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Footnotes

1. The author gratefully acknowledges the cooperation of the National Tertiary Education Union, the University of Queensland Staff Association, the Griffith University Faculty Staff Association and the Noel Butlin Archives of Business and Labour at the Australian National University, which provided access to their files.

2. Briefly as the Association of Australian University Staff (AAUS), then as the Federated Australian University Staff Association (preserving the acronym FAUSA).

3. Hindess (1989) argues the case against pursuing class as an issue in the analysis of the activities of collective organisations.

4. This can be argued on the basis that all those who work for a salary or wage belong to the working class (see, for example, Smith and Willmott, 1991). It is also in effect the position of those who ignore class as an issue in analysing collective organisations of employees.

5. See, for example, Goldthorpe (1982).

6. This term is most often associated with the work of Wright (e.g. 1983, 1985).

7. The heterogeneity of groups in the middle has been much noted and led to debate about whether to consider them a class at all (see Smith and Willmott, 1991) and about whether to consider them as several classes. Parkin's (1979) approach, by emphasising the importance of modes of social closure, accords less importance to structural categorisation based on the mode of production and accepts the existence of more than one middle class. Thus, it is not argued that academics and low level clerical workers are a part of the same "middle class".

8. Gouldner acknowledges that there are humanistic and technocratic strands of critical discourse which are often in conflict with each other. This conflict has relevance to the rise and fall of the binary system, but is not examined in this paper.

9. CAEs, as they were constituted, did not exactly reflect the recommendations of the Martin Report. Martin had, for example, recommended a third category of tertiary education: Boards of Teacher Education. This was not taken up. Teachers Colleges became CAEs in 1972.

10. The work cited is Burgess, T. and Pratt, J. (1970) *Policy and Practice: The Colleges of Advanced Technology*, London, Allen Lane.

11. Later known as the Federated Council of Academics and also as a registered federal union as the Union of Australian College Academics (UACA).

12. The document solves the problem of the differing perspectives of the FCA and FAUSA by an authorial conceit that the roles of CAEs and universities are understood by the reader and do not therefore need to be discussed. Given the emphasis in the document on the social purposes of tertiary education and on the promotion of social equality, failure to address the relationship between the sectors in tertiary education is a noteworthy silence.

Steering at what distance? The political economy of equity, diversity and quality in the August 1993 Higher Education Budget Statement

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Abstract

The 1993 Higher Education Budget Statement restated and adjusted the Dawkins agenda for Australian higher education to the circumstances of the mid-1990s. This paper addresses the implications of its provisions for equity, diversity and quality, and the larger political and economic imperatives which drove them. It also draws on current models of the governance of public and private systems to examine the ways in which the Federal government has imposed accountability mechanisms on higher education institutions which remain legally the responsibility of the various States and which also retain substantial institutional autonomy.

Growth, equity and the economic base: A Labourist dilemma

The Federal Labor Government's intentions for higher education from Dawkins (1987, 1988) on have been rehearsed many times. Put briefly, higher education was to make a key contribution to 'the national goals of industrial development and economic restructuring'. To this end, it was to be restructured into 'a unified national system' with 'fewer and larger institutions' each of which would be funded by the Commonwealth on the basis of its mission statement and an educational profile which would include as its objectives, teaching activities, student load, graduations, research activities and management plan, and 'a statement of intent on measures to achieve national priorities, including equity'. To this end, 'performance indicators' were also to be developed. Institutional amalgamations would enable economies of scale and better educational provision, thus combining 'educational effectiveness and financial efficiency'. The higher education student intake was to be greatly increased, particularly in areas which would contribute to national economic growth. Part of the extra cost would be financed from taxation on graduates and industry contributions (though this last item was changed to a "training levy") while the market for full fee-paying overseas students was to be greatly extended. Access and equity goals for 'full participation' of such 'disadvantaged groups' as Aborigines and Torres Straits Islanders, women, people with lower incomes or from rural areas, 'some migrant groups' and 'the disabled' were supported for economic as well as democratic reasons (Dawkins 1988). This program signalled the neocorporatist (as contrasted with, for example, neoliberal) interventions of a residually social democratic or Labourist party in power during a post-Keynesian period of global and national economic recession.

At issue are several crucial challenges for such a government: How can a nation-state provide an adequate "social wage" without an adequate fiscal base? How can it provide a range of social services without impeding economic recovery? How much can and should education contribute to the construction of a competitive economy?

How indeed can an economic recovery be managed by the state? How, in the Australian situation, can a Federal state manage and direct an economy and the social wage when many of the functions it seeks to control are constitutionally located with its individual States? And finally, how can a middle-level nation state control and build its economy in a situation where capital operates globally and the international "playing field" is most certainly not level?

