IPS Lecture Series
New Zealand Future Maker or Future Taker
Aligning Education with our Contemporary Society and Economy
September 2008
Emeritus Professor Gary Hawke

Introduction
Learning for Life, Pathways not Barriers
The education process
Quality assurance
“Public” education

It is a pleasure to be here at the start of the lecture series marking the 25th anniversary of IPS. It is not an unalloyed pleasure. I prefer writing to talking. Some here will remember George and Beryl Hughes, Professor of Philosophy and academic in History and Women’s Studies respectively. I thought Beryl got it completely right when she commented that historians read and philosophers talk. (She might even have said that historians read and write and philosophers talk and talk.) As usual, economists are somewhere in the middle, but in this respect, I align myself with historians. (There are, of course, distributions around the mean for practitioners of each discipline. It is time we were able in informed discussion to take that for granted rather than imagine we are dealing with exclusive categories.)

I learned a great deal at IPS. Whereas I had thought that meetings and discussions were mere devices by which publications were achieved, I learned that in policy development, publications are merely a quality assurance instrument – they ensure that ideas and analysis are open to outside scrutiny. The impact on policy comes from draft working papers and discussion – electronic files and e-mails these days. So it is appropriate that the 25th anniversary of IPS should be marked with a lecture series, and that it should be opened by one where the commentator has seen only some draft electronic files.

I am glad to start the series, but I did not start IPS. There are people still with us who were important in that. One is our chair, Frank Holmes; as with so many areas of economic and educational policy, his fingerprints are all over the origins of IPS. MFAT – MERT as it was – was not only present at the creation but part of the creation, with Frank Corner and Merv Norrish being especially important. It also provided the first director, Malcolm Templeton, who along with Peter Hall, from BP, gave IPS its practical reality, and who demonstrated that intellectual productivity is possible for former directors. When I became director of IPS in 1987, not all of the original vision had proved feasible, but I inherited a working institution. Howard Fancy was important from the start and remained so for many years, in his various Treasury, Commerce and Education incarnations.

Some who were especially important are no longer with us. I recall especially Henry Lang and Laurie Cameron, who along with Frank, chaired the Board of the Institute while I was
director from 1987 to 1998. Henry and Laurie contributed knowledge, networks and values, and above all, they always encouraged new learning.

IPS was established to be a centre for independent study and discussion of important issues of public policy and it was established within a university. It is not surprising therefore that it soon turned its attention to education policy. Table 1 shows Institute publications in the area while I was director.

**Table 1**

<table>
<thead>
<tr>
<th>About here</th>
</tr>
</thead>
</table>

There were contributions from economics, law and political science in the first three. Christopher Ball was a remarkable educationist. Tony Marais worked on the Task Force on social assistance which is a vastly underrated exploration of coherence in social policy, one of the many contributions of Mark Prebble to New Zealand, IPS and more recently the School of Government. Harvey McQueen’s study, financed by BP, pointed the way towards engagement by business and schools which has yet to be achieved. I included Adele’s study of information policy both because it was a significant early effort to understand the impact of IT and also to illustrate how educational policy infiltrated the whole range of IPS projects. We had a series concerned with New Zealand’s place in the world, especially “Asian literacy” and the growing importance of the Asia Pacific region – education loomed large in all of them.

Our most remarkable venture in the area of educational policy and indeed in any area at all was with the Education New Zealand Trust Seminar and with kids from Khandallah School, who were participating in an enterprise education initiative led by Ron Clink then with US universities and institutions and now with our own Ministry of Economic Development. I show an extract from *IPS Newsletter* 50 (May 1997), p. 9 which shows the then-young Ron Clink along with speakers at a seminar in 1997, including Nola Hamilton and Ros Miller from College Street School, Dunedin, Tony Sims from Khandallah School and Gay Neil, a parent at that school.

**Table 2**

<table>
<thead>
<tr>
<th>About here</th>
</tr>
</thead>
</table>

I have a photograph of an even younger Ron Clink from *IPS Newsletter* 44 (Nov 1995), p. 19, from an earlier seminar on the same initiative.

**Table 3**

<table>
<thead>
<tr>
<th>About here</th>
</tr>
</thead>
</table>

but the university photographer had left before the real stars of the 1997 seminar arrived – they were students from Khandallah identified only as Erin and Alastair who I noted at the time “set new standards for Institute presentations and dispelled any thoughts of young New Zealanders not being articulate and confident.” I remember that seminar as leaving no doubt about the success of action learning.

My own involvement in education policy was much more prosaic, the relevant publications being listed in Table 4.

