities arguably do not attend to the practices which really do encourage superior results in scholarly inquiry and teaching. Instead they go along with the adoption of so-called business practices as advocated by commercial consultants, as discussed further below.

Participation in society as a "public intellectual" is most often asserted to be the principal reason for accorded academics tenured status. More often academic staff devote themselves to their own research, often avoid the media and similarly avoid administrative work or only participate in routine tasks of administration including attending meetings. Or their concept of being a public intellectual is narrowly defined as speaking at conferences of their discipline. What is needed is active engagement!

In Australia in recent years academic staff have increasingly contributed to public debate and a new website The Conversation has been created and contributions to it are frequently posted on other sites. A former head of the Department of Prime Minister and Cabinet (and his successor), however, had harsh words for academics and their participation in public policy formulation.[3] Peter Shergold (now an academic at the University of New South Wales) observed, "there remains a chasm between research and influence and between the policy intellectual and the policy practitioner. The potential of academics to act as knowledge brokers in the development of public policy remains largely unfulfilled".

Would it be accurate to say that many within government involved in public policy become infatuated with the importance of their own contribution and at the same time are very selective in choosing what research they consult? The comments of Professor Shergold are hardly appropriate in the light of the last few years of debate about climate change in which many distinguished climate scientists have been criticised, even villified, for advocating the implications of their research. There are other fields in which the same can be said. A society in which the considered views of scholars, in respect of issues in which they have established

and recognised expertise, are marginalised is not one whose political leaders can claim has contemporary relevance!

### Issues of Access

The Global Financial Crisis hit U.S. university endowments seriously. It threatens the extent to which scholarships are provided to students from less well-off families. State governments are offering scholarships more often on merit – meaning high achievement – rather than need.[4] The problems are exacerbated by declines in tuition revenue and state grants. Literary critic and Columbia University professor Anthony Delbanco says that America can no longer claim to be a nation of equal opportunity where talent and effort can overcome poverty and prejudice. Yet too many students who can continue their education beyond secondary school find themselves in underfunded and overcrowded colleges. The U.S. system is a highly stratified one in which “merit” is the ubiquitous slogan but disparity of opportunity is often the reality.

Today’s students at U.S. universities are richer on average than their predecessors. As to whether universities are fulfilling their responsibilities, “universities affect horror when students attend college in the hope of becoming financially successful, but offer students neither a coherent view of the point of college education nor any guidance on how they might discover for themselves some larger purpose in life.”

Further cuts in funding to universities by the U.K. government in early 2010 before the general election brought the response from the Russell Group of 20 leading universities that they would be brought to their knees: 800 years of higher education was being jeopardised.[5] Increased numbers of graduates face a greater scramble as the number of applicants for each job increases to 70 and available positions are predicted to decrease.[6]

Anthony Grafton of Princeton University provides some stark realities of the student experience.[7] Much of his commentary applies generally at least to universities in the developed world: the relentless drive for accountability and efficiency, the belief that the courses offered should be only those in demand, the resulting downsizing of many faculties.

Many universities in the US offer faculty salaries and working conditions that few other can match, spending more on their staff and students than peers overseas. Many offer generous aid for undergraduates and pay full fees for doctoral students.

But Grafton also points to “ferocious criticism” and “festering sores”: professors at the most prestigious universities publishing “the work of paid flacks for pharmaceutical companies under their own names” and “head football and basketball coaches earn millions and their assistants hundreds of thousands for running semiprofessional teams”. Few of the sports teams earn much money for the universities that sponsor them and so on. “And at universities that boast of their commitment to undergraduate teaching, too many professors gabble through PowerPoint slides twice a week and entrust the face-to-face teaching of actual students to underpaid graduate students ...”

One study revealed that some 45 percent of students in the sample for a universally administered assessment effectively had made no progress in critical thinking, complex reasoning, and writing in their first two years.[8] Student’s academic experience in fact included spending twelve hours a week, on average, studying (twenty-five hours per week in 1961). Half had not taken a course that

required more than twenty pages of writing in the previous semester, while a third had not even taken a course that required as much as forty pages a week of reading.

"... vast numbers of students come to university with no particular interest in their courses and no sense of how these might prepare them for future careers.

"For most [students], in the end, what the university offers is not skills or knowledge but credentials: a diploma that signals employability and basic work discipline. Those who manage to learn a lot often—though happily not always—come from highly educated families and attend highly selective colleges and universities. They are already members of an economic and cultural elite."

Just as worrying is that over the last decades states have transferred more and more of the costs of education from their own budgets to those of students and their families. In a great many cases, family savings, student earnings, and scholarship aid have to be supplemented by borrowings. Debt per student, on average, is now twice as it was ten years ago. "Those loans have no expiration date and collectors can garnish wages, social security payments, and even unemployment benefits. Poor students and students of color borrow more than white students." Student debt exceeds total credit card debt!

Those students that dropout still carry the burden even though most probably they will earn less and fare worse than graduates. Unemployment among graduates has been rising (in many countries, not just the US) and rates of student loan default have also.

At some universities academic salaries have been capped, desk telephones removed, repairs of classrooms, now used from early morning till late at night, postponed but millions of dollars are spent competitive sports!