As Maslen and Slattery (1994) point out, the genius of the Federal Labor "solution" initiated by Dawkins and continued by Beazley and Crean with regard to higher education, constitutionally the prerogative of the States, can be seen in its greatly expanded provision at least financial cost in a period of continuing and turbulent economic recession. In such a situation, "targeted support", "institutional profiles" and "quality reviews" have a certain face validity. At the same time, however, they signify a managerial and instrumentalist approach to higher education which is going some way towards transforming universities into semi-autonomous but corporate and market-oriented enterprises. The consequent tensions between Federal regulatory and deregulatory impulses (cf. Henry 1992; Taylor & Henry 1994) constitute a continuing and intractable policy problematic for a Labor government in the 1990s. This is the setting in which this paper addresses the provisions for access, diversity and quality as outlined in the 1993 Higher Education Budget Statement.

Completing the White Paper reforms?

The August 1993 Higher Education Budget Statement by the then Minister for Employment, Education and Training, Mr Beazley, may be seen as signifying the view of the Federal Labor Government that, apart from minor modifications and working adjustments "on the move", the work of reforming the higher education sector which began with the Dawkins Green and White Papers and the Wran Report was now largely complete. In 17 pages it restated and adjusted the Dawkins agenda for Australian higher education to the circumstances of the mid-1990s, recycling themes and phrases from earlier documents, including the Baldwin White Paper (1991), *Higher Education: Quality and Diversity in the 1990s*. The various changes to funding provisions for higher education made since the 1993 Budget have not substantially altered the broad thrust of its intentions or the parameters of the political economy of Australian higher education which were laid down in the Dawkins era. (It may be significant that there was no specific document published for higher education from the May 1994 Budget.)

The Commonwealth government could thus shift focus to address more fully the reforms of that other sector of postcompulsory education, vocational education and training, which had been set in train by the Vevoson Report, the National Training Board, the Finn/Mayer/Carmichael trilogy, and the establishment of the Australian National

Training Authority. This interpretation is supported by the celebratory tone of the 1993 document:

Since the foundations for expansion of the higher education system were laid in 1988 with the White Paper, the Government has increased opportunities for Australians and has introduced reforms transforming the higher education system in this country to one of the most accessible, equitable and dynamic higher education systems in the world. (p.2)

And indeed the paper goes on to state that:

...the Government is seeking to establish balance between education and training and considers that attention should now be directed to the less developed vocational education and training sector. With a national retention rate of almost 80% to the final year of school, many more young people want to enter higher education when vocational training may better suit their own needs and those of the labour market. (p.5)

Significantly, in making a similar point earlier that year on the shift from growth to consolidation, Free, the Minister for Schools, Vocational Education and Training, stressed the opportunities this offered to improve the quality of higher education:

The rapid transition towards a mass system of higher education has involved enormous stresses and strains. The Government now believes that a period of consolidation is required. This is to ensure that the system and the people who work within it can adapt to its new structure and size. It is to ensure that the system is performing as efficiently and effectively as the community has a right to expect. And it gives us the opportunity to shift the emphasis of policy from growth to quality. (Free 1993, p.15)

From access to outcomes: The limits to growth in the recessionary 1990s

What then of the 1993 Higher Education Budget Statement? It begins with the sweeping claim that its provisions will 'enhance teaching and research activity' and 'provide greater opportunities for those seeking to commence higher education for the first time' (p.1). 'The Government's policy framework for the 1990s: equity of access and diversity of provision' (p.1, emphasis in original) is presented as the legitimating rationale for these measures and those which follow. However, the need to reconcile policy provisions for greater access to higher education with the "no free lunch" realities of fiscal stringency is soon enough suggested:

The [Budget's] measures ensure that as many Australians as possible benefit from the contribution of taxpayers... (p.1),

and the material benefits of institutional 'diversity' in a period of fiscal stringency are implied:

...and that there is maximum opportunity for each university to pursue its distinctive mission. In this way the Australian education system will continue to be accessible to a broad range of Australians within a framework which supports differing institutional roles. (p.1)

In speaking thus of distinctive missions, a third and moderating principle, "quality" (cf. Baldwin 1991), is appropriated for the 1990s as follows:

The Government has focussed on three fundamental policy objectives:

access -- promoting equity of opportunity for Australians to participate on merit in higher education;

diversity -- encouraging universities to diversify their student intakes, course offerings and research orientations on the basis of their institutional strengths and community requirements; and

quality -- ensuring that there are mechanisms to guarantee high quality outcomes from higher education and to reward excellent outcomes. (p.2, emphasis in original)