**Table 4**

<table>
<thead>
<tr>
<th>About here</th>
</tr>
</thead>
</table>

The report of the CSEC Working Group on post-compulsory education and training caused some interest. I had been involved in university management and therefore knew that the
correlation between talk about collegiality and its practice was negative rather than positive and I was not surprised that some reactions were more visceral than academic. But I am grateful that those in the Institute’s networks, and for the most part those occupying responsible positions in this university, engaged in vigorous debate at the level of ideas and analysis rather than personalities. I wrote several papers dealing with topics related to the Working Group report, and kept in touch through teaching an MPP paper, one of the great benefits of which was that it gave reason for an annual reporting from Howard about where policy was moving to. I was also engaged through an Advisory Council at the Education Review Office and then in a number of advisory committees appointed by NZQA or by some combination of NZQA, Ministry of Education and Tertiary Education Commission. I have never claimed to be an expert in the economics of education or in education policy, but I have been in a good position to observe, and to contribute to public policy relating to education.

It has been especially valuable to approach the topic from the point of view of public policy and not as an educationist. One of the problems of much commentary on educational development is that it comes from an educational perspective and does not focus on the role of education in society. Commentators think they do, and I am not endorsing a simple idea of “provider capture” or the caricature of public choice theory that asserts its practitioners believe people are always entirely selfish. But there is often confusion between an argument that collective decisions about the provision of education should be changed, on the one hand, and an assertion that teachers (at any level from early childhood to tertiary) are not to be valued. From my experience as a works study engineer many years ago, and from my reading of economic history, I have an enormous respect for learning by doing and always want to be informed by those who have real experience. But experience of current operations is not always a good guide to strategic decisions about an enterprise as a whole. Those at the coalface are likely to have a good idea of what methods of cutting generate the best recovery results (for safety as well as output totals), but for an understanding of broad trends in the use of energy it pays to come up to the surface, or even higher, and take a birds’ eye view. Education is no different.¹

¹ There was a lot of thinking proceeding in educational circles in the 1980s. Some of the best is contained in W.L. Renwick Moving Targets: Six Essays on Educational Policy (Wellington: NZ Council for Educational Research, 1986). Its content on the successive myths of “survival of the fittest”, “equality of opportunity” and “equality of outcome” has enduring value. There was also thought about “learning for life” although it was not always distinguished from “remedial education”, and advocacy of a switch from “sorting” to recognition of achievement of standards. The educational world was alert to changes, but it took the events of the 1980s and decisions from outside the education sector to create effective responses. I recall talk in the 1980s – not from Dr Renwick – to the effect that the Department of Education was defending the education system against attacks from the left and was surprised by an attack from the right. It was a mistake to over-emphasise the political spectrum. Educationists were not effective policy analysts because while they could identify the limitations of equality of opportunity they could not construct a feasible alternative around equality of results. (Nor can anyone else. Numerous skirmishes have left us with the conclusion that policy can sensibly aim only at creating opportunities, keeping an eye on outcomes and adjusting policy objectives about opportunities if outcomes become intolerable.) They were then unprepared for the evidence of learning failures which emerged in youth unemployment in the 1980s. The attack was not from the political right but from those who saw how much remedial education was needed and thought about how it should be avoided in the future.
I would hasten to say that there have been some very good studies at the coalface and there are promises of more to come. In the former category, I would instance only the thesis of Nik Green which I had the pleasure of supervising and which took a rigorously analytical approach to policy changes in the late 1990s. In the latter, I expect a great deal from the current research in the School of Government of Elizabeth Eppel. I am stuck with a vision of education policy that derives from what we might call classical policy analysis and an economic historian’s fascination with the balance between change and continuity; it is perhaps time that we started from a different perspective, one that builds on networks and responses to complexity.

In the meantime, I will review what I think have been the key developments in education policy in the last 20 years, having introduced three of my main themes:

- thinking about education policy needs to be anchored in probabilities, not simple categories
- quality assurance is a key issue
- active search for new learning remains primary, note *active* search

### Learning for Life, and Pathways not Barriers, for all

The “big ideas” for education policy remain those of the 1980s. This sometimes worries me – perhaps I have missed a major turning point? But I don’t think so, and I gain some consolation from having advised a minister of education in the early 1990s that the time period for what was being attempted was approximately 40 years which despite all the rhetoric to the contrary is still the approximate duration of most employment experiences (albeit with several employers). The minister was not pleased, even before he saw the implication that many of us still find the ideas we learned in basic education persist until retirement.

But that is changing, if slowly and in part. The big ideas include “Learning for Life” which means not learning in preparation for life, but learning throughout lifetime. We should no longer think of taking young people apart for some years and educating them before they begin on work and life in the real world. Education is about providing people with the capacity to respond to change and change is now too frequent for learning to be other than continual. It cannot be packaged and delivered separately from experience.

I am aware that it is possible to exaggerate the extent to which change has accelerated and become more pervasive. Rather than present diagrams showing how the size of the world has diminished if measured by the speed of communication, I prefer to think of the person who was born in Britain in about 1830, expected to live their life within about 30 miles of where they were born, and was brought up believing in the reality of angels and the assurance of physical resurrection of the body, but found themselves living in a society where railways made travel within Britain about as fast as it is now, had learned that humans were descended from monkeys and came to accept that cremation was a sensible response to the rising price of urban land. Furthermore, it is only recently that I have begun to think that perhaps the internet has had a bigger impact on the availability of information in my lifetime.
Aligning Education with our Contemporary Society and Economy

than did the photocopier. But even when we get things in perspective, we have to anticipate change. Learning is part of modern life, not a preparation for it.

