PRESENTATION OF THE REPORT "THE FUTURE OF EUROPEAN UNIVERSITIES. RENAISSANCE OR DECAY?"

GENERAL ASSESSMENT AND A SUMMING UP OF THE REPORT

Ladies and gentlemen,

I was invited by professor Roman Kuźniar, Director of the Polish Institute of International Affairs, to comment on the report "The Future of European Universities. Renaissance or Decay?" which Mr. Nick Butler had just presented to us.

I will begin with some thoughts of a general nature inspired by the Report and then proceed to remarks on the Report itself. For the sake of precision, I wrote down what I wish to say, and I believe it will be best for all of us if I just read from my prepared text.

Thoughts of a general nature.

Mr Chairman,

The first thing that struck me about the Report is that it envisages just two alternative developments in store for European universities — either renaissance or decay. Those are strong words, potent concepts, serving to deliver powerful statements. In case of such a dilemma our answer has to be: of course "renaissance". Moreover, the very title of the Report appears to imply a negative assessment of the current state of European universities. And the problem is how authors want to see options, while they may well turn out that universities in Europe will choose to take the best roads that will prove most beneficial for them.

How can we describe these different roads? J believe they should involve evolutionary change leading to improved global and local competitiveness of higher education institutions without the need to sacrifice the cardinal values which underlie the tradition of European universities. And our problem is how to harmonise both of these objectives. The values I have in mind here include the mission of universities which must always prevail over the balance sheet bottom line, as well as the ethical values and academic freedoms thanks to which universities are not just institutions but also communities of people free to choose their own ways of performing their academic tasks, and without which academics would not be creative people, etc.

Putting it differently, the appropriate road would rule out political reforms of universities in Europe, imposed on them by political authorities in a way that would deprive them of their traditional autonomy and their status of cultural heritage institutions, reducing them to just one of many forms of commercial educational institutions. Universities must remain educational institutions of the highest rank. And I am sure no one here needs any persuading that "education" is in fact not the same as "training". Education is not just about students acquiring specific skills, but most importantly about shaping citizens and professionals, and also about shaping personality and character. Education is rooted in the universe of values. So let me stress once again: we cannot let universities become mere training institutions, even wonderful. However, at the same time, modern universities cannot ignore things like international position, the market and competition.

And this is why for at least twenty years now the institutional standard in higher education is the so called "entrepreneurial university". And this is a welcome development. An entrepreneurial university competes for money from various sources, including also state subsidies which by definition are never intended to cover all the costs. It obtains private funding in the marketplace, for example by charging tuition or concluding agreements with private companies, but also by competing for scientific research funding provided by the European Union as part of its various research programs.

An entrepreneurial university makes its own decisions about its activity-and-finance plan, its costs, its staff and internal structure, about the number of its students and recruitment structure, its strategy and development policy; it carries out its own investments and freely enters into relationships with external partners. A university of this kind also has the right to present its own initiatives leading to dispose of its immovable property, that is to say to buy and sell its buildings and land. While respecting the legal and cultural procedures currently in place, entrepreneurial universities rely on good governance to operate in a transparent manner, accepting accountability and full responsibility, both social and economic, for what they do.

This is precisely the kind of university model we began implementing in Poland fifteen years ago. The process received a major boost when the new Act on Higher Education came into effect on September 1, 2005. The new legislation broadened the autonomy and responsibility of higher education institutions in Poland — which was considerable even before then — and at the same time clearly limited the role of the minister responsible for higher education to supervisory and regulatory functions. The Act allows higher education institutions to engage in economic activity and charge tuition within certain limits, with the institutions themselves fixing the tuition amounts basing on the real cost-accounting formula.

What the new Act on Higher Education left untouched was the governance role of the academic community. Rectors and Senates are elected by academic communities and we believe nothing much can be achieved at universities by antagonizing or opposing these communities, by imposing on universities a corporation-style governance system whereby the top management authority often wields very strong power. We also want to shield public higher education institutions from political influence and pressure, a threat that never goes away.

As authors of the Report we are convinced that universities must change and that the stimulus for change does not necessarily have to come from within the universities themselves. Initiatives of this kind may also originate from the universities' environment, including our partners from business area and also the government or parliament. However, any actions taken by political authorities must respect the considerable institutional autonomy of the university which in Poland is guaranteed by the constitution. In a democracy, in countries where a civic society exists, politicians enact legislation but first consult the proposed acts of law with various social partners and take into account public opinion. As regards the higher education system, the political authorities can and should stimulate the desired changes at universities, but must do so in a dialog with universities — and especially in a dialog with the national conferences of rectors — and should rely not so much on legislative pressure as on economic stimulation of behaviours. In other words, politicians should resort to parametric control mechanisms.

