LESSONS FROM THE PAST

*The State and Higher Education* placed the state at the very centre of the political process that led to the demise of the UGC and the emergence of the funding council model of governance (Salter and Tapper, 1994: pp. 1–19). The starting point was Halsey and Trow’s proposition that the state as both ‘manager of economic growth’ and ‘the dispenser of individual opportunity for participation’ had a major interest in higher education, ‘which supplies scientific manpower and technological innovation for economic growth and widening opportunities to a rising proportion of the population’ (Halsey and Trow, 1971: p. 60). The state’s argument was that the universities, under the leadership of the UGC, were not acting with sufficient vigour either to stimulate sustained economic growth or widen opportunities across the social spectrum. In the mid-1960s, almost as an act of desperation, Crosland had agreed to the creation of the public sector of higher education (PSHE) as a counter-weight to the universities. The polytechnics would be ‘the people’s universities’, driven forward by responding to societal needs (Robinson, 1968).

Of course the universities, and certainly the UGC, would have seen this critique as a caricature of reality. Moreover, the polytechnics were not immune to the siren call of the universities, allegedly stealthily following the path of ‘academic drift’, even resisting the pressures of social demand (Pratt, 1997: pp. 11–12). However, regardless of where the truth resides, a clear division of opinion within elite circles was opening up. Could the universities be trusted to respond to the state’s needs? Alternatively, was a different mode of governance required that would make the universities more sensitive and reactive to government pressure? The position of the universities was made more precarious by the fact that the critique transcended political boundaries as governments of differing persuasions faced the same problems. Increasingly the political issue was not whether there should be change but what principles should underpin the new structure of governance.

But before new structures could be contemplated the values underpinning the established state-university concordat had to be challenged (Salter and Tapper, 1994: pp. 12–18). New ideas would be the precursor of new structures. Although the UGC had very important technical functions (distributing the annual grant, guiding institutions that sought membership of the university club and, in very broad terms, presiding over the development of the system), its major role was the defence of the liberal ideal of the university. The central functions of the universities were
to determine what was to count as high status knowledge, how this knowledge was to be transmitted and augmented (teaching and research), and to verify on behalf of state and society the quality of higher education. Thus the universities both produced and determined the quality of high status knowledge. University autonomy and the political independence of the UGC were the means that secured the university’s monopoly of these functions.

*The State and Higher Education* argued that a counter-ideology, the economic ideology of higher education, took root in the central educational state apparatus and, as economic and political conditions changed, it steadily gained broad cross-party support. Its proponents challenged the universities on two interrelated fronts: their monopoly control of the definition of high status knowledge, and whether this control should constitute their primary purpose. This challenge has had considerable success on both fronts. It is now part of mainstream academic, let alone political, thinking that one of the central purposes of higher education is to serve the needs of the economy whilst widening social opportunity. Inevitably, as this understanding of the purpose of higher education has seeped into the general consciousness, so the universities’ control of what is to count as high status knowledge has weakened. On several occasions the state had demonstrated its willingness to challenge their prior monopoly.¹

As important as the ideological conflict may have been, it is critical not to lose sight of the fact that the main political battles have focused on the mode of governance. The traditional idea of university autonomy could be more easily undermined when the values it perpetuated no longer held political sway, and indeed even within academic circles were increasingly under attack. Why sustain a mode of governance when its raison d’être is no longer viable? This is not to suggest that the new values have no significance in their own right. Few would dispute that there is a relationship between economic development and higher education, but the nature and intensity of that relationship is highly disputable. However, to suggest that governments have a misguided faith in the recuperative economic power of higher education, a critique which may indeed be valid, is to miss the more subtle point. The battle is as much about politics as economics (for a good example of such tunnel vision see Wolf, 2002).

But as the 1988 Education Reform Act and the 1992 Further and Higher Education Act demonstrate, the steady erosion of the traditional, essentially English, understanding of the university was followed by a new model of governance as the UGC gave way to the funding councils. The detailed functioning of this model will be covered in the next three chapters. At this stage it is sufficient to note the three critical principles on which it is based:

1. Policy control, and thus the ability to direct the development of higher education, is formally the responsibility of the state.
2. The primary purposes of the funding councils are to allocate the universities their share of public funding and to develop the strategies that will best fulfil politically defined policy goals.