

THE OECD IN IRISH HIGHER EDUCATION

A Study of Two Policy Reviews:

1962-64 and 2003-04

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A thesis submitted in partial fulfilment of the
requirements for the degree of Doctor of Education
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September 2010

ACKNOWLEDGEMENTS

I wish to thank all those who assisted me on this thesis. My supervisor, Professor Gareth Parry of the University of Sheffield, was a constant source of encouragement and guidance. His comments were always beneficial and perceptive.

The staff of the Irish National Archives is famously helpful to scholars and lived up to this reputation in its dealings with me. Mr Neil Cullinane of the Department of Education and Science assisted me in sourcing documents concerning the OECD's 2003 Review of Higher Education in Ireland. The librarian of the Irish Parliament gave me great help in searching the official record of parliamentary debates and associated newspaper articles.

I had very valuable conversations about the role of the OECD in Ireland with Professor John Coolahan of NUI Maynooth and with Dr John Walsh of Trinity College Dublin, biographer of the late Dr Patrick Hilliery, who was very helpful with comments on Section Two of the thesis. My DIT colleague, Sean Byrne read the first draft and made many useful suggestions.

I wish to acknowledge the support of the Dublin Institute of Technology which gave generous financial and other support to me while I was working on this study. Bill Murphy in the library of DIT, Bolton Street was particularly helpful in sourcing references.

I am delighted to dedicate this thesis to my wife Joan Burton and daughter Aoife in gratitude for their love, support and patience at all times.

ABSTRACT

The OECD in Irish Higher Education A Study of Two Policy Reviews: 1962-64 and 2003-04

The thesis is an interpretive account and analysis of the influence of the Organisation for Economic Cooperation and Development (OECD) on higher education policy in Ireland. Documentary sources associated with two OECD reviews are used to explore the roots of policy changes in Ireland's higher education system. The first, a report on technician training in 1964, became the catalyst for the creation of a binary higher education system. The second, a 2004 report on the financing and governance of higher education, has become the source document of contemporary policy changes in the system. The OECD's higher education agenda has itself evolved over the decades. The study examines different phases of that evolution and how they impacted on both the content and the transmission of its influence on national policies. Moreover, a convergence between OECD policies and its peer review system with those of the European Union has greatly strengthened the agenda setting capacity of the OECD in Ireland. Hence the thesis is a study of the politics of policy formation in one sector during two separate episodes of change. The study looks at the often -tortuous routes taken to design reform programmes in tune with OECD recommendations and the long-term results of the measures adopted. What emerges is a case study of an important trend in contemporary policy development. While issues are locally defined, the space for an exclusively national competence in education matters has eroded so that policy initiatives have taken on a supranational dimension in which the OECD is the pre-eminent player.

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GLOSSARY

| | |
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| CHIU | CONFERENCE OF HEADS OF IRISH UNIVERSITIES |
| DES | DEPARTMENT OF EDUCATION AND SCIENCE |
| DCU | DUBLIN CITY UNIVERSITY |
| DIT | DUBLIN INSTITUTE OF TECHNOLOGY |
| EEC | EUROPEAN ECONOMIC COMMUNITY |
| ETE | DEPARTMENT OF ENTERPRISE, TRADE AND EMPLOYMENT |
| EU | EUROPEAN UNION |
| FF | FIANNA FAIL |
| HEA | HIGHER EDUCATION AUTHORITY |
| HEI | HIGHER EDUCATION INSTITUTION |
| IEI | INSTITUTION OF ENGINEERS IN IRELAND |
| IIE | INVESTMENT IN EDUCATION REPORT |
| IUA | IRISH UNIVERSITIES ASSOCIATION |
| NCEA | NATIONAL COUNCIL OF EDUCATIONAL AWARDS |
| OECD | ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT |
| PD | PROGRESSIVE DEMOCRATS |
| PRLTI | PROGRAMME FOR RESEARCH IN THIRD LEVEL INSTITUTES |
| SFI | SCIENCE FOUNDATION IRELAND |
| TCD | TRINITY COLLEGE DUBLIN |
| TTI | TRAINING OF TECHNICIANS IN IRELAND |
| UCC | UNIVERSITY COLLEGE CORK |
| UCD | UNIVERSITY COLLEGE DUBLIN |
| VEC | VOCATIONAL EDUCATION COMMITTEE |
| WIT | WATERFORD INSTITUTE OF TECHNOLOGY |

SECTION ONE

1

INTRODUCTION AND RESEARCH QUESTION

In this introductory chapter, an outline is given of the key issues in this thesis. There is one overarching research question that examines the lasting influence of two separate OECD reviews, one in 1962-63 and one in 2003-04, on the shape and direction of Ireland's higher education system. This is supplemented by a number of other questions about the OECD itself, its overall purpose and modes of influence and the nature of its particular interest in higher education. There is another question about the outcome of both OECD reviews in Ireland and a final question that looks at the evidence from Ireland's experience for the claim that contemporary higher education policy is determined as much by supranational as by national forces.

Best Friends: Ireland and the OECD

The Organisation for Economic Cooperation and Development (OECD) brings together thirty democracies that share a commitment to the market economy. Their common purpose is to facilitate the exchange of ideas and to offer policy guidance to members in a wide range of social and economic affairs.

On two separate occasions, one in 1962 -63 and again in 2003-04, OECD reviews had immense significance in defining the shape and direction of the Irish higher education system. This thesis explores how and why these reviews were conducted. It offers an interpretive account and analysis of both reviews with a view to tracing the influence of the OECD on subsequent national policy reforms.

The first of these reviews was conducted in the early 1960s and had two parallel tracks. One of these, entitled Investment in Education (OECD 1965) consisted of a

general review of the education system in Ireland. The second, called Training of Technicians in Ireland (OECD 1964, Clancy 2008), was ultimately of greater significance for higher education because it became the catalyst for the creation of the Regional Technical Colleges (later renamed as Institutes of Technology) and led to the establishment of a binary division within Ireland's higher education system.

Four decades later, in 2003, the OECD was requested to report on the financing and future governance of higher education. Some of its recommendations have been implemented and others are currently slowly going through the decision making processes of public policy.

Standard histories of modern Ireland (Ferriter 2004, Garvin 2005, Keogh 1994, Lee 1989, Lyons 1973, Walsh 2009) identify the 1965 Investment in Education Report as a watershed in the country's economic and social development. Of all the reports produced over the decades by internal and external bodies, commissions of enquiry and consultants, this one stands out for its enduring influence on subsequent events and policies.

Apart from the impact of that particular report on the evolution of policy on education, it also represented a dramatic shift in attitude towards the whole notion of external influence. Previously, policy making in Ireland had always been determined primarily by local considerations. While the phrase 'An Irish solution to an Irish Problem' was coined by a Taoiseach (Prime Minister) to describe a particular policy initiative in the 1980s, the underlying attitude had been prevalent for many decades since national independence. Whenever there was a problem to be solved or a policy to be established, a unique Irish solution would be sought with only scant regard to the experience of other countries.

The invitation to the OECD to get involved in a root and branch examination of education in Ireland was the first significant break with that outlook. Sean Lemass, Taoiseach from 1959-66, saw it as a valuable opportunity to prepare the ground for the changes that would be necessary if his wish to secure membership of the European Common Market became a reality (Horgan 1997, Garvin 2009, Arnold 2009). One side effect of the success of that first OECD involvement is the esteem which that organisation, as sponsor of the report, has commanded in Ireland since that time. It continues to have an enviable reputation as a reliable and trustworthy source of outside advice in Irish public discourse as is evident from a comment by one Minister about the OECD's 'long and productive history of engagement with the Irish education system' (Hanafin 2005a).

International Higher Education as a Field for Analysis

The wider perspective for this thesis involves the evolution of the OECD's own attitudes in the decades between these two Irish reports. A number of contemporary writers (Lingard et al 2005) argue that international higher education now constitutes a specific field of study in its own right and they pinpoint the OECD as one of the key agents within that field.

Policy borrowing on an international level has a long tradition in many areas of public policy, including higher education. Ball has a vivid description of political decision making that emphasizes the mix of elements that can be involved in the formulation of policy at any one time.

A process of bricolage, a matter of borrowing and copying bits and pieces from elsewhere, drawing upon and amending locally tried and tested approaches, cannibalising theories, research, trends and fashions and not infrequently flailing around for anything at all that looks as if it might work.

(Ball 1998:126)

In the normal course of international communications, ideas for new initiatives get passed around and are adapted to fit local conditions. A policy gains legitimacy by the claim that 'it works' in some other country. For example, Finland has developed a particular reputation for policy successes. As a consequence, that country's Ministry of Education plays host to as many as 2,500 delegations a year who come to see at first hand 'how Finland gets it right' (ibid). The banking crisis of 2008-09 produced many examples of countries looking at the previous experiences of similar situations in Sweden and Finland (again) in order to formulate policy responses. In that scenario, the locus remains firmly national. It represents a straightforward exchange of ideas and experience from one country to another. Each retains its exclusive sovereignty, a feature of particular importance in countries which jealously guard their autonomy in policy fields such as education.

The contention of Lingard and his colleagues is that policy borrowing in modern times has become international in its scope and operation and that a contemporary global policy field in higher education has emerged. The normal operational arena of a field is a nation state but this imposes an arbitrary geographical limit on the analysis of forces that can shape policy. A wider definition of a field includes its social and economic dimensions as much as its geographical character. This creates the analytic basis of the new field that takes due account of a global policy community and recognises that one of the formative influences on education policy is the role of international agencies and the agendas they pursue.

A full picture of policy development in a single country such as Ireland has to incorporate a level that gives proper weight to the international origin of many proposals and ideas. There is empirical evidence in many individual countries that education policy development includes reference to agendas that are established

internationally through a variety of organisations, most notably the OECD. The exact manner by which specific policy initiatives within an individual country absorb the external influences varies from one case to another as they have to filter through other levels of policy formation and may be subject to intense debate and, indeed, resistance.

This international influence may involve the partial loss of autonomy over higher education policy. It gives a new priority to educational reforms within economic policy and gives rise to the inclusion of particular educational goals in statements of economic aims. The 2000 Lisbon Agenda, which governs the common economic policies within the European Union, is a case in point as it emphasises the role of higher education in the delivery of targets, notably global economic competitiveness. This agenda encourages convergence between EU member states in the field of higher education.

The composite effect of these trends, the reduction of national autonomy and the increasing importance of educational objectives within the economic policy of many countries, means that 'effective power is shared and bartered by diverse forces and agencies at national, regional and international levels' (Lingard et al 2005). This thesis will examine how Ireland's experience fits in with that suggestion.

The Research Question

The research focus is on a single question, namely the impact of two particular OECD reviews on higher education in Ireland, the motivations involved in the decisions to commission them, the content of the reviews and the influence they had on subsequent policy decisions.

In essence, the issue is to establish if particular higher education policy initiatives in Ireland can be linked to the outcome of two reviews carried out by the OECD, one in the early 1960s and another in 2003-04?

National source documents were examined to establish what linkages exist between the outcomes of both reviews and subsequent decisions made by successive Irish Governments and by individual higher education institutions. Some of these linkages are explicit in that the decision followed quickly from a proposal made in the review and was acknowledged clearly as such in the official announcement. Others are more implicit and reflect more the assimilation of values and attitudes than any direct acceptance of particular proposals. In some cases, there was a significant passage of time between the review and the decision and the connection between them may not be obvious as the original proposal percolated through other domestic policy filters in the meantime.

Outline of Thesis Sections

Section One

The thesis is in four sections. Section One sets the scene in two parts. The first, covered in Chapter 2, focuses on the OECD itself, its origins, membership, its self identity, its structures and overall purpose. The issue here is the nature of the OECD's influence. What kind of power does it have and how does it employ that power? Of particular interest are the mechanisms by which it transmits its ideas to national authorities.

Parallel processes such as peer reviews, peer pressure and other mechanisms of multi level surveillance are all features that have assumed great importance in contemporary

governance and have made the OECD a significant player in policy formation, even when actual decisions remain the exclusive domain of national authorities.

The OECD operates quite differently to other international bodies. It has no formal power to compel adherence to its recommendations nor does it have the financial capacity to offer incentives to a member state to follow its guidance in any particular field of policy. The thesis examines how the viewpoints of the organisation seep into national agendas and the extent to which that has happened in the case of Ireland's higher education system.

This is a delicate question as public authorities are constantly anxious to assert the supremacy of national sovereignty in matters concerning education. Yet there is substantial evidence, which merits examination in this specifically Irish study, of policy convergence based on global comparisons and benchmarks which propel individual countries to follow suggestions of what is best practice that emanate from the OECD and other supranational bodies.

The evolution of the OECD's particular interest in education is traced with special reference to a number of distinct phases when that interest has undergone changes to both content and process.

What started as a framework for mutual co-operation and the sharing of experiences and ideas has evolved into a more prescriptive structure that promotes common policy paradigms backed up by targets, benchmarks and indicators.

‘a telling blend of description and imperative’ (Ball 2008:40)

Another point of interest is the extent of the OECD's interest in education policy in general and higher education in particular and how that position has evolved over recent decades? While human capital theory became absorbed into the mainstream of public policy discourse as a result of an early OECD event in 1961, the subsequent

evolution of different perspectives on that theory in the light of economic developments became a key feature of policy discourses.

Chapter 3 examines two very different periods in Ireland when there was recourse to OECD reviews. On the first occasion in 1962, Ireland had gone through a 'lost decade' characterised by emigration and economic failure. There was little or no impetus towards reform in the education system until an opportunity arose through an OECD event to identify the barriers to change, structural as well as financial.

At the time of the second invitation to the OECD in 2003, Ireland was a very changed country but it faced similar difficulties in achieving a consensus for structural changes within higher education. The EU's Lisbon Agenda in 2000 emphasised the role that higher education could play in the achievement of its economic growth and competitiveness aims. Moreover, the EU proceeded to set up review mechanisms to track each country's progress under the various headings of the Lisbon agreement and this introduced a degree of peer pressure on both Ministers and administrators to incorporate EU priorities into domestic policies. Increased activity in research and development was one aspect of these priorities that affected higher education. There was considerable internal turmoil within some of the Ireland's higher education institutions over structural and governance issues. Meanwhile, a funding crisis in the sector put Ireland's policy on free tuition fees under scrutiny. All these factors motivated a request for an OECD review that would look at the system under a full range of headings.

Both occasions had common features though the country had changed beyond recognition in the intervening decades. At both times, the case for educational reforms was compelling and widely acknowledged. But institutional and political inertia acted as barriers to every attempt at change. The arrival of a respected international body,

seen as being above the fray of domestic disputes, offered a way out of deadlock. It was argued that this neutral reputation made the difference, a view that was sustained in the second episode by the enduring legacy of the first.

Chapter 4 is devoted to an explanation of the research approach and a description of the source material.

Section Two

Section Two is concerned with the first review in the 1960s. Chapter 5 narrates how it came about through an OECD international conference that drew attention to the case for expanding the supply of skilled manpower through investment in education, an entirely innovative message at the time both to the Irish and many other national delegations. With the higher education focus of the thesis in mind, particular attention is given to the work of an international OECD panel that worked parallel to the more general Investment in Education study. Their mandate was to report on technician education as the way to improve the skills base of the Irish economy and their recommendations acted as the catalyst for decisions that changed the face of higher education in Ireland.

Chapter 6 is concerned with the 1960-67 Commission on Higher Education in order to compare this more traditional mechanism for policy formation with the OECD process, both as regards pace and outcomes.

Section Three

Section Three is entirely occupied with the 2003-04 OECD visit and the subsequent report, Review of Higher Education in Ireland (OECD 2004b). Chapter 7 is narrative

in form and describes the sequence of events that brought the whole issue of higher education funding into the centre of political debate.

Chapter 8 concentrates on the issues that were presented to the OECD examiners, both in the terms of reference and in the background report presented to them. Chapter 9 is devoted to the documentary submissions made to the examiners, principally from government departments and agencies and from higher education institutions. These submissions are of great interest because they reveal the extent to which the prevailing 'OECD line' had already taken hold in the mindsets of those who were in charge of higher education policy at the time, right across the spectrum of public bodies and the leadership of the institutions. While many common features and shared attitudes on the principal policy questions are evident in these documents, there are also significant points of difference and varying levels of enthusiasm for the adoption of a full blooded neo-liberal viewpoint.

The report made fifty two recommendations and these are the subject of Chapter 10, followed by two others that describe the reaction of government and higher education institutions to the proposals. A number of the recommendations were incorporated readily into government decisions while others proved to be more controversial. The OECD proposals influenced structural decisions within the main institutions and gave an added impetus to the Higher Education Authority's efforts to formulate and implement a revised funding allocation strategy.

Section Four

Chapter 13 concludes the thesis with an overview of the issues from previous sections in order to reach some conclusions on the degree and scope of OECD influence in policy formation over the decades. On the one hand, there are the clear, verifiable

linkages between official decisions and the advice offered in the two reports. On the other hand, there is the more diffuse influence on policy makers, both political and official, that came about from the operation of the OECD's own procedures with the express purpose of embedding its viewpoints into the decisions of member states.

2

THE OECD: ORIGINS AND PURPOSE

Over the past fifty years, the OECD has become a significant agent of policy development in western democracies. This is particularly true in the field of education policy. This chapter looks at the OECD itself, its origins, structures and overall purpose. Before proceeding to a narrative of its role in the Irish education scene, the evolution of its particular interest in education is examined. This has gone through a number of distinct phases over the decades, which, in turn, has resulted in modifications to its approach to individual countries like Ireland that have sought assistance and policy advice at different times.

The Birth of a Global Agenda

The OECD developed out of an organisation called the Organisation of European Economic Co-operation (OEEC), set up in 1947 to arrange the distribution of Marshall Aid, the funds from the USA and Canada devoted to reconstruction in Europe in the aftermath of World War Two. The change in the name to OECD in 1961 was to enable membership to expand outside Western Europe to include countries such as the USA, Japan, Australia and Canada.

Unlike the United Nations, membership of the OECD is quite tightly confined. Its charter is geared to countries which are dedicated to the market economy and to democratic institutions. A common description is ‘a club of like minded countries’ (OECD 2004c) and in 2007 a new set of countries, Chile, Russia, Israel and Slovenia were invited to join the club and a closer engagement offered to a number of others (among them Brazil, China, South Africa and India).

It has been called a rich man's club, a think tank, a monitoring agency and even an unacademic university. For Henry et al (2001) it is the 'key articulator of a predominantly neo liberal view of globalisation' while Nye (2003) includes it with the World Bank and the International Monetary Fund as the triumvirate of organizations that provide the 'framework of rules for the world economy', reflecting the fact that the thirty OECD member states account for two thirds of the planet's wealth and the lion's share of its production of goods and services.

The OECD enjoys a considerable international reputation, due primarily to its role in the collection of social and economic data. For example, the annual Education at a Glance report is an authoritative compilation of statistics on educational indicators and is widely used to assess performance and progress of member countries. Policy makers and scholars confidently quote from OECD databases as trusted and authoritative reference points in judging the impact of domestic policies.

It is possible to discern a number of distinct phases in the evolution of the OECD's approach to education policy and to relate those to the specific roles the organization has played in the formation of policy in an individual member state like Ireland. Initially, economic rather than social policy was the primary focus of debate and education did not feature as a particular priority nor did it merit its own specific directorate in the early years. This outlook changed in time, motivated in large part by an apprehension over Soviet advances in technology that became apparent from the launch of the world's first space mission in 1957. The shock wave created by this dramatic display of Russian technology led to a speedy appraisal of the capacity of educational systems to provide the level of scientific skills that could match and outstrip the competition from the East. In his memoirs, one prominent Irish education official recalled the cathartic impact of this event.

it might well be claimed that the greatest single event in post-war education world-wide was the shooting into space of Sputnik One.
(O'Connor 1986:83)

In addition, a broad consensus existed that education could act as the agent of greater opportunity for all citizens and this fitted in with the rise of the welfare state in many countries. Those who had the task of framing public policy had to merge two different strands of opinion on education, one concerned with social justice and one concerned with boosting western economies through the improvement in the skills base.

One important event associated with the particular emphasis on education occurred in Washington in 1961 (Elvin 1962), an event that became the starting point of Ireland's involvement with the OECD on education policy. It was chaired by a senior US official, Philip Coombs, who had a mandate to deliver a hard sell of the underlying message that investment in education was the key to modernisation.

Marginson notes the particular importance of this Washington Conference in promoting the OECD viewpoint.

The duty of authorities was to expand education as fast as schools and universities could be built and teachers trained. The same programmes that provided equality of educational opportunity, the career open to all the talents, would generate the national wealth which would pay for all.
(Marginson 1997: 97)

This conference marked the OECD's advisory phase. The initial Irish experience related to this phase and became, indeed, a role model for its wider expansion. This role was to encourage the attention of national policy makers to the potential of education in achieving economic growth and wealth formation and to establish working procedures for sharing experience and setting standards. During this period, human capital theory offered a strong philosophical basis to bolster the widespread acceptance of this policy approach and was adopted by many governments as the

framework for policy development in education. It was far from being an original concept. In fact, it went back as far as Adam Smith's 1776 landmark treatise on *The Wealth of Nations*, where he listed human capital on a par with land, machinery and buildings as an essential ingredient of a nation's fixed capital. His concept of human capital centred on "the acquired and useful abilities of all the inhabitants or members of a society" (Smith 1776) and he considered these talents to be part of the nation's collective wealth as much as part of the individual's fortune. It was to take almost two centuries for this theory to take root as the driving idea of practical policies that sought to enhance those talents and their value by education and give this process equal rank in investment decisions to the funding of physical infrastructure. All through the 1960s, a positive flood of literature on the theme put human capital theory firmly on the knowledge map and it became the basis for debate in a wide range of international organizations leading to its assimilation onto the policy agendas of many governments. The same themes and arguments ran constantly through OECD documents of the time and formed part of the report of the survey team on the Irish situation.

If the range and levels of skills required to convert economic potential into economic achievement are not available, a country is unlikely to have the resources needed to provide education of the quality and variety that is being increasingly demanded.

(OECD 1965: 350)

While the initial ideas were presented with the force of revealed truth at gatherings such as the 1961 Washington event, the theory was to experience many modifications in subsequent decades, partly to accommodate changes in the international economic environment and partly to accommodate concerns about the qualitative aspects of growth and the share out of the increased resources (OECD 2001). In turn, these

modifications had significant effects on the actual policies adopted in different political environments.

A Change in the Weather

The overarching optimism of continued prosperity that characterized the period from 1945 to 1973 gave way to a significant change of outlook following the economic recession brought about by the oil price shocks of the 1970s. This marked a turning point that changed underlying outlooks, and the policies these helped to shape, in quite a fundamental way.

These new conditions cast a shadow over the optimistic linkage of economic growth with the development of educational opportunities that had been the cornerstone of the standard OECD message. One senior Irish official noted the sense of disillusionment that set in “when no correlation could be established between education and economic growth” (O’Connor 1986).

The debate within the OECD about education in this new context was heavily politicised (Papadopoulos 1994). Governments were no longer in a position to guarantee additional resources to education on the assumption that this investment would readily be repaid by the growth it helped to generate. The broad post war consensus on the value of social investment, shared by governments of very different political hues, began to fall apart at this point and was replaced by a viewpoint that owed much to a rising tide of right wing thinking whose aim was to reduce the level of public involvement across a wide spectrum of activities. The argument centred on the Overloaded State, a profound general scepticism and fall off of confidence in the capacity of the state to deliver social change through expansion of educational opportunity. Now the prevailing wind, the so called Washington Consensus

(Williamson 1993), promoted the widespread adoption of market oriented reforms and a reduction in the role of the State. Its policy prescriptions included fiscal discipline and a readjustment of public expenditure priorities. Ronald Reagan was in the White House from 1981 and Margaret Thatcher was elected to 10 Downing Street in May 1979. Both of these personified the break with the welfare state consensus to be replaced by new driving ideas focused on liberal market reforms which incorporated a quite different role for education.

The new perspective on education was only one component of a more general re-evaluation of the role of the State in the provision of services. Kogan (1983) observed a very specific agenda 'to roll back the frontiers of the State' and to offer a different mechanism through markets to meet society's needs. The proponents of fiscal discipline argued that a significant reduction in the allocation of public funds for higher education would produce sufficient internal pressures within the institutions to secure alternative sources of funds from the private and commercial sectors (Neave 1984).

At the beginning of the 1980s, Conservatives in Great Britain and Republicans in the U.S. undertook campaigns against 'big government'. The neo-liberal revolution put an end to the Keynesian Consensus, which had dominated public affairs since World War II.
(Meseguer 2006:156)

This ideological switch inevitably worked its way into the deliberations of the OECD. The new orthodoxy became established in its debates about education and while the potential of education to be an instrument of economic growth continued to be a unifying force, it now took on a distinctly different form. Papadopoulos summarised this as a revised view of education being more an 'instrument of other policies' than 'a policy sector in its own right'.

What was formerly demand –led educational development gave way to one largely determined by supply; and factors exogenous to the

educational system came to play an increasing role in the setting of educational targets and objectives and in monitoring the performance of the system and the quality of its outcomes, leading eventually to the emergence of market approaches to the funding, organisation and behaviour of educational institutions.

(Papadopolous: 202)

Marginson (1997) traces the origins of the liberal market philosophy to the writings of Friedrich Hayek and Milton Friedman who had determined, as far back as 1947 to secure this sweeping transformation of opinion. Its core idea was to promote acceptance of a 'competitive order' and a public policy role to establish and support conditions favourable to markets. The campaign to secure acceptance of these ideas was certainly a long march and was conducted with a crusading zeal by its disciples within universities, think-tanks, foundations and other centres of civil society (Harvey 2007). It was to take more than a quarter of a century till economic conditions brought these ideas to the centre of many political agendas.

One issue that became the focus of debate in the education field was the link between investment and outcomes. The Keynesian viewpoint, that initially dominated discussions, held that outcomes were entirely dependent on the input of resources by governments. The alternative view put the emphasis on elements that relied less on public finance and more on 'efficiencies, management, quality improvement and market activity' (Marginson 1997).

They based their case on research that purported to disprove any positive link between measured student achievement and resource inputs. This was manna from heaven for those whose political programme sought to reduce public spending as it allowed them to claim that, beyond a certain ceiling, the availability of extra resources made no difference to results. It also facilitated calls for more competitive arrangements in the distribution of resources, claiming that these would deliver just as much than the unending demand for additional public funds. While these claims were based on

school results, it was not long before variations of the arguments emerged in debates on the level of funding and governance of higher education.

Most notably, it resulted in a switch, within the OECD, in the assessment criteria for higher educational investments. Where there had been a universal standard that put social progress at the heart of decision making, there was now a general emphasis on the private rate of return to individuals or to firms.

A 1990 OECD discussion document *Financing Higher Education* (Williams 1990) made the case for regarding comparative private rates of return as the decisive factor in the choice of growth sectors. This represented a very definite switch of emphasis. The public rate of return, in the form of the higher economic growth that flows from the supply of graduates, had been regarded as sufficient to justify the level of public funds devoted to support and expand higher education. Furthermore, part of graduates' higher earnings returned automatically to the State in the form of the higher taxation imposed on these extra earnings. In the tighter fiscal climate from the mid 1970s, the focus switched to the private return gained by graduates in order to find a justification for the imposition of user charges for higher education either directly in the form of fees or indirectly through loans or deferred fees to be paid after graduation and entry to employment.

This pricing approach became expressed as the 'user pays' model of service provision, the direct opposite of public subsidy, based on the assertion that the most efficient use of resources arises when the consumer has to meet the cost of supplying the service. In the application of this principle to the pricing of higher education, an additional equity element came into play to highlight the additional earning power of college graduates and their capacity to meet part of the associated costs.

Another feature of the changed outlook within the OECD was the early promotion of the concept of marketisation within higher education.

The OECD has long been a champion of greater trade in higher education services and of a more market-oriented approach to its international delivery. (Robinson, 2005:7)

Taylor et al (1997) suggest this notion can take two separate forms. One is associated with a commercial mandate for institutions to secure markets for what they offer and to convert their research into marketable products. Overseas students who pay the full cost of their tuition are one example of this scenario and this has become a hugely important source of revenue for many universities. The second form of marketisation is the introduction of business principles into governance and administration. Hence, the role of university president has evolved into being a chief executive as much as an academic leader.

Taken together, these ideas have induced a significant cultural change in attitudes towards higher education and the OECD has been the mechanism for putting these ideas onto public policy agendas in many countries. By the time the OECD came to review higher education in Ireland, the language of policy analysis for this sector had undergone a profound transformation internationally.

Kenway et al (1993:4) list some of the concepts which came to dominate discussion on higher education reforms in Australia that followed from participation in OECD debates. This includes educational property, entrepreneurial approaches to education, services, products, user pays and competition.