The implications of this for educational policy are most obvious at the tertiary level. To what extent have we adjusted our focus from initiating the young into the mysteries of existing crafts to equipping graduates with the ability to recognize and absorb future additions to knowledge which cannot yet be identified? We hear at each graduation ceremony about admission to the “community of scholars” and although graduation ceremonies are rituals which should not be taken seriously and can be expected to survive as archaic remnants, I suspect that they are closer to our current operations than we might wish after having “Learning for Life” as a key objective for over 20 years.

Pathways not barriers for all is closely related. Firstly, note the “for all”. From ancient Greece onwards, much of the thinking about education we inherited has been about selection. Plato wanted to identify the “philosopher kings” who would be the natural leaders. Nineteenth century England wanted to equip a select class to be the natural governors of India. When Beeb wrote his famous passage for Peter Fraser,

The Government’s objective, broadly expressed, is that every person, whatever his level of academic ability, whether he be rich or poor, whether he lives in town or country, has a right, as a citizen, to free education of the kind for which he is best fitted, and to the fullest extent of his powers. So far is this from being a mere pious platitude that the full acceptance of the principle will involve the reorientation of the education system.

Beeb favoured a progressive interpretation, but he was not unmindful of being inclusive, and the words could be supported even by those commercial interests who had recently criticised the waste involved in keeping in education those whose capacities had been exhausted by the end of primary school.

Speaking generally, the children of unenlightened parents would not gain benefit from a longer period at school and it was a matter for serious consideration whether after passing the fourth standard, children of but moderate mental development should not be definitely prepared for the type of work for which their mental capacity and natural ability make them best suited. It might be that further education along general lines would not fit them for the modest role nature intended them to play in life.

---

2 This idea too has a long pre-history. It can be found in the Currie Commission on the education system in the early 1960s. Report of the Commission on Education in New Zealand (Wellington: Government Printer, 1962), p. 12, where the Commission reports advocates of “maximum educational opportunity for all, since they regard the people as a whole as an important part of the natural wealth of the country; not to educate them to their maximum capacity is to leave part of the country’s resources undeveloped.” Supporting arguments included education being needed for a world which had become competitive and where democratic ideas were challenged. Bill Sutch, Secretary of the Department of Industries and Commerce was among those who advocated the importance of educating widely for development reasons. The leading edge of relevant economic thinking was the concept of “human capital” and most thinking was selective. Frank Holmes, for example, talked about “sufficient young New Zealanders” being prepared to meet the economic challenges of the future – p. 26 – not education for all.

3 Renwick Moving Targets p. xxii.

4 Ibid. p. xviii
The tone is different, and so was the intention. Furthermore, the reference to “unenlightened parents” in the latter is different from “every person” in the former and education policy certainly changed in the 1930s towards emphasis on the individual. Ironically, progressives now often want to take us back to categories, whether SES or ethnic. But “best fitted” and “fullest extent of his powers” are not so very different from “mental capacity and natural ability make them best suited” except for the positive versus negative perspective, and this ambiguity helped win acceptance of Fraser’s statement. We have certainly not eliminated those inherited ideas.

There were other ambiguities too. Beeb later explained that he and Fraser carefully refrained from exploring one difference of which they were conscious. Fraser thought that creating opportunities for all would generate equality of outcomes; Beeb, trained in psychology and the normal distribution, expected differences to survive, and he remained a sceptic when later educators thought realization of Fraser’s vision might be feasible although he recognized the power of “equality of outcomes” as an educational myth.5

Contemporary society and economy requires not an educated elite but widespread capacity to deal with complex issues and change.

When I wrote the Working Group report in 1988, I was impressed by OECD evidence of the convergence between educational thinking and employer assertions of what they looked for from educationally-qualified employees. Both were looking for skills, aptitudes, attitudes – and the subsequent development of the terminology of skills, competencies and capabilities facilitated discussion but did not really add to substance. One of my easiest decisions was that the distinction between academic and vocational was not likely to be of much value as education policy developed even though this was unwelcome to many of my university colleagues and to some extent even more in polytechnics. One of the main lines of thinking behind the development of polytechnics was filling a gap between trade and professions – supplying technicians - and at least some were reluctant to lose that niche even though the distinctions between trade, technician and professional had become thoroughly blurred and never existed in the principal motivations for some areas of learning. Why there should be concern in universities was more puzzling. The ancient universities had grown around providing vocational skills in divinity, medicine and the law. Public funding for New Zealand universities had always been motivated principally by utilitarian concerns. Learning for its own sake was a by-product. But no matter how much intellectual analysis shapes public policy, in education as in other areas, there is necessarily a political element in any collective decision-making and that guarantees a long life for outdated rhetoric. There are always participants for whom an old idea is new. Paul Winter, chief executive of the Employers and Manufacturers Association (Central) recently wrote under the headline, “Productivity, not more qualifications, the answer”,6 “if you ask employers what knowledge, skills and attributes they most value in their workers, competencies we associate with a sound academic achievement and acquisition of knowledge form only part of the picture.”