Appeals for radical change in higher education in Europe, including also in the new EU member states, are often motivated by results of international rankings. However, we do not consider the rankings that are available to be reliable tools, given that the criteria they employ favor, by definition, the large American-type universities. These criteria, by their nature, ensure that the top positions in the rankings must be occupied by universities from the richest countries, boasting the most developed economies and the highest civilization levels. In this

logic, the quality of universities depends on the per capita GDP in their countries. The ranking position of universities in fact depends on the prestige enjoyed by the country they are in. This dependence is apparent not so much in rivalries between universities in more or less similarly developed countries (such as Great Britain, France or Sweden), as in the competition between universities from rich countries and those from the less affluent member states of the European Union. In this competition, universities from the poorer countries are on principle deprived of any chances of doing well in the rankings.

If the current criteria of international rankings remain unchanged, within the next ten years no Polish university, no matter what it does, will be able to make it into the top one hundred of European universities — and this because boosting a country's prestige is a very time-consuming and very costly business.

Finally, a few remarks about the Report itself.

General assessment and a summing up of the Report

I. The first sentence of the Report reads: *"Europe's universities, taken as a group, are failing to provide the intellectual and creative energy that is required to improve the continent's poor economic performance.* "What we should be asking ourselves, however, is whether it is the universities that are at fault or whether a greater portion of the blame should be shifted to their environment. The voices of the authors of the Report as the people from this environment are very valuable in this context. Their answer to the question is: We must seek improvement in both areas and on various levels of decision-making — the university level, the government level, and the European Union organs level.

II. We have many professional reports, such as the EUA ones, offering us more precise and detailed information. There are documents, studies and programs prepared by the EUA and various national rectors conferences/associations, as well as examples of projects in advanced stages of completion going beyond the stage of general considerations the Report focuses on. The value of the Report however lies in the fact that it was produced outside the higher education system and in the general nature of the diagnoses but also that it proposes offers the therapies interesting for some countries in Europe.

The Report is very well composed, and it is a valuable contribution despite the fact that it doesn't offer much that would be new to some higher education experts.

Detailed remarks on the Report findings

- nothing is said about the role of conferences of rectors, student organizations and advisory organs, such as the National Councils of Higher Education
- hardly any mention was given to the future European accreditation formula and there is no mention of the *European Qualifications Framework* document or of the Ministers' Communiqué in Bergen, in this context
- not enough was about federation as a structure formula of consolidation of higher education institutions
- the reforms underway in many countries were given cursory treatment. For example, the recent changes in Poland are very essential I have in mind here the new Act on Higher Education and new ordinances given by the minister

- no mechanisms were proposed for achieving the desired diversity of higher education institutions
- in some cases there are no conclusions and suggestions as to what specifically needs to be done and how

The Report rightly avoids assessments of the new solutions in university governance, because there is no such thing as a single correct formula.

Question: The authors are not proposing to privatise some of the higher education institutions. Why is that?

FINAL REMARKS

- 1. We agree with authors of the Report that Europe is not spending enough on its universities and scientific research. We cannot hope to effectively compete with the world in the long run if we continue cutting investments year after year. All the available indices — such as outlays per student, research spending per professor or GNP percentage spent on education — suggest that Europe (including also the rich Europe) is bound to lose the global race in higher education because of inadequate investment levels. If we fail to shore up all the proposed organizational and governance remedies with more money poured into universities, we can at best hope for local or temporary improvements. What we need in higher education systems in the various countries is more market. And more market in conditions of inadequate investment must mean more investment. In Poland in particular we need greater institutional consolidation coupled with a suitable increase in outlays. Meanwhile the GNP percentage earmarked for higher education in Poland in 2007 is 0.91%, down from 0.96% in 2006 despite strong efforts of our minister. And this means a step backwards and even less chances for Polish universities to advance in international rankings.
- 2. May be the best thing we should do is primarily redefining the social dimension for university basing on the some ideas, and then we should propose some changes in the university governance solutions.

These ideas should contain:

- 1) Socialising students
 - \circ to the community
 - $\circ\;$ to the life of mind which consist intellectual concepts and thinking critically
 - \circ to the profession
- 2) providing all citizens with social mobility in knowledge driven society
- 3) research leading to or supporting innovations
- 3. I think that many policy suggestions in the Report may find acceptance in Poland, especially among polish rector's of academic institutions. We are satisfied that the Report as such and its particular opinions and conclusions come from the outside of the universities and clearly are intended to help us to reform polish higher education system.

Thank you very much for your kind attention.