These and other terms both reflect and are helping to bring into effect, a relatively new and different era in public education in Australia, one in which educational purposes, languages and practices are being subsumed by marketing purposes, languages and practices. (Kenway 1993:4)

These changes did not come about instantly and indeed they are only now taking shape in many countries, Ireland included. Nor did the OECD initially play a prescriptive role in imposing them on member states as its mandate does not permit it to compel the adoption of any or all of its suggestions.

Nonetheless, the OECD did become a kind of clearing house for a range of policy options that dovetailed neatly into the new orthodoxy that came to dominate the policy discourses of the neo liberal era. One influential element of this new orthodoxy was to establish and disseminate a persuasive terminology that would enable its promoters to set the terms of debate in any review of higher education strategy that would arise in an OECD member state. This common language would act as a powerful weapon of persuasion whenever groups of policy makers, at either official or political level, would meet to review progress on shared aims.

The OECD offered an attractive superstructure for those engaged in this task. Its Paris headquarters was a valuable source of information and advice to those charged with national reviews of policy. It offered access to a wide range of consultants who shared this common language and who had a vast knowledge and experience of similar policy reviews in different countries and world regions.

The OECD also organised, on its own initiative, various Ministerial conferences which were to have a significant persuasive role both on individual Ministers who participated, and on groups of Ministers from connected regions such as the European Union who were attempting to find common ground for policy initiatives in the higher education field.

The process may be seen as a kind of chain reaction, where each event initiates its own repetition and reproduction. The reforms pursued, for example, in Australia, under the direction of the Labour Minister, John Dawkins, were studied elsewhere with considerable attention and were later promoted as the role model for imitation elsewhere by OECD member countries (OECD 1989).

The evolution of an approved policy framework in a policy area such as higher education, can rely heavily on the influence of the OECD and the ideas and practices that are promoted within that organisation's networks of committees, conferences, consultancies and advisory documents. This is particularly true of small countries which seek to develop a policy that both fits in with specific national traditions and also follows the broad framework of what is considered to be best international practice.

The widespread use of 'best practice' as a descriptive phrase highlights how language can be controlled as an instrument of persuasion. The OECD offers an ideal setting for both creating and disseminating the approved norms of policy. On the one hand, an individual country and its policy managers, political or official, can participate fully in the discussions that lead to a policy consensus. On the other hand, they can become the promoters at home of the policy norms developed. Dawkins of Australia is a good case in point.

Under Dawkins, Australia played an active part in both shaping and refracting the OECD's policy agenda in education. Within OECD forums, Australian policies in educational and public sector restructuring were seen as innovative. At the same time Dawkins used the OECD analyses somewhat selectively to create and legitimate his own national policy agenda within Australia.

(Taylor et al: 70)

Despite a wide range of individual national characteristics, a remarkable convergence of policy has developed offering a broadly similar mix of direct and indirect controls over the higher education agenda.

OECD Procedures

One outcome of the deliberations at the Washington Conference in 1961 was a decision, in principle, to establish a programme of regular reviews of educational policies and outcomes in different member states as part of a mechanism to maintain the momentum of reform.

The procedures used in the subsequent Irish review were broadly adopted as the template for individual country reviews for decades afterwards. Noah (1979), a regular examining participant, describes how the Irish study and its aftermath established the ground rules that became the norm of later OECD reviews.

Thus was the pattern established that was used, with minor modification only, for subsequent reviews: a background report prepared by the country; an on-site examination and report by external assessors; an agenda of questions for discussion at a confrontation meeting; and a series of publications to conclude the process of review.

(Noah 1979:7)

He sets out the different elements of the standard procedure that has remained, with only minor modifications, in operation for decades and notes how countries often choose an OECD review as the mechanism to mobilize public and political support ‘for a desired programme of innovation and change’ (ibid), a feature that figured prominently in reviews carried out in Germany, Austria and Australia.

Both the OECD itself and the participating country have distinct and separate interests at stake in each review. Noah notes five specific interests on the part of the OECD’s own secretariat

1. A general wish to share information on issues and problems in education on an international level.
2. To strengthen the processes of international co-operation.
3. To reinforce the organisation's own particular reputation as the mechanism for achieving this trans-national co-operation.
4. To learn from each review with the aim of improving the process involved.
5. To test the validity of the OECD's general outlook in educational affairs against the actual experience of member countries.

The authorities of the country under examination also have their own separate agenda to pursue in the process.

1. A friendly external eye can highlight defects in policy development.
2. It can also highlight successes that can advance the country's international reputation.
3. The process requires a careful preliminary background study that can identify issues and barriers to progress.
4. It can be the catalyst to advance a reform agenda that might otherwise lie dormant.

The preliminary background study to assemble the data required by the survey team can be the really crucial feature that ultimately determines the outcome. Certainly, the exhaustive statistical and information material prepared for the early Irish review was the review's most significant and lasting legacy in that it represented the first ever collation of key data that could enable a judgment to be made on the value of policies and structures.

A major feature of the agreed review process is the so-called confrontation that occurs at the end. The first such meeting concerning Ireland took place in January 1963 to

review a limited study that had been carried out on Technician Training in Ireland (OECD 1964). The examiners' report is the subject of a meeting of the Education Committee attended by delegates from all member states with the representatives of the country under review. There can be two elements to this style of meeting. The name 'confrontation meeting' suggests an atmosphere of conflict that can generate a defensive response over the key findings of the report. It can, however, also be the opportunity to encourage acceptance of the general OECD viewpoint on the topics under debate and this can be a powerful instrument of collective international persuasion and legitimation.

The word confrontation may be deceptive as it really only refers to a face to face meeting on the findings of the examiners. Confrontation may suggest that the OECD has powers to compel adherence to its position and that the confrontation meeting has a definite purpose in forcing a member state into reluctant agreement with a reviews findings and proposals. In fact, there is no provision in the statutes to achieve such a compulsory outcome. By contrast, the European Union explicitly requires strict adherence to common policies adopted under the collective decision making procedures of the Union and there are awesome powers and institutions such as the European Court that enforces common directives. No such mechanisms exist in the OECD statutes so the final so-called confrontation is more of an exploration of findings than a court sitting in judgment.

The Operation of Soft Power

Martens and Balzar (2004) examine the different styles of approach used by international organisations in shaping national policies and debates over education with special reference to the EU and the OECD. They construct an analytic grid to

facilitate investigation of the forms of governance as exercised by international bodies in an area of policy like education that had been traditionally been regarded strictly as the exclusive domain of domestic politics.

They define governance in this context as ‘the collective impact of the various actors participating within the defined sphere of domestic politics’ (ibid). These include a wide range of informal and regulatory influences as much as the standard governmental organizations even when these influences do not command the formal powers of government. In the wider global context, the concept of governance has to include the various multilateral systems of regulation and international organizations. Three particular dimensions of governance are isolated for analysis.

1. governance by co-ordination
2. governance by opinion formation
3. governance by instruments.

The first two of these are the hallmarks of the OECD approach and the absence of the third is one reason why these two operate so successfully in establishing an OECD sphere of influence and expertise in selected areas of policy, not least education. The co-ordination component of this governance grid refers to the capacity to initiate studies and organize conferences on selected themes. An organization such as the OECD has built this capacity over decades so that the association of its name with an event can command immediate attention in the media and inside national governments.

Opinion formation is the capacity to guide the terms of both international and national debates on policy. Two elements feature in this, both the manufacture and the content of such debates. The association of the organization with a proposal or an initiative can itself act as a normative pressure for the adoption of the idea or policy and can

command considerable public attention as representing the considered judgment of international expertise on the issue. Moreover, the organization has an additional powerful weapon in its armory of persuasion in that it can organize the standards of evaluation, mutual scrutiny and benchmarks that define progress. These have wide international circulation and standing and can make an individual country nervous of the consequences of any perceived failure to conform (Porter and Webb 2008).

Governance by instruments represents the formal legal instruments that secure implementation of decisions and recommendations. Membership can require full acceptance, however unpalatable, the domestic consequences are. The directives on the free movement of labour could be a controversial case in point. The EU has the means within its procedures to insist that a member state conforms.

The OECD has eschewed this particular mechanism and prefers to operate through advisory and persuasive declarations, understandings and non-binding acts. This is 'soft law' in contrast to the 'hard law' approach (Marcussen 2004) expressed in formal international treaties that contain coercive enforcement procedures. In any event, the OECD does not have sufficient financial resources at its disposal to operate complex enforcement procedures. For all practical purposes, it could formally be regarded as a 'toothless tiger' but has managed to avoid this designation by the skilful use of the first two governance dimensions listed above.

IRELAND: A CHANGING LANDSCAPE 1960-2003

At two crucial points, one in the early 1960s and again in 2003, any prospect of achieving desired reforms in Ireland's higher education system had become stymied by entrenched interests and public administration inertia. Normal processes such as national commissions or external consultancies were unable to bring in change at a reasonable pace. The approach to the OECD offered a way forward because an external review seemed the best possible route to inject a sense of urgency into the process and to introduce a different framework of reform ideas with international backing. On the one hand, this recourse to an external agency highlighted the inertia of domestic policy formation. On the other hand, it offered a freer hand to reformers within the public service to suggest changes under a different banner that had greater capacity to achieve general acceptance.

A Most Distressful Country

Historians of modern Ireland (Lee 1989, Ferriter 2004, Lyons 1971, Garvin 2005, Keogh 1994) paint a very bleak picture of Ireland in the 1950s. It sometimes seems as if they vie with each other in their descriptive barbs of that sorry decade. It began with the collapse of an effort to put a modern health care system in place analogous to the UK's NHS. By its end, 400,000 Irish men and women had left the country and a mood of dark despair appeared to prevail. The contrast with the situation in the rest of Europe was stark. While other countries prospered in that decade, Ireland languished behind. The European democracies experienced a 42% rise in national wealth between

1949 and 1956 while Ireland could only achieve an 8% growth. In fact the average annual growth rate for the decade was only 1.7%.

Ireland's overall growth performance in the 1950's was one of the worst in Europe, emigration reached record levels and confidence about the viability of the economy reached an all time low.

(Kennedy et al 1988:55)

The real question people asked in the 1950s was not whether the State should expand but whether the nation would survive.

(Breen et al 1990:35)

These were the darkest hours but some hopes of renewal became evident in the decade's final years. The recourse to the OECD for assistance in education policy was one of a number of initiatives that began to take shape from 1958 to change the overall direction of public policy and lift the country from despair. The most significant of these was the conversion of some senior public servants to the ideas of economic planning.

The leader of these innovators was Dr T.K. Whitaker, who became, at age 40, head of the Department of Finance in 1956. He advocated Keynesian style economic policies in a policy document 'Economic Development' published in 1958 and this laid the ground for the country's first experiment with official economic planning 'The First Programme of Economic Expansion' 1958 -63. The linchpin of this switch in economic strategy was the decision to encourage foreign investment and stimulate free trade.

As Ireland began to look outward, its officials became open to new influences from international organisations across a number of areas. It was inevitable that, in due course, a cold eye would need to be passed over the state of the education system at every level if sustained headway was to be achieved by the new policies put in place by the Whitaker reforms.

The Institutional Map

At the time of the first OECD visit, Ireland had a very basic higher education structure. There were five university institutions, consisting of Trinity College, Dublin and four constituent colleges of the National University of Ireland in Dublin, Cork, Galway and Maynooth. Their primary purpose was to service access to the major professions such as law, commerce, medicine, engineering, agricultural science, post-primary teaching and public administration. These five institutions accounted for the vast majority of higher level students. There were, in addition, a number of primary teacher training colleges while the Colleges of Technology and Commerce, run by the Vocational Education Committees in both Dublin City and Cork , offered courses that led to professional qualifications in engineering, accountancy and similar disciplines. As will emerge in Chapter 5, this structure was fundamentally changed as a consequence of the reforms that came in the wake of the OECD review in 1962-64, the introduction of free secondary education and the overall increase in demand that came with the economic growth of the 1960s.

The universities expanded to accommodate the new demand and the wider social base of applicant students. Two National Institutes of Higher Education were created in Dublin and Limerick with the specific purpose to expand vocational capacity and these ultimately became universities in their own right in 1989. The Dublin and Cork VEC Colleges became the hub of a new network of regional technical colleges created to cater for the type of vocational courses that featured in the separate OECD examination of Technician Training in Ireland. The six colleges in the Dublin VEC system were subsequently merged to create the Dublin Institute of Technology (DIT) and this rapidly became one of the country's largest higher education providers,

offering a full range of qualifications from technician level to post graduate within a single institution.

Accordingly, by the time of the second OECD visit in 2003, the map of Ireland's higher education system had been comprehensively redrawn. The numbers involved had dramatically increased as had the range of courses on offer to students. The Regional Technical Colleges had been re-designated as Institutes of Technology and were now fourteen in number. Some, notably those in Waterford and Cork had, along with the DIT, set their sights on becoming universities. A binary divide had taken hold between the group of seven universities and the fourteen Institutes of Technology, giving rise to considerable rivalry between both sets of institutions in their claims for the funding of their expansionary ambitions.

The Education Background

The Irish education system in the early 1960s was both a mirror image of the country's overall dismal state and a contributing factor to it. Sean Lemass, Taoiseach from 1959-66, recalled later that there was no evidence then of the public enthusiasm for educational investment that became manifest in later years (Lee 1989). The Department of Education, a 'traditionally moribund department' (ibid), displayed little appetite for innovation or change.

The Department of Education did not have a distinguished record in taking initiatives. The key concern was to keep the system operating with minimum upheaval.

(Coolahan 1989:28)

These criticisms are well founded. The OECD review team examined in detail a cohort of 55,000 pupils. Of these 17,500 left education at the end of primary level. There was drop out rate of 36% in the early years of post primary. Just 10,000 of the cohort carried on to sit the Leaving Certificate, the standard national examination at

the conclusion of secondary education and of these only 2000 went to university.

(OECD 1965)

While the initiative for reform in the Department of Finance came from Dr Whitaker at the top, there was no equivalent pressure for change among senior staff in the Department of Education. 'According to Dr Hillery (Minister for Education 1959-65), the main obstruction to reform was the Department of Education' (Bonel-Elliot 1996) while, in the background, there was a definite antipathy to any increased State role in education from senior Catholic Church figures (O'Buachalla 1988). Hence, any pressure for reform in education lagged behind the more general stimulus for change in economic policy from the very top of government, political and official. There was little attention paid to the education system in the economic blueprints of the time and the Department of Education was not included in the steering committee of senior civil servants established to oversee the Whitaker reforms.

That the Department of Education is not included certainly makes it evident that there is no realisation of the economic importance of education amongst those at the top responsible for the future development of our economic life.

(Garvin 2005: 180)

It was to be some years before an equivalent pressure could be generated in education to coax that Department from its inertia, despite the express desire of the Minister himself to deliver reforms.

Three distinct components of reform needed to come together to secure progress. These were the recognition of education policy as 'sometimes the *agent* of change, sometimes the *condition* of change, sometimes the *effect* of change' (Craft 1970, original emphasis). For the economic reformers the state of the education system emerged rather belatedly as a distinct barrier to economic advance and they wanted their priorities reflected in new policies to expand opportunities and encourage

curriculum development. It was one thing to fundamentally switch economic policy towards incentives for foreign investment and trade but quite another to put in place an educational framework to supply the range of skilled personnel that could support the operation of the new policy.

The three elements came together for the first time at one critical point in the early 1960s and the OECD played a key role to bring this about. The same three elements came into focus again forty years later when the international organisation was invited again, under very different circumstances, to look at the contribution of the higher education system to an economy that had switched (temporarily at least), in the intervening decades, from one of Europe's sickest to one of the continent's healthiest.

Reversal of Fortune

The story of Ireland's transformation in the 1990s into the so called Celtic Tiger economy is well chronicled (Sweeney 1999 and 2008, Clinch et al 2002, Ferreira and Vandhout 2004) and needs only a brief outline here to set the context of the later OECD review. The Whitaker proposals in his 1958 document opened the way for Ireland's absorption in the wider European and global economy and had an immediate impact. The new policy was quickly effective in stimulating the country's economy in the 1960s, prepared the ground for European Community membership from 1973 and, apart from some unstable intervals, ushered in a long period of economic advance and reduced emigration.

The distinct difference of the period from the mid 1990s on is the pace and scale of the internationalisation process that had, right from Whitaker's time, set particular store on attracting foreign capital to establish export oriented industries in Ireland. The average annual growth of Gross National Product was 9.3% between 1993 and 2000.

The numbers at work went from 1.15 million to 1.65 million. Emigration effectively ended and was replaced by a steady influx of immigrants leading to the first rise in population in a century.

Of particular significance for the purposes of this study is the form and substance of the growth and the demands it placed on the higher education system.

Whitaker had very little to say about education in his initial paper. His concern was with the broad sweep of economic policy that came under State control. Primary and secondary schools were largely independent of public control. They operated mainly under denominational faith based management which jealously guarded both its position and the kind of education offered in the schools.

The curriculum content at second level concentrated on a broad grammar school education with very limited attention paid to vocational content. In 1962, four years after the publication of the Whitaker Economic Development paper, the Council of Education (a broadly based consultative body) steadfastly endorsed the main lines of the existing curriculum and rejected any suggestion of a reorientation towards more vocational subjects. For example, in 1967, the breakdown within the Dublin area was 82% grammar to 18% vocational (Garvin 2005).

Secondary Education in Ireland has traditionally been oriented towards the needs of the professions, towards teaching, the Church, the law, medicine and accountancy, and the opportunities and requirements of industry have tended to be treated as a by-product.

(Peck 1966:201)

The major function of secondary education was religious, moral and intellectual construction.

(Tussing 1978:40)

A small publicly managed sector, under the auspices of local Vocational Education Committees (VECs), did exist to offer a different style of education with an emphasis on preparation for trades in agriculture and industry (Breen et al). The pupils attending

these schools were usually from a socially disadvantaged background and they did not, until the mid 1960 reforms, offer courses that lasted the full post-primary cycle.

Two factors in this scenario had a profound effect on the decisions made about higher education. One concerned the low level of participation and the persistent early drop out rate. This feature was exacerbated by severe regional disparities, on top of the traditional social class disparities, in participation and completion of post-primary. As a result, the system, as it operated, was simply inadequate in its size and regional distribution to offer long term support to the kind of economic changes proposed by Whitaker. A further factor was the heavy emphasis on an academic style curriculum in the schools and the determination to maintain that emphasis as a major component part of the religious ethos in the schools. This viewpoint got dramatic confirmation when the OECD examiners got to work and highlighted the glaring inadequacy of the science and mathematics programmes as preparation for any more advanced technological studies (OECD 1964)

That mindset remained deeply entrenched and its proponents contested any attempt to change the curriculum's orientation. One senior official recalled a teacher union leader's blunt demand that 'the economist occupies the place he should in education and that is, of course, a minor place' (O'Connor 1986). Though the same attitude can be discerned to some extent in other countries at the time (for example the Two Cultures debate in the UK: Burnett 1999), the OECD visiting panel on technician training in 1964 was struck by the degree of incomprehension towards science education they encountered in Ireland (OECD 1964).

The measures they urged to remedy this had far reaching effects on the shape of higher education for decades. Nevertheless, even as late as 1992, when many reforms had been enacted and implemented, a high level industrial policy review expressed

exasperation at the continuing academic bias within the school curriculum and the exaggerated status of the traditional professions (Heraty et al 2000).

The contribution of productive enterprise to our social and economic objectives should be an issue of primary importance at all educational levels to de-emphasise the bias towards the liberal arts and traditional professions.

(Culliton 1992:52)

The public authorities had to confront delicate issues on two fronts, participation and curriculum. Changes to either would involve a significant increase in State involvement in education with the dual aim of expanding participation and the re-orientation of the curriculum.

At one level, the changes introduced in the mid 1960s, following on the work done by the OECD, were dramatically successful. The Investment in Education Report (OECD 1965 op cit) earned huge accolades from subsequent historians.

Epoch making (Lyons 1973: 652)

A water-shed (Breen et al 1990: 141)

Its report was to constitute an historic event (Garvin 2005: 192)

One of the most important documents in the history of modern Ireland
(Tobin 1996: 169).

In fact, it was a parallel review, The Training of Technicians in Ireland (OECD 1964 op cit), while of a more limited scope, that had just as significant a long term effect. It provided the catalyst for many far reaching reforms in the structure, status and content of vocational education and directly led to the establishment of a network of Regional Technical Colleges.

Certainly, the framework created at this time did dramatically change the landscape of higher education in Ireland and enabled economic policy makers to promote Ireland

successfully as a location for mobile international investment in those sectors where a ready supply of technical skills was a marketable advantage.

Within higher education, the pattern of student enrolment switched radically from one type of institution to another. In the mid 1960s, universities had a 75% share of full time third level students, with 20 % in teacher training colleges and only 5% in the higher vocational and technological colleges operated, mainly, by the City of Dublin VEC. By 2003, the Institutes of Technology share in a vastly increased system had increased to 44% (O'Connell et al 2006), partially fuelled by generous subsidies from the European Social Fund to technician level courses under the guise of support for industrial training programmes.

Undoubtedly, this radical realignment did produce the results sought by the economic planners, but it also contained a hidden danger that would, in time, cause a later government to initiate a further recourse to the OECD for policy assistance. On the one hand, the entire sector did deliver the range of professional and technical skills sought by international electronic, pharmaceutical and other companies and this supply was a contributing factor to Ireland's economic boom of the 1990s. On the other hand, that strategy had distinct limitations which became evident gradually.

Wickham and Boucher (2004) concluded that the Irish experience involved 'a *particular* education system contributing to a *particular* form of economic growth' (original emphasis). Early in the new century, some of the contradictions began to become apparent and gave rise to questions about the balance within the sector and the long term viability of some of its individual components.

One of the principal weaknesses concerned the low level of research and development operations carried out by the international companies in their Irish centres. Ireland

stayed consistently below the OECD and EU averages for R and D funding (Wickham 1998 op cit, Brereton, 2005).

Almost alone amongst OECD countries, the Irish third level budget provides no resources at all specifically for research; the Irish Government spends less on third level research as a percentage of Gross National Product than any other OECD country.

(Wickham 1998: 86)

Irish policy was geared to attracting mobile investment and was hugely successful in this but there was always a danger that the very mobility of the capital would become a disadvantage in a situation where high costs and other factors might cause the companies to leave Ireland as quickly as they came. A local R and D capacity could be an insurance against this but would require greater linkages with higher education and a more developed research culture within the institutions. An official review of future skills needs recognized the changing pattern in international investment decisions and noted that for the Information and Communications Sector in 2004, 'foreign investment through establishing R and D facilities abroad exceeded manufacturing investment abroad' (Forfás 2007).

What became uncomfortably evident in the first years of the new century was the apparent reluctance of many international firms to locate large scale R and D operations in Ireland. Only a quarter of international firms in Ireland were active in R and D. This unwillingness to commit a high level of investment to R and D contrasted sharply with their repeated public assertions of satisfaction with both the numbers and quality of the staff they recruited from the Irish higher education institutions. This begged an obvious question. If graduates had such high level credentials, why did the companies display such a slow response to government incentives to locate operations higher up the economic value chain than the straightforward manufacturing centres they set up in Ireland?

At the same time the higher education institutions were experiencing a considerable fiscal squeeze due to serious retrenchment in the public finances.

These two situations, the financial stress in the sector and the paucity of R and D investment within the international private sector, gave rise to serious apprehension about the long term capacity of the country to maintain its share of foreign investment and to meet the demands of the European Union's Lisbon Agenda. (Kelly 2007, EU 2005, Shattock 2005). Accordingly, in 2003, a decision was made to invite the OECD to carry out a full review of the higher education sector.

The contexts of the different OECD studies carried out in Ireland since 1960 could hardly be more different. The first related to a country emerging from a decade of despair and economic ruin. The later review related to a country enjoying a decade of unprecedented prosperity, but anxious about its capacity to sustain that prosperity in a very competitive and changing global environment.

In the intervening decades, Ireland had changed immensely. Nevertheless, both sets of international visitors, four decades apart, had to face very similar situations. Reforms had become necessary but all domestic efforts to secure consensus had become stymied by a deeply embedded resistance to change.

The OECD appeared to offer a useful mechanism to by-pass the routine sluggish procedures for promoting change on both occasions, within the public service and within the higher education institutions themselves.

RESEARCH APPROACH, SOURCES AND METHODS

Before proceeding with an account of the events surrounding the two principal interventions of the OECD in the formulation of higher educational policy in Ireland, an outline is provided of the research approach and sources used in the course of this study. Much of what will appear in later chapters will consider the OECD visits, the personnel involved, the interests and perspectives of the different stakeholders, the debates generated by the visits and the their influence on subsequent public policy. Inevitably, any such narrative involves choices as to what was most significant and influential. In this chapter, the rationale behind the choices and the rules that governed those choices are examined.

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Types of History

Many of the published works on the expansionary phases of higher education policy in Ireland use a standard narrative approach. These include general histories of modern Ireland (Ferriter 2004, Lee 1989), a handful of memoirs (O'Connor 1986, Fitzgerald 1991) and some more specific accounts that concentrate on developments in education (White 2001, Walsh 2009). These studies offer little by way of interpretive analysis, leading O'Sullivan (2005) to be critical of this genre of history research as too confined to the basic art of fact gathering. He suggests there is a latent hostility to research that goes beyond the confines of this art, for fear of "excavating hidden power circuits in Irish education that routinely escape identification and naming". The focus of this study is precisely that kind of excavation. In the coming chapters, particular sets of influences on the formation of policy on higher education will be

subject to detailed scrutiny to discover common roots of policies and the common sources of shared meanings.

McCulloch (2007) refers to three types of history of education. The first concerns the history of educational developments and displays an apparent dichotomy between two cultures at work in this field. The historian represents one culture and applies a traditional narrative method, while the educationalist, from a different standpoint, places the focus on issues within education 'with the purpose of directly linking interest in the educational past with its operation in the present' (Richardson 1999). The bicultural perspective draws on both, recognising with Briggs (1972) the value of treating the history of education as part of a wider history of society field, allowing aspects of the social sciences to be incorporated as well as politics, economics and religion.

The second type is socio-political in that it connects events in education to what was happening in the wider society and the changing demands placed on the education system at all levels by the State. Prime Minister Callaghan's demand for a 'Great Debate' on the potential role of education in the pursuit of economic goals is cited as a landmark episode in this type of history in the UK. The Irish equivalent would undoubtedly be the shake up of structures and curriculum brought about by the work of the first OECD survey teams a decade earlier, which continues to resonate within the Irish system as much as Callaghan's 1976 intervention does across the Irish Channel.

The third component of McCulloch's classification concerns the personal and the autobiographical and it, too, must take account of the wider social and political context and their influence both on the events that are the subject of the historian's work and his or her own perceptions on them.

The social sciences offer a particularly important perspective to the education historian, because any full description of an era has to encompass both the events of the era and the social changes that occurred in it. Historians and sociologists have sought to ally both disciplines in recent decades. Indeed, C Wright Mills has insisted that ‘all sociology worthy of the name is historical sociology’ (Wright Mills 1959, quoted in McCulloch and Richardson 2000). Emigration remained stubbornly a notable characteristic feature of Irish life in the decades after independence, especially in the 1950s, and was a significant motive for the pressure to introduce education reforms. Curriculum changes feature in the first OECD reviews of education in Ireland as part of the moves to adapt schools to new economic circumstances.

This is where Mills’ sociological imagination comes into play, because curriculum content has always been linked to social and cultural arrangements within a society. The education system had to cater for three different social and cultural purposes — vocational training, character formation and nation building — and policy makers had to tread a cautious line when they wanted to bring about any changes which might produce a deep resistance from the proponents of any of these purposes. In the Irish case, one extreme faction denounced a suggestion of World Bank loans to support the expansion of education through State sponsored schools as an attack on Catholic education, tantamount to bringing back the snakes that St Patrick had banished 1500 years earlier (Wickham 1980).

This is the point where the personal and the public meet, the hostile reaction of individuals or groups to changes that upset their values, pitted against the dynamic of public leaders who have to manage necessary changes to institutions. Hidden within the narrative of unfolding events is the story of how this conflict was managed and resolved at a particular juncture. This is one reason why an external review was the

essential catalyst for change in the Irish situation and why a purely domestic mechanism such as the 1960s Commission on Higher Education failed to have a lasting impact.

The Source Material

Documentary analysis is the principal element of the present work. Primary sources in official archives are used, supplemented by newspaper reports and parliamentary proceedings. The review of the OECD's first involvement with Ireland 1962-64 is based on various memos and correspondence available in the Irish National Archives and these are referenced as NA with the relevant Department and file reference number attached. For example, NA /1 refers to a document from the Department of Finance filed in the national archives under the reference number given, in this case D/Fin 2001/3/546.