6 Dominion Post 16 June 2008, p. C3
Winter’s positive list is close to what OECD reports specified in the 1980s, and which guided curriculum development in the last 20 years at least: “can do” attitude, flexibility and ability to adapt, self-management and inter-personal skills. Paul Winter was right in many of his comments, that these skills are just as valuable in our relationships in families and our communities as in employment, that they constitute one of the best strategies for empowering the less academically able.” and that we are foolish to believe that “every problem needs to be tackled by the Government throwing money at it and calling it investment or development.”

But his criticism should not be directed at the skills strategy but at the conservatism among teachers and employers that continues to hanker for a distinction between academic and vocational that reflects prejudice dating back to the Greeks and which has not been supported by serious study of its supposed success in nineteenth century Germany for many years.

Business representatives who are some distance behind the times are not the main problem. Continued references to ”skills shortages” simply show how far we are still from really acknowledging the implications of lifelong learning. The very phrase, and still more most of the contexts in which it is found, reflect a belief in acquiring skills before using them, instead of engaging in lifelong education in which skills are developed and enhanced as they are needed.

There is less excuse for terms like “modern apprenticeship”. Apprenticeship was a matter of “time served” rather than employment-based skill acquisition; it was gender biased, female apprenticeships being found almost exclusively in hairdressing, and it was mostly restricted to crafts which were central to Victorian Britain rather than current New Zealand. It was rightly abandoned in favour of lifelong learning directed towards relevant capabilities. The “modern apprenticeship” scheme is fortunately a revival only of the terminology of apprenticeship while in fact building on recent thinking, but it is a pity to see political leadership wasted on revival of what can never be more than a comfort blanket.

The most important step in recognizing lifelong education and pathways not barriers for all as a central component of aligning education with our contemporary society and economy is undoubtedly the development of the National Certificate of Educational Achievement. NCEA has received a lot of criticism, but little of it reflects good policy analysis. There were some mistakes in the implementation of NCEA, most obviously a ministerial decision that each of levels 1, 2 and 3 should be introduced in that order, so making one cohort of school students the guinea pigs in each of their last three years at school, and worse, entrenching the

---

7 His title reflects another point. Citing what appears to be UK evidence, he argues that an increasing proportion of employees think they are over-qualified. What people think is not always correct and those who simply complain about being over-qualified show that they have not really developed the desirable attribute of striking the right balance between following instructions and showing initiative. Nevertheless, Winter would be right in criticising a tendency in some quarters, including TEC, to focus too much on qualifications and not enough on learning, although obviously we want qualifications to be an accurate indicator of capabilities based on learning.

8 Enrolments by gender for Industry Training Organisation programmes, 2001-06, were more varied although traditional patterns could still be traced. Paul Callister, Frances Leather and Jill Holt “Gender and tertiary education: Is it useful to talk about male disadvantage?” Institute of Policy Studies Working Paper 08/10 (August 2008). p.20, n.34
idea that there should be national exams at the end of each of the last three years of secondary schooling when what we want is one national certificate showing what each student has achieved as they leave secondary school for their next stage of learning for life. Sooner or later, a government is going to have to overturn that ministerial folly. Many other criticisms of NCEA are at best misconceived. In particular, the notion that variability of assessment standards is more problematic than it was long before NCEA was conceived is wrong; it is merely more apparent, and because it is more apparent, it is being addressed after being buried or ignored for as long as I can recall. Equally, the notion that NCEA deals with only snippets of knowledge or recognizes unimportant skills is at best misconceived. Because NCEA focuses on achievement, it has generated more real thought about coherence of learning than all the ritualistic rhetoric had generated in the previous 50 years. NCEA is a work in progress, and will always be so, but the current work on refining standards and aligning assessment of achievement with a well-designed curriculum is some of the best policy development that has occurred in New Zealand for many years.

I will comment on learning for life, and pathways not barriers for all, in tertiary education a little later.

The Educational Process
The most insidious metaphor in education is the image of teaching as a matter of pouring knowledge into empty vessels. I recently quoted Saleton’s review of a book by Pinker in saying

“The next step is to dump our most natural and mistaken metaphor — education as the filling of empty minds — and recognize that we learn by extrapolating, testing, modifying and recombining mental models of the world.”