#### Corporatisation, Managerialism and Leadership in Universities

Throughout Europe and in the U.K. and Australia and New Zealand the change over the last several decades which has had most impact is the corporatisation of universities. Attempted adherence to business practices such as organisational structure, employment of people in marketing and fundraising, the appointment to governing bodies of business people dominate and academics have less influence on governing boards.[9] Fees potentially compromise the validity of the qualification.

There are issues of leadership at many levels in universities. Rather than appointment by merit, there is a kind of last man standing operating where those prepared to take the job get it. Those who could make a much greater contribution decline: the tasks are often administrative and mundane, and as such "loosely coupled". University presidents and vice chancellors may fail to join in alliances, preferring to independently advocate for their institution or join with a few others in marginalising other universities. This ultimately weakens the whole sector: it is a kind of Prisoners' Dilemma situation.

The academy is an example of what management writer Henry Mintzberg calls 'professional bureaucracies': they seek control over groups outside the academic area whilst at the same time resisting outside interference.[10] The structure of most universities is increasingly highly pyramidal.

Nevertheless, there have been few studies of how contemporary models of leadership in universities.[11] Writing in a review of this field a few years ago,

Michael D. Mumford observed[12], "Creative people require leaders who are not only creative but have a substantial technical expertise. Leaders of creative efforts not only need technical skills, they must have the social and organizational skills needed to sell people and projects. Inspirational motivation is less important in motivating creative people than engagement of people in a mission where they can make a unique autonomous contribution... Leaders of creative efforts have to devote as much effort to managing the context surrounding the work as to managing the work itself. Autonomy in people's work must be accompanied by a structure that will support autonomous efforts."

The practices found to be successful in research and development enterprises, particularly research centres which have been responsible for major breakthroughs in biomedical research, have instead emphasised leadership by scholars and researchers expert in relevant domains of knowledge, rigorous attention to hiring high quality staff, an environment of constant challenge to ideas and encouragement of interdisciplinarity and of innovation. Examples are Columbia University, California Institute of Technology (CalTech) and two colleges at the Universities of Cambridge and Oxford in the UK.[13] These features also are found more generally in successful centres of innovation, creativity and research and development.[14]

In a scathing analysis of public management in Britain Ron Amann, onetime Professor of Comparative Politics at the University of Birmingham and later founding Director General (Permanent Secretary) of the Centre for Management and Policy Studies in the British Cabinet Office, compared the practices imposed by the U.K. government, particularly in the higher education sector, to those which applied in the highly centralised and inefficient system of the Soviet Union.[15] "The key point was that no level of the administration really knew what the level below it was actually doing or was capable of doing. The periphery knew that the centre didn't know and the centre knew that they knew. Around this fundamental core of dishonesty grew a series of ever more elaborate controls and stratagems which brought an entire social system to its knees."

In the UK Research Assessment Exercises (RAEs) have been in place since 1985. These have revealed comparatively high quality research at some of the newer universities which had not previously been funded. Under the new government in the UK RAEs are to be replaced by the "Research Excellence Framework".[16] This will be "a process of expert review, informed by indicators where appropriate.

It might be noted that there is already sufficient competitive "spirit" involved in major areas of research such as the biomedical area where being the first to discover the molecular structure of a protein or synthesise a naturally occurring compound attracts considerable publicity and grant funds. The dependence on major grants of some research centres in American universities and in some other countries has also led to appointments of "star" researchers through processes which bypass normal recruitment. In the US this is particularly so because of the overheads attached to grants which are charged by the universities: hiring staff who attract grants likely increases financial earnings of the university. Though competition between research groups in high visibility fields such as astronomy and cosmology, scientists will nevertheless openly share knowledge gained to a substantial extent.

That some of the world's past leading scholars would have failed to get funding for their research through systems such as research assessments and quality frameworks is only occasionally acknowledged. That there are very good processes already identified to achieve the same ends, not least the use of peer

review (together with other forms of evaluation and with all its faults) is mostly ignored though an element of peer review is used in research assessments.

Simon Head, Associate Fellow at the Rothermere American Institute at Oxford and a Scholar at the Institute for Public Knowledge at New York University, is one of many who have drawn attention to the significant move by universities towards corporate structures and corporate behaviour, increasing prominence of grant funding from business enterprises in determining the directions of research and adoption by governments of practices "mostly American in origin, conceived in American business schools and management consulting firms".[17]

Head asserts that these "intensive management systems ... make use of information technology (IT), [are] marketed by corporations such as IBM, Oracle, and SAP [and] then sold to clients such as the UK government and its bureaucracies, including the universities. This alliance between the public and private sector has become a threat to academic freedom in the UK, and a warning to the American academy about how its own freedoms can be threatened."

The management systems which now dominate in the U.K. reached UK universities in the 1990s through government by way of major consulting firms, Head says. Emphasis is given to financial and other quantitative performance indicators. They increase the pressure on courses to be self-funding and on the university generally to raise more of its own funding. This has meant increasing reliance on student fees. The Cameron coalition government in the UK increased student fees substantially in 2010.

Head points out that one of the outcomes of the "reforms" at UK universities has been attention to "indicators of innovation and learning". Government has sought increased attention to research which has a more general impact beyond the academy, on the end users of research such as businesses, the public service and so on. It is this which has led to involvement in contract research. Head also points out that the "Key Performance indicators" (or KPI's) developed as part of this exercise have varied at the whim of successive UK governments".