The Irish Department of Education has a poor record in maintaining its archives and was heavily criticised for this in the 2009 report of the Commission to Enquire into Child Abuse (Ryan 2009) in the country's industrial schools. Fortunately, the relevant material and correspondence is available in the archived files of both the Department of the Taoiseach and the Department of Finance which were both heavily involved in the major decisions on education initiatives in the aftermath of the OECD reports. The files listed in NA/1 to NA/8 contain the correspondence and memoranda associated with the landmark 1961 OECD Conference on Education and Economic Development, the launch of the subsequent Investment in Education Review, the establishment of the Commission on Higher Education and the Steering Committee on Technical Education.

As well as the material in the Irish Archives, a substantial file T230/536 from the UK national archives at Kew was also accessed. The references NAUK/1 to NAUK/9 all come from this file and refer to specific letters, minutes and memoranda concerning the same 1961 OECD Conference in Washington DC which features so much in the Irish Archives. These UK documents are included because they provide a valuable comparative insight into the evolution of new thinking about education and economic development that was coming up for discussion in international meetings. These files are used to trace how attitudes among officials changed and they show, as with their Irish counterparts, how UK officials moved from initial bewilderment about these new ideas to a more positive engagement, tempered by apprehension about the loss of sovereignty that might arise from any external monitoring of progress.

The National Library of Ireland holds full records of the national newspapers on microfiche and these were studied, along with the official record of parliamentary debates, to gauge public and political reaction to the changes of policies and the creation of new institutions.

The material in all of these files informed the content of Chapter 5. The initial OECD Review was concerned principally with the organisation of primary and secondary education and hence, the files cover a wider range of education issues than the exclusively higher education elements highlighted here. These files were examined principally to establish the mindset among public officials and Ministers about the inclusion of a more general economic development perspective into education policy and the impact this change of attitude had on higher education decisions.

The content of these files is particularly instructive in the way they reveal the mounting frustration in official circles both at the slow pace of the Commission on Higher Education all through the period and the content of many of the ultimate

recommendations. By comparing the material on that Commission and its report with that associated with the contemporaneous Steering Committee on Technical Education, conclusions are drawn on how the binary divide in Ireland's higher education system evolved and the key role played by an OECD study in that process. These files were read with three separate perspectives, related to the research questions, in mind. The primary consideration was the higher education focus of the thesis. The second was to establish the sequence of events that led to the Investment in Education review in 1962 and the parallel evaluation of the training of technicians in Ireland. The third was to examine the shift in attitude among those whose primary interest was the longer term outcome of new initiatives in education on the country's economic fortunes and preparation for membership of the European Common Market. Each of these perspectives had an OECD element and the documents in the archives were scrutinised to see what explicit references existed that linked actual decisions or changes in policies to the OECD reviews.

The second OECD Review in 2003-04 was concerned exclusively with higher education, so that the source material had a clear and direct link to that theme. The primary source was the report of the visiting examiners, the submissions made to them and subsequent government and institutional initiatives.

Many of the issues covered in that review were the subject of intense public debate. Accordingly, extensive use was made of the media record of that debate, radio and television as well as newspapers. These were readily sourced both online and in the National Library, as were the parliamentary debates on some of the topics that created the most controversy. Of great importance, too, were those documents issued by the Government of Ireland and its agencies subsequent to the publication of the 2004

Review. The documents facilitated the study of any causal linkages between the report and later reforms.

Hidden Agendas

McCulloch and Richardson (2000: 91) list seven important issues that need to be addressed in assessing the value of published primary sources.

1. The study of the text itself, which can involve a textual analysis to decode the arguments and any hidden agendas or conflicts of interest it may contain.
2. Who is the author of the text and what is the purpose and circumstances in which the text was written and its relation to other works from the same source.
3. The context in which the text was produced, any associated social or cultural changes or economic and political circumstances, both national and international, which may have coloured or influenced the preparation of the text.
4. The characteristics of the audience sought, both specialised and general, and the desired effect of its publication to both these types of audience.
5. The influence that the text achieved and the results or lack of results that followed from publication and the reaction to it.
6. The processes involved in the preparation of the text, its origins and consequences. The time frame is part of this, but not exclusively, but the connection between the text and other contemporary developments need also to be considered.

7. The interests that informed both the production and development of the text and any conflicts or public disputes generated by the text both during production and after publication.

One UK case study cited (McCulloch 1989) has features similar to the present study and provided a useful comparative backdrop to the use of these headings in this work. It concerns a 1959 UK government sponsored review, The Crowther Report, of secondary technical education. This was an attempt to create an alternative branch of secondary education in the post war years with a particular emphasis on vocational skills. The policy failed in its express purpose, with only a small percentage of students following this path after a decade. By the 1980s, familiarity with this particular educational experiment had faded from memory just as another government chose to resurrect its underlying philosophy in another attempt to reconfigure the secondary curriculum.

McCulloch's rationale in revisiting the earlier experience was to establish what salutary lessons it offered for later policy makers. The purpose of this study is to establish a usable past in the sense promoted by McCulloch 'to illuminate recent and contemporary policy initiatives' (ibid). The documents in the present study relate to official government reports ('the institutional memory of Government', McCulloch 2004) prepared, both internally and externally, to guide and initiate changes in direction for public policy. Other sources include newspaper reports and articles, parliamentary debates and individual diaries which help to capture the flavour of the time and the motives and anxieties of those who participated in the decisions. A case in point is a note within a Government file that mentions a brief encounter on the steps of Government Buildings of an Irish official with an officer of the US Embassy in 1961 (NA/1). The American official took the opportunity to urge high level Irish

participation in the upcoming OECD event in Washington. It wasn't formal government to government lobbying conveyed through the exchange of diplomatic representation but it did result in the Irish official communicating a greater sense of urgency about the event to his colleagues. At face value, the note has little significance on its own. However, it does communicate a sense of the importance the US Administration attached to the event and its wish to secure wide international attendance.

These documents tell us how many of the higher education institutions that dominate current debate took shape originally. Their role in contemporary society is fundamentally conditioned by those decisions and how they came to be made. The documents evoke the debates of the time and the priorities that guided decisions on structures and curriculum that, for the most part, have remained intact over the decades.

Another point of interest in documentary analysis is to discover the meaning of the document and to read it much as it would have been read and understood by its contemporaries (McCulloch 2004). A casual reference to the Sputnik in an Irish memorandum of the time (NA/1) is indicative of the general sense of anxiety that was common at the time in western societies about the impact of Soviet technological advances. This unease was a significant contributory factor in motivating a thorough examination of the state of education in western countries, including those, like Ireland, who shared the wish to contain the perceived Soviet threat.

Scholars like Fairclough (1995) add an extra dimension to the search for meaning within a document. This is the study of how language features in the processes of social change and is of special relevance in any assessment of how an international body like the OECD attempts to set the terms of debate within an individual member

state when it carries out a review. This is a feature that has come into play more in recent decades than in the earlier visits of OECD examiners. There is a sharp contrast between the style of interventions and the associated language at different times, indicative of a switch from policy advice to policy prescription. Undoubtedly, particular ideas get integrated into the language used by writers, scholars, opinion formers and policy makers. The persistent repetition of these same ideas encourage their general acceptance as ‘common sense’ and so become resistant to challenge, a process defined by Fairclough (1989) as ‘naturalisation’.

The OECD is in a good position to facilitate this process as it offers analytic insights to its member states and its internal procedures, country reviews and international league tables, encourage debate of these insights and their absorption into national policies.

A full historical review of landmark events and the forces that shaped them offers scope to see if such naturalisation of language played a significant role. Peer review and peer pressure are acknowledged in OECD documents as favoured mechanisms for the transmission of ideas. The express purpose of such reviews is to embed these ideas into national policy discussions as the international norm so that they become part of conventional wisdom in a particular area of policy. This study traces the lineage of some specific policy decisions in Irish higher education back to the OECD’s involvement at the two different occasions under examination.

The study involves a search for mentions in the texts that can establish verifiable connections between the content of the OECD reviews and the political, administrative and institutional changes that followed. Any one individual linkage may not in itself constitute definitive evidence of an overriding OECD influence, but

taken together the cumulative effect of many separate connections may well constitute the basis of such a claim.

This form of process tracing is where the historian meets the political scientist in a “common middle ground for historians interested in historical explanation and political scientists who are sensitive to the complexities of historical events but are more interested in theorising about categories of cases as well as explaining individual cases.

(George and Bennett 2005: 223)

To summarise, the research approach involves three separate but interlinked methods, all qualitative. One is a traditional historical narrative, as seen through contemporary documents, of two OECD reviews that helped shape Irish higher education policy.

Secondly, there is a content analysis of these documents to emphasise the origin of particular ideas and priorities that had a strong impact on later policy decisions.

Thirdly, the causal linkages, direct and indirect, between OECD recommendations and particular Irish reforms and policy initiatives are highlighted.

SECTION TWO

THE FIRST OECD REVIEW 1962-64

THE SHOCK OF THE NEW

THE FIRST OECD VISITORS TO IRELAND

The arrival of President Kennedy in the White House in 1961 and the continued apprehension throughout the western democracies about Soviet technological advances brought a new urgency to the debate about the role of education in economic development. The Kennedy Administration took this debate a step further by encouraging like minded governments to participate at a high level in a conference organised by the OECD later in 1961. That conference opened up an entirely new perspective on educational policy for the participating Irish delegates. They brought back to Dublin a proposal for an in depth review of education in Ireland under OECD auspices that was to change the face of education policy making at every level in Ireland. This chapter explores how these changes unfolded and the impact on higher education in the subsequent period.

Washington Conference: October 1961

The OECD sponsored a conference on Education and Economic Development at the Brookings Institute in Washington DC in October 1961 with delegates from 18 countries in attendance. The invitation to Ireland to participate was couched in terms that stressed the particular significance of the theme, the level of representation expected and that such representation should come from both the educational and economic sides of government. A Department of Education official noted 'It is surprising the number of countries that are being represented by the permanent heads of their ministries of finance and education' (NA/1). The invitation to participate

stressed that this was not merely a general meeting of experts but more of an inter-governmental discussion that would draw 'policy conclusions which could subsequently be submitted to Ministers' (ibid). The invitation to the UK government was couched in similar terms. The high rank of the personnel proposed as representatives from the new Kennedy Administration caused quite a stir in Whitehall and led to an intense debate within the Treasury on the topic to be debated and on who should represent the UK (NAUK/1).

There was some bewilderment evident in both Ireland and the UK as to why the conference organisers were so keen to have representation from economic departments as well as from Education. The notion of an explicit co- relation between economic development and educational investment was a novel one. One Treasury official observed that 'no one here has ever done any work on educational policy in relation to economic growth or economic policy' (NAUK/2). Equally officials in the Department of Finance in Dublin were not at all sure of what relevance the proposed discussions in Washington had for them at all. 'I see no compelling case for us to be represented' was the initial reaction of a senior Irish officer (NA/1 op cit) though the balance of opinion on that point changed later in both capitals. A UK official noted that 'the general feeling is rather lukewarm' (NAUK/3) while another confessed he was 'not sure what there is to be gained from inter-governmental policy exchanges on so wide a subject (NAUK/4).

However, since there was more general enthusiasm among other countries for the conference they acknowledged 'it would be a mistake to treat it more lightly' in the UK (NAUK/3 op cit). Later, that view developed into an express wish 'to put on a good show' (NAUK/5) in Washington. Some of the official misgivings arose from an apprehension that the conference might set up monitoring procedures on the future

policies and performance of member countries in the field of education investment.

The UK's Delegate to the OECD expressed particular unease at a suggestion that the conference 'might even recommend periodical confrontations of national policies in this field' (NAUK/6), a quite prophetic observation.

The underlying philosophy implied in the conference agenda also generated considerable scepticism in Whitehall. 'Education and Economic Growth is a subject which may lend itself to the production of de luxe bosh on a grand scale if we are not careful' observed the official charged with preparing a UK outlook (NAUK/7). It was one thing to claim a powerful role for education in the advance of national prosperity over a long time scale like half a century but quite another to claim a demonstrable link between the two over a period of 10 or 20 years.

A background paper prepared for the Treasury (NAUK/8) highlighted the so called Bellagio (Bellagio, in Italy, was the venue of an international conference of universities in July 1960) Doctrine as the likely dominant message to be expected from the Washington event and anticipated an effort from the conference organisers 'to indoctrinate with similar views people who are in a position to influence Government policy in this field' (ibid). The message from Bellagio had a number of elements.

- The advanced countries were in a phase of educational expansion so rapid as to constitute a revolution.
- The accumulation of technical knowledge created opportunities for economic progress that could only be exploited by an increased demand for educated manpower.
- Spending on Education should be seen as much a form of investment as a form of consumption.

- There was no 'talent barrier' to the expansion of education as there was adequate numbers of suitably able people who could benefit from the additional opportunities in education suggested.
- Policy decisions should be based on the proposition that expansion in education should proceed at as great a pace as permitted by organisational capacity and not be limited solely by budgetary considerations.
- The effort to expand education opportunities should encompass the whole population rather than a concentration on more gifted sections.
- Explicit emphasis was given to the importance of long term educational planning in view of the long cycle of preliminary preparation that expansion would entail. (ibid)

The budgetary implications of such an open-ended expansion of spending on education were not lost on officials in either Dublin or London. Their memos display anxiety even about the cost of sending delegates to Washington not to mention the inevitable inter-departmental disputes that would occur if one department was seen to get an embedded advantage in negotiations over future funding, always an anathema to budget officials.

The same arguments as are advanced in favour of education are commonly advanced in favour of many other forms of expenditure, eg on roads, which also offer a blend of social economic and other benefits, both conveniently difficult to quantify. It may well be right to prefer education to many of these other claims, but the rational way to reach such a decision is after considering the whole picture, not the blind application of a pre-judged principle.

(NAUK/9)

Almost identical concerns were to feature in the discussions among Irish officials as the financial implications of the OECD process became clearer in the wake of the Washington conference. The message from that conference took time to take root

among Irish policy makers, notably in the Department of Finance, notwithstanding the new openness towards economic planning (NA/2).

Ireland sent two senior public servants to Washington, Mr Sean MacGearailt from the Department of Education and Mr John McInerney from Finance. They heard reports from many countries on the economic impact of educational reforms and were clearly impressed (NA/3) by the force of the repeated arguments that investment in education was a pre-requisite of economic growth. It was an argument that had never before been made in Irish debates even among those who had been pressing for fundamental economic reforms in the previous three years.

More significantly, they learned about an OECD initiative, called the Mediterranean Regional Project (MRP), in a number of Southern European countries. The purpose of this programme was to establish what contribution the education systems in these countries might make to rapid economic development through the delivery of skilled manpower. The focus of the work done was principally in the area of manpower forecasting and to formulate educational plans that dovetailed in with these forecasts (Woodhall 1967). In Washington, OECD managers came forward with a suggestion that some Northern or Western European countries might participate in a similar exercise to see if the methodologies used in the MRP might have a wider application and thus sustain the momentum for reform promoted at the conference. They needed to find a State willing to be the pioneer of such a review before they could offer the procedure more generally to others.

Keill Eide, Principal Administrator of the OECD's Directorate of Scientific Affairs, approached the Irish delegates with the suggestion that Ireland might take on such a pilot study. His offer included financial and technical support for a wide ranging review in Ireland (NA /1). This proposal left the delegates with an unexpected

dilemma. The countries involved in the MRP enterprise shared 'common characteristics of low income per head and ramshackle education systems' (Vaizey 1967) and to admit that Ireland fell into that category was unflattering. As veteran Education official Sean O'Connor noted, the apparently generous offer of assistance had a 'sting in the tail' as it would involve participation in a full scale survey to examine every feature, warts and all, of the country's educational landscape (O'Connor 1986). Since the report would be published, all of the chosen country's faults could be exposed for all to see. To be the object of an initial report could result in possible unwelcome political consequences at home and for the country's standing internationally and would threaten the jealously guarded notions of national sovereignty that permeated Irish political philosophy since independence. Despite these reservations, the officials got sanction to proceed and Ireland, along with Austria, was chosen for the survey exercise.

The head of the Department of Finance, Dr Whitaker, was keen to accept the project. His flagship economic policy document, the Second Programme of Economic Expansion, was in preparation at the time and the suggested OECD survey might facilitate planning for the supply of technical and scientific manpower that would be needed to carry out his plans (NA/1). Whitaker lent his powerful support to the survey proposal in a memo to the Cabinet (NA/2) and the Taoiseach, Sean Lemass, enthusiastically endorsed it, specifically citing the OECD's emphasis on economic planning and adding an extra dimension that this OECD's initiative 'could have a very important bearing on our future relations with the European Economic Community' (NA/3).

The procedure used was to establish a specialist survey team on investment in education, charged with the task of carrying out the detailed research. In framing the

terms of reference (see appendix A), the Minister relied almost exclusively on a preparatory document from the OECD's Governing Committee on Scientific and Technical Personnel (NA/4). The first of these terms reflected the switch of attitude towards a human capital outlook in framing education policy.

Preparation of inventory of the existing position in relation to skilled manpower (ibid)

Clearly the reformers decided to start as they meant to go on. This was confirmed when Minister Hillery spoke quite explicitly on this theme to the inaugural meeting of the steering committee in terms that would have been inconceivable even a year earlier.

Education is now accepted as an investment of national resources. Indeed, from a purely economic view, it is now recognised as a major factor in economic growth. A country that allows its human capital to lie fallow will, if I may mix my metaphors, be left behind culturally as well as economically.

(Hillery 1962a in Hyland and Milne 1992:30-31)

The Taoiseach, Sean Lemass, added the new set of priorities and its associated language to a speech he made to a religious teaching group in Sligo that summer (NA/4 op cit). For the first time, he went beyond the usual platitudes about education's primary role of personal character formation and put the economic dimension at the centre of policy. As the OECD team began its work, it was evident that Ministers, including the Taoiseach, were preparing the ground for quite fundamental changes in attitude that might follow from the survey, though at each stage they were at pains to offer reassuring sentiments that the new priorities would not compromise education's 'wider' purposes. 'In no sense will they be concerned exclusively with "economic man"— if there be any such species'. (Hillery 1962a).

Though it had an international label, the survey team's composition was exclusively Irish. The Director was Professor Patrick Lynch, an academic economist and it

included a statistical expert, a senior Inspector from the Department of Education and Dr Martin O'Donoghue, another academic economist. The team's composition also reflected the technocratic mandate it was given. There was a clear signal that a new set of priorities and influences were to be brought to bear in the evolution of policy while, at the same time, a cautious note was struck in the official emphasis on the project as primarily 'a fact gathering exercise' (NA/1).

The survey team faced many difficulties in carrying out the statistical and other research necessary for their task, so that their report took three years to complete. The underlying human capital orientation that was to guide their work was evident in the formal Ministerial announcement of the survey. Dr Hillery spoke of the changing occupational structure in the country and anticipated that 'new occupations will evolve and old ones will die' (Hillery 1962b). This, he suggested, would have considerable implications for education and training.

The Investment in Education report was a massive document with exhaustive statistical appendices detailing every aspect of the Irish education system at all levels. Three sections were of particular importance to the theme of higher education examined here. One was concerned with forecasting the flow of skills into the economy and another with how this forecast impinged on the education system with special reference, eloquently expressed, to the disparities in the participation of different social groups in education as well as conspicuous regional disparities. The third related to the establishment of a development unit within the Department of Education charged with carrying on and updating the statistical and forecasting work, as a guide to future policy formation.

As the survey was primarily concerned with the capacity and organisation of primary and secondary education, the influence of the report on higher education became

apparent more in the longer term than from any specific recommendations they made for that sector. What was significant was the enduring effect of the underlying philosophy and methodology adopted by the team. The careful painstaking effort at manpower forecasting highlighted potential deficits in the future availability of skilled personnel at many levels, including those associated with higher professional qualifications. Inevitably, any policies that sought to remedy such deficits would look at the capacity and the form of higher education. The creation of the development unit within the Department would maintain that pressure while any expansion of earlier levels of education to wider social and regional groups would, in time, give rise to an increased third level demand in general and to a wider geographical spread of accessible institutions.

Parallel to the work undertaken by the OECD team, two other simultaneous enquiries were underway that had a more specific higher education focus. One was the Commission on Higher Education, established in late 1960, which spurned any suggestion of a direct OECD role in its research or deliberations (NA/5). By contrast, the other, The Report on Technician Training in Ireland, had a major OECD input. This report never generated anything like the public attention and debate that followed the Investment in Education report. What it lacked in headlines, however, it made up for in impact.

The operation and contrasting outcomes of both these reviews is an interesting case study of how decisions were made at the time in an important area of public policy. The OECD report on technician training was a sharply focused review and did not concern itself with broad educational or philosophical issues. It had a limited mandate to recommend ways to fill a particular deficit within the educational system both as regards the output of people with the kind of qualifications judged to be essential to

the country's new economic policy and any associated revisions to the general school curriculum that would facilitate and encourage take up of these qualifications. Broadly the review had a simple task to recommend a 'what works' framework and it kept to this outlook throughout its work thus eschewing any controversy about the more fundamental aims of education that might bring it into conflict with particular interests.

Technician Education

The issues surrounding the training of technicians became the subject of some discussion quite early on in the 1960s, quite apart from the Investment in Education review. The schools system catered for those who wanted to take up training in standard crafts such as carpentry, plumbing and electrical trades. Apprentices were recruited for these trades through the vocational schools. Similarly, the secondary schools offered a route to higher education in science and in the different branches of engineering through the universities and higher technological colleges operated in Dublin by the Vocational Education Committee.

The missing element in this arrangement was any mechanism to promote an intermediate technician grade with responsibilities and qualifications between those of the professional engineer or scientist and the skilled craftsman. Such a technician would have the supervision of craftsmen as a component of their work and this would necessitate familiarity with the particular branch of engineering involved. An additional component of technician activity would relate to design and development work and this would require a more general scientific element to be incorporated into the education programme.

The same issue was evident in discussions on technical manpower requirements elsewhere in Europe and featured in early OEEC/OECD documents. With the rise of automation in industry, there was a need for ‘people to have a sufficient theoretical grasp of the basic technology of the plant to bridge the gap between the technical management and the routine operation of the process.....The training of technicians appears to be a major gap at present (OEEC 1961).

As early as 1961, the Institution of Engineers in Ireland (IEI) had drawn attention to the importance of providing for this qualification. Their manpower survey in 1963 calculated a potential need for as many as 10,000 people with this type of qualification by 1970 (Engineer 1964). The Institution found a disturbing ‘attitude of misunderstanding’ (ibid) about the place of technicians in the scheme of things.

One survey of engineers employed by local authorities and the main public utility companies (OECD 1964) indicated that many engineering graduates were primarily engaged in routine activities that could properly be done by technicians.

A visiting US engineer spoke bluntly in 1964 about the confusion that existed in Ireland about the role of engineers and their place in manufacturing industry (Frank 1964). He highlighted the ephemeral value of the tax incentives, low labour costs and subsidised facilities that formed the basis of public industrial policy and suggested these ‘artificial incentives’ would have no long term value unless changes to engineering education took root and produced a new generation that had a wider outlook on the range of activities involved in engineering and the capacity to produce goods in a time and of a quality that did not require the extra incentives to be profitable.

The economic incentives are much like pouring petrol on turf to get the fires going quickly. Initially the fire blazes spectacularly but, when the petrol is burned out, the brightness of the fire depends only on the turf. If it is of good quality it will burn

properly when the stimulus of the petrol has been removed; if it has not, the fire will go out.

(ibid: 510)

There was only a very limited capacity in the Irish system to cater for this category though some vocational schools and colleges did offer courses leading to UK qualifications such as City and Guilds (Duff et al 2000).

There was little by way of a local consensus on how to progress this matter except for a general apprehension that any ambition to achieve industrial development might be obstructed if potential national and international investors found no mechanism in place to meet their skills requirements in this category. Professor John O'Donnell from UCD did some ground breaking analysis of the Irish situation (O'Donnell 1962) and noted a widespread lack of familiarity in the country with the meaning of the technician category and the responsibilities and levels of expertise associated with the grade.

He based his assessment of Irish needs on a widely used international benchmark of the time, the number of boys leaving primary schools. Eleven countries reported on how many graduated at the three different engineering grades Professional Engineer, Technician and Craftsman per 100,000 boys who left primary school. He then estimated how Ireland might fit into that framework based on graduation figures at the nearest equivalent levels in operation in Ireland and found the Irish situation for the technician grade to be more akin to the less developed countries on the list such as Spain and Turkey. He drew particular attention to a Swedish forecasting model that linked the density of engineers with standard economic data such as the value of production per employee and regretted the absence of equivalent data that could allow similar forecasts in Ireland. Nonetheless, he did make a reasoned case for expanding technician training opportunities and suggested the country would need these if it was

to progress towards the manufacture of capital goods rather than the basic consumer goods that formed the largest industrial sector at the time.

The Department of Education commissioned Professor O'Donnell to carry out a background study of the issue including a survey of a wide range of firms to quantify the potential demand. He again concluded that the most serious deficit in scientific manpower in the country was at this technician level but this time he went beyond the quantity of graduates issue and highlighted the inadequacy of the types of courses available. He expressed the view that Irish 'rates of expansion are likely to be hampered by the problem of adequate facilities for the training of technicians' (O'Donnell 1962).

This work coincided with the preparations for the general OECD review and, accordingly, the Department asked for OECD assistance in a separate review of this specific issue. This time the survey team had an international flavour. While the Department nominated Professor O'Donnell, the OECD nominated two international examiners, one from the UK, Professor Alan Peacock, an economist from York University, and Dr Werner Rasmussen, Denmark's Commissioner for Technical Education. Their work was structured round the standard OECD template for this kind of survey as outlined earlier i.e. an examiners' visit (September 1962) and report to be followed by a 'confrontation' meeting in Paris, held in January 1963.

Report of the Examiners

The Report of the Survey team (OECD 1964) is a standard OECD production with comprehensive tables and data from the surveys carried out as part of the process. The international examiners focused their attention on two aspects of the technician issue, basically demand and supply, combined with repeated expression of the view that all

future planning would be of value only when the flow of reliable statistical data was improved. One recommendation urged a permanent unit to carry out data collation and analysis on a continuing basis rather than occasional ad hoc enquiries. This emphasis on dependable data collection had a particular importance beyond the understandable wish to base their recommendations on the best information available. It also reflected their own choice of conceptual framework based on the use of manpower projections as the guide to future demand and the factors that would govern the corresponding supply.

Calculations of demand used a Swedish model that suggested a co-relation between the 'density' of technical personnel and increases in national economic output. On the assumption that Irish output would continue to grow at much the same rate as in the previous five years of the new economic policy, the forecast indicated a doubling of the demand side for technicians and technologists.

Projections for the supply side were more difficult to make as different sectors of an expanding economy could have very variable training needs and this led the examiners to concentrate on *quality* rather than *quantity* in their recommendations for the future (added emphasis).

The dry and meticulous presentation of the factual situation, as the OECD examiners saw it, contained no hint of the shake up that would eventually come in its wake when the Irish authorities came to grips with the measures that would be necessary to recast the system of technical education. The first hint of what was to come was in their outline of the curricular reforms that would be needed. The decision to focus on quality led them to insist that 'any curriculum of advanced technical education must be based on mathematics and the physical sciences' (OECD 1964) and all entrants for courses would need to have reached a fixed minimum standard in these areas. They

expressed a strong preference for a technical school leaving certificate with dedicated associated courses as the preferred route to more specialised advanced programmes of study. They went on to note with evident frustration, the rigidity of the entire education system then in place, and the inadequacy of the preparation offered by the existing secondary school leaving certificate in mathematics and science.

The intelligence requisite to technicians and technologists is not lower than that required for the liberal studies; yet the secondary schools cream off the brightest scholars, leaving to the vocational schoolsthose pupils whose scholastic attainments have been lower.

(ibid: 89)

This was the nub of the issue, a direct result of the social stratification within the structure of secondary education. Any possibility of establishing a viable system of technician education would require significant reforms in the secondary sector to open avenues of opportunity to students of the vocational schools to take subjects like mathematics and the physical sciences at a sufficiently advanced level that would prepare them for entry to colleges of technology to pursue technician level studies. As well as their proposal to create a national technical school leavers' certificate to be the basis for choosing entrants to higher level courses, they also suggested that a national board be set up to prepare course structures, entry standards and a qualifications framework in the technician education area. Both of these suggestions became the centrepieces of future policy debates and decision.

Confrontation Meeting:

The confrontation meeting on the examiners' report took place on January 29th 1963 at the OECD's Headquarters in Paris. The Minister, Dr Hillery, led the Irish delegation which included Dr O' Raifteartaigh, Secretary of the Department of Education, Professor O'Donnell and two members of the more general OECD Investment in

Education Survey team, the director Dr Patrick Lynch and Michael O’Flanagan, the Department’s Chief Inspector.

The examiners raised a set of specific issues with the Irish delegation.

- The value of a permanent committee on technical manpower to deal with employment prospects for technicians and their education needs
- The establishment of a permanent statistical unit in the Department to assist long term planning
- Particular needs in the Western and Southern regions
- The provision of courses in a modern continental language
- The level of State funding for technical education
- What demands could be placed on recipients of financial support to remain working in the country
- The form State expenditure should take, fee support or capital spending and the priority of one form over another.