As an economic historian, I naturally turn to the dialogue between present and past as the best way to extrapolate, test, modify and learn. But no single discipline has a monopoly on methodology, and what is important in the School of Government is that we eradicate the idea of teaching as the filling of empty minds and work with public servants to ensure effective learning. Agreement in principle is not always followed by recognition of the implications. Especially in “traditional subjects” “getting through the syllabus” is likely to take precedence. Jane Gilbert has recently argued for reviving Lyotard’s idea that we should discard the objective of truth in favour of one of being “performative” and serving innovation. I can give only a qualified approval. In many areas of knowledge, there has always been emphasis on process; this is obvious if we think of subjects like art, and medicine and engineering must always have had a significant element of learning “how” as much as “what”. Furthermore, it was as long ago as 1926 that Keynes penned his definition of economics in terms of “apparatus of the mind”, “technique of thinking that enables its possessor to draw correct conclusions” and there were earlier expressions he was drawing on. Many economists quote this, and there

---

9 ‘Reflections on the partnership between the School of Government and the State Services: where to from here?’ Public Sector 30 (4) (2008), pp. 15-21
10 Catching the Knowledge Wave? The Knowledge Society and the future of education. (Wellington: NZCER, 2005)
has been further study, especially by David Colander,\textsuperscript{11} about different nuances in how economic theorizing is related to applied analysis. Of course, many alleged economists are blissfully ignorant of what is involved. Nevertheless, even in long-established subjects, such as the physical sciences, leading practitioners have long been motivated by a potential use as much as by new content to be understood.\textsuperscript{12}

Elevating the importance of content – I’ve got to get through the syllabus, they need to know this before they start that – can be a device for achieving status in the staff room as the practitioner of a subject which respects rigour, a means for refusing co-operation with somebody else, and a mechanism for resisting change, rather than showing respect for continuity with established knowledge or real concern for students. One of my regrets about my time as Head of the School of Government is that the priority I gave to developing links outside the university relative to managing teaching within it meant that I never found an opportunity to generate a presumption that lectures should be prohibited unless each one could be justified in the public interest. The simple change from the Official Secrets Act to the Official Information Act inspired my wish. There is sometimes a case for lecturing but dissemination of information and even exemplification of thinking is not usually best achieved by lecturing. The practice of measuring staff workloads and units of student learning by the number of lectures offered is so outdated as to be embarrassingly absurd. How many of those who practise it are scathing in other contexts about people who measure what it is possible to measure rather than what is relevant to the topic under consideration, let alone what is important?

Attachment to lecturing is partly simple inertia. It also results in part from an implicit attachment to a production model which uses the traditional curriculum as a sorting device. It is a major barrier to adjusting how we manage the education process so as to make it appropriate to learning for life, providing pathways not barriers, for all.

My biggest mistake in 1988 was to overestimate the capability of university management. Note that my emphasis is on my mistake, not on their competence. The situation has not improved in the last 20 years.\textsuperscript{13} We should by now have realized that a combination of amateur academics and managers with no understanding of universities is not a substitute for genuine thinking about the utilization of resources for academic purposes. In the case of schools, while the Picot vision of a self-managing school has not been realized, we have made considerable progress in providing central direction on what is best done centrally,

\begin{footnotesize}
\begin{enumerate}
\item David Colander “What Was “It” That Robbins Was Defining?” Middlebury College Economics Discussion Paper No 07-06 (August 2007)
\item Donald E. Stokes Pasteur’s Quadrant: Basic Science and Technological Innovation (Washington DC: Brookings Institution, 1997).
\item John Tiffin and Lalita Rajasingham The Global Virtual University (London & New York: RoutledgeFalmer, 2003) begins with a magnificent image: “The Chancellor of the University was required to give his final address stark naked then to lie on his belly while his head was chopped off. His body was then placed in an open grave without shroud or coffin and his head was stuck on a pole for a fortnight, after which it was thrown in the river to make way for the head of the University’s High Steward.” The characters were Fisher and More respectively. Tiffin and Rajasingham relate this to “undergraduate fantasy” but these days it is more likely to be the dreams of staff, and to refer to the vice-chancellor rather than the chancellor.)
\end{enumerate}
\end{footnotesize}
such as definition of curriculum and expected standards of learning achievement, and what is best done in educational institutions such as allocation of resources and management of teaching. We have learned both from experience and from academic research by people like Ludger Woessmann on the results of major comparative studies of educational outcomes.\textsuperscript{14} Howard Fancy has talked several times about his experience with finding the right balance of “tight” and “loose” central direction, with the central message being that different dimensions of education management are best promoted by different positions on the spectrum. There has been much less progress in university management. We need more thinking about how universities really operate as networks which generate among their products, student learning. We will not progress while the dominant thinking remains packaging qualifications into production units that require less staff time while the staff still operates like an antiquated technology museum.

Inertia and commitment to selection are problematic enough within universities, at least for anybody who wants to generate a coherent argument for public funding of universities. But the greater problem for education policy is the stifling effect on what happens in schools. The efforts of the Universities Entrance Board to preserve the “canon” prevents desirable experimentation and change in upper secondary schools. It rationalizes privilege. There are problems within schools too. Teachers will want to keep their “subjects” as a device for maintaining their position as practitioners of a craft, not part of a management structure and process. But tertiary education institutions should facilitate progress through knowledge and understanding, not frustrate it through inertia and privilege.