Taking up the points on growth, equity and the economic base made

above, the central problematic for a social democratic government in the 1990s could be stated as follows: universal elementary and secondary education have been achieved; their possession is no longer a 'positional good' (Marginson 1993). In the public sector at least, that education is "free", or at least without fees. The next step, logically, would appear to be the provision of free and universal tertiary education. And (though under very different economic circumstances and with a much lower participation rate) the Whitlam Labor Government had abolished university fees in 1973. By the early 1990s there was a national retention rate of some 70% (now about 80%) to the end of secondary schooling, and about 50% of secondary graduates went on to higher education (Williams, Long, Carpenter & Hayden 1993; AEC 1992). In the same period, over 25% of school leavers (not all graduates) went to TAFE or similar destinations, and TAFE enrolments in vocational courses increased by over 40% from 1981 (AEC 1991; Clare & Johnston 1993). The 15-19 age participation rates in all forms of education for 1991 was 77%; it is projected at 96% for 2001 (NBEET 1992). In short, "mass provision" of tertiary education (that is, both higher education and TAFE) had become a reality. Yet the final step to free and universal tertiary education seems no longer possible. This would appear to be anomalous for a progressive and social democratic nation-state; it would also seem to signify that the democratic policy ideal of 'lifelong education' (Baldwin 1991) will be difficult to achieve.

The reasons for the growing demand for higher education are various: the collapse of the youth labour market, the changing nature of work and the employment market, credential inflation, AUSTUDY provisions for students in poverty, an increasing competition for university places as the exchange value of that education diminishes, a substantial increase in numbers of those undertaking second and higher degrees, and a general expectation, as in "it's the done thing", that most people will go to university as retention to the end of secondary education (cf. Marginson 1993).

At issue, then, is the nature of the demand for tertiary education and the question of choice. Several points must be considered: There are two main forms of tertiary education available, vocational training through the TAFE system and higher education through the university system. However, while higher education is considerably more expensive *per capita* than TAFE education, student demand for university places has been much greater than that for TAFE. Yet in the present situation of fiscal stringency, the state is no longer able to extend access to universities as a right to all comers. Moreover, the state has an interest in the development of appropriately trained and skilled persons as an essential resource for national economic recovery and (in contradistinction to general student preferences for higher education) views a TAFE level preparation as more appropriate and useful for the majority of post-secondary students. In short, the state is more willing to meet the demand for universal post-secondary education than it is to allow much more than a limited choice as to its form, content and duration, while its provision will generally be state-subsidised rather than "free". Put another way, the social democratic government is now faced with hard choices over the nature and extent of the social wage and the needs of the nation versus the articulated wishes and interests of its members.

In this context, "access" to mass higher education becomes selective rather than universal. However, "merit" rather than immediate personal capital is to be the basis of selection. That is to say, financial ability to meet the relevant student costs is predicated on the "human capital" generated for individuals by their participation in higher education; it is prospective (students may study now, pay on *pro rata* basis from subsequent income), rather than retrospective (meeting the cost with funds previously accumulated). Put this way, the HECS charge on most students is surely one of the fairest ways of meeting part of the costs of a university education and ensuring greater participation.

However, as other sections of the Budget paper indicate, even this is no longer enough. Without increases in the rate of HECS repayments and a greatly increased full-fee paying population, universities will

face increasing difficulty in financing their operations. They have, in short, to 'broaden their income sources'. What this means in turn is the development of a partially regulated market in higher education. *De facto*, there are now two main forms of access to mass higher education. The first, at present for the great majority, is competitive and meritocratic. The second, for overseas students and some postgraduate courses, is by the "buying" of extra places which would not otherwise be available. Thus any further major "expansion" for any institution appears likely to be on a "user pays" basis. This may well extend to undergraduate courses in the future, and will almost certainly do so with more "conservative" governments.

Another aspect of 'access' which must be acknowledged, however, has to do with 'increased diversity in the student population' (Baldwin 1991). Here, in line with social justice concerns, the Budget stresses that there is:

... a national plan for promoting equity in higher education, including targets for increased participation by disadvantaged groups. Each institution has now implemented an equity plan and an Aboriginal and Torres Strait Islander strategy as part of its educational profile. (p.3)

The change now under way can be seen as a more sophisticated treatment (and hence appropriate to the shift from "elite" to "mass" higher education) of the old pre-1970s two-tier form of access to universities: scholarships for the most meritorious, and fees for the rest. The first major difference, however, is in the greater variety of forms of charging in use. Thus the only recipients of state-provided "scholarships" are now those postgraduate students (mainly undertaking Ph.D.s) who receive Australian Postgraduate Awards and stipends, and some HECS teacher exemptions scholarships. The HECS charge itself constitutes a partial fee, which may be met in three ways: by "upfront" payments; by "deferred" payments as an added tax after leaving university; and by non-payment for those who are unemployed, or whose income is below a certain level - or who die or leave the country. Individual institutions may charge full fees for some postgraduate courses. Foreign students may be granted an AIDAB or other scholarship, otherwise they are liable for full fees.