The Danish examiner, Dr Rasmussen, reported on the degree of confusion that existed in Ireland over the place of a technician with no consensus evident of the precise function of staff with this grade. He detected in Ireland a singular absence of awareness that the introduction of modern equipment into industry would necessitate provision of training and education for those whose task would be to cope with the new environment. He also expressed the view that the general education curriculum should introduce everyone to scientific advances and scientific methods.

This is a plea, not for narrowing education to mere technics but for widening it so that the student’s horizons is enlarged and deepened.
(ibid: 100)

For his part, Professor Peacock gave an overview of the economic contribution made by education. He mentioned some of the different but complementary approaches that had developed in OECD analyses of this subject.

- The rate of return approach that attempted to broadly measure the contribution of education by comparing lifetime earnings of those with and of those without an education input. Like Dr Rasmussen, he raised the emigration question since this might reduce the value of the investment made to the community at large, since the value is exported.
- The simple correlation approach that highlighted wealth comparisons between different countries based on expenditure on education or alternatively, within a particular country, a comparison of GNP growth over time with the growth in technical education.
- The preferred choice of the examiners was the Manpower Budget Approach. This made a particular assumption of likely growth in the economy under review and predicted the probable level of demand for technicians and technologists that would arise from that assumption. The next stage was to compare that projected demand with any plans the national authorities had to test their capacity to meet the demand.

The reaction of the Irish delegation to the points made by the examiners displayed discreet hints of some of the mindset difficulties they had in adjusting long established values to the raw demands of the human capital agenda. Some indication emerged in the discussion of a clash of cultures and the different attitudes of each side to the fundamental question of the role of education.

The debate at the confrontation meeting helped to clarify both the general principles and the individual detailed proposals put forward by the international examiners. Like

the delegates who went to the Washington Conference a year earlier, the Irish delegates were hearing a new language about education and the demands placed on it by a rapidly developing economic environment. Their contributions displayed some unease that perhaps this new philosophy would involve a sharp break with long held values about cultural heritage, nation building and the mutual role of the individual and the State. The ostensible purpose of the exercise in Paris was a simple practical one, to plan ahead to remedy admitted deficits in the provision of technical education. The debate showed a distinct recognition that the end result might be far more dramatic than the apparent simplicity of the question posed.

Outcome of Review

In the aftermath of Paris, the Minister and his advisors had to resolve some difficult issues in order to proceed with practical measures to remedy the deficits identified at the confrontation meeting. How could additional provision for technician education be incorporated into a second level system that had so entrenched a bias towards a classical non vocational curriculum? Could the existing higher education system be reconfigured to promote a greater output of scientific, engineering and management graduates? Where would a higher education system with a vocational orientation recruit its students if the existing secondary schools continued on as before? Apart from these structural issues, the Minister had to have regard to resource issues as he was already committed to a significant building programme associated with the relocation of University College, Dublin and this limited his scope for any suggestion of further expansion of the traditional higher education sector.

The immediate concern was with the education issues and to resolve them within the existing second level structure. On May 20th 1963, the Minister announced a series of reform measures related to issues raised at the OECD meeting in Paris.

- To cover regional disparities he proposed the creation of a new type of secondary school to be called Comprehensive Schools, to be located in areas where there was no traditional secondary or vocational school within easy reach. The new Comprehensive School would offer a wider range of subjects than either of the two traditional types and so meet both academic secondary and vocational secondary needs.
- To remedy the deficit in technician education, he proposed to put in place a new Technical Schools' Leaving Certificate and the foundation of a group of regional colleges in different parts of the country dedicated to the provision of courses leading to this new qualification.
- He envisaged that those who completed this certificate would be ideally placed to pursue either university courses in vocational subjects or further education towards a technician qualification. The subjects on offer would be the usual mix of English, Irish and Mathematics but with others like Mechanical Engineering Practice, Mechanical Drawing and Electronics. In a rare gesture to gender opportunity, young women as well as men could take up Commerce and Economics options.

Hillery elaborated on his proposals later in a parliamentary debate.

There will have to be a change on the technical side because we do not have a corresponding limb in our vocational technical courses. A new involvement, therefore, will be a technical Leaving Certificate examination..... This technical Leaving Certificate would be itself a means by which a student could get on to a higher technological course, whether in a higher technological college or a university. This extra technical course will be carried out mainly in new regional technical colleges.
(Hillery1964a: 505-506)

The idea of a separate certificate to the standard Leaving Certificate got a cold reception but Hillery returned again and again to the theme of the OECD report and remained adamant that a comprehensive curriculum was an essential ingredient of any set of reforms. In fact, he placed it on a par with the more general objective of providing some element of universal post primary schooling.

Perhaps the most important development is to provide what is now greatly lacking, that is a higher course on the technical side of our educational system.

(Hillery1965: 719)

The second pillar of the Hillery proposals, the suggestion of a new type of college geared towards technician education, proved more durable though in a different form to that envisaged at first. The OECD review set out the core idea for a new type of qualification and the Institution of Engineers in Ireland (IEI) followed this up by setting in train its own procedures to determine the level of professional recognition that might be offered to those who secured the qualification (Collins 1975). This was done in two phases. In January 1965 the IEI established a committee to examine the 'Education, Training and Qualification of Engineering Technicians'. Its remit was to define this new category with a lot more precision than the rather vague generalities that recurred in public debate on the issue. To do this it had to look at matters such as

- The classification of the fields where a technician qualification would be required
- Entry standards for courses
- The range of subjects to be offered in courses and the standards to be met
- The type and quality of practical training appropriate to each field
- The setting and management of examination standards

Eventually, the report of the committee confined its discussions and recommendations to the higher level of engineering technician (IEI 1967) and suggested associated courses of three year duration. The committee urged the government to establish a National Council to take responsibility for the qualifications it was proposing, as was suggested in the OECD report. The IEI set up an implementation committee to make the institutional and educational arrangements to allow students follow courses leading to the higher technician qualification. A grade of Associate was established for graduates with subsequent working experience.

It would be 1971 before the IEI went further and made arrangements to recognise a level of technician below higher technician. The slow pace of these developments reflected a cautious approach within the Institution itself where some members were not particularly enthusiastic about the creation of the new grades at all.

The Institution of Engineers didn't have the monopoly on caution. Hillery made his initial reform announcements in May 1963 just a few months after the OECD meeting in Paris but he, too, found that to announce policy changes was one thing but actual delivery quite another. A year later, his frustration at the actual pace of change was evident in a parliamentary reply to those who demanded to know what had changed in practice in the time since his statement.

Any person who thinks the planning stage can be reached in twelve months has simply no conception of what the introduction of an entirely new system involves.

(Hillery1964b:288)

The Birth of the RTCs

Progress at official level continued to stall until the arrival of Donogh O'Malley as Minister in 1966. O'Malley, an engineer by profession, developed a reputation for decisive, sometimes impulsive, action and left behind a legendary reputation when he

died suddenly at a young age in 1968. He quickly set up a Steering Committee on Technical Education (whose membership included Professor O'Donnell). While this committee was asked to advise the Minister on technical education in general, it was given a more particular task of preparing a brief for a consortium of architects and other construction consultants which the Minister had already established to design some of the proposed Regional Technical Colleges. The urgency of preparing this brief for a professional team that was already in place put great pressure on the Committee to focus its deliberations very sharply on that specific task. It did not attempt to revisit any general policy issues on the supply of technical education facilities that had been under discussion since the visit of the OECD examiners some years previously.

This committee took up many of the themes that featured in the OECD Examiners' Report and the discussion on them at the Paris meeting. In preparing their report, the examiners had adopted the Manpower Budget Approach as their preferred model of human capital formation based on matching the supply of education and training places to projections of manpower. Following this line, the Committee prepared its accommodation plans for the colleges on projections supplied to them by the Department of Finance.

With such a clear focus, the committee did its work in less than a year. It prepared a blueprint setting out a general programme to develop courses for exactly the kind of qualifications proposed in the OECD report with additional provision for craft apprenticeships, adult education and some post compulsory second level work in the early stages of the colleges' development. Their emphasis on a broad spectrum of technological, commercial, art and design, and similar specialist vocational programmes gave the Regional Technical Colleges (RTCs) that emerged from this

process an altogether more ambitious mandate than the outline suggested by Minister Hillery in 1963. The blueprint proposed did suggest some measure of second level work but the centre of gravity was shifted subtly towards higher education qualifications as their core long term function.

Hillery had sought to add a vocational dimension to the existing second level system. O'Malley went further and placed his description of RTC functions quite decisively in a higher education perspective (O'Malley 1968).

The OECD Examiners had attached great importance to a proper national qualifications framework in the technical education area. To meet this requirement, the Steering Committee proposed a National Council of Education Awards and specifically suggested a framework similar to the UK's CNAA (Council of National Academic Awards). From its inception in 1965, the CNAA had a very wide remit to cover the award of degrees and diplomas to a wide range of non university institutions including polytechnics and Colleges of Further Education.

The suggestion of an equivalent body for Ireland was a clear indicator that the proposed RTCs and similar institutions outside the universities might, in time, have, the capacity to deliver degree level courses as well as the more immediate technician or higher technician levels that motivated their establishment in the first place. In a short space of time, the RTCs had expanded their mission at a bewildering pace even before construction of a single one had commenced.

At first, they were to be concerned almost exclusively with providing a Technical Leaving Certificate. Then the Steering Committee took a broader view that a significant higher education component would be incorporated into their mission and through its proposal for a national awards framework, left open the possibility for the development of more advanced degree level courses.

The construction of the RTCs proceeded rapidly and they quickly attracted a substantial enrolment rising from 1,200 in 1972 to 13,600 in 1989. In the 1980s, the increase in enrolment was of the order of 128% by contrast with a 32% expansion in the university sector (Education 1990). The Colleges became a valuable mechanism to absorb large amounts of investment from European Social Funds, ostensibly for industrial training. This assistance included direct financial tuition and maintenance support for students attending certificate and diploma level courses. Taking 1987 as a sample year 11,156 RTC students and 2,007 DIT students were in receipt of this ESF financial assistance (Education 1991). Attendance at these courses became a very attractive option to young people at a time when employment prospects were poor and enrolment expanded to the point where the Colleges took an ever increasing share of the increase in student numbers over a long period.

Summary:

Many of the major policy decisions in the decade that followed the 1963 OECD confrontation meeting owe their origin to the issues raised there. That Paris meeting to review the report on the Training of Technicians in Ireland took place in January 1963 and had an early impact on policy even before the general OECD Investment in Education survey was completed. The policy announcements of May 1963 reflected the recommendation in Paris to add a vocational emphasis to the secondary school system as a preparatory measure to a wider introduction of technical qualifications into the system. While the implementation of the new measures encountered many delays, this was less due to objections of principle than to the difficulties in achieving a consensus on ways to deliver a more comprehensive curriculum at second level to students in all types of school. Progress stalled until the Steering Committee on

Technical Education proposed an action blueprint for the establishment of a network of Regional Colleges, backed by a national awards council, with a mission to deliver access to the range of vocational qualifications that had been the central theme of the OECD report. The regional spread of the Colleges met another of the suggestions made by the OECD examiners and opened up local opportunities throughout the country for students to acquire a wide range of technical and commercial qualifications that both contributed to and depended on the country's capacity to attract international investment. The establishment of a National Council of Educational Awards also had its origin in that OECD report.

While there was no explicit suggestion from the OECD visitors that Ireland should develop a binary system of higher education, the actual decisions that followed the report facilitated a drift to this outcome with funding and scrutiny of the universities vested in the Higher Education Authority (HEA) while the RTCs were left, for their first twenty years, under VEC management. In time, it became the express policy of successive governments, re-iterated on numerous occasions, to proceed along the binary line.

COMMISSION ON HIGHER EDUCATION 1960-67

A Commission on Higher Education was set up at around the same time as the OECD Survey team on Investment in Education. It is very interesting to compare and contrast how both of these went about their work and the long term influence each had in subsequent decades. The OECD survey had a durable influence on future policy. By contrast, the protracted deliberations of the commission failed to stimulate anything of the same consensus for policy development. Why did one process succeed while a more traditional mechanism of public policy formation did not?

Appointment and Membership

Commissions on higher education were quite common in the 1960s, as governments struggled to adapt to the pressures created by the transition from an elite to a mass system (Trow 1974). In the US, Clark Kerr, President of the University of California, chaired the Carnegie Commission on Higher Education while in the UK a similar commission under Lord Robbins was set up in 1961.

In Ireland, there were, in fact, two such commissions. The first was appointed in 1957 and was concerned exclusively with the accommodation needs of universities and had Supreme Court Judge Cearbhaill O'Dalaigh as chairman (Walsh 2009). This commission did its work with admirable speed and set out a compelling argument for a number of capital investments in Dublin, Cork and Galway. The report persuaded the government to act quickly with funding arrangements for new buildings at a number of universities, notably in the Science faculties (NA/5). This particular commission had a lasting impact, both through the specific recommendations it made

and the acceptance by government of responsibility for investing substantial public funds in the higher education system.

A second commission, again with Judge O'Dalaigh as Chairman, was appointed in October 1960 with a much wider remit than the demands from institutions for more and better buildings. It had a twenty eight person membership, including leading academics, three bishops and industrial leaders. The appointment of the commission predated the first contacts of the Department of Education with the OECD and there was little evidence, in either the terms of reference or the nominated membership, of the dramatic changes in outlook that would subsequently come about from contact with the OECD soon afterwards.

Most of the names, academic, religious and commercial, were well known both within their own spheres and in the wider society, so that it commanded authority and respect as well as a general willingness by all parties to participate and make submissions. It set out quickly a series of questions to guide its own approach and that of any party wishing to submit proposals. These questions covered the quantification of demand, the organisational forms, the widening of access, finance and cost priorities, academic standards and appointments and the role of courses in the Irish language. Initially, it seemed that this body was destined to produce a blueprint that would set policy on higher education for a long time to come.

Commissions like this have been a common instrument of governments for many decades (Parry 1999). They serve a dual purpose. One is routine political expediency in that it allows a government to defer action on a sensitive issue for a period of time and to neutralise public or political debate while the commission deliberates and invites submissions. All through the period 1961 to 1967, Ministers routinely sidestepped parliamentary questions on higher education issues by simply stating that

they awaited the report of the commission, expected 'in the near future'. The second purpose is a genuine attempt to find a consensus for a long term development programme that would command wide support and give legitimacy to government action. This was never going to be an easy task as Irish universities were notorious for their rivalries and mutual antagonism, a feature that became very apparent from the statements of successive witnesses (Commission 1967, Chapter 3). Churchill once remarked that countries don't have friends, they have interests. In Ireland, higher education bodies adopted the same attitude and steadfastly strove to protect and promote those interests in their dealings with the commission. One historian has caustically commented on the tendency of many academics of the period to be more preoccupied with these rivalries than with national needs and remarked on the 'almost total dearth of serious thinking about higher education among higher educationalists' (Lee 1989).

Evidence

Written and oral submissions to the commission ran to 2.7 million words (Commission 1967) and it sent delegations all around Europe on exploratory missions. The wide remit given to it by Minister Hillery was possibly its undoing as it was asked to report on every possible aspect on higher education, university, technological and professional as well as appointment procedures, organisation and future provision. Judge O'Dalaigh noted that the number of topics on the commission agenda was far in excess of what the 1961 Robbins Committee on the same issue in the UK 'felt necessary to consider' (NA/6). To the exasperation of successive Ministers, it took close on seven years to deliver its final thousand page report, in contrast to Robbins who just took about two years. The protracted delay became immensely controversial

as universities waited in vain for decisions on future funding at a time when enrolments were increasing rapidly every year. Many commentators made unfavourable contrasts between the comparative speed of the OECD Investment in Education survey and the slow pace of the commission's work (Grogan 1966). One Minister (O'Malley) displayed his impatience in a note to the Taoiseach, Sean Lemass, urging him to contact Judge O'Dalaigh because the delay was holding up vital decisions.

Spur him on with that report. The delay in furnishing it...is unbelievable. The Australian University commission was given three months to report and did so in that time. Granted they had not our problems, but still-
(NA/6)

By the time it did report, the work of the commission had been superseded by events, notably the outcome of both OECD reviews and the decisions that followed from their publication, so that only a handful of its recommendations had long term influence on legislation or structure. While it deliberated, two general elections (1961 and 1965) passed and two Ministers for Education had come and gone leaving a series of specific decisions in their wake in response to immediate demands. These decisions were to have a huge cumulative impact on the future shape of the higher education system, irrespective of the recommendations that would eventually emerge from the commission's exhaustive deliberations. One particular forecast highlighted just how ineffective the commission was. It suggested (Commission 1967, Chapter 4) that by 1975 the number of students would increase to 26,000 from the 16,300 enrolled in 1964-65 and that 90% of these would be at one or other of the State's universities. The forecast turned out to be wrong on both counts. By 1975, third level enrolment had gone beyond 33,000 with just 65% at universities.

Winds of Change

The commission was appointed in 1960 at a time of immense cultural, economic and political upheaval, nationally and internationally but it seemed to be quite detached from that changing environment, both in the pace and the content of its deliberations. Early on, it established its own vision of higher education as the guiding principles of its approach, but that vision ultimately did not fit in with the developing expectations of a wider Irish society that had altered very significantly in the years between appointment and report. It did not feel any need to make any detailed measurement of national needs as regards the supply of professional personnel, an approach that was the direct opposite to the two contemporaneous OECD review teams that deliberately chose manpower projections as the driving idea of their work. Rather the commission put particular stress on the basic function of the university to promote scholarship and a general liberal education.

Indeed, it would be wrong to view our institutions of higher education, and particularly our universities, simply as professional academies for the training of various categories of skilled personnel; their functions as centres of learning and scholarship and liberal education should not be allowed to become overshadowed by the claims made upon them to provide the country with its requirement of skilled manpower.

(Commission 1967:118)

This viewpoint informed the commission's entire approach. Higher education was a 'good in itself' leading to an educated community 'capable of achieving 'higher purposes'. The supply of skills to assist economic growth would be a valuable by-product for the State and for the individuals whose living standards would improve by virtue of the professional qualifications they would obtain. The universities could not be expected to meet the full anticipated demand while still adhering to their essential scholarship functions and the attainment of the highest academic standards. In adopting this viewpoint, the commission was influenced by evidence from UCD staff

who feared the onset of 'chaos' should they be asked to cope with a surge of enrolments.

With this in mind, the commission suggested the establishment of New Colleges, a recommendation that was to prove its Achilles Heel for many reasons not entirely confined to the startling blandness of the title proposed for them. The function of these New Colleges was to act as a channel for the anticipated additional demand for higher education places without disturbing the internal cultures and operating climates of the existing universities. Throughout the commission's debates, there was a distinct apprehension that many of the extra students might not be of the disposition that would enable them to settle easily into the way of life that sustained the university's traditional character. The New Colleges would be the 'outlet' for this growing demand. They could concentrate on meeting national needs and establish a pattern of access for greater numbers of students without putting excessive strain on the universities. The suggested model New College would offer pass degrees in the arts, commerce and science with Dublin and Limerick suggested as initial locations.

It would be a special characteristic of the courses that they would have a stronger vocational bias than would be appropriate to university courses....The vocational bias in the course would come from the subjects available and their treatment as part of a preparation for entry into specific fields of employment.

(Commission 1967:127-128)

The commission added a number of additional specific functions to the New Colleges, notably a direct link to the existing primary teacher training colleges which would become their education faculties, providing a pass level degree status for this group of teachers. There was a similar suggestion to associate the training of second level vocational teachers with the New Colleges, also culminating in the award of a pass degree.

A fundamental weakness that fatally undermined the commission's influence was an inability, perhaps unwillingness, to confront the core issue of higher education's role in professional vocational training. It took evidence on technological education at a very early stage of its work and did not revisit this theme in the light of quite dramatic changes in the economic environment. The evidence included submissions from bodies such as the Institution of Engineers on the relevance of technician training, broadly repeating the information contained in the background work done for the OECD review. The commission decided not to make any additional independent enquiry in this area as it did not seem to be within its remit. It simply endorsed the overall conclusion of the OECD examiners on the subject and expressed approval of the proposal to establish regional colleges that would cater for this particular area of need (Commission 1967 Chapter 15).

It devoted more attention to the organisation of engineering education at the professional level. This was a delicate issue and was the subject of quite different viewpoints in the evidence presented by various bodies. Michael Tierney, President of UCD from 1947 to 1964, expressed strong antagonism to any competition to the universities from publicly funded bodies such as the City of Dublin VEC Colleges of Technology. In the case of architecture, he objected to cheap courses on offer with funding from the ratepayers through the VEC in competition to the State supported university school and he expressed similar feelings about the VEC's professional engineering programmes and science courses that offered preparation for the B.Sc (External) degree from London University.

By contrast, the VEC and the union representing its teaching staff along with the various Engineering bodies were adamant that existing courses in the VEC colleges be continued and expanded as they offered quite distinct routes to professional

qualifications in a variety of fields. In particular, the VEC contended that, while the bulk of its work concerned the education of technicians, it did wish to maintain an outlet for a small ambitious group of students who desired to go further. This form of internal 'vertical mobility' offered students opportunities to progress and had the additional benefit of motivating and attracting highly qualified staff. The Engineers' Association argued for diverse methods of entry to the profession through both the universities and the VEC colleges, as both offered radically different educational environments. While conscious of potential extra costs from the duplication of courses, the Secretary of the Department of Education supported the VEC's case for holding on to its degree equivalent courses with the following proviso.

Graduate 'tops' in colleges of technology formed the apex of a pyramid; they should not be allowed to grow to such dimensions that they would overshadow the essential purposes of the colleges or, in Dublin, to develop into the equivalent of a third university.

(Commission 1967: 396).

A noteworthy dissenting report came from a UK academic member, Professor Charles Carter, who took exception to the overly restrictive view his colleagues took of a university's potential vocational role and the general implied suggestion in the overall report that the primary obligation of universities to the 'study and communication of basic knowledge' (Carter 1967) made them unsuitable institutions for practical training or applied studies.

Scholarship does not flourish in an ivory tower; it merely becomes dry and pedantic. (ibid: 889)

Carter rejected as 'total nonsense' any suggestion that would restrict the growth of applied studies in universities and pointed to the long tradition of university involvement in Law and Medicine as examples where scholarship and vocational preparation went hand in hand. Significantly, he drew the same distinction between the technologist and the technician that had separately informed the work of the

OECD examiners, who had been reviewing technician training. Higher education concerned the vocational preparation of the technologist as distinct from the technician. The role of the former was rooted in the capacity to extend knowledge, to create new designs and processes and hence, immensely suitable for university involvement. While technicians would certainly be expected to have a good grasp of a complex body of knowledge, they would not be expected to extend that knowledge and so their vocational preparation could be carried out elsewhere, an almost identical attitude to the one that guided the recommendations of the OECD report and the associated policy decisions that led to the establishment of the RTCs.

Reaction to the Report

The report of the commission got a cold response in the Department of Education from both its political and official leaders. The Minister who received it was Donogh O'Malley. As mentioned earlier, he was an engineer by profession and had a very specific personal interest in the expansion of technological education. A few months beforehand, he had dramatically announced that secondary education fees would be abolished, an immensely popular and far reaching decision that caused secondary school numbers to rise from 104,000 to 144,000 between 1966 and 1969 (Lee 1989). This acceleration in demand created, in due course, a chain reaction in third level enrolments far beyond anything the commission had considered. O'Malley also had a particular constituency reason (always a potent motive in Irish political decisions) to be dismissive of the report. The city he represented, Limerick, had a long standing demand for a university level institution that would not be assuaged by the proposal to locate a New College in the city.

The reaction to the commission's report among Department officials was equally cold (O'Connor 1986). Sean O'Connor (later a powerful and influential Secretary of the Department) had become head of the new development unit which had been created as a direct result of the OECD Investment in Education report and had a significant background role in the work of the Steering Committee on Technical Education, which was working away on preparing for the establishment of the network of Regional Technical Colleges when the commission's report finally arrived. By that time, the language, attitudes and approach of the two OECD reports had taken a firm hold among the Department's senior staff and inevitably they saw the commission report as a relic of a bygone era, with excessive attention paid to preserving the elite status of universities. An internal departmental committee, comprising all the principal officials (NA/7), was set up to examine the commission's report in detail with a view to advising the Minister on the recommendations and, for the most part, it gave a hostile response to the main proposals and, in particular, dismissed the suggested New Colleges out of hand.

The concept of an institution not of full university standing, but nevertheless empowered to award degrees, is one that would scarcely find acceptance anywhere. (ibid: 11)

They feared the degrees from the New Colleges might downgrade the status of all Irish degrees, that well qualified staff would shun the Colleges and both students and staff would 'very likely suffer from an inferiority complex' (ibid). Moreover, they saw few financial benefits to the proposal as their cost would probably be just as much as a new university or extensions to existing ones.

O' Connor and his colleagues reacted with 'consternation' (ibid) to the proposal to confine primary and vocational teacher education to New Colleges with a pass degree

limitation. They were appalled by the suggestion that the faith based secondary schools in private ownership would recruit their teachers from the universities while schools in public ownership would get their staff from 'inferior' New Colleges. A proposal that courses for military and police officers be located solely in the universities also got a hostile reaction.

A limited number of other proposals were implemented gradually in later years. The most significant of these was a proposal for a permanent authority to oversee higher education which formed the basis for the creation of the Higher Education Authority (HEA). Other recommendations also led to a national means tested grants scheme, to term limits for university Presidents and to minimum entry standards for university courses.

With the demise of the New College proposal, the authorities had to look for an alternative structure to meet the local Limerick demand without going as far as the creation of a new university. They looked to the newly established HEA for a solution that would give Limerick something more than an RTC but with a particularly technological and scientific profile and a capacity to deliver courses at degree level. Both Limerick and Dublin were chosen for this new type of institution to be known as National Institutes of Higher Education (NIHE). Ultimately, both were elevated to full university status in 1989.

Overall, the commission's lot was not a happy one. Its lengthy labours produced a headline set of recommendations that found little favour either within the sector or within the political and official establishment. Some its more modest proposals were absorbed into policy and proved to be valuable, if hardly dramatic, improvements in the operation of higher education in subsequent years. One influential official, James Dukes, was dismissive, in retirement, of the Commission's long term relevance:

They had no impact that I can recall. (Walsh 2009:234)

Summary:

The policy makers, both political and official, had a very different perspective on their role at the time they received the report, to the one that guided them at the time they commissioned it. The zeitgeist, as it affected education in general and higher education in particular, had altered very significantly in the intervening years. Ireland had experienced rapid economic progress and had also experienced major changes in social outlook, not least in the express ambition of families to advance educational opportunities for their children. The potential of education to offer pathways to personal economic success to individuals and correspondingly to the country as a whole had become deeply embedded in the national mindset in a way that seems to have escaped many members of the commission.

By contrast, the Department of Education had escaped from its earlier inertia.

Ministers had been appointed from a younger, more ambitious and iconoclastic set of politicians from the government party. Among department officials a reform agenda had taken hold and they drew their inspiration and language from the catalytic effect of contact with the OECD. That contact brought a distinctive way of seeing issues into the department and, as the commission slowly deliberated, this new outlook was already driving a reform agenda based on very different principles and assumptions than those guiding the commission majority. The outcomes of the two OECD initiatives had created a new template for government policy decisions. Nothing in the commission report offered sufficient grounds to change course while many of the individual suggestions were so far out of tune with the new orthodoxy that they failed to muster any enthusiasm for the report as a whole.

SECTION THREE

THE SECOND OECD REVIEW 2003-04

THE RETURN OF THE OECD

In August 2003, the Irish Government announced its intention to commission a thorough review of higher education from the OECD. There had been some public indications for months prior to this that such a referral to the OECD was imminent but the timing of the decision caused it to be widely regarded as a mechanism to bring closure, temporarily at least, to a bitter controversy that had been going on for a year about funding for higher education at a time of a sudden brake imposed on all elements of public spending.

This chapter describes the turbulent public debate on this issue that preceded the announcement of the OECD referral. This issue threatened, on occasion, the very survival of a government that had been re-elected just months previously and threatened, as well, the growing confidence within the higher education system of its long term financial security.

Political Crisis over Funding

The Irish General Election of May 2002 resulted in the re-election of the outgoing coalition government led by Taoiseach, Bertie Ahern. While Ahern's Fianna Fáil Party was the dominant force in the Cabinet, it needed the support of the smaller Progressive Democrat Party to establish a parliamentary majority. Both these parties were broadly on the centre right of the political spectrum with the smaller party, in particular, influenced by international conservative neo-liberal attitudes (Gallagher et al 2002). Ireland had enjoyed a sustained period of economic growth for the previous seven years. These benign economic circumstances had facilitated substantial growth in

public spending and the higher education sector had benefited greatly. Most notably, a research funding structure had been agreed in 1998 through the establishment of the PRTLTI (Programme of Research in Third Level Institutions).