The trend to greater non-government funding has developed over several decades in U.S. which have in many cases been privately supported from the beginning but through philanthropy, not business research. This feature has led some commentators to decry the subversion of the purpose of universities by defence and pharmaceutical industries.[18]

Christopher Newfield, professor of literature at the University of California Santa Barbara has coined the term cognotariat to connote a small "creative class" which achieves the creativity and freedom attributed by stereotype to all knowledge workers.[19] "In the American university system", he writes, "which has parallels in Europe, recipients of higher education are increasingly prepared for a working life in a knowledge economy where independence and social protections have been eroded." His scathing criticism traverses several issues amongst which are the substantial decrease in employment conditions for academic staff, the relationship of graduate students produced and numbers of positions in the workforce requiring graduates and the way in which industry makes use of universities.

Levels of funding of universities differ as to the different types of education: professional schools receive about three times more funding per student than do undergraduates and medical students receive 10 times more funding. And so on. Newfield points out that "the US university system could reproduce the entire STEM (science, technology, engineering and maths) workforce in 3 years. "If a

normal STEM careers lasts about 30 years, we can conclude, using very rough figures, that the US university system produces about 10 times more graduates than the economy needs in its technical workforce." Most of these "extra" graduates are demoted to a lower class. Only those academics who contribute directly to the university's proprietary knowledge gain the level of support once enjoyed by all. The share of instructors lacking full-time and/or permanent contracts has doubled over the last 30 years: the US now operates on a teaching staff that is 70 per cent temporary, people who have no say in university governance even at department level.

Open innovation strategy has led to intellectual property no longer being viewed as shoring up competitive advantage but as "a bridge to collaboration with other firms that would enable companies to acquire the technologies and competencies they needed to compete successfully". Access to the intellectual capabilities of universities allows firms such as Intel to fund projects at far less cost than would be incurred were they to undertake the R&D themselves. The funding constitutes money the university would not otherwise have, and it is sometimes accompanied with state-of-the-art equipment and excellent scientific input from the firm's staff. "The research may be pathbreaking, as was the case for nanotechnological research that Intel funded at the University of California at Santa Barbara, which aimed toward developing silicon chips that would route light instead of electricity."

The firm in exchange for its sponsorship gets access to research results, often exclusively for a set period, and first pick of inventions that may turn into useful intellectual property. The university publicises the alliance with a prestigious firm and trumpets the interim research results. "The strategy works because it can absorb other people's inventions, turning them into its own IP at a discounted cost." This involvement in specific R&D projects is known more prominently in respect of collaboration with pharmaceutical firms and in undertaking studies on defence contracts so well dealt with extensively by American science writer Dan Greenberg.[20]

A recent survey of the status of university staff in English-speaking countries has noted severe declines in funding by governments over the last 10 years, an increasing trend towards user-pay financing and an increase in bureaucratic control which facilitates external influence over changes in teaching and research.[21] Salaries of academic staff have experienced a real long-term decline in most countries for most staff.

In Australia, as we enter the second decade of this century two universities are moving to restructure their programs to focus more on postgraduate students who will be paying larger fees. There are many other aspects which have been debated within the respective universities but opposition may be less than asserted by some.[22] Competition between the older established universities on the one hand and the others can be intense.

What do University Students know?

Whilst many perceive problems with young adolescents dropping out of school and of those who do finish school being nevertheless not sufficiently prepared for work, there would be a general perception that university graduates, certainly those from the more prestigious universities, would be both intelligent and knowledgeable. Professor James Wilkinson, Director of the Derek Bok Centre for Teaching and Learning, Harvard University in his "Menzie's Oration" a few years ago challenged that.[23] His comment on the nature of the university teacher-university student interaction is critical.

Wilkinson dealt with the issue which most particularly defines universities, teaching and learning, what he called the "what" and the "how" of undergraduate education. "The most important thing [students] can learn is the process of inquiry itself, modeled by the faculty in the course of their teaching. Thus how a subject is taught is crucial. Yet it is a curious fact that most discussions about undergraduate curricula focus almost exclusively on content. What seems to become easily lost in the debate is any real discussion about pedagogy. The assumption seems to be that if we can just get the content right, the teaching and learning will take care of themselves. That is an assumption with which I could not possibly disagree more strongly."

Wilkinson observes, paraphrasing the common view of the Soviet system, as depicted for instance by Amann, "they pretend to teach us, and we pretend to learn... Choosing an appropriate content is a necessary but not a sufficient condition for getting anyone to learn anything. The sufficient condition is for it to be taught well. And by "taught well" I do not mean taught so that students receive high marks. Rather, I mean taught so that they are capable of understanding and applying what they claim to know."

"For many students, particularly those studying a specialist curriculum, what the university offers is a series of answers to questions they have never learned to ask, generated by a research process they have never been encouraged to understand. .. The skill that would be of most practical value to our undergraduate students ... is the ability to ask good questions and to work at seeking answers based on evidence."

#### Tertiary Education Reform in Australia

Major changes in universities in Australia have occurred over the last 30 years. At the time of the Whitlam Government in 1972-75 responsibility for funding was assumed entirely by the Commonwealth Government. In the 1980's John Dawkins, then education minister in the Hawke government, amalgamated colleges of advanced education and institutes of technology which were intended to be concerned with vocational training, with existing "academic" universities concerned with education and research. The "mergers and acquisitions" meant seventy-six organisations became 36 [new] universities.