A second major difference is that whereas previously there was a degree of correspondence between the places available and the demand for places, this is no longer the case, as the notion of "unmet demand" indicates. While the provision of places has increased dramatically since the 1970s, the demand for places has increased even more substantially but the fiscal limits of support are becoming evident.

In consequence, there is a shift in the state towards (rather than to) a focus on a "supply-side" approach to the functions of higher education, though not in a monetarist "free market". This shift is also consonant with the more general commitment to microeconomic reform and 'the clever country' (Dawkins 1990a) and to the construction of a higher education industry (cf. Currie 1992) and the concomitant "corporatisation" of individual institutions. The implications for earlier presumptions (which are not at all the same as actuality) of academic collegiality, institutional autonomy and the unfettered search for truth are substantial. More important for a social democratic government, however, is the changing expression of "social justice" for various "disadvantaged" groups in the social formation.

Third, while scholarships represented a public investment in the presumed social benefits of higher education, the HECS scheme is post-Keynesian in its cutting back of public investment on a *pro rata* basis. Nevertheless, as noted previously, this is not pure market economics; the state retains an interventionist role. This includes measures intended to provide 'a fair chance for all' (Dawkins 1990b), although the semantic difference between "chance" and "universal access" should not be ignored.

It follows that "diversity" of student intakes and course offerings has a dual function. It meets the needs of a wider range of groups and individuals and hence presumably enhances their opportunities for access and participation. To that extent, it is surely democratic. In addition, however, diversity of provision will also serve as a market

mechanism matching 'community requirements' with 'institutional strengths'. But this is to be a partially regulated market, not an undiluted liberalism; the state will still supervise the form and conditions of competition. Hence the necessity of state-controlled "quality control" mechanisms. And as will be argued later, while the state's prescriptions are not always direct or specific, they are nonetheless powerful and controlling.

Thus (as we are all only too well aware) 'mechanisms' have been established to 'guarantee high quality outcomes' and 'to reward excellent outcomes' (my emphases). It follows that quality is at least partially measured and measurable in terms of profiles, performance indicators and audits. Is it not thus liable to be conflated and confused with the merely quantitative?

The budget document's sequencing of access, diversity and quality should be located with respect to their historical development in the period from 1987. 'Growth and equity', the creation of a unified national system, and the contribution of higher education to economic restructuring and industrial reform were priorities for the Dawkins White Paper. While the need for diversity was acknowledged it was not highlighted in the same way. Quality may be implied by 'performance indicators' and 'institutional profiles'; it is not, however, foregrounded. By the time of the Baldwin White Paper, however, a change in emphasis was evident. The presumption in the latter is that 'growth with equity in participation' has been largely achieved, and priority is now to be given to 'quality in diversity as the system responds to emerging challenges' (Baldwin, 1991 p.v). The 1993 Budget Paper builds on and operationalises these issues.

That said, the language used in the discussion of the 'three fundamental policy objectives' of access, diversity and quality is indexical. At first there is exhortation: 'promoting equity of opportunity' and 'encouraging universities to diversify'. This is followed by imperative force: 'ensuring that there are mechanisms to guarantee high quality outcomes ... and to reward excellent outcomes' (p.2, my emphasis). The increasing force of the verbs is crucial. The focus of attention has clearly shifted from access to outcomes. There are at least two possible readings of the text. First, while access and diversity are desired, they cannot easily be enforced. Quality of outcomes, however, is both desirable and enforceable. Second, are access and diversity contingent on quality, or is quality to be understood inclusively - that is, as also comprehending access and diversity? While we might like to think so, the ambiguity remains. Nevertheless, the state anticipates a positive response. And there are incentives as well as imperatives.