However, there was a hiatus in that growth in the aftermath of the attack on the World Trade Centre in New York in September 2001. This slowdown had a serious, if transient, effect on Ireland's budgetary position. The government lost no time in imposing severe cuts on many areas of public spending and the higher education budget was not spared. The cut in research funds caused dismay in the sector and brought the issue of tuition fees back into public debate.

Ireland had operated a 'free fees' policy at undergraduate level since 1996. Prior to that decision, degree level courses were subject to fees but sub degree programmes, principally those on offer at the fourteen institutes of technology, were free of fees as they were heavily subsidised by the European Union Social Fund. In addition, teacher education courses had always been free to students. From 1996, all tuition fees for eligible full time undergraduate students from European Union member states were paid by the State on behalf of the student, amounting, in total, to €175 million in 2002. A registration charge was levied to cover non-tuition costs and this charge was paid for lower income students by local authorities. A limited subsidy towards subsistence costs was paid to about 37% of students, who qualified under a means tested grants system.

Each institution was, in principle, free to set its own tuition charge but, in practice, the Higher Education Authority negotiated an annual level of fee with the Department of Education. In addition to this fee income, each institution received a recurrent grant from public funds. This combination of per capita fee income and block grants constituted the bulk of funds for higher education and meant that Irish institutions had

an unusually large dependence on the State for their annual funding, 80% of university income and 90% for the institutes of technology.

The decision to abolish fees was always politically controversial (Walshe 1999), though none of the main political parties sought any changes to the policy in their manifestos for the General Elections in 1997, 2002, or most recently 2007. However, in the immediate aftermath of the elections in both 2002 and 2007, two different Ministers for Education openly raised the possibility of revisiting the issue and their interventions provoked lively public debates on the policy. The 2002 debate and the divisions it created between the government parties was a significant factor in the decision to request the OECD to conduct a full scale review of higher education. It was widely anticipated that the report would urge the reversal of the decision and so facilitate a calmer re-examination of the issue.

The post election cabinet re-shuffle in 2002 resulted in the nomination of Noel Dempsey as Minister for Education. He was not long in his new job when his statements (Dempsey 2002) gave rise to disquiet in the higher education sector. He insisted his primary policy interest was in promoting wider access and participation and queried the value the public was getting from the huge sums spent on student support. Disquiet turned to consternation in November 2002 when the pre-budget Book of Estimates revealed a pause in research funding and a sharp cut in the operational budgets of institutions (Flynn 2002a). The decision to backtrack on the promised funding for the research programme came as a particular blow.

The government's stop-go approach will completely undermine the hard-won progress to date. ...The world is changing so rapidly that "pausing investment" in higher education research, as Minister Dempsey has termed his cutback, is tantamount to sprinting backwards in a race where we were already only playing catch-up with our competitors.
(CHIU 2002)

Dempsey gave an interview to the Irish Times (Flynn 2002b) where he opened up the possibility of the return of fees. The interview was published just 2 days after a leaked Department of Finance memo was published (Coleman 2002) demanding €147 million of cuts in the Education budget. Dempsey was adamant that his fees proposal had no connection to spending cuts. Rather, he insisted that his policy agenda was to secure a redistribution of the overall €360 million budget for student support in favour of students from a disadvantaged background by switching a large section of the €175 million devoted to paying the student fees into additional incentives, maintenance grants and supports for those from non traditional backgrounds.

Q. What about the re-introduction of fees? There was a great deal of angry reaction over the summer when some reports hinted at their return. Can you give an assurance to parents and to students that fees will not return?

A. I am not going to say it is not going to happen. The reaction that we saw over the summer was based on the belief that fees would be re-introduced across the board. That certainly would not be my intention. I can state that categorically. But if I look at the €175 million that is paid out by the State in tuition fees (to the colleges) for everybody that goes to third-level, I have to ask if people on my salary - and people who are on even higher salaries - should be getting the benefit of this.

I am raising important questions. If I come to the conclusion that people on my income level should not get this (free fees), what would I do with the money that the State would save?

The route I would like to go is to put proper levels of maintenance, put proper grants in, put proper means-testing in, so that people who need this money, need this support, can get it.

This has nothing to do with Exchequer savings and it is important to stress this. I am not interested in engaging in any exercise where I cut back on student supports. I want these to remain at the level they are at or to increase reasonably.

What I am talking about is ensuring that the €350 million in student supports is paid out in such a way that those who deserve it actually get it - those who have not had the opportunity to get to third-level get that opportunity.

(Flynn2002b)

Dempsey had not secured Cabinet support for his plans and there were ominous signs that he did not have the whole hearted consent of his own party colleagues (Collins 2003). Nor did he have any agreement from the other party in government. Mary Harney, leader of the smaller government partner, the Progressive Democrats, spoke publicly of her antipathy to the suggestion (Harney 2003).

Meanwhile, the government sought to mollify the aggrieved university presidents by floating the idea of a root and branch review of the entire system that would set strategic goals and associated funding for the longer term. The Department of Education's Secretary General, John Dennehy, was Chairman of the OECD's Education Committee and he put forward a proposal to seek that organisation's participation in the review as it was already involved in a comprehensive study of tertiary education across a wide range of member states.

At one level, the notion of such an external review was quite detached from the controversy over fees and funding but it was impossible to maintain that detachment as the political rows, triggered by the severity of the budget cuts and the Minister's repeated hints over the return of fees, continued to rage in parliament and in the media.

The real shock came when the probable level of fees was revealed and this resulted in a severe public backlash, which re-ignited the entire debate and produced an immediate reaction from the smaller government party. The issue came to a head after a remarkable intervention by one of that party's Ministers, Michael McDowell, on the popular television debate programme, Questions and

Answers, on May 19th 2003 (McDowell 2003), where he stated his party's opposition to the restoration of fees in most trenchant terms.

The strength of his intervention was totally unexpected and seriously rocked government unity (Sweeney 2003). There was little prospect that a routine domestic policy review could achieve a consensus. Political expediency required an early settlement of the dispute if government stability was to be preserved. On May 23rd 2003, the press reported that Minister Dempsey had floated a proposal within government to call in the OECD to carry out the most wide ranging overall review of higher education since the 1960s. While the Minister insisted that the decision was separate to any resolution of the fees issue, there was a widespread belief that it would delay any further debate till the OECD reported.

There was speculation in education circles last night that the review — which will consider issues such as widening access to third-level education for all social groups — could provide a way out of the current political controversy over the proposed return of college fees.

(Flynn 2003)

That weekend (Saturday May 24th 2003), faced with a growing Cabinet split, the Taoiseach announced there would be no change of policy on fees for the remainder of the parliament, due to continue to 2007.

However much the Minister attempted to decouple the fees controversy from the discussions going on with the OECD, the two became inextricably linked together in the public mind. While discussions on such a review had taken place with Paris as early as October 2002, the only noteworthy higher education issue that featured at all in public debate in those months related to funding and fees. Over a few days in May 2003, stories on the Cabinet split over fees dominated the media and Question Time in

Parliament. When a discreet leak about the OECD negotiations appeared in the press, there was an immediate linking of one with the other.

The Minister's concession that the fees issue would not arise again in the period to the general election had a double effect. After so bitter a public debate and internal argument within the government, it would have been political folly to rekindle the issue no matter what recommendations emerged from a policy review. While the OECD examiners would be free to come to their own conclusion on the issue, as indeed they did, there was no prior obligation on Ministers to pay any heed to their advice, at least initially. The institutions had to recognise that any relief from fiscal stress would only come from a combination of increased direct public funding and alternative private sources, commercial and philanthropic. This new reality, however unwelcome, was to shape their approach to the submission they would prepare for the OECD visitors in the subsequent months.

Cuts in Funds:

While the fees issue dragged on throughout the winter of 2002, the higher education institutions had to contend with another upset. In November 2002, the Minister for Finance published the Book of Estimates for 2003. This document was traditionally the government's pre-budget indication of its spending plans on a department by department basis. The chapter on Education contained some nasty surprises for the universities and institutes of technology alike.

The estimates mark the end of a decade of unparalleled growth and investment in the third-level sector.

(Flynn 2002a)

The estimates proposed a 24 per cent cut in capital funding for universities, and a 33 per cent cut in capital projects in the institutes of technology, while overall funding in

the sector generally was trimmed back severely (Government of Ireland 2002). The university heads complained of an 8% cut in the allocation they had agreed with the HEA for 2003, which could only be met by a 36% cut in their non-pay budgets. Their statement ranked Irish spending per student as number 25 out of 30 on the OECD league table under this heading. There was particular shock at the level of the cut made in the budget for research. An allocation of €50 million had been anticipated for the PRTLTI (Programme of Research in Third Level Institutions) but the Book of Estimates only provided €7.5 million (CHIU 2002).

The Minister was unapologetic when he defended the spending pause and insisted his priority remained to rebalance public investment in education towards the primary sector.

My Department spends more funding per student at third level than at the primary or post-primary levels. In 2002 these amounts were €3,766 at primary, €5,511 at post-primary and €7,127 at third level. The international comparisons of educational expenditure, published by the OECD, demonstrate that the balance of expenditure on education is more heavily skewed towards third level in Ireland, than in the majority of other OECD countries.

(Dempsey 2003)

The university heads tried hard to raise public awareness of the dangers involved in a 'stop-go' approach to research funding that depended on consistent investment if it was to have a long term impact. However, similar cuts had been made in a wide range of other public spending programmes and their protest was only one of many that dominated the headlines that time.

The effect of this was to increase the aggravation felt among higher education interest groups about their position in the education hierarchy. Since their funds came from the education budget, they had to compete with other sectors of education for an adequate slice of a general allocation that was under pressure anyway. The spokesman for the

university heads was critical of this procedure for sharing the funds because it did not take due account of the dual educational and economic aspect of third level activity.

The Department of Finance provides a set figure or envelope within which the Department of Education and Science must fund all its services and it appears no one cares to question the wisdom of forcing ministers to make choices between sectoral demands such as primary school funding and cross-sectoral priorities such as funding for higher education.

(Smyth 2003)

Many felt that the absence of a specific higher education voice at the Cabinet severely limited its influence. The requirement to compete for funds with the primary and secondary sectors was seen as a futile exercise that could only be resolved by detaching higher education either as a separate government department or its incorporation into an economic or dedicated skills department that had a greater appreciation of the sector's intrinsic worth. One university president put the position bluntly in a newspaper interview.

The management of the third-level sector is all over the place. The problem in the Department is that the third-level sector must take its place in the queue behind the primary and second-level sectors. The third-level sector is the third most important. . . we do not feature prominently If we were under the control of the Department of Enterprise and Employment, for example, there would be a keener appreciation of our role in job creation.

(Von Prondzynski 2003)

The hurt felt over the unexpected funding reversals placed a wedge between higher education interests and the Department of Education. The Minister's lack of sympathy to their case was already evident from his media interviews while the university heads were frustrated that Department officials had failed to sustain the promised funding for research and wider access that had been promised. This aspect of policy, the political governance of the sector, would feature in the issues presented to the OECD examiners when they arrived later.

Review Announced

As the political storm calmed with the Government's decision to defer any decision on fees, preparations intensified for the formal establishment of the review and the elaboration of the terms of reference and timetable. The formal announcement (Appendix 2) was made on August 15, 2003. The earlier debate about fees overshadowed the announcement as most media correspondents suggested that this topic would emerge again in the course of the review (Holmquist 2003). The Chairman of the Higher Education Authority expressed the wish that the arrival of the examiners would encourage a wider agenda of reform, citing access, equality, governance and accountability as key questions that deserved study.

The first indication of an OECD review coincided with the publication of one of that organisation's regular economic surveys of Ireland. One paragraph, in particular, did not escape comment as a possible clue to the likely outcome of its deliberations. The authors noted approvingly that Ireland was following the general international trend in applying market principles into the public sector. More specifically, they commented on the higher education fees issue as an example of a general suggestion for increased recourse to user charges for public services (OECD 2003a).

TERMS OF REFERENCE, MEMBERSHIP AND BACKGROUND REPORT

The announcement of the OECD review produced, as intended, a sense of calm after the storm over tuition fees. In this chapter, the terms of reference agreed for the study are outlined as well as the range of issues it was expected to examine. The chapter looks also, at the membership of the review panel and discusses the viewpoints that some of the participants had already expressed in published contributions on the principal issues they would face during the course of their Irish visit.

Membership of Review Team

The Ministerial statement described the OECD review as a ‘landmark’ event (DES 2003). To justify this description, the membership of the review team needed to be of sufficient stature to inspire confidence in its procedures and recommendations. The Secretary General of the Irish Department of Education, John Dennehy, held the Chair of the OECD Education Committee and he sought to assemble a team that would command wide respect from the outset. There was widespread acceptance in Ireland of the bona fides of the review team when the composition of the panel was announced in August 2003.

The official announcement is in Appendix 2. The following seven names were initially listed as members of the panel.

Michael Shattock (Rapporteur) Institute of Education London and Editor of the journal 'Higher Education Management and Policy'

Abrar Hasan, Head of Education and Training Policy Division OECD Paris

Jo Ritzen, President, Universiteit Maastricht - former Dutch Minister of Education

Marshall S. Smith, former Under Secretary, US Department of Education

John S. Dawkins, Australia former Minister for Employment, Education & Training

Dr. Bénédicte De Gendron, France : University of Montpellier

Karsten Brenner Germany: former Director Federal Ministry of Education.

The US member, Marshall Smith, was replaced by Aims McGuinness from the US National Centre for HE Management in Colorado.

Two members had held Ministerial posts, one in Australia and the other in the Netherlands. Three were senior academics from Europe and the USA and the others had high level involvement in educational administration in Germany and in the OECD itself.

The rapporteur, Michael Shattock, was the long standing Editor of the OECD's Higher Education Management Journal. He had served as Registrar of Warwick University in the UK for seventeen years, 1982 to 2000 and, afterwards, as Visiting Professor at the University of London's Institute of Education. During his tenure at Warwick, he was one of the principal promoters of that university's reform programme.

Warwick features as the very model of a modern university in Burton Clark's world review of case studies that follow that particular developmental paradigm. It was from the experience of Warwick and similar institutions that Clark articulated the set of concepts that 'became the explanatory architecture' (Clark 2004) of a reform programme to transform the character of higher education institutions away from excessive financial dependence on public funds towards greater self sufficiency. Much of this explanatory architecture was to feature in the ultimate report of the OECD visitors to Ireland.

- A strengthened administrative capacity

- A build-up of discretionary funds
- A vigorous periphery of outreach structures and programs
- A willingness of heartland departments to join in the pursuit of new ventures
- And a wrap around entrepreneurial mentality that unites the university in a new direction of development. (Clark 1998:38)

Clark singles out Shattock's individual contribution to the changes within Warwick over two decades, crediting him with conceiving and implementing the Earned Income Policy that turned round Warwick's dependence on state funds from 70% of total income in the 1970s down to 27% by 2000.

John Dawkins, the second OECD examiner to feature as a champion of the Entrepreneurial University idea, had been Minister for Employment, Education and Training from 1987 to 1991 in Australia. Responsibility for higher education was allocated to an economic Ministry, an outcome that was to feature strongly in some of the submissions made to the examiners during their Irish visit. The reforms to the structure and financing of higher education became known as the Dawkins Revolution and they included the HECS (Higher Education Contributions Scheme), which introduced a fee paying element and loans into the system of student finance. For Marginson and Considine (2000) the Dawkins period was a time of 'swift and deep' reform led from the top. Enrolment expanded by more than 40% but a radical merger programme actually halved the number of institutions. Under Dawkins, 'the map of institutions was completely redrawn' (Clark 2004) with a Unified National System replacing the traditional binary divide of universities and colleges of advanced education.

For Marginson and Considine (2000) the allure of additional enrolments - the 'Dawkins dowry' - was the incentive offered to the institutions to take part in both the

merger process. The revised financial arrangements put a special emphasis on discretionary payments based on the delivery of results. One outcome he sought, in particular, as a more effective management structure on a par with that in operation in the private sector rather than the traditional collegiate approach hitherto commonplace in Australian institutions.

Along with Dawkins, the OECD examiners included Dr Jo Ritzen from the Netherlands, who had served as one of Europe's longest serving Education Ministers from 1989 to 1998. The inclusion of Ritzen was interesting in that the Irish system in 2003 had similar characteristics of that in the Netherlands at the time when he moved from academia into politics. The State provided almost 90% of the revenue of the different institutions and imposed a tight regulatory system in areas where there were financial implications. Ritzen's tenure of ministerial office in the Netherlands was controversial for the reforms he piloted in student finance and his efforts to reorganise higher education (Ferris 1991). Funding for universities was severely reduced as was public expenditure on student support.

In order to manage the growth in student numbers, a different type of institution called Hogscholen, 83 in number, was created with the primary purpose of meeting the demand for professional vocational education and with only a limited research mission. They were prohibited from having the power to award Ph.D degrees. University governance was also the subject of a new Ritzen sponsored law in March 1996 (UNESCO1996), which provided for stronger executive boards and for a much greater independence from central government.

Terms of Reference:

The examiners were given a general remit to report on how Ireland's higher education system could move into the highest rankings among OECD countries. Underlying this objective was the pressure on Ireland to meet certain specific targets that had been set out at the Lisbon summit meeting of EU Heads of Governments in 2000, some of which concerned the contribution of higher education to economic development objectives.

The context for the review is provided by Ireland's strategic objective of placing its higher education system in the top rank of the OECD in terms of both quality and levels of participation and by the priority to create a world class research, development and innovation capacity and infrastructure in Ireland as part of the wider EU objective for becoming the world's most competitive and dynamic knowledge-based economy and society, as agreed in Lisbon (2000).

(DES 2003:1)

Six particular headings were identified for examination by the OECD visitors (DES 2003: Appendix 2)

1. Role of Higher Education
2. Strategic Management and Structure
3. Teaching and Learning
4. Research and Development
5. Investment and Financing
6. International Competitiveness

Country Background Report

Some of these featured in a Background Report (Coolahan 2003), commissioned by the DES to facilitate the process and to guide the examiners through the Irish system. This report was written by Professor John Coolahan, then Professor of Education at National University of Ireland, Maynooth. Coolahan was a highly respected and

popular veteran of a multitude of education reviews at every level in Ireland and author of a standard History of Irish Education (Coolahan 1981). He was no stranger to OECD reviews as he had participated in reviews of education in Poland, the Russian Federation, Bulgaria and South Africa.

The document he prepared was a thorough summary of the structure and legal framework of higher education in Ireland, how it evolved, its funding position, the level and social distribution of participation and the changes the system had experienced in the previous decade. In the final chapter, Coolahan reviewed the three issues, funding, research and governance that would most likely preoccupy the international visitors.

Here, Coolahan went beyond formal description and ventured into a reflection on fundamental values. He acknowledged the pressure for reforms in response to a rapidly changing environment and anticipated the calls that would come for a more whole hearted commitment from the sector to purely economic goals. He expressed some scepticism at this viewpoint. Higher education institutions, he suggested, needed 'to operate from defensible philosophies for their multifaceted roles, which are often wider and deeper than those of politicians and other social partners' (ibid) and they had to be respectful of their role as 'custodians and promoters of much else that is central to civilisational well being' (ibid).

In his defence of this viewpoint, Coolahan relied on two Glion Declarations, one in 1998 (Rhodes 1998) and a later one in 2000 (Rhodes 2001). These declarations, based on joint European and US colloquia held in Glion, Switzerland, offered a set of principles issued to guide universities in preparing for the 21st century. Their principal author, Dr Frank Rhodes, a former President of Cornell, had some relevant Irish

connections which merit mention, as they had a strong influence on opinion leaders within Irish higher education.

Rhodes had become Chairman of Atlantic Philanthropies, a fund established by a reclusive Irish American billionaire and Cornell alumnus, Charles (Chuck) Feeney (O'Clery 2008). This fund had set aside considerable sums for universities in Ireland (\$ 69 million in the 1990s and a further \$125 million to match public research funds from 1996). For a long period before the Irish government had accepted the potential value of large scale public investment in research, the Atlantic money had been the principal source of capital for many research activities in Ireland. The views of its Chairman had considerable influence in Irish higher education circles and Rhodes was the keynote speaker at a policy seminar sponsored by the Royal Irish Academy in October 2003, just weeks after the announcement of the OECD Review. For that reason, the Glion declarations had some significance as the Rhodes perspective on crucial issues such as governance structures and public accountability had become firmly established in the minds of the sector's leaders.

The Coolahan document identified governance as a divisive flashpoint issue. He drew the distinction between governance and management, between the responsibility of an institution's board to set general goals, to approve policies and appoint the president as distinct from involvement in operational decisions and allocation of budgets. The core principle, according to Coolahan, was subsidiarity, allowing decisions to be made at the lowest appropriate level of responsibility.

This viewpoint was welcomed by the Directors of the Institutes of Technology, who were anxious to break free from Department of Education and Science involvement in routine decisions. A review of the Department's own operations carried out by a

retired senior public official (Cromien 2000) had recommended greater operational autonomy for the Institutes of Technology and the transfer of oversight to the HEA. There remained, also, considerable unease about the continuing viability of the binary divide and Coolahan identified this as a matter that the OECD might wish to consider. He pointed to the gradual “blurring” of the binary system over a decade and the increased attention within the Institutes of Technology to higher level programmes and to research. The DIT had a long standing wish to be incorporated into the university sector while WIT was aggressively pursuing a similar claim with political and commercial support within the South East region.

The seven universities were united in their determination to resist any further university designation. It was one thing to accept a general suggestion of increased co-operation and even localised partnerships, but the university heads insisted that both types of institution had quite different missions. They argued that the State should hold on to the existing ‘diversity of institutions’, a widely accepted euphemism for the status quo. While the university leaders had no problem with the absorption of the Institutes of Technology into the HEA funding framework, they did want an entirely distinct structure set up within the authority to deal with them.

For the universities, the governance issue had a different focus as they already enjoyed the formal legal guarantee of autonomy in the 1997 Act. Nonetheless, university heads remained unhappy with their governing structures, notably the unwieldy size of the governing authorities. Some (UCD and UCC) were as large as 40, the smallest (TCD) was 27. The common wish was to devolve much of day to day management to a small board, a view very much in line, as Coolahan noted, with the suggestion by the rapporteur of the OECD examiners, Michael Shattock of a ‘strengthened steering core’ (Shattock 2003) that would offer strong corporate leadership

While approving of this broad concept, Coolahan did warn of potential disadvantages, notably the development of a management ethos that would be detached from the general academic community and would result in a loss of interest among staff with governance issues that affect the institution as a whole.

The EU Lisbon Agenda

The Irish authorities had to face up to the demands imposed by the European Union on all member states to demonstrate how they were meeting the targets of the so called Lisbon Agenda. This was an agreement among EU heads of Government to develop a common response to the perceived slow pace of growth in many European economies. The core of this agenda was the standard neo- liberal structural reform programme, higher productivity, labour market flexibility, lower costs and open markets in energy, transport and communications. The government leaders agreed at Lisbon to use this agenda as the reference point for many aspects of domestic policy within member states, Ireland included.

One important innovation was the establishment of continuing review mechanisms to measure how each member state was meeting the obligations imposed by the agreement and this was to be achieved by a system of 'scorecards' that would identify 'heroes' and 'villians' based on the extent of reforms introduced by individual member states (Tucker 2003, Borrás and Jacobsson 2004). This meant a new emphasis in educational systems on the role of indicators, benchmarks and quality controls. For many countries seeking to incorporate such mechanisms into their domestic situations, the OECD offered a useful pre-existing framework with a solid international reputation that could be utilised to accommodate the latest demands from the European Union.

The declared purpose was to improve the competitive position of the European economy by switching from traditional manufacturing towards knowledge and services. As part of the process, each country was expected to take stock of the capacity of its higher education system to establish what additional contribution it could make to the delivery of this ambition. Governments were mandated to give priority to the establishment of a world class research, development and innovation capability throughout the EU.

This marked a decisive change in the attitude within the union towards education policy. Most countries had maintained a robust defence of their national sovereignty in matters concerning education and were traditionally reluctant either to share or cede that sovereignty.

The word 'education' remained 'taboo' for almost 20 years at Community level.

(Pepin 2007: 122)

Co-operation on a voluntary basis was one thing, harmonisation by directive was quite another. The EU, in its earlier guises (European Economic Community, European Community), did undertake some limited initiatives in the field of vocational training but kept these strictly under the auspices of the Social Affairs Directorate (ibid, see also Pepin 2006). For two decades, the Irish proved to be very adept in securing substantial sums from the European Social Fund under the vocational training heading to attract students to pursue technician level courses at the Regional Technical Colleges and the huge expansion of enrolments in these colleges was primarily due to the availability of this funding.

In general, the original Rome Treaty seemed to offer no firm legal basis for a collective competence in education until, in 1985, the European Court ruled that Article 128 could allow action at Community level to foster *higher* education. In the

judgement, the Court decided that *higher education* (added emphasis) could be regarded as vocational in nature and so defined an additional competence for the European Commission by allowing it to extend the provisions of Article 128 to higher education matters (Corbett 2003).

This represented a significant change in the potential for European wide intervention in higher education and opened the way for a more specific recognition of education as a sphere of influence in later amendments to the European treaties such as Maastricht in 1992.

The accelerated push towards globalisation in the economic sphere and the rapid pace of technological change altered the context of European decision making. Member states were reacting individually with measures to have the skills base in their individual economies updated and to encourage a switch to the kind of knowledge based developments that were driving the US economy. These proved insufficient to prevent the European region as a whole from lagging behind the USA. By 1995, comparative reviews of productivity indicated a 6% gap in output per hour between Western Europe and the USA and this gap got sharper as the decade progressed, rising to 15% by 2003. Deficiencies in the European R and D infrastructure and the consequent absence of innovation and entrepreneurship emerged as primary causes for Europe's malaise.

The policy switch within Europe suggested that the State would have to develop a more interventionist role in higher education. The pace of reform in Ireland in the early years of the new century seems to have been too slow to satisfy those charged with implementing the newly urgent calls from Brussels on all member states to meet the targets set at Lisbon. The urgent fiscal pressures that unexpectedly developed at

this time became the catalyst for seeking a wide ranging examination to guide future policy steps.

The Research and Development Issue

By 2000, the European Union had to face one very inconvenient truth. EU GDP per capita lagged 30% behind the USA. The US advantage came predominantly from a small numbers of sectors, notably those involved in Information and Communications (ICT). Two particular features stood out in the research.

- The US achieved major productivity growth in those sectors associated with the productive application of ICT.
- The economic sectors in the US that used *university graduates* (my emphasis) most intensively were the ones which displayed the greatest acceleration of growth.

The Irish record in R and D was especially dismal despite significant economic growth (NCC 2001)

| Indicator | Ireland's ranking |
|---|--------------------------|
| Government spending on R & D as a proportion of GDP | 22nd out of 24 countries |
| Increase in R & D spend as a proportion of GDP increase | 21st out of 25 countries |
| Business spending on R & D as a proportion of GDP | 13th out of 27 countries |

The same review for 2003 (NCC 2003), the year of the OECD visit, highlighted many of the persistent gaps that were a barrier to Ireland's declared ambition to be a leading knowledge based economy and affected the capacity of the higher education sector to become more research intensive.

A dramatic climate change did occur in all Irish HE institutions as regards research when public and private funds became available for this purpose and the HEA took advantage of this to encourage a paradigm shift in public policy. In a report in 2002, it drew attention to the distinction between "an Investment –Driven Economy" and "an Innovation-Driven Economy". The transition from one to the other would involve "the transition from a technology importing economy to a technology –generating economy" (HEA 2002) and this, in turn, would involve a commitment of public funds to sustain a research culture in every branch of higher education. In principle, the government accepted this strategy and included a commitment to allocate € 2.5 billion in its National Plan 2000-06 to research and innovation.

These ambitious developments suffered a major blow when Ireland's economic growth went into a short term reverse in 2002 and 2003 leading to an unexpected spending freeze in every aspect of the higher education budget. There was a palpable nervousness that this reverse would do long term irreversible damage to the new research culture that had been taking shape in the previous five years.

The PRTL I Cycle 3 capital pause is perceived to have seriously damaged the overall innovation agenda by creating uncertainty.
(HEA 2004:24)

The university heads mounted a vigorous public campaign to achieve the reversal of the spending cuts but had to face the unpalatable fact that their demand was only one of many similar protests from other groups that had to endure funding cuts at the time. There was some relief when the invitation to the OECD to conduct a general review

specifically included both R and D and the Lisbon Agenda in the terms of reference. These two headings were seen as an assurance that the concerns of the sector for a more entrenched commitment to research would emerge from the OECD visit.

SUBMISSIONS

The OECD examiners received eighty eight replies to their request for submissions from interested parties. This chapter examines the content of those submissions received from government departments, official agencies and higher education institutions. While there were many common themes, there were also substantial areas of possible conflict and diverse priorities evident in the submissions. One striking feature that emerges from these documents is the extent to which many common OECD viewpoints on the economic role of the sector, funding, autonomy, governance and staffing had already taken hold within both public bodies and the higher education institutions themselves.