Distinguished economist Max Cordon, professorial fellow at the University of Melbourne and Emeritus Professor of International Economics at Johns Hopkins University, has reviewed what in essence has become a highly interventionist policy where "performance" is monitored and behaving as businesses is advocated.[24] In doing so he referenced the opinion of Ronald Amann, mentioned earlier. This pervasive accountability and transparency mantra has been criticised by many people, lately including Professor Mark Dodgson of the University of Queensland's Business School and an expert on innovation.[25] "Managing factories by statistical control is essential. Managing places of learning and culture by such measures is abhorrent and destructive." Nevertheless, huge resources have been devoted to determining metrics by which the quality of research could be assessed.

The Australian Universities Commission (AUC) was established in 1959. In 1974 the Commonwealth assumed full responsibility for funding universities and abolished student fees. The Tertiary Education Commission (TEC) was established in 1977 but abolished in 1988 and the Minister became wholly responsible for advanced education policy. The funding of universities came to be based on the number of students and their fees without consideration of the actual payment of



the fees, generally covered by HECS.[26] The number of students enrolled increased dramatically. Corden observes that there was nevertheless a "squeeze" imposed by "budgetary constraints": with many demands on the government's finances, in the minds of the public and therefore politicians universities were not a priority.

Ministers, especially Dawkins, and later Brendan Nelson (Education Minister in the Howard Government from 2001 through 2005), did want to tell academics how to go about their jobs and become more productive, as Corden says. As staff student-ratios increased, fewer staff had to cope with more students, productivity was indeed seen to be achieved. A formula for increasing funding each year was adopted but did not reflect the rate of increase in salaries and additional funds were no longer provided to meet the increased salaries, a feature generally of governments in the last several decades. Enterprise bargaining was introduced allowing negotiation of salaries with the relevant trade union. Universities were urged to gain more funds through research and consultancy services; they increased their staff in areas such as marketing and corporate management pursuing what they saw as the business model.

Responding in 2003 to a Discussion Paper issued by Minister Nelson, the distinguished academic Professor Peter Karmel asserted that Nelson's views reflected a "big brother knows best" philosophy,[27] It contrasted with the "free market" emphasis the Government was giving to the economic world "in which central planning has lost all credibility". In Karmel's view each university ought to be able to determine its own priorities in the light of its circumstances, national priorities expressed by government and its assessment of current and future environments.

#### The Bradley Review

In March 2008, the Australian Government initiated a Review of Higher Education to examine the future direction of the higher education sector, its fitness for purpose in meeting the needs of the Australian community and economy, and the options for ongoing reform. The Review was conducted by an independent expert panel, led by Emeritus Professor Denise Bradley AC, former Vice Chancellor of the University of South Australia.

The Bradley Committee pointed to future needs for highly skilled people able to adapt to the uncertainties of a rapidly changing future, emphasised the imperative of the rights of all citizens to share in its benefits. "Higher education will continue to be a cornerstone of our legal, economic, social and cultural institutions and it lies at the heart of Australia's research and innovation system." The panel concluded, "while the system has great strengths, it faces significant, emerging threats which require decisive action".

Bradley noted that developed and developing countries alike accepted that there were strong links between productivity and the proportion of the population with high-level skills. Accordingly they had invested in both the number and quality of graduates; the committee asserted that Australia was falling behind other countries in investment in higher education. "... government provision of funds for underlying infrastructure to support research in universities is very significantly below the real costs. This is leading to a pattern of quite unacceptable levels of cross-subsidy from funds for teaching, adversely affecting the quality of the student experience."

A major thrust of the report was the recommendation that an increase in the proportion of the population attaining higher education qualifications be pursued:

the benefits of higher education should be genuinely available to all. Australia was 9th out of 30 OECD countries in the proportion of the population aged 25 to 34 years with university qualifications, down from 7th a decade previously. Twenty nine per cent of Australian 25- to 34-year-olds have degree-level qualifications but in other OECD countries targets of up to 50 per cent have already been set. Australia is at a great competitive disadvantage.

Amongst other things the Committee recommended performance be benchmarked against other OECD countries, institutions be free to enroll as many students as they wished, criteria for awarding of higher degrees be tightened and funds for research increased to "more fairly reflect costs". The Australian Government should assume primary funding responsibility and overall regulatory responsibility for universities and establish an independent national tertiary education body.

The committee also recommended that funding for teaching be increased and significant increases be provided for students from low socio-economic backgrounds and from regional and rural areas be increased. As to a national framework the Committee urged simplification and streamlining so that each university could play to its strengths. Universities supported the review's recommendations!

In response the Government reiterated its commitment "to making Australia one of the most educated and highly skilled workforces in the world in order to secure national long term economic prosperity".[28] As part of the 2009 Budget, the Government announced it would provide an additional \$5.4 billion to support higher education and research over the next 4 years "in a comprehensive response to the Review".

