Both of these papers seem to me to suffer from inadequate definition of the portmanteau term ‘RE’, although Peston is more guilty than is Glennerster. For all practical purposes, RE may be defined as any formally organized, post-compulsory system of alternating periods of studying and periods of working – the words are carefully chosen and no qualifications are necessary. RE may be provided full-time or part-time, for long or for short periods, for vocational or for cultural reasons, and by educational institutions, governments, employers, unions, or any other body – none of these features are critical in distinguishing RE from standard educational and training programmes. On the other hand, RE excludes apprenticeship schemes and on-the-job (but not off-the-job) training, as well as adult education of the traditional type, either because these are nor formally organized or because they do not involve alternation of learning and earning. It has proved useful to further distinguish two main components of RE, namely (1) postponement of post-compulsory schooling and (2) second-chance education for adults; in the first case we educate individuals at a later rather than an earlier age, whereas in the second case we educate older individuals who would never have been educated at all under present arrangements.

RE in any one of the senses defined above has had a somewhat chequered career since its inception around 1970, or thereabouts. No country in the world has yet succeeded in postponing either secondary or higher education to a later stage in life for anything but an extremely limited number of students. And as for second-chance education for adults, the concept of paid educational leave (PEL) that would underwrite second-chance opportunities has been everywhere circumscribed by extremely limited financial aid and by specific directives that confine the leave to vocational updating or retraining.

This defines the question to which Peston and Glennerster’s papers are addressed. If fiscal, demographic and labour force trends, as well as a rising concern with the equity implications of educational policies, make RE imperative around the world, as they both claim, why is so little happening on the RE front?

Of all the variations on the RE theme, the one that is easiest to justify on
grounds of both economic and educational efficiency is that of postponing full-time higher and possibly upper secondary education by one, two or even three years. Applying conventional cost-benefit analysis to the age-earnings profiles that are generated by the present ‘front-end’ model of sequential education, Stoikov has shown that a postponement of full-time post-compulsory education of up to three years, although costly, is justifiable in terms of the social and private rate of return on educational investment. But this is not RE proper because it leaves out the element of alternating learning and earning. On the other hand, postponement of formal education simultaneous with its conversion from full-time to part-time (the true RE model) cannot be justified on strict efficiency grounds for periods longer than three years.

Breaking out of the mould of cost-benefit analysis and introducing considerations of the deterioration and obsolescence of knowledge with age does not substantially alter these conclusions. On balance, if the postponed learning in question is at all formal and general, the advantage will always be with those who have had a sound basic education not too long ago; the benefits of RE are greater if it is concentrated on the young who have left formal education recently and who have received sufficient ‘preventive’ education of a basic kind to benefit from ‘curative’ RE of the up-dating, retraining type at a later age.

But if there are efficiency arguments for the postponement of post-compulsory education for up to two to three years, the fact remains that mere postponement by a few years will not touch the equity problem of the intrageneration gap in educational provision between social classes, not to mention the intergeneration gap in provision between youths and adults. No doubt, this accounts for the fact that advocates of RE have laid far more emphasis on the second-chance version of RE than on the postponement version.

The potential for a move towards postponement is much greater in America than it is in Europe if only because labour markets in America are more flexibly organized to absorb youngsters in part-time and temporary employment. Besides, the mix of public and private institutions in the American system of higher education makes it easier to break down resistance to a reform of admission policies which would be required to give effect to postponement. All of which is to say that America is likely to lead Europe in introducing the postponement version of RE on a significant scale. It is curious that the very opposite statement holds for the second-chance version of RE.

This brings us squarely to the second-chance issue or PEL. It is not easy to explain why PEL has caught on in Europe but not in the United States (despite the Manpower Development and Training Act of the 1960s). Perhaps it has something to do with the phenomenon of ‘industrial democracy’. In America, workers’ participation in the running of business enterprises has