Review Process

The OECD examiners came to Ireland on a two week visit from February 15th to February 27th 2004. During this visit, they carried out their business in a manner broadly similar to a traditional commission of enquiry, inviting submissions, taking oral evidence and visiting a range of institutions.

The majority of the eighty eight submissions received came from higher education stakeholders and from professional organisations, trade unions and public bodies. Significantly, some potential conflicts emerged, either latently or openly, in the viewpoints of the two government departments most concerned with higher education, DES (Education and Science) and ETE (Enterprise Trade and Employment). These divergences indicated a number of contradictory pressures on policy makers and it

would be the task of the examiners to resolve them or to adjudicate between one and the other.

Department of Education and Science (DES)

Apart from the background document prepared by Professor Coolahan, the Department of Education and Science itself made a brief formal submission, from which its own long term principal priorities may be discerned, as distinct from the particular individual priorities of the Minister at the time.

The document from the DES was carefully worded and avoided the issue of tuition fees. From the start, it asserted the Department's own claim to be the lead government agency involved in the sector, a firm declaration that it was determined to protect its own sphere of influence from those who would suggest to the examiners that a separate Department or Office within the Department of the Taoiseach should take responsibility for higher education. This suggestion was clearly anathema to the Education officials who insisted higher education should be seen as part of a seamless lifelong system.

Higher education is a key element of the education continuum that commences at the pre-school stage and, in a lifelong learning context, should be central throughout adult life. It is important that policy for the entire education continuum is developed in a coherent way that has regard to the various individual, social, cultural and economic dimensions of education. In this respect, the Department of Education and Science is the most appropriate Government Department to take lead responsibility for higher education policy and funding
(DES 2004:2).

The traditional value of education at every stage as an instrument of nation building and of social and personal development was quietly but firmly asserted as an antidote to the view that the purpose of education was to promote economic potential above all other considerations. This statement of the Department's basic philosophy maintained

the unbroken domination of that line of thought from the foundation of the State through periods of both economic depression and boom.

The broader role of higher education in meeting the personal development needs of the individual learner and in supporting independent enquiry and the basic pursuit and production of knowledge is also central to its wider contribution to society.

(ibid: 2)

The submission goes on to raise strategic management issues and the continuing viability of the binary model that had been the core feature of policy for decades. This is the first indication of any official reconsideration of this aspect of the sector's structure. Successive governments had held on to the binary structure in all reviews since the creation of the regional colleges four decades earlier and the political establishment had remained dedicated to the system and to the local loyalties each of the institutes had established.

Official documents and Ministerial speeches had consistently avoided even the use of the binary term preferring to refer to a 'diverse' system. To open up that particular issue in its OECD submission represented a considerable change in the DES basic outlook that had not been previously articulated in public discourse. At the very least, the Department was strongly advocating the incorporation of the institutes of technology into the Higher Education Authority framework for the allocation of funding and for strategic management purposes. While institutional autonomy remained a core value, the Department was anxious to have a unified oversight of the entire higher education system for both funding and the management of individual programmes.

A further issue raised was the awkward question of corporate governance structures for each individual institution. There is a clear bias in the language of the submission in favour of a switch from the traditional academic way of doing business towards

‘modern best practice corporate governance arrangements for organisations operating in internationally competitive environments’ (ibid). This and related issues dominate the specific subjects suggested for consideration by the visitors, autonomy, local decision making mechanisms and influences, culminating in one clear question:

Do governance structures at an institutional level support dynamic decision making and leadership? (ibid: 2).

Another worrying issue for the Department was the distribution of the increased research funds among the different HEIs. While the Government had temporarily frozen the funds available under the Programme of Research in Third Level Institutions, there remained a definite commitment to invest substantial funds in this area and to promote an active research culture. Tensions and some rivalries had become apparent between competing institutions for access to these funds and the Department was anxious to set firm guidelines in place to achieve a balance between teaching and research in individual institutions, between different types of institutions and between the types of research had had an organic connection with economic development and those associated with the humanities in general. The Department was also interested in having an external input into the establishment of a dispute resolution mechanism.

Like other Departments, Education and Science had a government mandate to incorporate the obligations imposed by the Lisbon Agenda on the HE sector. Part of this agenda was to establish a transparent benchmarking mechanism that would track Irish progress against international norms. Hence, the Department was under a double obligation, one to make a judgement on the existing status of the Irish sector as a whole and of particular Irish institutions by reference to international standards and the other to put measures in place to continuously monitor performance and to make Ireland an attractive location for mobile international researchers.

Department of Enterprise, Trade and Employment (DETE)

Ireland had been in receipt over a prolonged period of substantial financial transfers from the European Union Social and Regional Funds. A sizeable portion of this money was spent in upgrading the country's skills base and there was considerable rivalry between different government departments and agencies over the control of these resources. This was true at both the political and official levels, since the distribution of such sums could greatly enhance a political or an official career and add immensely to the status of a Department. The Department of Enterprise, Trade and Employment was the line department for industrial training and fought hard to secure preferential access to the European funds for this purpose.

On the other hand, Education put forward a compelling case for investment in the many technician level courses in engineering, science and business on offer in the regional colleges. Since these were deemed to be part of the country's framework of industrial training, there was sanction from Brussels to use the funds to support these courses. The rivalry between the two departments continued unabated all through the period of the European funding and it continued under different guises when official attention turned to the creation of a national framework to support high level research and development. This rivalry was noted in the submission of IBEC (Irish Business and Employers Confederation), the national body representing business interests.

A critical priority in this regard should be a greater streamlining of policy between the two key Departments of Enterprise Trade and Employment and Education and Science respectively.

(IBEC 2004:4)

The HEIs on both sides of the binary divide looked to the DES to secure preferential access to the new sources of funds for themselves while the ETE Department argued for a wider distribution more directly linked to industry. The competition between the

two branches of government became quite intense when budgetary restraints during the 2002-03 economic downturn compelled the Cabinet to call a pause in the funding programme with each side making special pleas to be exempt from the new restrictions. Since the OECD review included funding of research as a specific item in the terms of reference, the DETE went to considerable pains to ensure the examiners were aware of the research that was underway outside the formal higher education system, lest the ultimate report disturb the delicate balance that had developed in the allocation of funds.

The submission noted that the overall proportion of Ireland's national wealth devoted to high-level research still had a long way to go to meet the established EU targets. The scale of approved funds, while significant in comparison with earlier funds, remained considerably below the European average and would need a further quantum leap if there was to be a realistic chance of meeting the 3% of GDP target by 2010 set out by the EU.

The Enterprise Department's focus was as much on the use of the funds as on the actual amount spent within the HE sector. Early in the submission is a reference to the 'effective functioning of the HE research system' (DETE 2004a), suggesting that the institutions needed to look to the commercial value of the research as much as the contribution it made to learning and knowledge. Appropriate deference was expressed to 'a balanced national spectrum of capability' (ibid) but this was a side issue when put against the paramount economic imperative for HEIs to meet the demand for 'specialisation in fields allied to national economic priorities' (ibid). With this in mind, the department urged a competitive funding framework rather than a system of block grants for research, as competition would be the more effective way to

guarantee institutional compliance with the strategic goals set out by the State as funding authority.

Whatever about the notional autonomy enjoyed by institutions under Irish law, there was a clear indication that the control of funding was to be exercised to ‘influence institutional behaviour’ (ibid). The DETE had responsibility for a number of agencies that allocated research funds notably Science Foundation Ireland and Enterprise Ireland. The message of the DETE submission was unambiguous. If HE institutions wanted access to the funds the department controlled, they would have to adjust their proposals to accommodate the sponsors.

There was no ambiguity in the DETE’s overt wish for a shift of attitudes within higher education that would facilitate greater commercial links and exchange of personnel between industry and colleges. The submission strongly supported ‘an entrepreneurial environment’ (ibid) that would encourage campus companies, the speedy commercialisation of research results and direct research contracts from commercial clients. It placed a clear onus on the colleges to play a leading role in raising the status of those areas of scholarship, notably in science and engineering, where there appeared to be a waning of student interest.

The submission expressed firm views on both the overall governance of the sector and the on the governing structures of individual institutions. It advocated representation on the Higher Education Authority of people involved directly in economic development and advocated a compact and tighter governing system for each college with external members, including leaders of industry, holding the majority of places. A number of public bodies acting under the aegis of DETE made separate submissions.

Enterprise Ireland is the agency whose mission is to promote indigenous Irish industry and business. Its submission mirrored many of the points made by DETE and was expressed in the usual polite diplomatic tone common to such documents. Each of the points is presented so as to persuade rather than to confront in the hope that the international visitors would add strength to proposals that clearly had been expressed before in domestic reports and public discourse. There was the wish for representation of external stakeholders from a wide spectrum of economic interest groups on institutional governing structures, particularly on those charged with policy formulation (EI 2004). The wish for a greater uptake of science and engineering at third level was repeated and the anxiety of the agency's clients on this matter was stressed.

The overall tenor of the document was a plea for constructive engagement between academia and industry through a range of incentives, joint projects and a gentle coaxing towards a culture shift within the colleges to recognise the value of a more directly commercial outlook. A subtle distinction was drawn between the research agendas of the universities and the institutes of technology, the former associated with high level basic research while the latter's involvement is more related to the kind of applied research ('closer to markets projects') that would appeal to the country's smaller indigenous industries.

Science Foundation Ireland

By contrast, the submission made by Science Foundation Ireland (SFI 2004) was altogether more acerbic and strident in its tone. SFI had responsibility for allocating research funds in three particular scientific areas, Biotechnology, Energy and Information Technology. This submission, written in the first person by its Director,

Dr William Harris, was emphatic about reforms he considered essential to make the sector fit for the specific purposes of SFI's own mandate.

Dr Harris had come to Ireland from the USA to head up SFI when it was established as an independent agency in 2000. He was formerly Vice President for Research at the University of South Carolina and had served as Executive Director of Columbia University's Biosphere Centre in Arizona. He established a reputation in Ireland for his outspoken views and his wish to replicate many features of the research and governance frameworks of the US higher education system in Ireland. Many of these views were expressed in a forthright manner in the submission he wrote for SFI to the OECD examiners.

Like the DETE submission, SFI expressed anxiety about the public status of science and engineering. It referred to the position of these subjects in secondary education and queried the incentives that motivate students into areas of study that are 'irrelevant to the challenges they will face' (ibid). As far as Dr Harris was concerned, the education sector at all levels had a bounden duty to promote participation in the sciences and if root and branch adjustment to curriculum requirements had to be made to accommodate this, then 'we must have the courage to change the system accordingly' (ibid).

The SFI view on academic appointments was expressed in equally blunt language. SFI took the view that lifetime appointments after a mere one year of probationary service ran counter to a public agenda that stressed research and innovation as primary functions of higher education. In SFI's view, the grant of tenure to an individual amounted to a fundamental decision for the institution that should be approached only with extreme caution and rigorous assessment after a minimum of five years. Even

after appointment, the institutions should maintain a post-tenure review process to secure high levels of staff performance.

The same deference to the American approach was apparent in the views expressed on institutional missions. The longest section of the submission outlined, with evident enthusiasm, the different types of institutions that exist in the US framework, notably the co-existence of both private and public colleges that compete robustly for funds, faculty and students. The SFI document was unequivocal in its support for that style of competition as the engine of change and urged consideration of a 'diverse set of public and private institutions in which competition and community need rather than institutional ego can play the deciding role' (ibid). These views were reiterated by Dr Harris in media interviews and public speeches he gave during the course of the OECD review.

Dr Harris treads on much more delicate ground when he talks about the need for changes in the universities themselves - and the way they are funded. "They have to be more innovative and less rigid and traditional. Over time, they should develop a broader range of funding but that is hard to do with their tradition of State funding; unlike the USA, where there is competition between public and private institutions.

(Harris 2004)

The SFI submission expressed support for a thorough reform of institutional governance. The size of Governing Bodies made them 'almost unmanageable' (SFI 2004) with an excessive level of internal representation that gave too great an emphasis to sectional interests over those of the wider society.

On the governance theme, SFI went further and questioned the capacity of the Department of Education and Science to guide 'higher education to become as valuable a partner in national development as it should' (ibid), a caustic comment on that Department's policy to encourage scholarship across a far wider spectrum of subjects than the more confined narrow scientific and economic focus apparent in the

proposals on offer from the agencies associated with the DES's long term rival, the Department of ETE, at the heart of Ireland's public administration.

State Industrial Agencies

Two other agencies under the auspices of the DEET Department also made submissions and again there was a marked contrast in the tone of the viewpoints expressed, though the formal content was broadly similar. IDA Ireland is the lead government agency devoted to attracting foreign direct investment to Ireland. This hugely influential body presented its conclusions on the state of higher education in Ireland in calm and measured language but there could be no doubt as to the direction it wanted the system to take and the changes it sought in the way the institutions were governed.

The IDA did not offer an overt prescriptive set of proposals for the review group to endorse. Rather it seemed to see the OECD visitors as a medium to transmit a greater sense of urgency to those involved in higher education to reform through their own initiative or face a veiled threat to have reform imposed on them. The submission recalled earlier numerous expert reports that had highlighted, to no avail, skills shortages, notably in science, that would act as a barrier to certain types of industrial investment. The IDA warned that the country needed to go beyond its traditional incentives such as low cost and low corporate taxation.

Ireland must increasingly position itself as an innovative and creative country, rather than one which has merely cost advantages... Third level institutions, whether they develop as public organisations or, *perhaps in some cases evolve to private organizations*, must have a greater commercial mandate.

(IDA 2004:2, emphasis added)

The underlying threat is evident, however carefully and diplomatically expressed. The institutions needed to do more on their own initiatives to meet the wishes of external ‘customers’ or else their traditional public service structure would have to be sacrificed by the introduction of competition from a new private sector with very different principles of governance. Perhaps mindful of the political delicacies involved in promoting such a sweeping mission change, the IDA saw the arrival of a prestigious international body as the ideal way to get a reform agenda in place that would include its principal wishes.

Whatever the mechanism, the outcome had to involve a greater commercial outlook and respect for the kind of skills sought by industry, including a new emphasis on ‘core personal skills’(ibid) and the possible inclusion of business modules in science degrees as an extra incentive for students to take up places in science.

It is pertinent for the Review Group to evaluate what mechanisms the educational system and individual institutions use to determine the needs of their customers, i.e. students, business, etc. and to consider whether there should be an ongoing process for this. Business, for its part, is of the view that it does not get sufficient say in this process.

(ibid)

Completing the quartet of DETE agencies was Forfás, the national policy advisory body for enterprise and science. Its submission forcefully stated its view that higher education’s core function was to facilitate a transition of economic activity to high value internationally traded services and products.

It is imperative that enterprise must be one of the key considerations in policy making for education. (Forfás 2004:2)

The submission argued that the bulk of resources should be committed to having three of the country’s universities recognised as world class research centres. Such research itself had to have its own single –minded purpose and ought to be confined to ‘areas of economic activity in which Ireland can compete internationally’ (ibid). This would

involve a much more ambitious target than before for the level of participation in HE and also a marked improvement both in completion rates and recruitment of mature students.

The entire document showed a strong bias in favour of science, engineering and business. In particular, Forfás wanted more compact governance and greater business representation along with a formal requirement that institutions consult with ‘appropriate representatives of enterprise’ in their evaluations of courses and research programmes (ibid). It argued for wider access to courses associated with professional services in order to bring about greater competition in these professions and warns of ‘the misallocation of talent resulting from the attractiveness of high earnings in protected sectors’ (ibid).

Universities

None of the seven universities chose to make an individual submission though the members of the visiting panel did visit three of the seven, UCD, UCC and Limerick. A common submission was made by the CHIU, the Conference of the heads of Irish universities (later renamed as IUA, the Irish Universities Association).

The overriding theme in this document is the wish to protect the institutional autonomy that was guaranteed in the 1997 Universities Act. The university heads presented a governance principle set out by the OECD itself as their preferred definition of autonomy.

the art of policy-making will in future involve ensuring that public goals are met in higher education through influence rather than direction’.
(OECD 2003b:75)

Despite the legal guarantee of autonomy the document drew attention to practices that undermined the exercise of that autonomy.

However, creeping bureaucratisation in the system is making excessive demands on universities in terms of resources and in terms of compromised autonomy.

(CHIU 2004c: 5)

Examples cited included delays in the payment of annual core funds and the inflexibility of the existing funding model. Another concerned staffing tenure and the limitations placed on the universities by the standard public service rules about recruitment and promotion.

To facilitate the infusion of new blood and maintain the vitality of staffing, universities need to be able to address performance and underperformance of staff through greater flexibility in the pay, promotion and pensions structures and not be bound by public service norms. (ibid:8)

The CHIU submission was emphatic in its support for the existing binary structure. The finance issue was the centrepiece of the CHIU submission and it set out the standard catalogue of funding woes. On this occasion, there was a special emphasis on international comparisons. The general statement of official policy in the terms of reference was to move the Irish higher education sector up the international rankings and to be within the top decile of OECD countries. The CHIU submission turned this general policy commitment into a demand for a substantial increase in public funds and for greater autonomy in the search for matching external support. An increase of the order is 60% in funding per student was suggested as necessary to achieve the top decile target. There was no explicit reference to the controversial tuition fees debate. Instead, the heads approached this matter indirectly through a plea for freedom to raise funds independently and to have any money raised in this way to be protected from any consequent reduction in public finance.

Government must acknowledge the required level of increased investment in universities and if unable to provide it must facilitate greater diversity in income sources *including additional income from those benefiting from their services (emphasis added)*.

(ibid: 4)

The document goes on to classify university education as a 'private good' as well as a 'public good', a clear, if coded, support for seeking a contribution to costs from those who obtained a benefit from this level of education. By setting out its views in these terms, the university heads left open the specific way such a contribution could be sought, possibly by way of a deferred fee rather than the direct tuition fee as had been the earlier practice. One remarkable feature of the submission was the concern, repeatedly expressed, that the general public was insufficiently aware of the actual and potential social and economic benefits that public investment in the sector would deliver. There is an echo here of the frustration felt within the institutions that higher education had been unable to command any significant degree of public support for its complaints on underfunding while the primary and post primary sectors had continuing public sympathy.

The national framework must be underpinned by a comprehensive explanation and acknowledgement by government of the full range of benefits higher education delivers to democracy, the economy, society and individuals including health benefits, lower crime rates, increased productivity, higher salaries, higher tax revenue.

(ibid: 3)

Institutes of Technology

The Institutes of Technology also made a collective submission through its Council of Directors and members of the OECD panel visited four of them, Cork, Waterford, Tallaght and Tralee. Autonomy was also the dominant issue for the Directors and they wanted an equal degree of autonomy to that enjoyed by the universities since the 1997 Universities Act. While aware of the moves within government to delegate many managerial functions away from the centre, they wanted this enshrined in law.

The devolution of operational autonomy, in line with international best practice for higher education institutions, is an immediate requirement for the Institutes of Technology. This will require legislative change.

(COD 2004a:7).

Another key demand from the institutes was the establishment of a single national agency for higher education that would develop a funding structure based on a unit cost model and a commitment to multi annual funding cycles.

The group submission from the directors did not touch directly on the binary division within higher education. Instead, it drew a different distinction to highlight the importance of widening participation and the creation of a knowledge society rather than the more confined ambition of a knowledge economy. The distinction was particularly relevant in the light of evident regional disparities in access

A focus on diversity of provision rather than institutional diversity is required to achieve this objective.

(ibid: 3, original emphasis).

In addition to this group statement, nine of the fourteen institutes made individual submissions. While they had a common agenda on some matters such as autonomy and the single national agency, some of them had particular ambitions of their own, notably the formal demand for university status from Waterford Institute of Technology. This particular issue was not explicitly raised in any of the documents and none requested the OECD visitors to endorse that ambition. Nonetheless, there was an evident wish among some to highlight their particular strengths to the visitors and, in Waterford's case, to emphasise the existence of a well organised regional demand for a local university and to state that it was 'at the boundary of its development within the current parameters' (WIT 2004).

The WIT argument had a regional rather than an institutional focus. The absence of a university in the South East region was presented as the primary cause of many economic disadvantages endured by the region. By presenting the argument in this way, the WIT avoided the pitfall of special pleading to an international panel but the

message was clear. The region needed a university of its own and the WIT was the obvious institution with the history and the capacity to fill the need.

The rest of the Waterford document concentrates on the standard themes of enhanced autonomy and freedom from centralised micro management by the DES. It offered, also, a view of WIT as following the 'entrepreneurial' agenda with the capacity to raise independent funding through commercial involvement and to engage in many kinds of both basic and applied research.

An entrepreneurial element in the finance model can present an opportunity for an autonomous and focused regional higher education institution empowered to achieve regionally based strategic aims.

(ibid: 4)

One aspect of the DIT submission stood out from all the others. It tackled the binary issue head on and suggested the concept had run its course and was no longer a suitable model for the Irish situation. The DIT (which was not part of the group submission made by the Council of Directors) presented its own view of itself as an institution with a mission that was neither on one side of the binary division nor the other.

Dublin Institute of Technology (DIT) ...crosses both sub-sectors and pursues a distinctive mission as a publicly-funded, multi-level urban institution, offering strongly vocational ladders of opportunity from apprenticeship to PhD. DIT is proud to be different fundamentally from both the current seven Irish universities and the Institutes of Technology.

(DIT 2004:2)

It went on to argue that the entire binary division had become outdated in light of the Bologna process and the ever increasing demand for higher qualifications. Drawing on a document prepared for the DIT by Professor Malcolm Skilbeck, it concluded that 'the binary system has in effect become an unnecessary impediment' (Skilbeck 2003).

This was the sole direct attack on the binary system in any of the submissions. The rest of the DIT document repeated the common demands for autonomy, for multi-annual funding, for greater research funding and for a guarantee that additional funds raised independently by individual institutions be protected rather than be the cause for deductions from public incomes. The DIT supported the proposal for an annual contractual relationship for each institution with the HEA and the linkage of funding to agreed performance targets.

Higher Education Authority

The HEA in its own submission (HEA 2004) had a delicate task to perform. Its remit concerned only the university sector but the extension of that remit to cover the Institutes of Technology was widely anticipated as a probable outcome of the OECD deliberations. The Authority had to be mindful of the wider sector rather than the particular interests of the seven universities.

It achieved this by expressing the broadest nation building definition of higher education's role, stating that 'the higher education sector should continue to develop students to their full potential and pursue knowledge for its own sake' and went on to list a number of specific policy objectives, 'enhancing skills levels, promoting social inclusion and citizenship, and economic, regional and cultural development' (ibid).

The Authority moved on to its view of urgent structural reforms concerning governance, management, autonomy and finance issues which it viewed as necessary conditions for the delivery of the wider national aims sought from the sector. While other matters such as social inclusion, access and R and D were also listed, they took second place to the structural issues.

The HEA identified the development and implementation of a funding model as its own primary role.

Funding would be allocated using three criteria – core funding would be student led; strategic funding would support the institution in contributing to national goals as well as institutional development; and major new initiatives would be allocated on a competitive basis.

(ibid:12)

The document suggested performance agreements with each individual institution so as to secure the delivery of specific outcomes within an agreed timetable.

The HEA submission sought the retention of the established binary model but it took the diversity of institutions argument much further than ever before by endorsing the possibility of some institutions moving from the public sector to become private institutions.

The higher education sector should, in general, have the capacity to evolve as the social, cultural and economic factors in the environment in which they operate change. This could include individual “public” institutions evolving into private institutions, where this would ensure greater benefits to the sector and society. Any such institution would then have contractual relationships with the State.

(ibid: 15).

It went on to urge much more compact governing structures and a new law to remove any confusion between the roles of institutional governing authorities and their senior executives. On funding, the HEA gave categorical support to the involvement of private sources of finance with guarantees that any success among HEIs in obtaining such support should not lead to any loss in the level of public finance. There was clear support, too, for the idea that participating individuals should be expected to contribute but the submission was careful to avoid endorsing any one particular form for such contributions. Instead, it mentioned a number of possible options including fees, vouchers and loans.

Summary

Taken together, the submissions from the State agencies indicate a deep dissatisfaction among enterprise policy makers with the capacity of the higher education system to adapt to the agenda set by the business community. While they were prepared to invest a considerable slice of public capital funds into a research program, they wanted assurance of culture and mindset changes that would put enterprise and its associated values at the heart of the higher education experience.

Traditionally, Irish universities gave pride of place and status to prestige professions such as law and medicine. The level of academic achievement required in the common applications system for entry into these courses remained stubbornly high, highlighting a sustained aversion among many of the most talented students for the business and science courses favoured by the enterprise lobby. The common theme of the enterprise documents was the wish to shake up the sector by a mix of incentives and prescriptions, with a greater or lesser stress on one over the other depending on the individual agenda of the organisation. There was a common demand for tighter governance, more attuned to the world of business than to the time-honoured traditions of scholarship and education. There was general support for the binary division, tempered by a demand for greater co-operation between the universities and the institutes of technology, both in course design and in the sharing of funds between basic and applied research.

There was an undoubted convergence of general policy aims between the two government departments, DES and DETE, as reflected in the respective submissions of the Departments themselves and their associated agencies. Equally, underlying tension between both was never far from the surface. Both looked to the OECD review to see which approach would get the endorsement of the international examiners.

The submissions from the higher education institutions themselves exhibited a similar convergence of policy with that of the public agencies and government departments.

The universities, in particular, were keen to move to a tighter governance structure and to have a more flexible capacity to control staff recruitment, tenure and promotions.

The Institutes of Technology had a wider agenda to achieve greater autonomy and to protect the space they had won in the research funding programme and, for some, to leave open the opportunity to seek university designation.

Within all the submissions the prevailing language that emerges indicates the extent to which many OECD policy ideas had already become the norm. What emerges is the general adherence to the underlying principles of the OECD's flagship New Public Management (NPM) model (Hood 1995). The common ingredients of this generic label consistently appeared in the submissions from the institutions and the public agencies. These include the development of an entrepreneurial culture, competition between and within institutions, incentives for links to industry and business, the 'user pays' principle, the incorporation of corporate models such as contracts and accountability in dealings with funding agencies, performance and outputs based funding and a general acceptance of an economic role as the driving force of higher education policy.

THE REPORT OF THE EXAMINERS

The OECD Examiners made fifty two separate recommendations under seven different headings. This chapter looks at the recommendations under each of these headings in turn and the associated recommendations on issues like structure, governance, funding and research. These were the critical issues that would determine the extent of the report's long term impact. The chapter highlights those recommendations that had the potential to be flashpoints for disputes which could hinder or delay their implementation and long term influence.

Publication

The examiners had their report ready for publication in September 2004, exactly in accordance with the agreed timetable.

In the meantime, the political context had changed. In June 2004, the ruling coalition suffered a bruising rebuff in local and European elections (Kavanagh 2004) leading the Taoiseach, Bertie Ahern, to announce a cabinet reshuffle. Education Minister, Noel Dempsey, was transferred to Communications, a move widely believed to have been caused by the controversy over third level fees (Brennock 2004). Responsibility for implementing any changes arising from the OECD report devolved to the new Minister, Mary Hanafin, a more conciliatory and less confrontational figure than her predecessor (Walshe 2004).

Two documents were published in the same week as the OECD report and these provided a distinctive backdrop that would focus attention on the issues at stake. One was the perceived poor showing of all Irish universities in the annual ranking table of

the world's 500 top academic institutions prepared by Shanghai Jiao Tong University. No Irish institution appeared in the top 200. Trinity College, Dublin did feature midway while UCD and UCC were in the bottom 20% and the other four did not appear at all, leading Dr Ed Walsh, former President of Limerick University, to argue, with characteristic candour, the demand for root and branch reform.

The managerial and governance constraints imposed on Irish university presidents would not be countenanced in the US where the leading universities are no-nonsense performance-driven organisations run by boards predominantly composed of hard-nosed enterprise and community leaders.

(Walsh 2004)

The other publication (Kelly 2004) was a sober analysis commissioned by the HEA of the capital funding needs of Ireland's higher education sector. It suggested a commitment of €933 million in different phases, incorporating renewal of existing buildings, a budget for new equipment and extensions to all institutions to cater for anticipated expansion. But there was a sting in the tail which caused an instant furore. The list of approved projects was heavily biased in favour of the Institutes of Technology. This caused considerable dismay to the university heads, who had looked to the publication of this report and that of the OECD review as the catalyst for a new wave of public funding.

Their statement expressed their disappointment in no uncertain terms.

The Group's cautious, pragmatic, modest and conservative approach concerned primarily with "catch-up" investment was informed more by a view of what the Department of Finance might tolerate rather than the Government's strategic objective for higher education. The approach has sold short the university sector.