Access, diversity, quality: Some desiderata

The fine print of the Budget Statement details the state's dilemma: How to meet the requirements of equity and social justice within the fiscal constraints of a long-standing recession. (Significantly, part of the 1988 White Paper's justification for greater inclusion of the disadvantaged is their consequent contribution to the economy.) The measures the Budget presents by and large constitute a post-Keynesian Laborist adaptation of the social wage to 'hard times' (cf. Lingard, Knight & Porter 1993). Thus the 'new mechanisms for achieving access and diversity' which the budget presents include 'a more highly targeted public subsidy for higher education', changes in 'support for postgraduate students and research activities', and support for implementing changes in 'industrial relations' in higher education. The first of these measures addresses the increased financial returns to students from their investment in higher education, in response to the increasing disparity (over two billion dollars) between government funding and HECS revenue. Its provisions included raising the HECS rate for students taking a second degree or 'continuing beyond a minimum time'; extending HECS arrangements to Open Learning students; and further modifications to the HECS scheme for faster repayment through increased rates, a reduction of some \$1300 in the income threshold at which repayment commences, and Pay As You Earn deductions. (It should be noted that HECS debts are already indexed annually.)

The second measure acknowledges higher education's contribution to national development and 'the needs of the economy' through the generation and application of "new" knowledge (as opposed to the transmission of knowledge in undergraduate studies). However, rather than a general coverage, government support will be targeted where it can expect the best returns, not only in terms of areas of investigation, but also in terms of the track records of the researchers themselves and the 'most recent research activity' of the various universities. Further, postgraduate awards, HECS exemptions and research funding will be granted on a competitive basis and with respect to institutional 'areas of strength', 'the quality of each institution's postgraduate education environment', and a 'composite index' of their research activities, grants and so on. A consequent "diversification" of "roles" (and hence status?) between institutions in their allocation of teaching and research activities is encouraged. The intention that some (presumably many of the "Dawkins universities") will focus more on teaching seems reasonable. However, this is neither prescribed nor legislated.

Further provisions in this area include the continuation of support for 'the existing research infrastructure' to 1996; the rationalisation of a range of postgraduate awards and HECS exemptions into the one Australian Postgraduate Awards Scheme; and the need for postgraduate research education for future academic staff themselves. At the same time, opportunities for charging fees for coursework postgraduate courses are increased:

to provide greater scope for institutions to develop market opportunities and to free-up places within Commonwealth funded load for other students. (p.2)

Here the intended (questionable?) contribution of "market" to "equity" is indicative of the reframing of social justice intentions within overarching economic constraints and demands, as indeed is the whole notion of 'targeting' itself.

The third and final aspect relates to support for 'workplace bargaining', a proposal adapted from Coalition industrial platforms on "enterprise bargaining" which in previous elections was rejected out of hand by Labor strategists, but which has now been set in place by a Labor government for 'productivity related salary increases'. Arguably, however, it is a "logical" extension of previous agreements under the Accords with the ACTU for the "structural efficiency principle" and "award restructuring". The intent is greater 'efficiencies as a result of more flexible work practices' in what is now the higher education industry.

Steering at what distance: The loose-tight principle

The relationship between a Federal Government and the gamut of higher education institutions which, while they are incorporated under the legislation of their various States and while they possess a reasonably high degree of institutional autonomy, are now substantially dependent upon it for recurrent and capital funding, is complex and fraught. Indeed, what we have seen with the higher education sector since 1988 has been a fairly sophisticated process of system management through the annual Federal Budgets and a range of other control mechanisms such as the Structural Efficiency Principle, Award Restructuring and Enterprise Bargaining, Federal Legislation, Institutional Profiles and other Reporting Mechanisms, and most recently, the Quality Reviews (cf. Harrold 1993). And as the 1993 Budget document notes:

The Government has put in place a funding and accountability framework which has increased institutional autonomy by providing maximum scope for each institution to allocate resources in accordance with its role and mission. (p.3)

Throughout the 1993 document the state's need and intention to "adjust" and "manage" the broad detail of higher education is manifest. Funding allocations, negotiation and accountability processes without imposing direct "top-down" prescription and hierarchical control are useful mechanisms for the national government in a federal system. Yet continuing difficulties for central management of the supposedly unified national system remain.

Thus, the document acknowledges that while the goal for increased participation has been largely met, access has not been broadened 'to the extent planned'. Much of the expansion of places has been taken up by students undertaking further undergraduate degrees or postgraduate studies, thereby excluding 'recent school leavers' and 'new entrants'. It is also necessary to encourage or otherwise direct more students to TAFE settings rather than universities.

The specification of ways and means follows. Higher charges for second degrees and penalties for slower completion of studies are set out. "Negotiations" with individual institutions over the 'Commonwealth funded load' for undergraduates will ensure 'an appropriate level of places' for 'recent school leavers'. Similar negotiations over institutional profiles will reduce the 'funded load' on coursework postgraduate places, while the 'guidelines' for charging fees in these areas will be "relaxed". And as noted previously, the Government wants institutions to 'broaden their income sources'. This includes more 'private funding' from students, full fees for some postgraduate courses, the 'export' of 'education services', and an extension of 'research and consultancy services to industry and the community'.