### Assessing Value

Governments of both political persuasions, since the mid 1990s, have concerned themselves with the evaluation of research and more recently with evaluation of teaching and learning. Use of a formula encapsulating performance measures were introduced in the 1990's as part of the "Research Quantum" (RQ) exercise.[29] Various schemes of assessment replaced the RQ; the present scheme is the "Excellence in Research for Australia" (ERA), a research management initiative of the Rudd Government developed by the Australian Research Council (ARC). It replaced the Research Quality Framework developed by the Howard Government. In addition the Higher Education Research Data Collection collects statistics about research in Australia.[30]

In Australia Minister Nelson commissioned a report *Striving for Quality: Learning, teaching and scholarship* which in 2006 gave rise to the Learning and Teaching Fund to reward institutions which best demonstrate excellence in teaching and learning and the Australian Learning and Teaching Council dedicated to improving the student learning experience by supporting quality teaching and practice. The Fund and the Council were both eliminated as part of the response announced by Prime Minister Gillard to the Queensland floods of early 2011.

In late 2011 the Australian Government's Department of Education, Employment and Workplace Relations published "Advancing Quality in Higher Education" proclaiming that government was committed to "ensuring that growth in university enrolments is underpinned by a focus on quality".[31] The Tertiary Education Quality Standards Agency (TEQSA), established in July 2011, will "carry out regulatory activities from January 2012". "Universities will be rewarded for delivering outcomes through the Performance Funding arrangements" which

translates to agreement on strategies to achieve the teaching and learning mission" and additional funds will be provided for "universities that meet their agreed performance targets relating to national participation objectives".

A new website, "MyUniversity", "will support the move to a new more student-centred higher education system and improve transparency". A "structural Adjustment Fund will assist universities to improve the quality of teaching and learning..." A new package of initiatives including two new performance measurement tools, the "University Experience Survey" and the Australian version of the Collegiate Learning Assessment will be used. And transparency will be improved "through enhancing MyUniversity website by including additional performance data as it becomes available".

Is this all received and understood? In late 2011 the Vice Chancellor of the University of Sydney informed academic staff that the university would not meet its fee income targets: Dr Spence told the university "stringent measures" would be needed as a result.[32] Staff not 'pulling their weight' could no longer be "carried". Academics estimated that up to 150 academic and 190 general staff jobs were under threat.

Whilst Spence referred to both teaching and research the outcome would appear to be that the only way a staff member can avoid being "considered for possible redundancy or alternative arrangements" is by having four publications to their name in that period. Later commentary described a bureaucratic environment of unbelievable proportion.[33]

### Teacher Training

Because there is such a strong focus on the teacher as the critical ingredient in learning at school, attention is paid to the instruction and training of teachers at universities (and colleges). (The best school systems, such as Finland, recruit their teachers from the amongst the best graduates; many other countries, including the U.S. do not.)

One report on teacher training in developing countries observed[34], "Most teacher trainers no longer practice in classrooms. They may have little recent classroom experience, and so risk transmitting theories not personally validated in practice. This is true in many countries, not just in Chile where it was observed in a World Bank study".[35] Recruitment and promotion of university staff skilled in teaching is hampered by the preference given to research performance: the requirement for academic distinction may outweighs the value of classroom excellence.[36]

Central government's concern with the nature and quality of teacher training can be such that a government agency acquires the authority to approve, or not, the specific teacher training courses offered at university. In New South Wales, the Government established the Institute of Teachers.[37] A major responsibility of the Institute is "to assure both the profession and the community of the quality of teacher education programs." This is achieved through approval of programs offered by providers of initial teacher education. Courses ("programs") are approved for a maximum of five years and any variation has to be notified to the Institute and if the change is significant, the program may require re-approval.

Two important issues which have long-term significance seem to be not understood by political leaders in some places. Those issues are who gains the largest economic benefit from attendance and the general contribution accruing to society of a more educated community. Because graduates, at least in the

past, have generally gone on to earn high salaries than those who do not have tertiary qualifications, the assertion which has gained currency is that the benefit accrues mostly to the individual. That is the principal argument for the charging of fees for university courses.

A report from the Grattan Institute in Sydney [38] argued that public benefits such as volunteering and civic behaviour would in almost all cases accrue to the community anyway: graduates are such big winners that they would study even without subsidies. A comparison was drawn with newspapers and supermarkets as providing substantial private benefits without government subsidy because there are 'ample private incentives'. The assertion was also made that fairness did not justify tuition subsidies because with HELP schemes in place, tuition charges do not seem to deter people from lower socioeconomic backgrounds from higher education. The estimate was that cuts to tuition subsidies could yield savings of around \$3 billion in a year.

Professor Bruce Chapman of the Australian National University, architect of the Higher Education Contribution Scheme (HECS), pointed to the difficulty of putting an accurate figure on externalities from higher education.[39] Other critics asserted that the Report applied a very narrow and theoretical definition of public benefit, claimed it was an example of the application of economic rationalism and pointed to the fact that Australia spends only 0.7 per cent of GDP on higher education whilst some Vice Chancellors from the larger universities said universities must be allowed to set their own fees or they would go into the red, class sizes would increase and so on.

#### The Abbott Government reforms

The first Abbott-Hockey budget presented in May 2014 by the Australian government proposed bringing forward the time at which loans under the HECS fees would start to be repaid and increased the interest rate on the loans to the government bond rate. The objections were very loud as the legislation neared its submission to the Senate. Severe impact on students from poorer families, and women, was highlighted with calculations of increases in the debt of \$100,000 and extension of the period of repayment by over 10 years claimed. Education Minister Pyne threatened to further reduce university research funding if the legislation was not passed.

