

## **HIERARCHY OR DIVERSITY? DILEMMAS FOR 21ST-CENTURY HIGHER EDUCATION**

### Introduction

1. I have often felt that there is an almost inverse relationship between the increasing significance of higher education, now right at the heart of the emerging 'knowledge society', and the declining capacity for higher education research, which has been pushed to the margins of the social sciences, and also of high-quality policy studies in higher education that inform the process of reform. This certainly appears to be true in my country; the British Government constantly emphasised the need for 'evidence-based' policy but, as events surrounding its White Paper on the future of higher education last year and the Higher Education Bill now before Parliament, the evidence base is often very thin. So I am especially glad that Germany is an exception to the rule. Here, and not least in the Centre for Higher Education Development, an impressive policy-analysis and research capacity has been developed.
2. The question I want to address is whether, after two or more decades of (apparent) convergence (as the distinctions between 'classical' universities and other higher education institutions have become much fuzzier – or been abolished entirely), we are now likely to see a reverse trend, towards new forms of stratification at the level of higher education systems and greater differentiation of institutional missions – and, if this is the case, a very important follow-up question, will the emphasis be on formal stratification (a top-down process encoded in terms of distinctive legal and administrative regimes and different patterns of funding) or on an informal differentiation (a bottom-up process driven the distinctive responses of institutions to the various 'markets' they encounter)?

### Preliminary observations

3. Let me make a number of preliminary observations:
  - i) First, I believe it is very difficult, if not impossible, to construct a general theory of the development of higher education 'from the inside' – by describing and analysing the evolution of higher education systems and institutions. The days when a Martin Trow or a Burton Clark could construct over-arching theoretical accounts of how higher education systems develop (élite to mass to universal higher education – and so on) have passed – partly because, as the state once the dominant sponsor of higher education is succeeded by a plethora of stake-holders, it has become more difficult to talk of rationally ordered 'systems'; and, partly (if we are really honest) because these grand accounts were very much based on the specific development of American higher education after 1945 (and, especially, after 1960) – and, as such, may have been less generalisable than we once imagined. It does not appear to match the European experience;

- ii) This leads on to my second observation – that the shape assumed by higher education systems, both normative and organisational, is contingent on specific national contexts and cultures. For example, the particular form taken by mass higher education in the United States has been shaped both by particular ‘ideologies’ of knowledge (notably the commitment to general education – Gen Ed – and broad-based interdisciplinary study which lacks a sharp distinction between ‘academic’ and ‘vocational’ education) and by specific administrative cultures (in particular, the pronounced pattern of ‘localism’ that prevails between and within individual States). In Europe things are different. Certainly our ‘ideologies’ of knowledge are different – a much clearer distinction between ‘academic’ (or ‘scientific’) education and ‘vocational’ (or ‘professional’) education, a much stronger tradition of academic specialisation and so on. And, of course, in most European countries (although not here in Germany) a much tighter fit between universities and nation states with less emphasis on localism and decentralisation (and institutional autonomy?). Within Europe there are also significant differences. I do not have time to explore these differences between America and Europe, or within Europe, this morning. My point is simply that contingency matters. Although we may use the same words – ‘university’, ‘higher education’, ‘professional education’, ‘applied research’ and so on – they actually mean different things in different context.
- iii) In contrast, my third observation is that it is much easier to construct a general theory of the development of higher education ‘from the outside’ – in terms of the emergence of a knowledge-based society with its inexorable demand for a more highly skilled labour force and its dependence on ‘knowledge’ (whether the most abstract theory or the technical manipulation of data) as a key resource; and also in terms of the growth of what I will call a ‘life-style society’ in which the assertion of democratic rights, the expression of individualism and the gratification of consumer aspirations have been become mutually reinforcing. A key element in this ‘life-style society’, of course, is that participation in higher education has become both a new social identifier which has replaced older class or gender-based identifiers, and also a key element in a much sought-after ‘cultural good’ (but in a quasi-consumerist context). As a result, it is possible to identify a range of common trends and phenomena – for example, globalisation or what is sometimes rather crudely labelled ‘marketisation’ – which impact on all higher education systems and institutions. These trends and phenomena can be generalised – although the responses to them, of course, cannot.
- iv) And my fourth, and final, observation is that – although it can hardly be called a general theory of higher education development – it is possible to observe a general phenomenon which appears to affect all modern higher education systems, and impacts on all

higher education institutions (whatever their label – ‘classical’ universities, polytechnics, *fachhochschulen*). This general phenomenon can be described as one of mission over-load – or, as I would prefer it, mission-stretch. More and more is expected of higher education. New tasks – such as lifelong learning, technology transfer or regional regeneration – have been added to traditional tasks – such as the reproduction of political and professional élites and the training of technical experts. But these new tasks can no longer be neatly partitioned off, and segregated in specialised institutions, because they arise from the general trends and phenomena I mentioned a moment ago – globalisation, marketisation and, I would add, significant changes in the way that knowledge is now produced, validated and communicated (so these trends and phenomena cannot be regarded as wholly external to the higher education and research system). Nor are these trends and phenomena emerging in a well-ordered society with clearly demarcated domains (the state, the market, culture, science and so on), in which it might be possible to develop a regulated division-of-labour between different kinds of higher education institution – but in a volatile and chaotic society in which the boundaries between these different domains are frequently transgressed (a society which is sometimes, but misleadingly in my view, described as a ‘market’ society).