In this setting, Weick's (1983) conceptualisation of 'educational organisations as loosely coupled systems' (p.42) takes on added meaning for the centre-periphery relations described above, as does his interest in 'the patterning of loose and tight couplings' in the system. In the private, corporate sector, similar concerns have been expressed for reconciling autonomy with central control. Indeed, this approach to management in the public sector has a certain generic likeness to the systems management practices of some "best-run" large private corporations, including what Peters and Waterman (1982) have characterised as their 'simultaneous loose-tight properties':

[This] is in essence the co-existence of firm central direction and maximum individual autonomy ... Organisations that live by the loose-tight principle are on the one hand rigidly controlled, yet at the same time allow (indeed, insist on) autonomy, entrepreneurship, and innovation from the rank and file. (p.318)

Marceau's (1993) description of recent developments in the governance and financing of higher education in OECD countries caused by 'increased numbers', 'broadened social access' and 'a tight budgetary environment' is equally instructive:

... new balances are being sought in the relative weight of government control and institutional independence in organisational choices of direction and management, in the relative weight of public and private contributions to financing the system, and in the relative importance allocated to uniform standards and diversity of provision by higher education institutions. (p.3)

The consequence is 'quantifiable outputs as a legitimising device', 'tighter controls on [financial] accountability', and 'a new spirit of "managerialist" governance' (p.3) along with a general shift 'towards a market or quasi-market model' (p.5).

The application of this process in Dutch higher education has been characterised by Kickert (1991) as 'steering at a distance'. Where the 'classical' mode of state control was by means of 'legal prescriptions, prohibitions and regulations', the new mode focused on 'the autonomy and self-responsibility of the institutions', with the state relying on 'ex-post steering based on quality assessments' or 'feedback control on outputs' (p.2). The intent was not to abolish steering by the state, but to increase its effectiveness through 'optimising quality, increasing efficiency and reaching [sic] innovations' (p.32).

While a general similarity in these models to the Australian situation will be noted, certain distinctions remain, including (I would suggest) the particular Australian patterning of loose and tight couplings, and the tensions between regulation and deregulation consequent in some degree on the Federal nature of the Australian state and a situation in which the Commonwealth funds universities for which the individual States are constitutionally responsible. This is compounded by the neocorporatist character of the current Federal Labor government and its need to harness 'social principles of equity ... to the broader economic agenda' (Taylor & Henry 1994; Lingard, Knight & Porter

1993). In this situation, something of the complexities involved for the Federal government in steering at a (varying) distance is indicated by the contrasting perceptions of the process.

What I would draw attention to on the one hand is what Smart (1991) has described as 'coercive federalism' in the Australian higher education situation, exemplified in, for example, the creation of the unified national system, the use of institutional profiles for Federal funding, and the general prescriptions for places and courses. For Smart, the Commonwealth's 1974 assumption of full financial responsibility for higher education *de facto* reduced the authority of the States. However, the Commonwealth Tertiary Education Commission, a statutory advisory body, 'acted as a buffer body protecting the autonomy of tertiary institutions from governments both State and Federal' (p.97). With its abolition in 1987, and ignoring the States, Dawkins swiftly overcame bureaucratic and academic resistance. This coercive and pre-emptive style contrasted with the Federal approach of 'corporate federalism' in this period in schooling and elsewhere (Lingard 1991; Bartlett, Knight & Lingard 1991). Here the crucial difference may well be a consequence of the differing degrees of freedom for direct action available to the Federal Government and the differing Commonwealth/State funding arrangements in the various sectors of education. Thus, in the schooling sphere, the Australian Education Council (a peak body of all State and Federal Education Ministers) provided a strategically useful forum in which Dawkins was generally successful in co-opting the States to the Federal agenda for schooling (Lingard, Porter, Bartlett, Knight forthcoming).

On the other hand, Harrold's (1993) recognition of the ingenious and largely non-legislative ways in which the Federal Cabinet and DEET manoeuvred and persuaded the various institutions to "sign up" for the Commonwealth's agenda is equally pertinent. The Commonwealth needed 'to find ways of influencing the composition, efficiency and effectiveness of higher education activities without threatening university autonomy' (Harrold, 1993 p.75). Dawkins' approach was to use 'a very soft financial instrument' to obtain 'voluntary compliance' from university administrators. As Harrold shows, the CEOs of the various higher education institutions were 'invited' to join the unified national system, and to receive the consequent 'large financial benefits', providing they agreed to meet certain conditions. By focusing on outcomes, he left institutions free to determine how they would be achieved. He left the details of policy implementation to individual institutions and the States. Nor did he attempt to 'control the processes of institutional spending' (Harrold 1994).