(CHIU 2004a)

With unfavourable international rankings, a difficult financial outlook and an unsympathetic finding from the Kelly review, the Irish universities needed a substantial boost from the OECD examiners if they were to have any hope of making the authorities meet any of their demands.

The report of the examiners did not disappoint the universities. In fact, it endorsed almost everything in their wish list and did so with a forthright clarity that elicited delight from the beleaguered heads.

Recommendations

The report (OECD 2004b) was remarkably brief, less than eighty pages long in contrast to the huge volumes traditionally associated with a formal government commission. It contained fifty two specific recommendations which were to become the subject of animated debate and became the template used by government and individual university heads for a series of detailed structural reforms. Surprisingly, the debate about the proposals among the wider public was remarkably muted. There was only a limited debate on the report in Parliament and the specific reforms that required legislation were passed with only perfunctory debate or scrutiny. The passion that had been evident in the arguments over tuition fees prior to the establishment of the review was not reprised on publication of the report.

The fifty two recommendations, listed in full in Appendix 3, cover seven different headings.

1. Structure: recommendations 1 to 6
2. Governance and Management: recommendations 7-19
3. Widening Participation: recommendations 20-26
4. Research: recommendations 27 to 38
5. National Strategic Management: recommendations 39-48
6. International Aspects: recommendation 49
7. Finance and Funding: recommendations 50-52

Proposals on Structure Recommendations 1 to 6

In the first recommendation, the examiners came down unequivocally in favour of the existing binary divide. They judged the mission diversity between the universities and the institutes of technology to be one of the fundamental strengths of the overall Irish system, though they did suggest some organisational changes that would encourage mutual co-operation and collaboration between them. They wanted to encourage the universities and the institutes to establish stronger links with further education colleges as part of a widening participation and lifelong learning agenda.

That part of recommendation no 1 was in line with the policy of successive governments and, in itself, was neither a surprise nor particularly controversial. However, the same could not be said of the second part which proposed that ‘there be no further institutional transfers into the university sector’ (ibid). This represented quite a dramatic shift of policy and established practice. For decades, it had been open to an individual institution to seek university status and move across the binary divide. The two newest universities, Dublin City (DCU) and Limerick had been established as National Institutes of Higher Education (NIHE) but had been awarded university designation by law in 1989. The 1997 Universities Act established a formal procedure to deal with such requests. Now the OECD examiners were proposing that this process be put in abeyance for the foreseeable future, much to the delight of the university heads but posing a difficult dilemma both for some individual institutes who harboured ambitions for university designation and for their political representatives.

Proposals on Governance Recommendations 7 to 19

The review made many suggestions to strengthen institutional governance and financial accountability. Many of these were issues of detail such as audit procedures and could be implemented without much upheaval. Others suggested a very marked shift from existing

practices and were bound to generate considerable argument. One such proposal was to allow individual institutions break away from established salary scales in order to compete internationally for staff with particular skills or expertise. Another concerned the tenure issue which featured heavily in many submissions.

The visitors were adamant that the existing inflexibilities and promotion procedures militated against the creation of an entrepreneurial culture and a more intense research activity. If the supreme object of policy was to foster a research culture, the way to achieve this was to establish a US style tenure appointments procedure. A period of five years was suggested as the basic pre tenure service with the final outcome judged on research performance as well as teaching. Incentives to encourage research performance also dominated proposals concerning promotions and the creation of personal professorships conferred exclusively on the basis of individual accomplishment in research or research leadership.

We believe that universities need to address this situation actively: they need to be more selective at the tenure stage, be more flexible about promoting staff to reflect research excellence, develop ways either of incentivising research inactive staff back into research or of creating space, through early retirement schemes, to continue to make new blood appointments. (ibid: 27)

The 'central, steering core' idea promoted in Clark's vision of an Entrepreneurial University (Clark 1998) came in for very favourable mention as did the rotation of departmental headships. A maximum size of twenty for governing bodies, with a clear majority of lay members, was proposed, reflecting the tenor of some of the submissions made to the visitors.

The report suggested a change in the 1992 Institutes of Technology Act to strip governing bodies of any role in day to day management that ought to be the preserve of the Director alone. There were also detailed but potentially contentious suggestions about the manner of appointment of lay governors and Institute of Technology Chairs. Traditionally,

appointments to governing bodies were the jealously guarded preserves of local political interests while the choice of Chair was the prerogative of the Minister. The 1992 Act had transferred the RTCs from the aegis of the local Vocational Education Committees (appointed by local authorities) but these bodies had succeeded in preserving their rights of nomination to Governing Bodies. Hence, any change would require more direct government action than in the case of university governing authorities and had thorny political implications in that the suggested change would disturb many entrenched rights of patronage.

Proposals on Widening Participation Recommendations 20-26

The report endorsed a wider access agenda for socially disadvantaged groups and in favour of the lifelong learning objectives of the EU. While recognising that the Irish government had taken many measures to pursue those two agendas, it highlighted their lack of impact on outcomes. The report sought a more determined action programme to remedy the situation and suggested that HEIs needed to address these inequalities if they were to maintain the level of enrolments and continue the supply of qualified personnel for the wider economy. Part-time participation in HE received special attention because of the weak record of Irish institutions in servicing this field and there was a strong emphasis on reducing wastage rates and encouraging retention initiatives.

Proposals on Research Recommendations 27-38

This chapter was the most eagerly awaited part of the report in the light of the uncertainty within the higher education sector over the government's stop-go approach to research funding. No fewer than twelve of the report's fifty two recommendations are attached to this chapter. There is a striking enthusiasm and frankness in its tone, possibly indicative of

a belief among the visitors that their proposals on this topic would have greater long term impact and influence than in any other.

The primary recommendation concerns the level of public funding of research.

That public investment in research and R and D needs to be further increased if the requirements of the Lisbon declaration for 2010 are to be met. (ibid:40)

Funding was not the only issue that concerned the review team. The most far reaching recommendations concerned the organisational structure of research and its spread over different types of institutions. They had to react to two apparently contradictory pressures. All HEIs, on both sides of the binary divide, had been encouraged to develop research profiles. In principle, the Institutes of Technology were supposed to concentrate on applied research with links to local industry but some had taken the opportunity to become the lead partners in some publicly funded basic research projects. The review team were unhappy about this and indeed noted that international experience suggested a high level of institutional concentration to achieve effective results, a point that must have unnerved some research groups in the smaller universities as much as those who had taken the initiative to undertake research activity in the Institutes of Technology.

The same preference for concentration was evident in the discussion of graduate student numbers. The report urged a dramatic increase in the number of doctoral students as the surest mechanism to sustain research activity and a strong research culture. But it added a qualification that was to cause dismay, even consternation, in the Institutes of Technology.

With the sole exception of the DIT, the examiners proposed that the power to award doctorates be confined to the universities and that doctorate awarding powers already sanctioned for individual Institutes of Technology, apart from the DIT, be rescinded.

Another recommendation (no 34) that caused disquiet was one that proposed the incorporation of the separate Councils for the Humanities and Social Sciences and for Science, Engineering and Technology into an expanded Science Foundation of Ireland,

which would become the principal national research funding body. The report noted an extraordinary number of public organisations for such a small country that were involved in one way or another in distributing funds for research with as much as 40% of the entire amount of public funds available going to organisations outside higher education. The examiners called for greater coordination with a Committee for Research Policy to report directly to the Cabinet and a Chief Scientific Officer charged with coordination.

The organisation of research activity was already under separate active government consideration, as a very large allocation of funds, € 2.48 billion, had been earmarked in the published National Development Plan.

The government decided to announce its own organisational framework (DETE 2004 b) in June 2004 before the OECD report was completed. Important issues of difference arose in the detail between the government proposals and those of the OECD. The new official policy did include the two proposals on a Chief Scientific Adviser and a research policy committee that would be in the OECD report but with differences of emphasis and detail. These differences gave rise to unease among the examiners themselves and they gave expression to it in a special note in the report (OECD 2004b:39).

One issue concerned the job description for the Chief Scientific Advisor. The government had proposed that this officer would 'provide independent expert advice on any aspect of science, technology and innovation' (DETE 2004b) while the examiners were more concerned that the appointee's primary task would be to coordinate the work of government departments with the Science Foundation and the Tertiary Education Authority.

Another issue was the role of the Cabinet Committee. The government envisaged this committee as performing the coordination of science and technology issues. The OECD visitors, instead, wanted a Committee on Research Policy that would report to the Cabinet and have a mandate to 'develop and oversee a national strategy for Research, R and D and

innovation' (OECD 2004b). They urged the government to revisit these issues of organisational detail in the light of their report.

Proposals on Strategic Management Recommendations 39-48

This is the most complex and challenging part of the report and would, if fully implemented, represent the most extensive reorganisation of post-secondary education in Ireland since the original OECD evaluation in the 1960s.

There had been broad consensus in the submissions that the Institutes of Technology should be set free from the degree of detailed control that had been exercised by the DES. One option was to create a new funding body for the Institutes of Technology alone but this would run counter to the express wish of the examiners to increase the degree of cooperation between the two sets of institutions, both nationally and locally.

The general view in the various submissions on this point was that this could be achieved by placing the institutes under the aegis of the HEA. To incorporate fourteen institutes of technology into a system designed for a much smaller number of universities would not be an easy task as it could conflict with the primary recommendation that the existing binary division within the HE sector be maintained. Hence, the visitors had to deal with the problem of reforming the HEA to deal with its new responsibilities without disturbing the continuation of the binary system. The visitors had another item for inclusion in a renewed framework. They wanted to bring the further education sector into play with both the universities and the institutes in order to secure a seamless interconnection within all levels of post secondary education.

Such collaboration, particularly in relation to widening access and to lifelong learning generally needs to be extended to the further education colleges in order to ensure that ladders of opportunity reach down as far as possible into local communities. (ibid: 20)

In the view of the examiners, any proposed structure had to accommodate four potentially conflicting purposes.

1. To create an alternative structure for the funding of the Institutes of Technology so as to free them from the day to day control of the DES.
2. To restructure the existing HEA to perform that task for the Institutes of Technology .
3. To achieve that restructuring in the context of the more general commitment to maintain the binary system.
4. To absorb the further education sector into any revised planning and funding scheme.

Their solution to these diverse aims was to construct a brand new entity to be called the Tertiary Education Authority (TEA). The change of name would signal a significantly different mission to that of the existing HEA and highlight the much wider remit proposed for the new body over that carried out previously by the HEA. Nonetheless, the detailed internal organisational structure proposed for the new body emphasised the diverse missions that the individual component sectors were to pursue.

Any new structure must preserve this division of function but create a more integrated and more permeable system of tertiary education.

(ibid: 42)

The report proposed two separate internal committees with a common Chair, one to be devoted exclusively to the universities and one for the institutes of technologies. The post of Chair would be subject to public advertisement. The authors even went so far as to suggest that this structure be placed on a formal legal basis in the legislation that would set up the TEA. There would also be a small Board drawn from the two committees which would perform a strategic planning and coordinating role.

The structure proposed only covered the internal organisation of higher education. The examiners also looked at mechanisms for external linkages, notably to government departments and agencies who would be involved in making decisions that would have an impact on higher education. The examiners concluded that the very considerable sums

earmarked for higher education and associated research needed a framework that would facilitate a greater level of coordination and strategic planning that would necessitate involvement of the 'highest level of Government' (ibid).

They suggested a new body be established to be called the National Council for Tertiary Education and Innovation to be chaired ex officio by the Taoiseach. The primary purpose would be to 'determine a rolling three year national strategy agenda for tertiary education in its relation to innovation, skilled workforce and the economy' (ibid).

These two bodies, the TEA for the internal management of the sector and the high level National Council for strategic planning, formed the bones of a new structural arrangement. The examiners then turned their attention to the rules of engagement to be adopted by these bodies in their decision making.

At issue here was the traditional dilemma of reconciling the autonomy of individual institutions with the pressing performance demands on them from the new bodies and the requirements of public accountability for the massive sums they sought from the national exchequer. The examiners drew attention to the contemporary experience of many other OECD countries which had sought to diversify sources of funding away from over reliance on public funds.

To balance out these demands the report suggested possible operational mechanisms for the TEA in its dealings with individual institutions, notably through a formal contract to link funding with performance. Such a contract would come up for renewal each year in negotiations with the TEA. The Taoiseach's National Council was to set system wide strategic parameters and the TEA would negotiate performance contracts for the delivery of these goals with each individual institution. There is a substantial section of the report on how this could be managed and a detailed review of the funding model that the HEA was simultaneously preparing. The examiners suggested a number of amendments that would give greater emphasis to the general priorities they had in mind on research, on

widening participation, for long term maintenance and refurbishment of buildings, on institutional collaboration and on the collation of statistics to facilitate future planning and evaluation.

The International Dimension Recommendation 49

While this topic was the subject of just one recommendation, the visitors did give particular emphasis to it and expressed some surprise that a country that had been so agile within Europe, the OECD itself and the UN, had so unimpressive record in attracting students from outside Europe.

The report set an ambitious target of doubling international student participation in a five year period and to increase the international fee element in institutional budgets to 10%.

The visitors drew from international experience to stress that success in recruiting internationally was related to individual institutional effort rather than any attempt to create a generic national brand for Ireland at recruitment fairs. They emphasised, too, the value of encouraging international research partnerships.

Proposals on Funding Recommendations 50 to 52

While the funding issue was the apparent proximate motive for the original invitation to the OECD to undertake a general review in Ireland and was the part of the report most likely to attract public and media attention, the examiners chose to leave their recommendations on this topic to the end. They were extremely precise in their conclusions which amounted to just three recommendations, the return of tuition fees, the operation of a much improved means testing system for student support, and a commitment that any future fee income be devoted to the sector and not offset against reductions to existing State funds.

The report made no comment on the public controversy surrounding the fees issue in the period before the announcement of the review. Rather, it highlighted the competing claims for educational funding and noted that Irish spending at the earlier levels needed to be increased to come up to the OECD average. It referred to 'compelling evidence' (ibid) from a leading charity that the low participation rate in higher education of students from disadvantaged backgrounds was rooted in early childhood influences and that fairer opportunities in higher education would require sustained additional funding at a much earlier stage.

Higher education would have to look beyond the State for the necessary boost in funding to achieve the aims set out in the earlier chapters. The examiners found little evidence from the submissions that the free fees initiative from 1995 had managed to achieve its aim of improved access. Any additional funds at third level would require a student contribution which could also be justified in the light of the expected rate of return that a student could expect.

They did, however, add two important provisos. One concerned a reformed system of student finance that would target resources at low income students. The report makes particular reference to an earlier enquiry (De Buitelir Report 1993) into the operation of the student grant system and urged the adoption of the reforms suggested in that review despite the decade long interval since its publication and the obvious reluctance of successive governments to bring forward the suggested reforms.

The examiners had studied different schemes of student charges but opted not to promote any particular one as the best for Ireland. They confined themselves to arguing the case that students should make a contribution to costs as long as an acceptable and equitable system of student support based was put in place to protect access for the disadvantaged. They supported the right of individual institutions to set fees over and above 'the Government regulated level' (OECD 2004b). One matter that did get explicit inclusion

was an insistence that any income that would arise from the restoration of tuition fees belonged to the sector rather than to the national exchequer. This second proviso reflected an apprehension that fee income would simply replace State income with little or no additional income for the institutions. The examiners were insistent that the purpose of the exercise was to generate sufficient *additional* (added emphasis) revenue to the sector to enable more ambitious involvement in post graduate activity and ‘reinforce their autonomy and self reliance’ (ibid).

While eschewing any distinctive set of fee proposals, the visitors did urge consideration of a student loans scheme with a government interest rate subsidy. They also devoted a lengthy paragraph to the Australian HECS policy. This Higher Education Contributions Scheme involved a deferred payment with contributions collected after graduation through the tax system or a discounted up-front payment at the time of study. The primary goal the visitors sought was an end to the ‘free fees’ policy as long as a fair charging system replaced it and the ensuing income stream was exclusively earmarked as ‘a real and tangible increase in the resources available to HEIs’ (ibid).

Summary

The report of the OECD panel was a delicately balanced mix. It was a conservative document in the sense that it stood over the existing binary structure and even strengthened it by the insistence on an end to any further university designations. It was a radical document in its sweeping endorsement of a modernist agenda in areas such as institutional governance, staff tenure, and research activity. The report incorporated a carefully devised construction of a revised national system for funding allocation with strict performance reviews and annual contracts along with a new framework for strategic planning. The panel dealt with the fees issue head on with an unambiguous backing of a ‘user pays’ philosophy though it balanced that with a strong commitment to wider

participation and lifelong learning that ran through many individual sections as a consistent theme. By linking the return of student fees to a thorough reform of the existing means testing for student support grants, the visitors added an extra dimension to the argument that had been missing in the earlier debate.

AFTERMATH

This chapter is concerned with the reaction to the report among the different stakeholders over the subsequent 5 years, September 2004 to late 2009. This will include the structural changes adopted by the government to incorporate the Institutes of Technology into the existing Higher Education Authority framework, while retaining the overall shape of the binary system. The attempts made to balance the binary policy with local demands for university status and the role of the Institutes of Technology in the research programmes is examined as is the continuing conflict about student finance in the wake of the OECD's proposal to reintroduce tuition fees. The chapter examines what policies changed in accordance with the recommendations, which were diluted and which were left to one side during a period of great turbulence within both the higher education system and the country as whole.

Political Reaction

Six members of the Irish Senate, the Upper House of the Irish Parliament, are elected by the graduates of the National University of Ireland (UCD, UCC, NUIG, NUIM) and of Trinity College, Dublin. The presence of these senators with a university background means that higher education issues are regularly discussed in the Senate.

A full debate on the OECD report took place on February 22nd 2005 and the new Education Minister, Mary Hanafin, gave the government's first considered reaction to its recommendations. She indicated approval of the general thrust of the report but was reluctant to give specific commitments on a timetable for implementation. She confirmed that the fees issue remained 'off the agenda' and indicated there would be legislation to create some of the suggested policymaking and financial control structures. That Bill

would enable a transfer of responsibility for the day-to-day management of the institutes of technology from the Department of Education and Science to a reconstituted Higher Education Authority. The retention of the HEA name actually ran counter to the report's preference to redesignate the whole sector as Tertiary Education, a suggestion that clearly found little favour in official circles. Minister Hanafin confirmed that the Government was set on maintaining the binary structure within higher education as recommended.

This diversified model has been extremely successful for Ireland in meeting the varying needs of students, the economy and society and I welcome the report's recommendation that it should be maintained into the future.

(Hanafin 2005a)

In her remarks, she avoided any comment on the second and linked part of that recommendation, namely that there be no further institutional transfers to the university sector. That particular part had delicate political overtones and indeed it was the focus of many contributions to the debate. The government had no desire to get embroiled in any local controversy, so she chose to delicately skirt around that part of the issue, even when pressed on it by senators from Waterford, where a vigorous campaign for a local university was in full swing and by senators from the North West Region, who wished to have a university level institution located north of the line between Dublin and Galway.

The Minister was equally evasive on the government's attitude to the internal reforms within the HEIs that formed an important component of the report. She confined herself to summarising the suggested reforms on governance and staff tenure, which she described as 'complex issues that will need to be worked through in partnership with leadership in the sector, my government colleagues and other interests' (ibid).

However, there was an implied pressure on the institutions to deliver progress on these issues by a veiled threat to link future funding with progress on these issues.

It is important that these modernisation objectives are supported. I have previously stated that I see an important role for the funding allocation mechanism in supporting and promoting reform efforts that support national strategic objectives. This will form an important element of my approach to the implementation of the report's recommendations.
(ibid)

There was little support for the report from the university senators, with one even accusing the visitors of 'simply having a couple of days enjoyment in Ireland' (O'Toole 2005). Another highlighted comments made by the OECD's rapporteur, Michael Shattock, on large scale internal reorganisation within the universities.

This will cause concern as increased business presence in university governance is called for. Expecting universities to be efficient and to take account of the so-called "real world" are issues but if they are driven too far in that direction there will be considerable dangers. What is the cost-benefit analysis of imagination, for example?
(Norris 2005:5)

These senators expressed dismay at the amount of attention in the report to economic considerations and the absence of any recognition of the contribution of the arts and humanities to the country's well being. There was an apprehension that the absorption of research funding in these areas into the framework proposed for Science and Engineering would lead to a severe dilution, a fear echoed elsewhere among academics involved in these fields.

The government view, as expressed in the debate, was a cautious acceptance of the report, combined with a determination to avoid any political minefields or large funding commitments that lay hidden in the document. The different local interests that favoured a new wave of university designations were represented eloquently while the university senators had little or no empathy with the general outlook of the report. For the Minister, the debate was a harbinger of controversies to come.

Funding and Fees:

The report was published in mid September 2004, just as Ministers were commencing their annual pre-budget discussions on the financial estimates for 2005. A cabinet reshuffle that month brought a new Minister for Finance, Brian Cowen, and it was to be his responsibility to bring in a budget in December 2004 in financial circumstances that remained very difficult. Higher education interests hoped that the OECD report would command sufficient influence to reverse the cuts of 2003-04 and put the sector on a more stable financial course.

The Book of Estimates in November 2004 brought little cheer in the provisions made for the annual recurrent grants, the institutions' staple source of funds. An increase of just 6% in current spending was allowed for the universities and 7% for the Institutes of Technology, in contrast with the cumulative 14% cut over the previous two budgets. The modest size of the increase led the President of UCD to accuse the government of undermining the thrust of the OECD report (Flynn 2004), while a joint statement from the university heads said:

The critical significance of the OECD Report's recommendations to the country's future development does not seem to have penetrated the blinkered, expenditure-control mindset that drove the Estimates 2005 process.

(CHIU 2004b)

However, the earlier pause in research funding was relaxed partially, while Minister Hanafin offered the possibility of a competitively allocated strategic fund to support the internal reform process within colleges. A year later, the budget statement of December 2005, displayed a significant change of tone on the financing of the research programme. With a substantial budget surplus now available, due to a return of high rates of economic growth, the Minister announced support for a fourth level initiative to promote post-graduate study and promised a €1.2 billion investment in the period 2006 to 2010,

comprising € 900 million towards capital spending and a competitively allocated €300 million Strategic Innovation Fund. He insisted that the funds would be conditional on agreement to internal reforms within the HE institutions and on a commitment to collaborative effort in research.

A major initiative within this Budget is a commitment to the establishment of a new Ph.D. level of education, a fourth level... To achieve what we have to achieve will require a commitment to substantial change in all our 3rd level institutions.... There must be an appetite from within the sector itself for greater collaboration. This is a small country. It is not sensible to have our 3rd level institutions pitched against each other across all key disciplines. Instead what we need is the promotion of a system-wide collaboration that can draw on the collective strengths of all of our 3rd level institutions.

(Cowen 2005:11)

This policy shift was greeted with huge enthusiasm and was described by the university heads as 'a considerable boost for a comprehensive transformation of the university sector' (CHIU 2005). It incorporated all the wish lists of the institutions with its commitment to a rolling capital investment programme and the priority given to a large increase in the output of PhD graduates.

This announcement had significance far beyond the purely financial aspect. It meant an end to the state of perpetual sniping over funding between the HE sector and the government. It offered a timely reassurance that the recommendations within the OECD report were still high on the official policy agenda. For the heads of institution in both the universities and Institutes of Technology, it was a signal that the funding crisis was over but that any release of funds had to be earned through the internal reform process suggested by the OECD visitors.

The fees issue that had so divided the government earlier was the subject of three recommendations (50-52) in the report. As widely anticipated, the examiners urged the early withdrawal of the 'free fees' policy and this was the only one of the recommendations that commanded any significant media attention. They added two

particular provisos to their recommendation. First, that any additional funds raised from the return of fees be entirely allocated to the institutions and that there be no corresponding reduction in income from the State. Secondly, they endorsed a radical overhaul of the student grants system to eliminate many anomalies that had been highlighted in the operation of the existing means tests.

Both of these provisos mentioned had important political ramifications. The proviso on the operation of higher education grants was itself a sensitive issue that had remained unresolved for more than a decade. The OECD Team endorsed the approach of an earlier government review, called the De Buitlear Report (De Buitlear 1993). Its purpose was to suggest an overhaul of the confusing range of student support schemes that included local authority grants, European Social Fund subsidies, VEC scholarships, national income tax reliefs and covenants.

One proposal caused such widespread political controversy that no action was ever taken to implement it. Higher education grants in Ireland were subject to a means test based on the family income of the applicant *at the time of application* (added emphasis). When awarded, the grant would continue for the duration of the course irrespective of any subsequent revisions in family income. This enabled many self-employed professionals and business people to arrange their affairs so that their income was below the threshold in the scheme in the relevant year, which enabled a grant to be made on the basis of this declared income. In addition, the means test was confined to income and took no account of capital assets.

This was particularly advantageous to the rural community and was resented by wage and salary earners. Even if a farming family had land assets of great value, the eligibility for the grant was based solely on declared income. This was a privilege jealously guarded by farmers who vociferously opposed any suggestion that they reveal the value of their capital assets in any assessment of means. Similarly, someone

who was self-employed could apply for a grant with no statement of assets. There were many anecdotes of working barmen who were refused grants for their children while the bar proprietor had no problem in claiming eligibility. By contrast, urban families of quite modest means were regularly denied grant support because their incomes were openly declared on annual tax returns from their employers.

Dr de Buitlear found that the top 20 per cent income group took 16 per cent of the finance available for the HE grants. He gave an example of one grant holder with assets of over IR£500,000 in the early 1990s, who managed to declare an income sufficiently low to qualify for a full grant.

The public disaffection in urban areas over access to these grants was the subject of quite frequent comment in parliament and in public debate but successive governments balked at introducing the De Buitlear reform proposals. Nor was there any political appetite for another De Buitlear suggestion to transfer the administration of the means tests to the Revenue Commissioners, who controlled tax collection.

The OECD examiners recognised that a return to tuition fees, as they proposed, would be difficult to achieve unless corresponding reforms could be introduced in the operation of the grants system. Even with the endorsement of such a prestigious review, the dual suggestion that income levels be regularly updated and that capital assets be included in the determination of eligibility barely got a mention in the subsequent public debates and remains a very sensitive political issue.

The second proviso mentioned by the review team related to the disbursement of the income that would accrue if fees were to be restored. There was a suspicion that the individual institutions could be short-changed if they were to find their annual block grants from the HEA reduced even partially as a result of the fee income they would receive. Recommendation 52, the last on the OECD list, dealt with this possibility by a

firm declaration that its endorsement for a return of fees was conditional on the full benefit being passed to the HEIs.

If tuition fees are to be reintroduced it should be axiomatic that the additional income is not offset against reductions in State income.
(OECD 2004b:67)

It was a wise proviso, bearing in mind the natural temptation of a Department of Finance, in a tight budgetary situation, to cut back at least on some of the funds previously allocated, which would leave the institutions only partially better off. How the proviso could be given the force of a policy directive was not at all clear from the OECD document. That part was left for later negotiations but it was the subject of some apprehension in the light of previous experience.

In reality, the provisos had no immediate relevance as there was no early appetite in political circles to revisit the fees issue. This set of recommendations was quietly shelved for the time being as Ministers resorted to the formula they had agreed the previous year that it would not be on the Cabinet agenda in the remaining years of that parliament. In fact, debate on fees remained moribund all through the rest of Bertie Ahern's term as Taoiseach and came back to the centre of public debate only when he eventually resigned in May 2008.

His successor was Finance Minister, Brian Cowen, who had to grapple immediately with a sharp deterioration in both the national and international economy. As a further round of public spending cuts loomed, it was inevitable that student finance would again come into the spotlight. Mr Batt O'Keefe, a long term ally of the new Taoiseach, was appointed to Education and lost little time in announcing his intention to reopen the issue for debate and decision. He, too, found it impossible to get agreement to proceed as his new coalition allies, the Green Party, which had joined the government in 2007, decided to veto the proposal in late 2009.

The university heads (now using the IUA label, Irish Universities Association) observed the new debate about fees with a wary eye (Costello 2008). Their wish for an independent source of continuing income was undiminished but they had a misgiving that the new ministerial initiative on fees had more to do with the state of the public finances than with any wish to deliver the funding increase promoted by the OECD report. The explicit proviso in OECD Recommendation number 52 that any fee income be exclusively earmarked as additional rather than replacement income for the institutions was foremost in their minds. After the bruising experience of the earlier debate on the fees issue, they made two suggestions that marked a distinctive difference to earlier attitudes and were more in line with the funding ideas put forward by the OECD.

The universities have concluded that the most equitable approach to individual contributions is via income contingent deferred loans and top up fees.....The universities are not in favour of a replication/reintroduction of the fees and grants system which existed in the 'pre 1996 period.

(IUA 2008:5)

Initially, the government confined itself to a 50% increase in the student registration fee, up to €1500 from September 2009 and then announced a domestic review in February 2008 to be conducted by a high level steering group. In many ways, the business of this new review was to take stock of progress on the OECD recommendations and to establish a consensus on the remaining funding and strategic issues. The composition was the usual mix one would expect for an official commission, with representatives of business, students, academics from universities and institutes of technology as well as senior officials from Education, Finance and Enterprise.