In this case the issue goes deeper than frustrating innovation, important though that is. What we most need in the upper secondary school is to go beyond traditional subjects to assessment of achievement in those skills, attitudes and attributes that a modern society and economy want from secondary education, ability to assess accurately when to work in teams and when to exercise initiative, when to transfer knowledge from one context to another, and so on, all of which we might conceptualise as recognizing points on a frequency distribution and responding appropriately. Traditional subjects have a track record as vehicles for facilitating the development of those deeper skills, and there has always been a process of new subjects emerging from the margins of established ones and facilitating the development of our ultimate goals in contexts which have increasing importance given the economic and social change being experienced. I do not deny the educational value of subjects even if their principal role is in the organisation of libraries and management of educational institutions.\textsuperscript{15} However, increasingly, we need processes beyond traditional


\textsuperscript{15} In this respect, I differ from the apparent implication of John Tiffin and Lalita Rajasingh The Global Virtual University). They should apply their ideas to the teaching of a traditional subject like economics
teaching of subjects in which the focus is explicitly on how achievement in those subjects relates to achievement in the general skills and competencies we seek from the process of learning. We should move from being satisfied with testing subject knowledge to using subjects as vehicles for developing the skills, competencies and attitudes which are important. I would continue to use subject content, partly as a matter of tactics – efforts to change spelling conventions or to alter the layout of a typewriter keyboard are useful warnings; there are simply too many interdependencies among earlier generations and today’s needs for the effort to be worthwhile. Even with the internet, books and other materials are organized by traditional subjects. But it is not only tactics; subjects are proven sets of knowledge which have value in generating learning. However, we can introduce a layer of assessment in which what we learn from student achievement in subjects is translated into what that tells us about what is really important. That is not a short-term project.

This is a challenge within tertiary education institutions, especially universities, where academic leaders are subject experts and creators of new knowledge (which is likely to be on the margins of existing subjects), and their principal interest is not the process of learning. It is even more problematic when tertiary institutions frustrate what society wants from schools. Secondary Futures is making a valiant effort to chart the future of secondary schools at which our education policy should be aimed, and its most recent report, Community Connectedness, deserves a sympathetic response. It will not prevail if the University Entrance Board is allowed to control teaching in the upper secondary schools.

Quality assurance
Internationally as well as in New Zealand, tertiary education institutions are recognizing that they need more direct evidence of the quality of their work, especially of their teaching and the student learning they generate.

While I was director of the Institute of Policy Studies, quality appeared on our agenda. The ISO 9000 movement attracted the attention of managers in both the public sector and the private sector, and IPS pursued both the quality of policy advice and the role of quality in management for the objective of productivity growth. We learned especially about the conception of quality as “fitness for purpose” (which in some circumstances would equate to quality conceived as excellence in prescribed attributes but in others would point in a different direction). We also learned about the significance of distinguishing circumstances in which quality should be sought by a strategy of continual improvement, and when by a strategy of eliminating imperfections.

Some educational institutions subscribed to the ISO 9000 and equivalent processes. But it cannot be claimed that quality assurance loomed large in their management of their central

or mathematics rather than to a course on “globalisation” – sometimes an attempt to be direct is less effective than an indirect approach. Still, while they are Panglossian about technical possibilities, they are closer to the truth than those who think that what is done now will remain satisfactory.

16 Secondary Futures Community Connectedness Wellington: August 2008, 978 0 478 13724 8 secondaryfutures.co.nz)
activities of research and teaching & learning. For simplicity and brevity, let me confine my remarks to universities.

For the most part, the research of universities was subject to quality assessment only through processes of appointment and promotion. There were obvious gaps: the irregularity of appointments; ability of staff to absent themselves from the promotions process; and inconsistencies in assessment processes adopted by disconnected appointments and promotions committees being the most obvious ones. Creating and developing the Performance Based Research Fund has greatly improved the situation. PBRF is a work in progress; there is a need for continual improvement to ensure that assessments are based on contributions to knowledge and not on rules of thumb like counting conventional publications and acquiescing in conventional assumptions about unvarying relative worth of the contents of specific publication outlets being the most important. Ironically, PBRF also has to be streamlined, just as NCEA has to be simplified.

There has been less progress in quality assurance applied to teaching and learning, and the gap is addressed in the current tertiary education reforms. As with PBRF, the initiative has come from government, not from within the educational sector.

Traditionally universities assured themselves about the quality of their teaching by the success of their top graduates in gaining access to the most prestigious graduate schools overseas. They might also look at the inputs they used for teaching - the qualifications of their staff, staff: student ratios, the number of books in the library, the capital cost of their plant and buildings, and so on, especially when vice-chancellors were making their ritualistic complaints that government funding decisions could just be borne but any further reductions of government funding would have dire consequences for the quality of learning that could be induced - the statement that I heard at a graduation ceremony in 1963 could have been substituted for all the subsequent statements from individual vice-chancellors or NZVCC and indeed was better drafted than most. But what universities most looked at was the academic careers of their top students.

The implicit justification was that the principal purpose of universities was to reproduce themselves, and to ensure that future generations had the benefit of whatever it was that they generated, especially the opportunity to nurture the next generation of academics. The underlying conception was that universities were part of the process of selecting the intellectual leaders of successive generations.