In this situation, whether acting coercively or corporately, the Federal agencies were clearly proactive and the AVCC and the HEIs were largely reactive. Subsequent developments, including the apparently independent processes of the Quality Reviews, are nonetheless conducted on a terrain which has been constituted by the state. In the Australian coupling of 'autonomy' and 'accountability', it is the latter which now constrains the former, though in varying forms. Higher education has now been largely reshaped (and has cooperated in that reshaping) as an industry in a semi-regulated market. Individual institutions are allowed a degree of autonomy, entrepreneurship and innovation; within the overall parameters set by the Federal Government they have the right to fail or succeed.

What is arguably different, also, is the continuing social democratic stress on equity for "disadvantaged groups", including their incorporation into institutional missions and profiles, and the consequences in practice. For example, from 1990 to 1993 there has been an 80% increase in Aboriginal and Torres Strait Islander enrolments, female enrolments are now substantially over 50%, there are a number of programs at work to improve participation rates for the socio-economically disadvantaged, and special programs for rural students are provided by several regional institutions. (See, for example, Dawkins 1990b; Baldwin 1991.) The very substantial opportunities for increased participation offered by Open Learning initiatives (Maslen & Slattery 1994) to those otherwise ineligible to enrol or unable to attend classes should also be noted. (See Bartlett and Rowan this volume.)

Conclusion

At the 1993 Sydney DEET and OECD Conference on the transition from elite to mass higher education, Minister Free said,

... the issue is how to meet the demand [for higher education] and manage it in the context of society's cultural and economic needs and aspirations and within our budgetary constraints. (Free 1993, p.13)

The phrasing is significant. The Federal state has indeed "managed" demand. It has struck a new "balance" between what Dawkins earlier (1989, p.12) described as 'the traditional objectives of a liberal education and the external requirements of the economy and the labour market'. Within the limits of 'budgetary constraints', it has greatly improved access to higher education for a wide range of Australians. This has indeed been a process of steering at varying distances according to desired objectives, and those of us who have been critical of aspects of the process could well be asked how in the present circumstances it might have been managed otherwise. Let us acknowledge, too, that increased access for women, indigenous peoples, ethnic minorities and those from working class backgrounds or situations of poverty is a progressive measure in a democratic society.

Yet questions remain. Without universal access to higher education, selection is required. How can the equation of equity of access with equality of participation otherwise hold? As Marginson (1993) points out, making selection 'fairer' does not *per se* ensure 'social equality in access and participation'. However, while the numbers of students from all sectors of society, including minority and disadvantaged groups, has increased, the general disparities in representation between the various social groups noted earlier by Anderson and Vervoorn (1983) have remained. (See Gale and McNamee this volume.)

Moreover, what is the nature of diversity in the new corporatised mega-institutions where the stress is on "knowledge" that is "useful", which is a nicer way of describing the current 'mercantilization of knowledge' (Lyotard 1984), and where the production of "value-added", flexible, multi-skilled technical and professional persons (surely also a commodity) for an anticipated post-industrial future, is a central function? How easily quality blurs with 'competence in a performance-oriented skill' in 'the postmodern condition' (Lyotard 1984).

What, then, is the nature of quality in the 1990s? Here, how it is defined conflates with how it is assessed, which in turn is to say, how it is measured. For it too has become a commodity for which institutions are rewarded financially. Hence "quality assurance" implies the grading, ranking and differential funding of institutions with diverse missions and differing populations.

And finally, what is the nature and place of the humanities, the arts, the liberal curriculum in the new functional higher education sector? Arguably, they are not only reframed, they are marginalised in the new context. In such a situation, the limits to "diversity" seem somewhat narrow and the nature of "quality" appears dubious. Why should economic relevance be the major determinant of value? Is it really so inconceivable that the future centres of intellectual creativity and transformation will be somewhere outside the unified national system?

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Universities Inc.: caveat emptor*

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Abstract

Universities have been marketised. The upsurge in promotional activities provides evidence of this. Considerable attention is now given to the corporate image of universities. In the competition for an increased market share of educational activities, be it conferences, students, endowments, research dollars, promotional activity is seen as strategic. University advertising is one such activity, and its analysis can provide insights into the divisions emerging in Australia's system of higher education. The advertising directed at prospective students is especially revealing in terms of these divisions; in addition, it reveals the degree to which university education has become commodified.