#### Hierarchy or diversity

4. There are two possible strategies for higher education systems to pursue in the light of mission-overload (or mission-stretch). The first is, despite the difficulties to attempt to introduce (or to re-introduce) a clear division-of-labour between institution through explicit (and, maybe, compulsory) differentiation of their missions. I have labelled this first strategy ‘hierarchy’ for reasons I will explain in a moment. The second strategy is to endorse, and even encourage, the emergence of a greater variety of missions both between and, crucially, within higher education institutions – but these differences would be temporary rather than permanent, shifting rather than fixed. I have labelled this second strategy ‘diversity’. My belief is that this second strategy will, on the whole, prevail. It is also my preference because a strategy of ‘diversity’ is best able to stimulate creativity and innovation.
5. I said a moment ago that I would explain why I have labelled the first of these strategies ‘hierarchy’. I have done so because, although it is possible to conceive of a division-of-labour between institutions that is entirely functional and is – in a sense – value-free, in practice any division-of-labour is likely to lead to unequal treatment of institutions because some functions will be regarded as having a higher status or higher priority, and therefore require to be funded at a higher level, than others. Moreover decisions about which functions should be privileged in this way are unlikely to be value-free. Universities both shape and are embedded in specific normative structures in which, for example, pure research tends to have higher prestige than technology transfer, or educating students for élite positions and professions is

regarded as more worthy than vocational training or adult education. It does not matter that, judged in purely functionalist terms, the latter – vocational training, adult education and technology transfer – may be just as expensive as the former – pure science and élite education. It is probably inevitable that these normative (and power?) structures will be reflected in divisions-of-labour between higher education institutions. Both will be organised in terms of hierarchy – hence the label I have chosen to describe this first strategy.

6. I have chosen the word ‘diversity’ to describe the second strategy because differentiation of roles between and within institutions (and even within Faculties and Departments) is inherently more flexible than top-down stratification. It is likely to be much more complex, more dynamic and (perhaps) less substantial; as such it cannot be reduced to a fixed, or semi-permanent, hierarchy. So it is more difficult to align with existing normative (and power) structures. This does not mean, as some higher education leaders and (in particular) politicians may suggest, that this diversity strategy is a ‘soft option’ that avoids the tough decisions implied by a deliberate choice of a strategy of stratification – for example, to create a separate ‘class’ of research universities on the American pattern. In fact, within a differentiated system competition between institutions is likely to be more intense – because of overlapping roles – than in a stratified system within which institutions have pre-assigned missions.
7. However, it is misleading to draw too sharp a distinction between these two strategies for coping with mission-stretch in modern higher education systems – hierarchy and diversity. Both strategies contain elements of the other, rather like dominant and recessive genes. For example, even within higher education systems where formal binary distinctions between ‘classical’ universities and higher vocational or professional education institutions have been maintained a certain amount of ‘seepage’ has occurred. Common legal and administrative frameworks have been developed and easier-to-navigate pathways between the two ‘sectors’ have been created. New titles such as ‘universities of applied science’ have also been introduced, officially or unofficially. In other words diversity has crept in alongside hierarchy. Similarly, in unified higher education systems where the ‘university’ has become the standard institutional type, formal differences between institutions (and, therefore, hierarchies) persist – between the majority university sector and the minority sector composed of smaller colleges and institutes; and, crucially of course, between the heartland of higher education and the hinterland of further education, continuing education and lifelong learning.
8. Nevertheless, there are important differences between these two strategies:
  - i) The first – hierarchy – is often preferred by political and university leaders who emphasise the need to produce world-class research within a globally competitive knowledge economy – or, alternatively, argue that mass participation in higher education will be more difficult to achieve if the dominant institutional type is some version of the ‘classical’ university. So their fear is that more weakly differentiated systems may spread resources, in particular

research resources, too thinly; may encourage so-called ‘academic drift’ (or allow institutions to aspire to élite models that are beyond their grasp); and may also encourage unnecessary competition as institutions take on too many discordant, even divergent, roles. Or they may simply be shrinking from the full implications – political, social, economic and cultural – of mass higher education;

- ii) The second strategy – diversity – may better accord with the deeper secular trends in contemporary society in its many different guises – the post-welfare state which has embraced the ‘market’; the post-industrial state in which the most vital (and profitable) exchanges are in ‘knowledge’ products and insubstantial goods; a post-modern (or, at any rate, post-positivistic) society in which the production of knowledge has become a much more open, and socially distributed, process. Logic suggests that in such a society knowledge organisations, including universities, need to be flexible, adaptable, competitive – which is difficult if they have been pre-assigned to distinctive ‘classes’ of higher education institution each with its mandated mission.

