

Knowledge economy fails the test

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It is still perfectly possible to shock people. Among middle-class westerners, nothing in music or the arts can manage it any more – we've seen sex, seen violence, seen blasphemy.



But try suggesting that it may not be such a great idea to spend £1m, or indeed £1bn more, and listen for the intake of breath.

Our governments see their main job as delivering economic prosperity and they are generally agreed on how: market economies, moderate taxes, free trade "and education, education, education".

This is not, however, education as culture, or scholarship, or as a way of becoming better citizens. Instead, education is seen increasingly and simply as a direct contributor to economic prosperity. Plug education in at one end and higher growth rates will pop out at the other, and the more of each the better.

The argument goes that we live in a knowledge economy where, to quote UK home secretary David Blunkett, "learning is the key to prosperity".

To stay competitive, we need to be top in numbers of graduates, to have more of our young people gaining qualifications than our rivals, and to make education more responsive to skill shortages in the economy.

This theory, however, is wrong. Wrong, in that education doesn't simply deliver up economic growth in the way our politicians and businessmen believe, and wrong because this very expensive belief is distorting education.

A favourite example of the education-for-growth school is South Korea. This is a country in which, from the 1960s to the late 1990s, government made education a priority. Primary education became universal. Secondary education grew from 25 per cent to 100 per cent participation, university enrolment rates trebled, and per capita income growth averaged more than 7 per cent a year.

This all sounds very convincing, but what about Egypt? Between 1970 and 1998, Egypt's primary enrolment rates grew to more than 90 per cent, secondary schooling levels went from 32 per cent to 75 per cent, university education doubled. It started the period as the globe's 47th poorest country; it was the 48th poorest at its end.

Like most seductive theories, this one can soar above awkward facts. On March 17 this year, the day Robert Mugabe was sworn in once more as Zimbabwe's president, the British foreign secretary, Jack Straw, spoke on the radio. The crucial difference between developing countries and the west, he argued, was simply education. "Education made the difference to economic growth; countries need to buy education because that is how we grow."

As Zimbabwe descended into economic misery, the minister apparently never registered its 85 per cent literacy rate, the highest in sub-Saharan Africa. However, even if education on its own can't deliver, or even protect prosperity, perhaps growth nonetheless only occurs when governments do commit themselves strongly to expanding it?

Again, not obviously. Hong Kong's meteoric growth occurred without any such policies: secondary and university expansions came later as prosperous middle-class parents sought to help their children get on.

And what OECD country has the lowest university attendance

and graduation rate in the group? Switzerland, the richest of them all.

Ideas about growth also distort education. Last week I attended an awards ceremony at the City Lit, London's largest adult education institute. The students' achievements were enormous and moving. People's lives had been transformed by overcoming a disabling stammer, discovering a talent for drama, realising that they could do maths.

Yet, all over Europe, adult general education has been downgraded in favour of vocational training. This reflects an impoverished idea of what education is for, as well as a deep confusion: for if our economies are really changing so constantly, how can one provide highly specific vocational training for an unpredictable future?

The UK has signed up to education-for-growth with particular enthusiasm. This is partly because, during the economically disastrous 1970s, education became a favourite culprit in explanations of British failure, but also because our super-centralised government can give reality, more or less instantly, to whatever ideas politicians embrace. So, for example, millions of pounds were poured into developing and promoting highly specific National Vocational Qualifications, tied to the precise requirements of every conceivable sector.

About half were never taken by a single candidate; many others by (literally) one or two. Numerical targets for qualifications are another enthusiasm, embraced by business organisations but decidedly reminiscent of the pre-Gorbachev Kremlin in their effects.

When colleges and trainers are paid by the government for qualifications gained rather than courses followed, qualifications are what get delivered. At the peak of government enthusiasm for qualifying the whole population, the taxpayer was even paying for backpackers to obtain scuba-diving certificates in Cornwall.

None of this has shaken the British government's faith in the importance of micro-managing education for economic purposes. The whole post-school, non-university sector "further education, adult education, apprenticeships etc" is now run by a vast super-quango, the Learning and Skills Council. It has a budget of more than £7bn, 47 local offshoots and huge administrative costs: significantly, each little LSC is expected to plan and design "provision" in response to local employer needs. Adult students can't, apparently, be trusted to choose what they should learn, or know what they really require.

Meanwhile, British universities have also been expanded at

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breakneck speed, with exactly the same rationale. In the words of two recent education ministers,

"higher education (is) at the heart of the productive capacity of the new economy and we need more young people to go to university because it is an economic necessity".

Universities are indeed economically vital for training and research. But not limitlessly so, and not irrespective of quality. To contain costs, funds and teaching time per student have halved. Apparently all that matters is the number of people with diplomas; but if quality is irrelevant, just how, in ministers' minds, are these economic miracles meant to occur?

It is always dangerous to conclude that, because some of a thing is good, more of it must be even better. People tend to think about education in absolutes – that it must, surely, be "a good thing" to have more of it.

However, yet more examinations and diplomas are not self-evidently more important than respite help for families with sick relatives or better policing of our streets. A quarter of our population is already enrolled in some sort of education – to say nothing of the millions who work in it. Do we obviously need 50 per cent university participation rather than salary increases to attract good teachers for 14-year-olds?

I think not: time, surely, for some clearer thinking about what education actually delivers.

This article does not necessarily reflect the views of the Education Forum.

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