The bourgeois spiritualism with which Humboldt and Arnold invested the nineteenth century university have become promotional kitsch. (Wernick, 1991)

Winds of change have swept through our universities, replacing ivory towers with concrete blocks, making them more accountable (in every sense of the word) and their plight more subject to market forces. They have been unified, privatised and corporatised, and cajoled into contributing to the economic needs of the nation (Kenway et alia, 1993; Marginson, 1993a, 1993b; Watkins, 1993). In effect, universities have been subject to the same sorts of economic rationalism applied in other areas of the public sector as a Pavlovian response to the fiscal stringency of nation state capitalism and which has resulted in the partial privatisation of many public goods and services (Pusey 1991). Mammon now dominates the pursuits of scholarship, teaching and research, and the discourse of accountancy as applied to the corporate world has become the vernacular of the university. Clients, stakeholders, customers are all part of this commercialise or perish climate. What was an enterprise of culture now displays the features of an enterprise culture in which education is a commodity and like any other commodity it is subject to the discursive means of advertising copy. Although much has been written about the degree to which Australian higher education has come to be dominated by the imperatives of the market - and much of it is sycophantic rather than critical - there has been minimal commentary on the marketing methods delivered by a Dawkins led reformation. In this paper, we shall argue that one of the more significant features of the corporatisation of the Australian university is the degree to which advertising and promotion have emerged as strategic components in the marketisation of higher education.

Although it is not canvassed in this paper, one can see this as part of a broader affirmation of market forces and the assumption, dubious in the extreme, that they have the power to enhance the quality of education and its provision. Before their recent reformation, universities were not much in the public spotlight and when they were it was adverse publicity they received, in the main, as in the heyday of student radicalism, when university campuses were pictured as places where the morality and politics were permissive and libertine. This ill-gotten reputation needs to be set alongside the fact that universities were still places of elitism and privilege, whose graduates enjoyed the prospect of a secure future, and when a university credential was a valued asset in the acquisition of employment. In most cases, it was the quality of a degree not its institutional provenance that counted. What 'pecking orders' there existed among the pre-Dawkins universities were mainly centred on the alma of the alma mater with most status and prestige attendant on the older universities, and least on the newer and more

provincial universities and the now extinct CAEs. What promotional mechanisms there were tended to be informal, and were reliant on the institutional aura emanating from a particular university, as its reputation seeped into public consciousness. Anything more forceful than this, was seen as crass and wanton commercialism, as having a "sleazy ring to it" (O'Brien 1987), which was at loggerheads with the image of a university as a place of privileged and assured standing in a nation's culture, where the disinterested pursuit of scholarship was protected, lest the spirit of free enterprise compromise academic freedom.

As that era recedes into a history cobwebbed with mystique, and is replaced by an era of "mass" tertiary education, a university education no longer offers secure prospects. While the historic mission of universities may be to launch economic recovery for "the clever country", their students are more immediately confronted with the problem of getting their fledgling careers off the ground. An unprecedented rise in tertiary enrolments over the last decade (Maslen 1993) means over the next five years or so some half a million graduates will be job seekers in what is already an employer's market. Competition is the overriding imperative amongst students seeking employment and also amongst universities chasing funds and "entrepreneurial" opportunities. In such a context, the profile of an institution and the differences to which it makes claim over its rivals become powerful attractors in the pursuit of enrolments and student numbers. That we have come to accept that universities like any other service or industry advertise themselves, in part, reflects a context in which the revenue base of the university is no longer fully dependent upon government subvention but must be sought for also in the market. But, it also reflects a context in which the promotion of institutions in a corporatised public sector, has become the norm in Australia and overseas (Davidson 1992; Fairclough 1993).

In a massified market, it is imperative that prospective students see that attendance at a particular university confers positional advantage on them over other graduates or will result in the acquisition of a qualification recognised by employers as exhibiting more workplace utility. One of the functions of university advertising and "imagineering", particularly that directed at matriculating students, is to make visible these advantages and provide a clear set of identity markers that differentiates an institution from others and embeds it in the scarcity realm whereby a degree from it confers superior occupational opportunities. Fred Hirsch's notion of "positional good" (1977), which roughly translates as "if everyone stands on tip toe, no one sees any better", provides a useful way of understanding the dynamics of scarcity in relation to public goods like education (Marginson 1993a; Hollis 1987). Higher education is not an absolute scarcity in the sense that works of art are; its scarcity is relative and "incidental" as access to it is subject to expansion, as has happened in Australia over the last decade, or contraction. As more and more Australians stand on the tip toe of higher education, so the positional advantage gained through undergraduate qualifications is decreased. In such an environment, where institutions are forced to compete for students in an otherwise undifferentiated and congested market, the way institutions are promoted, particularly when their funding depends upon student numbers, becomes a strategic element in student recruitment. As a university education becomes more available and its rate of exchange subject to inflationary pressures, it becomes imperative that universities seek to preserve their enrolments through influencing market choice in their favour.