#### British higher education: a case-study

9. In the third part of my talk I would like to take British higher education as a case-study – and use this case-study to reflect on the contrast (or tension?) between ‘hierarchy’ and ‘diversity’ which I just discussed in the first part of my talk. My case-study is divided into three sections:
  - A brief historical sketch of the development of British higher education since 1960;
  - An equally brief description of the British higher education system as it exists today;
  - A discussion of three sets of forces acting upon the British system – unifying forces; forces that tend to produce hierarchy (or stratification); and forces that encourage diversity.
10. First, then, a brief historical sketch of the development of British higher education since 1960. The first point to emphasise that, as in many other countries, there was really no such thing as ‘higher education’ in 1960 and certainly no ‘system’. What we now define as higher education was then a series of separate and largely uncoordinated sectors – (i) traditional universities, although brand-new campus universities were about to be created; (ii) advanced further education – a medley of technical and professional schools, which were later in the decade to become the basis of the new polytechnics; and (iii) teacher training colleges, which in the 1970s were to be swallowed up in the polytechnics and, in a few cases, universities. ‘Higher education’ referred not to institutions but, as the phrase suggests, to the level of education beyond secondary education.

11. All that changed over the next three decades. The (separate) decisions to create brand-new universities, to make the then colleges of advanced technology into technological universities, to establish the polytechnics and (above all) to expand the number of students in higher education – all decisions led inexorably to the emergence of a higher education ‘system’. And so it turned out. The new campus universities of the 1960s and the technological universities broadened the idea of a ‘traditional’ university. The polytechnics were consciously conceived off as alternatives, even rivals, to the ‘traditional’ universities. The rapid expansion of student numbers, and the consequent increase in public expenditure on higher education, meant that older informal patterns of governance (through an arms-length intermediary, the University Grants Committee and, in the case of the polytechnics, local government) became increasingly anachronistic. Not only was no overall national strategy possible, but the lack of coordination (it was argued) was a source of inefficiency.
12. With the benefit of hindsight it seemed inevitable that, first in the mid-1980s, the UGC was abolished and polytechnics were removed from the control of local government (and both universities and polytechnics were made subject to national funding agencies); and, secondly, in the early 1990s a unified sector was created comprising both the ‘traditional’ universities (which, of course, had become much less traditional) and the polytechnics (which had already become much more university-like) and that the separate funding agencies were merged into a single body, the Higher Education Funding Council for England (Similar bodies were established in Scotland and Wales).
13. This brings me to the second part of my case-study, a brief description of the British higher education system as it exists today.
  - i) First, the facts – just under 2 million students are enrolled, almost 70 per cent of them in 93 universities and the rest either in smaller or more specialist higher education institutions or taking advanced courses in local further education colleges. All higher education institutions in England are funded – for their teaching – according to standard formulae; differentiation is by subject not by institution. In contrast research funding is distributed on a highly selective basis following a regular Research Assessment Exercise (but the RAE, too, is organised not in terms of institutions but of subjects). The only formal difference between universities and other higher education institutions is that all universities award their own degrees while many other higher education institutions must seek validation of their awards from universities.
  - ii) But, although essential, it is more difficult to assess the informal character (as opposed to formal structure) of British higher education. But I like to describe it as an ‘élite +’ system. By this I mean that it is a mass system in terms of scale, similar in size to the French or German higher education systems and with a participation rate – 44 per cent of 18- to 30-year-olds – which is high by European (and, indeed, world) standards; but that it retains many characteristics of an elite system.

For example, very low wastage (on average 80 per cent of students admitted to higher education receive degrees or diplomas) and elaborate systems of pastoral care and academic support to ensure that most students do complete their courses, and also a tenacious belief that teaching and research must stay together. In terms of the institutional pattern of British higher education it is also difficult to generalise. A great deal of convergence of institutional missions has taken place – and, contrary to the standard analysis of this process of convergence, the most important phenomenon has not been ‘academic drift’ by the former polytechnics but the adoption by traditional universities of new roles which might once have been seen as more appropriate to polytechnics (particularly in areas of applied research but also widening participation). Nevertheless I think you can discern an emerging (and entirely informal) three-way split – into a small number of quasi-research universities on the American pattern at the ‘top’ of the system, a rather greater number of access-oriented institutions at the ‘bottom’ and, in between, a mixture of former traditional universities and polytechnics with more comprehensive missions.