The specific provisions of the proposed changes, as outlined by Peter McPhee, Professorial Fellow in the Melbourne Graduate School of Education at the University of Melbourne, writing in Inside Story on 1 September 2014, include:

- reducing the repayment threshold for HELP (Higher Education Loan Program) debts from an annual level of \$51,309 to \$50,638 from 1 July 2016, and increase interest rates on the loans to the government bond rate, capped at 6 per cent.
- deregulate fees to allow universities, TAFEs and colleges to charge their own rates for courses.
- provide scholarships for disadvantaged students through requiring higher education providers to contribute \$1 out of every \$5 raised through fee increases.
- open up HELP loans to an additional 80,000 students at TAFEs and colleges.
- cut \$174 million of funding over three years from the Research Training Scheme, allowing universities to charge doctoral students fees to cover the gap.

- impose a 3.25 per cent “efficiency dividend” on the Australian Research Council in 2015–16, amounting to \$75 million over three years.

It should be noted that the imposition of the efficiency dividend, previously branded as a very blunt instrument, is to reduce funding by 27% in 10 years over what would otherwise be provided. We are not talking about a few thousand dollars! McPhee points out that “Christopher Pyne’s 20 per cent cut comes on top of the previous government’s decision to cut \$3.3 billion in order to fund the Gonski reforms. Labor now opposes its own cuts on the basis that promises on Gonski funding will not be fully implemented.”

When Minister Pyne introduced his higher education legislation into parliament on 28 August he announced it as a “good deal” for students. He insisted that the legislation will ensure Australian universities can compete globally by setting their own course fees and choosing which courses they offer. “Deregulation is the only way to respond to what students and employers want. It is the only way to set our universities free to ensure they can deliver what they need. It is the only way to ensure Australia is not left behind.”

In the US serious failings in education such as tuition costs have been identified as a major contributor to the ‘Great Divergence’, the huge gap which has opened up between the very rich and the poor since 1980 [40]. High school graduates aren’t receiving a significantly better education, on average, than their parents did. The total student debt in the US exceeds the total credit card debt and is causing severe hardship, the capacity of many graduates to afford home purchase being severely curtailed.

Secondly, as the OECDs Education at a Glance 2012 points out, substantial economic benefits to the state are generated through the income taxes, social contributions and lifestyle behaviour of graduates. The return to the community from investment in higher education far outweighs the public cost of their education. By no means the least important fact is that the children of university graduates are likely to achieve significantly higher education outcomes.

Former Education Minister Minister Brendan Nelson [41] observed, “The national benefits of higher education are significant. Its total economic impact annually has been estimated to be \$22 billion. The average rate of return to the Government on its investment in higher education has been estimated at about 11 per cent. However, the greatest national benefits are those more difficult to measure and include the impact of graduates on productivity in the workplace, the impact of research outcomes on productivity and innovation and the social impacts of a more highly educated population.”

## Conclusions

If there is one conclusion to be drawn from considering the present state of universities it is that corporatisation and managerialism, the creatures of neoliberalism, have well and truly invaded universities but achieved no great gain in any respect. Major issues of teaching and learning remain unaddressed and relatively pointless exercises in quality assurance take huge amounts of time. Leadership of research has mostly failed to learn from the best examples in the most successful research enterprises.

Many students are poorly taught and not strongly motivated. They have incurred substantial debt and many of them are unlikely to be able to repay that debt. Unemployment amongst graduates is far higher than one would anticipate

considering the oft heard rhetoric about the future need for graduates and is particularly high in countries severely affected by the global financial crisis.

In a survey conducted late in 2011 in Australia almost half the university students studying science, maths, technology and engineering reported that they did not think their course was relevant to Australian life.[42] They said they were disillusioned with the subject matter and the way it is taught. The survey, commissioned by Australia's chief scientist, found first-year university students lacked appreciation of the relevance and role of those disciplines in their lives and communities, and of their potential for rewarding career opportunities.

Funding of universities in most countries has declined, staff salaries have declined, fewer academics gain tenure and increasing use of universities is made by commercial firms and government for research and development to increase their intellectual capital. Quite how this is supposed to address the major and compelling issues facing humanity remains unexplained: that is like all other issues addressed by rhetoric!

The development of centres of significant innovation of the kind for which Silicon Valley has become famous, is an issue relevant to universities, as well as to other major research enterprises, public and private. To be successful such developments need lots of money, a powerful university at the centre and control over surrounding land. [43] In the US very substantial Federal Government grants to certain universities were followed by very large venture capital infusions. The powerful universities had the ability to attract public and private funds and gain significant political support. Their control over surrounding land allowed the creation of suitable residential suburbs which would attract superior research staff.

In Australia much debate continues about the contribution of the research enterprise to innovation and commercially beneficial products and processes. However, governments have been reluctant to provide the necessary core funding and demanded results in the short term. They have tried to do it on the cheap and been overly prepared to acquiesce to the demands of business enterprises, many of which are multinationals and more likely seek results from their home country anyway. In some cases it has to be said those most vocal have not necessarily been the best informed. The result has been a limited number of developments.