It is the importance of learning for life for all that has undermined this. The correlation between the learning achieved by top students and the learning of all students is not strong enough for QA of the top students to be sufficient QA for students as a whole. The likelihood that top students learn well whatever environment they experience, and that the competencies of academics are not representative of the competencies which the community seeks from university learning in general merely reinforce this conclusion.

Current plans are to construct a QA process that operates across the tertiary sector as a whole while respecting the different intentions and characteristics of distinctive sets of
institutions. The approach being taken is not one of specifying requirements and monitoring compliance. Rather it is one of devising evaluative conversations about the objectives of the institution, the evidence it has of the degree of success it has had in achieving those objectives, and its record of responding to that evidence. It will be aimed at assuring quality at the level of institution or programme, and should avoid confusion with performance appraisal for individual teachers.

These plans are embedded in wider intentions. The intention of the changes made in the 1980s, in both the school and the tertiary sectors, was to fund student learning. Because it could not be measured directly, it was to be funded by some measure of student numbers within a quality constraint. We made less progress than was expected in defining and implementing the quality constraint, especially in the tertiary sector where there was no equivalent of the Education Review Office. There arose a notion that the system was aimed at participation only, commonly known as “bums on seats”. To the extent that this is an accurate characterization of what happened, we have an example of what is not an uncommon experience, what was implemented was very different from what was designed.

Howard Fancy can talk eloquently about his experience in reorienting schools from increased participation to quality of learning; it was one of several successes of his time as Secretary of Education.

In tertiary education too, we need increased attention to quality. I regret only that leadership is coming from government rather than from within the tertiary education sector.

That leadership is currently embedded in an attempt to implement wider changes. To get away from any appearance of funding student numbers, TEC is seeking to implement an “investing in a plan” notion. I dislike the terminology - it treats “investing” as equivalent to “spending” when the essence of investing is not spending but measuring the returns to deferred gratification - and I doubt the feasibility of relating expenditure to evaluations of institutions rather than student numbers subject to satisfying quality assurance requirements. TEC will simply not have the knowledge needed for institutional evaluations which would make this possible. I am very sympathetic to the notion that we need to recognize diversity, but we also need to respect fairness, and simply funding institutions differentially and arbitrarily is not the kind of response to diversity we want. The New Zealand tradition of open entry to tertiary education is worth preserving no matter what happens overseas and what looks attractive to tertiary staff who have little experience of admissions procedures. We need to think about fairness in current circumstances, not simply abandon what we learned about fairness in the past. I anticipate that expectations of change will be disappointed and that student numbers will reassert themselves as a major element in education spending. I hope that disappointment in those respects will not prejudice the very desirable improvements in quality assurance that are being developed.

We will hear complaints about “skills” being the concern of a low-level activity and about misguided managerialism and instrumentalism betraying the values of true scholarship for many years yet. But there is no real enthusiasm for returning universities to the small-scale oasis of reflection which is all that public expenditure would support if they really sought to
implement such rhetoric.\textsuperscript{17} We will therefore see a gradual decline in traditional focus on reproduction and greater concern with outcomes for all graduates.

\textbf{Public education}

It is now a common place, but it remains true, that one of the biggest challenges facing the public sector is how to reconcile demands for customization with maintenance of belief that public programmes treat individuals fairly. The challenge is widespread, and we will probably see it first as problems in handling the changed role of the state from preventing poverty among the aged to facilitating different judgements about the optimal balance of consumption in retirement and when income is earned, or as we seek to avoid relative poverty of those with young children while respecting different decisions about to what extent resources should be devoted to rearing the next generation. But it will have an impact on education policy too.

We will have to reconsider the notion that we have most impact on our social goals by a simple idea of equality. Education has served many individuals well in promoting their social mobility, but lifelong education for all is more likely to entrench social classification than change it.\textsuperscript{18} There will always be some individuals who use the education system as a vehicle to attain very different economic and social circumstances from their parents, but the numbers will always be in favour of those who add educational opportunities to relatively privileged backgrounds. If we value social mobility, and I think we should, we need instruments beyond general educational expenditure. A good starting point would be a targeted assault on the long tail of underachievement in our schools through targeted expenditure on Maori and Pasifika in early childhood and early primary education. Turning the student loan scheme into a generalized subsidy for students was the opposite of what was sensible.

The biggest challenges to New Zealand public education are currently not private sector competitors but home schooling and decisions by New Zealanders to seek tertiary education overseas.

We might note in passing that there are distinct limitations to the extent to which New Zealand can depart from international norms. We are constantly subject to international thinking and to having in influential positions people who know more about international norms than New Zealand history. This should not surprise us in this university. We were unable to maintain a distinctive idea of an “honours” degree. There were always new people

\textsuperscript{17} Which is more or less the wish of Wilf Malcolm and Nicholas Tarling \textit{Crisis of Identity? The Mission and Management of Universities in New Zealand} (Wellington: Dunmore, 2007). There is a strong allure in a scholarly or artistic community, whether in the examples of Van Gogh, or D.H. Lawrence, or the myth of a “traditional university”. The history of ANU suggests that even Australia is not large enough to support a university which is focused on research and scholarship alone. Only large university systems can support Institutes of Advanced Studies.