14. In the final part of my case-study I would like to consider three sets of forces – forces leading to uniformity (or integration); forces promoting stratification (or hierarchy); and forces encouraging greater diversity.

- i) First, forces leading to uniformity and integration. These are represented by the common legal and administrative frameworks within which nearly all higher education institutions operate (Although some detailed differences remain – for example, in terms of the number of members of Governing Bodies or the nomenclature of academic staff grades – these are essentially residual phenomena); and also by the common systems for funding teaching which I have just mentioned. But other major forces for integration are the increasing convergence of managerial regimes and organisational cultures and, in particular, the homogeneity of the academic profession;
- ii) Second, forces promoting stratification. I would identify two separate types. The first type consists of the Research Assessment Exercise and highly differentiated research funding (which has had the most negative impact of the less prestigious ‘old’ universities rather than the ‘new’ universities, or former polytechnics); and of the Government’s desire (not yet realised) to bolster the development of an explicit category of research universities on the American pattern (by singling out Oxford, Cambridge, Imperial College, University College London and – possibly – the London School of Economics and the about-to-be-merged University of Manchester). But the second type of stratification forces are just as important, although entirely unofficial and more volatile. These are the various rankings of universities produced by newspapers, or groups of institutions ‘approved’ by professional bodies;

- iii) Third, forces promoting diversity. There are a great number of these forces. I have already mentioned the existence of separate funding councils – and, in effect, separate higher education systems – in Scotland and Wales. Within England the regional dimension is becoming increasingly important. For example, the driving force behind the Manchester merger came not from the Government or from the Higher Education Funding Council but from the Regional Development Agency and other regional and civic bodies which wanted to see a world-class research university. Other examples of forces promoting greater diversity are, first, the current proposals to allow universities to charge variable tuition fees (from nothing to £3,000 a year); and, secondly, the Higher Education Funding Council's strategic plan which expects all universities to be active in four core areas – teaching, research, widening participation (or social inclusion) and so-called reach-out to the economy and society; but with very different degrees of intensity.

## Conclusion

15. It is now time for me to try to draw the threads of my argument together – from both my general analysis of the competing strategies of 'hierarchy' and 'diversity' for coping with mission-stretch; and the lessons to be learnt from the experience of British higher education. It is difficult to provide a satisfactory interpretation of the latter – the British case-study. I believe there are two lessons that can be learnt from the British experience:
- i) The first is that with the British system (and, I suspect, most other modern higher education systems) contradictory forces are at work. Some of these forces are tending to produce greater integration - for example, that is the effect of emphasising quality assurance, value-for-money and other accountability regimes. Other forces are tending to produce greater stratification - for example, the 'bottom-up' influence of consumerist phenomena (such as league tables) and the 'top-down' impact of more selective funding regimes (particularly in relation to research funding):
  - ii) But the second lesson which I believe you can draw from the British experience is that it is difficult to distinguish between forces of stratification (or 'hierarchy') and forces of differentiation (or 'diversity'). Although they overlap, they are not the same. Stratification implies an orderly attempt to produce an orderly division-of-labour between institutions - which, I believe although others do not accept this, inevitably translates into a hierarchy. Its primary aim is to reduce confusion and overlap between institutional missions, and even competition between institutions. Differentiation, on the other hand, does not inevitably lead to a division-of-labour between institutions or to a reduction of competition. The basic idea is that institutions should 'play to their strengths' - which may mean that they attempt to establish exclusive niches in the 'market', but which may also mean that

they attempt to compete more vigorously with other institutions across a general range of teaching and research.

16. At the start of this talk I argued that it is difficult to construct a general theory of the development of modern higher education systems and institutions 'from the inside' by merely observing and analysing the rhythms, patterns and dynamics of that development (mainly because these are secondary rather than primary phenomena). Instead we need to explain what has happened - and what is likely to happen - to higher education systems 'from the outside' by reference to the development of the wider socio- economic systems in which universities are embedded (the 'knowledge society', 'globalisation' and the rest) and also the development of the scientific and cultural systems in which they are key players (the new ways in which knowledge is produced, and the new ways in which society and culture interact which I attempted to describe - briefly - in the first part of my talk). And my argument is that, if we consider the evolution of higher education systems (and institutions) in this wider context, the 'soft' differentiation of institutional missions is a more likely outcome than the 'hard' stratification of systems - and also, I would argue, a more desirable outcome both in terms of academic freedom and institutional autonomy and of responsiveness to 'market' and democratic imperatives.