Professor McPhee, in the article referred to above, makes some extremely important points about the Abbott Government's reforms. "The previous government's targets for admission of students from disadvantaged backgrounds are now seen as unnecessary and restrictive: the premise is that, if students value higher education, they will be prepared to pay for it.

Competition between providers is asserted to improve choice and quality, and keep fees low, the more open market will encourage more specialisation. Central agency TEQSA will assure quality, but administrative requirements from Canberra will be sharply curtailed.

"The free market does not always drive prices down. In Britain, 75 per cent of courses are now offered only at the maximum fee of £9000, and vice-chancellors are calling for complete deregulation. The US system, so often the minister's example of choice, seems broken in terms of student debt and radical discrepancies in quality.

"Less commented upon, but equally important, is the premise that research funding should be both more restricted and more focused on research with clear applied outcomes. Doctoral research is likely to be a major casualty since those without scholarships will also be paying off loans for earlier degrees.

"The Australian higher education sector is a major success story of the past thirty years, despite the long-term withering of public funding: it enjoys a positive approval rating of about 75 per cent in opinion polls; 37 per cent of Australians now have degrees compared with only 3 per cent forty years ago; and the sector does quite strongly in international research rankings, despite signs of a gradual slide. International education is Australia's fourth-largest export, generating about \$14.5 billion in revenue. There are currently 422,000 international students in Australia, the highest proportion of all OECD countries, and there are three million overseas alumni, an invaluable if neglected resource in both business and "soft" diplomacy."

Like every other policy determined by Christopher Pyne, these higher education agenda driven by ideology and are unsupported by any evidence. "One year into the Abbott government's first year of office, it remains unclear whether Christopher Pyne's agenda will be realised. The stakes are high."

#### *Footnotes*

[1] Sarah Lyall, 'Oxford Tradition Comes to This: 'Death', (Expound)', New York Times May 27, 2010.

[2] See [http://magenta.ruc.dk/ruc\\_en/studying/RUC/](http://magenta.ruc.dk/ruc_en/studying/RUC/)

[3] Peter Shergold, 'Seen but not heard', Australian Literary Review: The Australian May 4, 2011; (Shergold is now director of the Centre for Social Impact at the University of New South Wales.)

[4] Andrew Delbanco, Review: Scandals of Higher Education, New York Review of Books March 29, 2007; 'The Universities in Trouble', New York Review of Books May 14, 2009.

[5] Jessica Shepherd, 'Universities tell Gordon Brown: cuts will bring us to our knees', The Guardian, 11 January 2010

[6] Jeevan Vasagar, 'Graduates warned of record 70 applicants for every job', The Guardian, Tuesday 6 July 2010

[7] 'Our Universities: Why Are They Failing?', New York Review of Books November 24, 2011

[8] Richard Arum and Josipa Roksa, *Academically Adrift: Limited Learning on College Campuses* (University of Chicago Press) quoted by Grafton: the data is from the Collegiate Learning Assessment (CLA) administered to university students in their first semester at university and again at the end of their second year and data from the National Survey of Student Engagement.

[9] Stephen Carney, in 'Negotiating Policy in an Age of Globalization: Exploring Educational "Policyscapes" in Denmark, Nepal, and China', *Comparative Education Review* 53(1), 2008, discusses developments in education flowing from globalisation in various countries.

[10] 'The professional bureaucracy', in *Structure in Fives*, Prentice Hall, New York, 1983.

[11] James S. Pounder, "'New leadership" and university organisational effectiveness: exploring the relationship', *Leadership & Organization Development Journal* 22(6), p. 281-290, 2001

[12] Michael D. Mumford, Editorial, Introduction to special issue on Leading for Innovation, *The Leadership Quarterly* 14(4-5), p 385-387, 2003.

[13] Rogers Hollingsworth and Ellen Jane Hollingsworth, 'Major Discoveries and Biomedical Research Organizations: Perspectives on Interdisciplinarity, Nurturing Leadership, and Integrated Structure and Cultures', available at <http://www8.umu.se/inforsk/universitetsligan/hollingsworth.html>;

[14] James Brian Quinn, Philip Anderson & Sydney Finkelstein, "Managing Professional Intellect : Making the Most of the Best", *Harvard Business Review* 74/2, p71, 10p, 1996; Teri Elkins and Robert T. Keller, "Leadership in research and development organizations: A literature review and conceptual framework", *The Leadership Quarterly* 14(4-5), p. 587-606, 2003

[15] 'A Sovietological View of Modern Britain', *Politics* 74(4), 287-301, 2003

[16] <http://www.hefce.ac.uk/research/ref/>

[17] 'The Grim Threat to British Universities', *New York Review of Books* January 13 2011; see also 'They're Micromanaging Your Every Move', *New York Review of Books* August 16, 2007. Simon Head is the author of *The New Ruthless Economy: Work and Power in the Digital Age*. (August 2003).

[18] In serious writing and in fiction distinguished science journalist Daniel S. Greenberg (*The Politics of Pure Science and Science, Money, and Politics: Political Triumph and Ethical Erosion*) has drawn attention to the way in which government and business funding of universities has subverted their purposes. Greenberg's satirical novel *Tech Transfer* charts the events at a university overtaken by corporate interests, defence contracts and practices that are most likely unethical.