\textsuperscript{18} Any discussion of tertiary education and social mobility should begin with recognition that in the US, with its education system so much more selective than in New Zealand, the same links between university education and social mobility are recognized. Cf R.W. Fogel \textit{The Fourth Great Awakening and the Future of Egalitarianism} (University of Chicago Press, 2000). Note also Avner Offer \textit{The Challenge of Affluence} (Oxford University Press, 2006)
involved who assumed that the honours degree like our other degrees, was an accumulation of credits, or like the honours degrees of other universities, whether UK, Malaysia or Australia. Once dedicated advocates like Stuart Johnston passed from the scene, our honours degree was doomed. We need to choose carefully what characteristics of New Zealand education we want to depart from international norms.

The New Zealand public education system should be defined by the education which students get rather than by who owns the institutions and what offers most prospect of a quiet life for existing staffs. I reach this conclusion by analysis of New Zealand policy needs, but it is also orthodox international educational thinking.

I would therefore, continue the efforts of TEC to explore the capitalization of individual institutions, but I would take the notion of “investing” seriously and separate it from the funding of current operations. (In the process the Committee on University Academic Programmes would be abolished, or at least changed from being a mutual admiration club designed to protect existing activities. There could be a competition to see whether CUAP or the Universities Entrance Board can be first to recognize self-termination as its optimal contribution to social utility.)

There is a big range of public policy issues facing us as we attempt to align education with our contemporary society and economy. Above all, we need a better balance of institutional and social interest, and I hope that research like that of Elizabeth Eppel to give us new ideas on how to generate and sustain change such as we need.

And it all has to be achieved without disrupting efforts to make an impact on that tail of under-achievement!

19 I expect not-for-profit institutions to dominate education and health services because public attitudes prefer the caring nurse to a competent professional, and individual patients, students and parents care about attention to them rather any social optimum. I have no wish to crusade against these influences (especially because the latter one would be very hard to contest). But there is no reason to pre-empt the public by using regulation to limit choice. All of the evidence points towards distributions rather than a public/private distinction, and we should look directly at quality rather than use ownership as an indicator. I am grateful to Cathy Wylie for providing guidance to the literature which is more prolific for early childhood than for other sectors of education. I found especially useful (although not persuasive) Linda Mitchell Differences Between Community Owned and Privately Owned Early Childhood Education and Care Centres: A Review of Evidence (NZCER Occasional Paper 2002/2 , http://www.nzcer.org.nz/pdfs/11743.pdf ), Susan Prentice For-profit child care: past, present and future (University of Toronto, Occasional Paper #21, October 2005), and Helen Penn, “Surplus & Profits” at a seminar of the International Centre for the Study of the Mixed Economy of Childcare 3 Dec., 2007, http://www.uel.ac.uk/icmec/index.htm

20 The most recent OECD review commends New Zealand’s adherence to the principle of “allocating funds on the basis of relevance to society at large” and observes, “In ideal terms this would translate into: (i) the public funding of any educational activity, irrespective of the nature of the provider, which brings benefits to society; and (ii) levels of public funding which reflect the magnitude of societal benefit relative to private benefits.” Leo Goedegebureu, Paulo Santiago, Laara Fitznor, Njorn Stensaker and Marianne van der Steen New Zealand (OCED Reviews of Tertiary Education, 2008), pp. 42-3)
Table 1


Table 2

Enterprise Education: Learning, not Teaching

The Institute hosts speakers with widely varied backgrounds and responsibilities. Some of the most effective recently have nevertheless had unusual characteristics. They were primary school pupils from Khandallah School.

Since the Institute last convened a discussion of economics education as part of the primary school curriculum (see ‘Micro-Society™: A Path to Economic Literacy without Indoctrination’, IPS Newsletter 44 [November, 1995], pp 19-20), the Enterprise New Zealand Trust has introduced its ‘primary enterprise programme’, PrEP, in New Zealand. A range of schools has implemented the programme and we were glad to welcome back Ron Clink from the US to facilitate the work of New Zealand students really explored the operation of
Micro-Society™: A Path to Economic Literacy without Indoctrination?

Curriculum development in schools is often controversial. The recent drafts of a social studies curriculum for New Zealand schools caused only one of many debates about how pupils are best prepared for later life, including the world of employment.

There is widespread agreement that "economic literacy" is important for all citizens. The debate is over how it can best be achieved while preserving other objectives of school learning, including developing the ability to criticise existing society. One interesting experiment in the US relies on a programme for which schools are turned into economies and run by the pupils themselves. It includes such aspects of an economy as governments and artistic or cultural institutions.

Ronald W. Clink has developed and promoted this Micro-Society™ programme. He was brought to New Zealand by the Enterprise New Zealand Trust primarily to discuss with teachers the adoption of the instructional model in schools in Washington and New Jersey, have included distance learning design for
Table 4