[19] The structure and silence of the cognatariat' at <http://www.eurozine.com/articles/2010-02-05-newfield-en.html>

[20] Daniel S Greenberg, *Science, Money, and Politics*, The University of Chicago Press, Chicago, 2001; *Tech Transfer: Science, Money, Love and the Ivory Tower*: see review at 'Inside Higher Education' <http://www.insidehighered.com/news/2010/05/12/techtransfer>. Greenberg once likened the demand for accountability in universities to trying to capture and weigh a fog.

[21] David Robinson, 'The Status of Higher Education Teaching Personnel in Australia, Canada, New Zealand, the United Kingdom, and the United States' Report for Education International March 2006 available at [http://www.caut.ca/uploads/ei\\_study\\_final.pdf](http://www.caut.ca/uploads/ei_study_final.pdf)

[22] Margaret Simons, 'Dangerous Precedent: The Melbourne Model', *The Monthly* March 2010

[23] 'Undergraduate Education: What Good is it? An International Perspective', Menzies Oration on Higher Education, Melbourne University, 2006, available at <http://www.unimelb.edu.au/speeches/menziesoration.html>

[24] W. Max Corden, 'Australian Universities: Moscow on the Molonglo' *Quadrant* 49(11), p 7-20.

[25] 'Measures Of Leadership: Reflections On Robert S. Mcnamara', ABC RN Ockhams Razor 22 January 2012; transcript at <http://www.abc.net.au/radionational/programs/ockhamsrazor/ockham27s-razor-22-january-2012/3732754>

[26] Higher Education Contribution Scheme under which students borrow money to pay the fees and pay that back later when their salary exceeds a certain specified level. HECS was introduced by the Hawke Government in 1989 and modified by the Howard Government in 1996.



[27] 'Higher education at the crossroads: Response to an Australian ministerial discussion paper', Higher Education 45, p 1-18, 2003

[28] Future directions for Tertiary Education  
<http://www.deewr.gov.au/HigherEducation/Review/Pages/default.aspx>

[29] Linda Butler et al (Australian National University), 'Strategic assessment of research performance indicators – an ARC Linkage Project', available at  
[http://cpi.anu.edu.au/repp/2005\\_linkage\\_grant.html](http://cpi.anu.edu.au/repp/2005_linkage_grant.html)

[30] The "Group of Eight" favour research assessments as a way of showing they are more deserving of support than smaller universities.

[31] Department of Education, Employment and Workplace Relations, 'Advancing Quality in Higher Education', available at  
<http://www.deewr.gov.au/HigherEducation/Policy/Pages/AdvancingQuality.aspx>

[32] Sydney University Academics, 'Sydney University Academics Speak Out', New Matilda 5 Dec 2011

[33] Stuart Rees, 'What's Ailing Sydney University', New Matilda 23 Apr 2012; Adam Brereton, 'Our Corporate Universities' New Matilda 12 Apr 2012.

[34] Verspoor et al, 'At the Crossroads – Choices for Secondary Education in Sub-Saharan Africa, World Bank Africa Human Development Series, 2007, available at  
[http://siteresources.worldbank.org/INTAFRREGTOPEducation/Resources/444659-1210786813450/Secondary\\_Education\\_At\\_the\\_Crossroads.pdf](http://siteresources.worldbank.org/INTAFRREGTOPEducation/Resources/444659-1210786813450/Secondary_Education_At_the_Crossroads.pdf)

[35] Maria Eugenia Paniagua, 'Initial and In-Service Training of Secondary Teachers: Tools for Change in Education', in Secondary Education: A Path Toward Human Development. Chile, NESCO/OREALC. 2002, cited in Adriaan M. Vespoor et al, At the Crossroads: Choices for Secondary Education in Sub-Saharan Africa, the World Bank, Washington, 2008.

[36] John Coolahan, 'Teacher Education and the Teaching Career in an Era of Lifelong Learning', Education Working Paper No. 2, OECD Directorate for Education, Paris 2002, cited in Adriaan M. Vespoor et al, loc.cit

[37]<http://www.nswteachers.nsw.edu.au/>

[38] A. Norton, Graduate Winners: Assessing the public and private benefits of higher education, Grattan Institute, Carlton, 2012.

[39] C. Palmer, 'HECS architect says Grattan Institute fee proposal will be seen as unfair. The Conversation 6 August 2012. <http://theconversation.com/hecs-architect-says-grattan-institute-fee-proposal-will-be-seen-as-unfair-8666>.

[40] Timothy Noah, The Great Divergence, Bloomsbury Press, New York, 2012 (first published in 10 parts in the online magazine Slate in 2010); Claudia Goldin & Lawrence F. Katz. 2007. 'Long-Run Changes in the Wage: Structure: Narrowing. Widening. Polarizing'. Brookings Papers on Economic Activity 2:135-165..

[41] Brendan Nelson, Setting firm foundations. Financing Australian higher education, Department of Education, Science and Training, Canberra 2002.

[42] Jen Rosenberg, 'Students don't see relevance in uni courses', Sydney Morning Herald January 20, 2012, <http://www.smh.com.au/national/tertiary-education/students-dont-see-relevance-in-uni-courses-20120119-1q8jn.html>.

[43] Jane Marceau, Why can't we all have a Silicon Valley? Australian Review of Public Affairs 12 December 2005