Five years on from the publication of the OECD report in September 2004, the fees issue remained unresolved due to the impossibility of securing political consensus on the issue between the parties within the ruling coalition.

The Institutes of Technology

The report offered a mixed bag to the Institutes of Technology. They had sought greater autonomy from the DES and that Department had no great problem in approving the incorporation of the institutes into the HEA's mandate. An internal operational review (Cromien 2000) had already suggested this and the Minister was quick to authorise the preparation of the necessary legislation.

The cautious tone of the Minister's initial speech in the Senate was reflected in the Institutes of Technology Bill 2006, presented to parliament on May 16th 2006. She set its purpose firmly in the context of the OECD review and the stood by the core objective to retain the binary system and to safeguard against mission drift.

A key recommendation in the resulting report was that we should retain the differentiation in mission of the university and institute of technology sectors but that they be brought under the remit of a single authority for the purpose of achieving a unified higher education strategy.

(Hanafin 2006a:10)

The Bill authorised the transfer to the HEA of many functions in relation to the IoTs that had been carried out by local VECs and the DES and would, according to Minister Hanafin, give the institutes a level of autonomy that was on a par with the universities. The Bill passed easily with cross-party support.

While there was criticism on some points of detail, only one speaker (from the Labour bench) challenged the report's core proposal to retain the binary system. The majority of contributors across all the parties stoutly defended the binary system and the role of the Institutes of Technology in their local regions. The debate did not display any eagerness or wide demand to make fundamental changes.

However, the Bill did not go quite as far as the OECD visitors had proposed. The idea of an entirely new Tertiary Education Authority to replace the HEA was scrapped so that the new structure was not nearly as comprehensive as the measures proposed in

the report. The Act made no explicit provision to add the further education sector into the new authority's remit and the government shied away from adopting the Tertiary Education label as the defining philosophy for post secondary education. An entirely separate official review on further education was underway and there was no appetite to further complicate the process of uniting the funding mechanisms for the universities and the Institutes of Technology.

The decision to present an Institutes of Technology Bill rather than a HEA or TEA Bill meant that the legislation was considerably more confined than what had been envisaged by the OECD. It was basically limited to enabling the transfer of certain functions concerning the Institutes of Technology to the HEA but it did not expressly alter the internal make up of the HEA itself or provide for the kind of performance reviews and contracts that were envisaged in the report. The examiners had wanted two separate committees with a common Chair within the new Authority, one each for the universities and the Institutes of Technology. The Bill did not expressly provide for this though the new Authority appointed in 2007 did have four members drawn from an Institutes of Technology, one from the DIT and four from the universities. In addition, the new authority maintained separate core funding for the institutes and the universities and it set up a separate standing committee to handle Institutes of Technology issues, notably the development of a new funding model.

Nor did the Minister follow the OECD recommendation to surrender political patronage in the procedure for appointing the Chair of an Institute of Technology Governing Body.

Another recommendation concerning Institutes of Technology that did not feature in the government Bill was the suggested prohibition on PhD awards in all the Institutes, except the DIT. This was an acutely sensitive issue for the Institutes of Technology

which had 787 students registered for post-graduate degrees in 2005. While these institutes were pleased to achieve additional independence, they were less enthusiastic about this unexpected proposal and there was little support among the institutes for the idea.

In an early broadside against the report, one senior officer from WIT took issue with the suggestion as a breach of overall public policy on regional development. His special concern was with the limits proposed on involvement in basic research.

Worse yet, the report charges the Institutes of Technology with responsibility for meeting regional needs but simultaneously suggests limitations on the range of activities Institutes should engage in.
(O'Byrne 2004)

The body representing the Directors gave expression to their disquiet in quite guarded terms, pointing out that all of the country's higher education institutions would need to be involved if the report's overall aim to increase the output of doctoral graduates was to be achieved. They also highlighted the apparent contradiction between the additional autonomy proposed for the Institutes and the suggested restriction on doctoral level awards.

A failure to recognise this crucial issue would have far-reaching implications for the development of indigenous research and development capacity regionally and the ability of the regions to attract substantial inward investment, especially from knowledge intensive industries, both multi-national corporations and small and medium enterprises. We, on the Council, are delighted that the Review recognises the need for the Institutes of Technology to have the same freedom to initiate new academic programmes as the universities.
(COD 2004b)

Individual directors were more acerbic in their reaction to the proposed curb on PhD awards. Marion Coy, the Director of Galway Mayo Institute of Technology (GMIT), delivered a wide ranging polemic against the report's general thrust and contrasted it with the ambitious 'no limit' vision of the 1967 Steering Committee, that had given rise to the creation of the original Regional Technical Colleges. Ms Coy was adamant

that the development of a research culture would be hampered were the proposal to be implemented and trenchantly suggested the report's own recommendations undermined the very diversity that the examiners had advocated and would confine the Institutes of Technology to the role of first stage providers.

This recommendation would prevent the emergence of a vibrant and diversified innovation and research environment.

(Coy 2005)

She saw the OECD report as maintaining social divisions within higher education and dismissed the examiners' assertion of an equal status for the institutes with the universities as they had not offered any pathway to the achievement of genuine equality of status. The curtailment on doctoral studies would, in fact, have the opposite effect.

Barriers to intellectual achievement will exist if the Institutes do not provide the role models from within their institutions for their students. Where are the incentives to regionally relevant higher-order knowledge generation and transfer if only one model of doctoral study is credentialised and that credential is only available elsewhere?

(ibid)

The complaints from the institutes of technology on this aspect of the report found little favour from across the binary divide. The Royal Irish Academy appointed its own Working Party to go through the report and this group came out firmly in favour of the exclusive rights of the universities in higher level awards (Academy 2005). A former DCU President, Dr Daniel O'Hare, dismissed the Institute of Technology concerns and urged them to recognise the OECD proposals in a more optimistic frame of mind that recognised the advantages that could accrue to them from involvement in applied research.

I believe that considerable changes need to be made by the institutes if they are to realise this vision, and that their energy would be far better employed on bringing about these changes than in pursuing the lost cause of university status, or in seeking to ape universities by insisting on a substantial role in relation to basic research. (O'Hare 2004)

The reaction to this particular recommendation opened the possibility of serious local controversy which the government wished to avoid. No action was taken to force through the change. Instead, the official response was to encourage collaborative research initiatives between both types of institutions in the hope that the award issue would be resolved through the cooperation process itself. In the ensuing five years 2004 -09, many of the Institutes of Technology continued to recruit graduate students for doctoral programmes. The validation of the awards was done in conjunction with HETAC, the Higher Education and Training Awards Council. Under the 1999 Qualifications (Education and Training) Act HETAC may delegate its authority to make awards to a recognised institution. It has done that, following due quality assurance procedures, in the case of certain doctoral level awards, directly to the Institute where the associated research has been carried out. The HETAC statistical report on doctoral awards since the OECD report distinguishes between direct HETAC awards and those made under its delegated authority (DA) procedure.

In the years 2004-08 the number of such awards were as follows: (data supplied by HETAC)

| | |
|------|----------------------------|
| 2004 | 21: none by DA |
| 2005 | 23: of which 6 were by DA |
| 2006 | 31: of which 10 were by DA |
| 2007 | 46: of which 16 were by DA |
| 2008 | 32: of which 16 were by DA |

The total for these 5 years comes to 153 PhD awards. For comparison purposes, Ireland's biggest university UCD made 277 PhD awards in one year 2007 and 197 in 2006, (UCD President's Report 2008) while in the case of the DIT the number of awards was as follows

| Academic Year | No of PhDs Awarded |
|----------------------|---------------------------|
| 2004/5 | 7 |
| 2005/6 | 16 |
| 2006/7 | 26 |
| 2007/8 | 23 |
| 2008/9 | 42 |

amounting to a five year total of 114 (data supplied by DIT)

As of June 2009, HETAC reported that 154 students were registered for doctoral level studies at eleven Institutes of Technology. Three of these eleven, Cork (47), Waterford (34) and Tallaght (21), made up two thirds of the total.

Binary Structure

As previously noted, the report came down firmly in favour of retaining the binary division within Irish higher education. It expressed a clear preference for the use of the standard international OECD nomenclature of Tertiary Education to describe the sector in deference to the more general thematic review under that heading that was underway in twenty four countries. The OECD viewpoint was to classify two distinct types of tertiary education. Type A is "largely theoretical and designed to provide qualifications for entry to advanced research programmes and professions with high skill requirements" (OECD 2002) while Type B are "more occupationally orientated

and lead to direct labour market access” (ibid). This classification clearly influenced the conclusion of the review to support the continuation of the established diversity in mission between the universities and the Institutes of Technology in Ireland.

Moreover, the review explicitly suggested that “for the foreseeable future there be no further institutional transfers into the university sector”.

This particular recommendation is immensely significant. The examiners list it as their first proposal and much of what follows is linked to this and flows from it. This represented a noteworthy victory for the universities, as it would, if adopted by government, concentrate public resources for the Type A component within the existing institutions and prevent any dilution by increasing the number of universities. The main worry of the universities was a proliferation of locally based political action committees, demanding full university status for one or other of the institutes of technology. Already a campaign had developed to mark the Waterford Institute of Technology out for special consideration and a powerful local lobby of commercial and other interests in the whole South East region had demanded government action to designate the WIT as the University of the South East.

The Waterford campaign had the potential to put this particular OECD proposal into disarray and hence undermine all the others. For the government, it was as politically sensitive as the fees issue. The official response was being observed with care in Dublin, Cork and other centres with some trepidation and any move to sanction the Waterford case would certainly lead to other similar campaigns elsewhere. Bigger, more established institutes would see success for Waterford as a reflection on their own status while smaller institutes were apprehensive they would be abandoned as poor relations if the larger ones were to depart from the Institutes of Technology label.

The university heads were anxious to draw a line under the existing framework of seven universities and the endorsement of that position by the OECD added enormously to their

case without forcing them to engage in a public confrontation with any local campaign. The government found itself in a delicate predicament. On the one hand, its local representatives, including Cabinet members, were obliged to publicly support the lobby in Waterford and surrounding constituencies. On the other, Ministers had to take account of the embedded resistance of the existing universities to any suggestion of further designation. The then Taoiseach, Bertie Ahern, did not wish to provoke the issue onto a level that might cause political difficulties in the election scheduled for 2007. Eventually, a delaying tactic was approved. In January 2007, a UK external consultant with extensive OECD experience, Dr Jim Port, was commissioned to examine the Waterford case as a preliminary to any formal review of the application as required under Section 9 of the 1997 Universities Act.

The ploy of a further review did manage to defuse any political fallout from the issue. Despite the strength of local feeling in the South East, the question of university status for WIT did not feature as a significant issue in the 2007 election and Waterford returned four members to the new parliament in exactly the same party ratio as before, to Mr Ahern's evident relief. The issue continued to simmer below the surface while the Department held back from publishing Dr Port's conclusions (Port 2007) till February, 2008.

It was a carefully crafted report that acknowledged the particular strength of Waterford's application but was equally conscious of the wider implications for the government's national approach. Port referred back to the OECD Recommendation 1 as a cornerstone of public policy and to the dangers of a raft of 'me-too' applications from other Institutes of Technology. He placed the issue firmly back in the political arena as it could only be resolved one way or the other by a formal government decision to adopt the OECD recommendation or not. If that recommendation was to be endorsed, Waterford would have to be refused, whatever the local dismay such an outcome would produce. Alternatively, if Waterford was permitted to advance to a more formal full dress

application under the 1997 Act, the domino effect could be considerable and could alter the character of the entire system.

Summary

The original impetus to seek an OECD review came from the political difficulties associated with diverting higher education funding in Ireland away from exclusively public sources to a more mixed funding base that would include a student contribution.

Those political barriers to change were still evident five years on from the publication of the OECD's recommendations and the Irish government had to fall back on a domestic review process to find a way forward that might command a greater consensus.

The same was true on other matters that had political sensitivities such as reforms to the student support system, the capacity of the institutes of technology to award doctorates or the controversial issue of university designations. This latter issue was left in abeyance and no further moves to facilitate such transfers occurred, even where strong local pressure groups existed.

By contrast, there was speedy action on those issues where an easy political agreement was possible, notably the restructuring of the Higher Education Authority to incorporate the Institutes of Technology.

INSTITUTIONAL REFORMS

Apart from the recommendations that would require specific action by government such as new laws and financial arrangements, the OECD had important messages for individual higher education institutions about governance and research culture. The report acted as a valuable catalyst for reform minded university Presidents who could cite the OECD recommendations to reinforce their ambitious agendas of internal restructuring. This chapter describes how the institutions reacted to the OECD messages and their impact on various reform agendas, including the construction of a new funding model within the HEA.

Governance

Many of the submissions made to the OECD visitors were pre-occupied with internal governance issues and the perceived conflict between collegiality and managerialist outlooks. In their recommendations, the examiners did show a distinctive preference for stronger central management and the strengthening of decision making capacities within each institution. They noted the slow pace of institutional reform during a period of extremely rapid growth and suggested urgent changes were necessary if the research culture was to take a firmer hold

Irish universities and institutes of technology have been transformed through extremely rapid growth over the last 15 years but their internal structures have not been much modified to adapt to the new pressures they find themselves under and their governance and management now need to be reformed in order to be able to compete not just with one another but in broader international settings.

(OECD 2004b:25)

This emphasis on governance was particularly evident in the proposals it made for the university sector where there was an unambiguous endorsement of the 'central steering

core' idea to assist each President in management affairs. In addition, the examiners supported the request in many submissions for a reduction in the size of Governing Authorities to be no more than twenty by contrast with the existing norm of an average of thirty six. Such boards should also have a clear majority from outside the institution and their focus should be on longer term strategic issues rather than day to day administration. Little progress had been achieved on the size of governing authorities by the end of 2009, five years after the OECD report. For example, the size of the UCD Governing Authority remained at forty with the exact same mix of staff, academic and non academic, students, elected graduate and political representatives. UCC (Cork) had thirty nine on its board with a similar mix as UCD. The composition of governing bodies for the DIT and the Institutes of Technology had been fixed by the laws establishing them in 1992. The government showed no wish to alter that position and did not include any reforms under this heading in the 2006 Institutes of Technology Act. Other governance issues took precedence as different institutions concentrated on those internal reforms that would enable them to attract funds allocated by the Minister under the Strategic Innovation Fund initiative.

The period immediately after the publication of the OECD recommendations was a winter of discontent within all parts of the higher education sector due to the severity of the financial retrenchment. It was an inauspicious time to embark on a major programme of internal reorganisation in view of the discontent among both staff and students. The President of UCC expressed concern that the financial cuts could 'undermine the significant modernisation reforms being pursued in the universities' (Wrixon 2004) while the Chair of UCD's Governing Authority suggested that the cuts offered solace 'to the minority of cynics who make that work of reform more difficult by declaring it undesirable, unnecessary, unachievable' (McGowan 2004).

In the course of a policy statement on April 25th, 2005 the Minister, Ms Hanafin, indicated that future funding would be linked to progress on the internal reforms advocated by the OECD.

Re-organisation of faculties and departments, the introduction of new internal management and resource allocation processes, the development of new management information systems and administrative streamlining are some of the issues faced in raising institutional performance to meet the challenges ahead. The Government has agreed that reform efforts in the sector should be promoted and supported through accelerated prime funding.

(Hanafin 2005b:1)

While she did not, at this stage, put a particular figure on the size of the fund or the timescale of its operation, she did indicate a competitive bidding process would be set in place for allocations from the fund. On December 11th 2005, she announced a €300 million fund for the period to 2010 with a repeated emphasis on ‘the change agenda at third level’ (Hanafin 2005c).

She gave further details in the Senate on February 8th 2006 when she referred back to the 2004 OECD report and its recommendations for internal reforms in the higher education sector. She outlined how the €300 million strategic fund would be disbursed up to 2010, the first €15 million in 2006, €60million in 2007 and €75 million for each of 2008, 2009 and 2010.

There could be no doubt about the official intention to explicitly link the distribution of the additional resources to the kind of internal reforms and commitment to research intensity that had been advocated in the OECD document. The Minister was going to use a ‘carrot and stick’ approach, the incentives of generous long term new sources of funds combined with an overt indication that they would only be forthcoming to those institutions that demonstrated their willingness to pursue internal reforms and engage in a competitive bidding process for access to the funds.

It will drive the reform and change agenda at an institutional level and it will promote collaboration and change in pursuit of system wide excellence.

(Hanafin 2006b:5)

She listed six distinct objectives

- incentivise and reward internal restructuring and reform efforts;
- promote teaching and learning reforms, including enhanced teaching methods, programme re-structuring at third and fourth level, modularisation and e-learning;
- support quality improvement initiatives aimed at excellence;
- promote access, transfer and progression and incentivise stronger inter-institutional collaboration in the development and delivery of programmes;
- provide for improved performance management systems and meet staff training and support requirements associated with the reform of structures and the implementation of new processes; and
- implement improved management information systems.

(Hanafin 2005b)

The initial distribution from the fund, as revealed in an answer to a Parliamentary Question (O'Keefe 2009), reflected the priorities that had been expressed in the original announcement. The general heading of institutional reform took up one of the largest slices of the funds available, € 2.2 million each for both TCD and UCC, €2.4 million in the case of Galway (NUIG) and a general allocation of €3.8 million to the Institutes of Technology for 'Delivering Systemic Change'. UCD was allocated €1.9 million under the headings of 'Reforming 3rd level and Institutional Leadership'.

A second tranche of more than €100 million was announced in February 2008 with a similar emphasis on institutional reform and the expansion of fourth level capacity.

However, the actual distribution from the fund turned out to be considerably less than the €300 million promised as public finance conditions changed for the worse. Just €58 million has been issued to institutions by the end of 2009 while a further €18 million was included in the 2010 budget (O’Keefe 2010).

Institutional Reform in Practice

The two sets of recommendations from the OECD visitors, one concerning governance and the other concerning research oriented appointments, became the critical points of dispute in different internal debates over restructuring plans inside some of Ireland’s main institutions in the aftermath of the OECD visit. The ideas outlined in the report needed to command the support of two quite separate constituencies if they were to be the template for reform. One was the constituency of policymakers within the different government departments and agencies. The Strategic Innovation Fund was the indicator of tangible support from that quarter. The other was the more problematic constituency of the academic communities in the different institutions, whose consent would be needed to implement the suggested radical reforms.

One example of internal trauma was the reform programme initiated with vigour by the President of University College, Cork (UCC) Dr Gerard Wrixon. So intense was the controversy that the university’s own historian described the debate as an ‘outbreak of *odium academicum*, a virulent, if thankfully intermittent, fever which has raged everywhere in the groves of academe from time to time’ (Murphy 2007). This debate featured heavily in the national media and ultimately became the subject of discussion in the Public Accounts Committee of Parliament (PAC 2005). The public wrangling was observed with distaste and some exasperation in other institutions which were attempting to achieve the same results with less rancour. The President of the University of Limerick took the opportunity of a public event to highlight his

university's ability to deliver a restructuring agenda that followed the OECD template without any of the headline fuss evident in other places.

We have done all of this in five years with scarcely a mention in the media and with no internal strife. No publicity, no major stories in the papers, no letters of protest to the editor. We just get on with things.

(Downer 2007: 170)

By contrast, Cork had meetings, marches, letters of protest and petitions. Wrixon was the first of the university presidents appointed under the procedures set out in the 1997 Universities Act which replaced the traditional practice of local canvassing with an international search and selection committee. He embraced the modernist agenda with enthusiasm, not least the construction of the 'central, steering core' endorsed by the OECD report. He also had an assertive approach to the search for independent sources of funding. The Cork University Foundation raised € 80 million in contributions in five years, allowing UCC to become the biggest research income earner among Ireland's higher education institutions. In his last annual report, he was able to claim an income of €62.3 million from research grants and contracts, amounting to 27% of the university's annual total income (Wrixon 2006a).

Wrixon reorganised the university into four colleges, each directed by an executive head with enhanced powers and introduced a resource allocation model to achieve a greatly increased research involvement and PhD activity. The four college heads were to form the University Management Group. The UCC Strategic Plan 2006-11 provided for a doubling of the number of post graduate students.

The centralised management model, with its connotations of top down corporate governance and boardroom ethos, met with considerable resistance which continued right up to his retirement in early 2007. Wrixon denounced these criticisms as coming from 'a handful of people that are content to remain unambitious and who would not feel at all out of place in a mediocre institution' (Wrixon 2006b).

UCD, University College Dublin, offered an obvious testing ground for the reformers. It was Ireland's largest single institution, with 22,000 full time students. Moreover, the OECD visit coincided with the appointment of a new UCD president.

Dr Hugh Brady, a medical academic with experience in Harvard, had been appointed to that post in January 2004 and had expressed a robust commitment to reforms in governance, appointments and research involvement. Like Wrixon in Cork, Brady had the advantage of the fundamental change in the appointment procedures for the top post following on the 1997 Universities Act. Previously, presidents were elected by the Governing Authority and the process involved intense canvassing and internal coalitions that were perceived to compromise the authority of the new appointee. Brady had a greater degree of independence to pursue a reform agenda and, through his Inaugural Lecture in January 2004, he set out a programme of internal restructuring that had many similarities with the ideas that were to dominate the OECD report later that year. When the report was published, he was quick to identify his agenda with the recommendations of the international visitors and to see the OECD proposals as a full scale endorsement of his approach.

Not surprisingly, he was one of the first academics to offer full support to the general thrust of the OECD report. He took part in the Questions and Answers public affairs programme on television two weeks after the report's publication and argued without reservation in favour of the principal proposals emanating from the document.

The OECD report is by far the most significant analysis of the higher education sector performed over the last 30 years. It lays out a roadmap to Ireland's economic, cultural and social development. (Brady 2004)

He went on to insist that the country's entire future prosperity was dependent on the implementation of the recommendations. Without a full blooded commitment to that agenda Ireland would, he suggested, linger as the 'Charlton Athletic' in the

international premiership. In a later television interview (Brady 2008) reviewing his first four years in the UCD job, he recalled facing the choice of a 'Big Bang' approach to change in comparison with 'creeping incrementalism' and defended his decision to choose the former as his strategy even if it risked a 'dictator rather than persuader' reputation among staff (ibid).

As in Cork, the UCD reform programme was hugely controversial and led to bitter recriminations between its supporters and opponents. A taste of this can be gleaned from an article in the Irish Times in September 2005, written by one of Ireland's leading public affairs columnists, Vincent Browne, a UCD graduate. In this article, he commented on correspondence he had received from a critic of the Brady reforms, which labelled the proposed changes in rather extreme terms including fascism.

Browne expressed his own exasperation at Brady's critics.

It seems clear some lecturers at UCD are upset by changes being introduced by new president Hugh Brady. It also seems clear that some of those upset do not have good arguments against what is being done and resort to overstatement and hyperbole to make a case, probably favouring a vested interest.
(Browne 2005)

The notion of international ranking became the initial overriding public theme of Brady's reform package. He announced his principal target was to place UCD among Europe's top thirty universities by 2014. He introduced radical changes in UCD's academic promotion system, with an annual promotions round and a 'seven paths to professorship' scheme. He caused a national furore over one incident that involved the wholesale transfer from Trinity to UCD of the entire human nutrition research team. This led to allegations of poaching and a formal public rebuke from the Minister, Ms Hanafin, who feared a costly competitive bidding war at public expense between different institutions.

During the following 2 years, Brady pursued this agenda at an unrelenting pace in the face of considerable internal resistance and even, on occasion, government disapproval of individual decisions. Eleven faculties were replaced by five colleges and ninety academic departments were replaced by thirty five schools. He proposed the appointment of a prominent business person to be the Chair of the Governing Authority and strengthened the powers of the central management team.

In his report for 2008, Brady was able to point to very significant increases in research activity during the first part of his term of office.

| YEAR | Value of Research Contracts | Number of Contracts |
|---------|-----------------------------|---------------------|
| 2003/04 | € 49.8 million | 405 |
| 2004/05 | €62.5 million | 495 |
| 2005/06 | €82.9 million | 664 |
| 2006/07 | €96.3 million | 556 |
| 2007/08 | €114.7 million | 484 |

The number pursuing PhD awards had risen from 1351 in 2004/05 to 1553 in 2007/08 (UCD 2008). By 2009, UCD had also achieved its ambition to secure a considerable improvement in its international rating. It entered the top 100 in the Times Higher Education Supplement for the first time, ranked as number 89, a remarkable jump from its earlier 221st position four years previously (Flynn 2009c).

The DIT also embarked on a restructuring programme with an explicit reference to the ‘central, steering core’ idea promoted by the OECD visitors. From 2009, new posts in the DIT and other Institutes of Technology were advertised with fixed term contracts, some for two years and some for five years, a noteworthy reform very much in line with proposals made by the OECD examiners.

The content of the report and the emphasis it placed on internal reforms provided powerful additional support to the heads in the pursuit of those agendas despite the sizeable opposition they faced from sections of their own staffs. Significantly, the government decided to tie in the allocation of additional funds to the pursuit of these reforms and this too added immensely to the capacity of the university presidents to carry out the changes they proposed.

Alliances and Mergers

The substantial extension and diversification of research was another tangible sign of the long term influence of the OECD panel's visit. After a slow start, the government took advantage of better budgetary conditions in 2005 to commit sizeable public funding to promote research activity. In time, there was some anxiety in official circles about the rivalries that grew up between institutions seeking competitive advantage in the share out of these funds. The OECD report had cautioned that a small country would have to concentrate resources if it was to secure international recognition and prestige from its research efforts and the visitors devoted considerable attention to the importance of a co-ordinated approach. This became a particular focus of government policy when the public finances came under renewed strain from 2008 on and there was strong pressure on the universities to demonstrate some results from the funds they had secured in the aftermath of the OECD visit.

Two particular events in 2009 crystallised official policy, one of which was the cause of unease among some institutions. This was the announcement on March 11th, 2009 of a strategic research alliance between the two big Dublin universities, UCD and TCD. The presence of the new Taoiseach, Brian Cowen, at the launch was a clear signal of official approval for the project, whatever misgivings might emerge from

smaller institutions over the possibility of a two tier system emerging (Flynn 2009a). The alliance was projected to have access to € 650 million of funding from State , industry and private sources and was backed by a dramatic claim that it could create 30,000 new jobs and hundreds of new companies in an ‘enterprise corridor’ along the four miles that separated the two universities.

The announcement was greeted less enthusiastically elsewhere as the smaller institutions reacted angrily to the prospect that the new Dublin alliance would create a single ‘Division 1’ institution and leave the rest in a severely disadvantaged position. A war of words quickly erupted over the secrecy involved in the negotiations and the President of DCU warned of ‘a civil war’ between the State’s seven universities over access to public funds while UCC’s President objected a possible ‘sweetheart deal’ that would give favourable treatment of the new alliance in the share-out of official funds (Flynn 2009 b).

A few months later a wider alliance of Dublin institutions was announced. Eight institutions, four universities and four institutes of technology formed the Dublin Region Higher Education Alliance (DRHEA) with the aim of achieving a greater level of co-ordination without the rancour that had accompanied the earlier UCD-TCD initiative. Some reports also appeared about negotiations to merge DCU, NUI Maynooth and the Royal College of Surgeons into a single new university, an indication that consolidation within the sector was now firmly on the official agenda (Bray 2009).

A further institutional alliance was announced in February 2010. This time it involved the universities in Galway (UCG) and Limerick (UL) and, as with the UCD-TCD Alliance in Dublin, the Taoiseach, Brian Cowen, was in attendance at the announcement to demonstrate official government approval of the development.

HEA Funding Model

While the government chose to retain the HEA name for the country's national authority for the sector, it did reconstitute the board to reflect its broader mandate over both the universities and the institutes of technology. Work had been going on since 2002 to create a general funding allocation model and an international consultant, Mr. Nigel French, former Secretary General of the University Grants Committee of Hong Kong, was commissioned to prepare a report on international experience of such models. The HEA included its initial suggestions in its submission to the OECD review and the report (paragraphs 85-89) urged a stronger emphasis on the use of the funding mechanism to deliver strategic objectives, notably in research involvement and widening participation. The revised HEA document was heavily influenced by this section of the OECD report, notably recommendations 42 and 43, which urged both a new model of resource allocation and the establishment of annual contracts with performance reviews.

By 2006, the HEA was ready with a new Recurrent Grant Allocation Model with some very distinct differences from previous practice. There was specific provision to enable institutions retain funds they raised independently without any parallel diminution in public funding. This had been an explicit demand of the OECD examiners in their final recommendation (no 52), reflecting an anxiety among stakeholders that any efforts on their part to secure extra funds would cause a loss of public funds.

Accordingly, as an incentive to maximise the generation of Other Income, such income will not be taken into account in the grant allocation. However, institutions will need to ensure that all such activities take account of full economic costs.

(HEA 2006:5)

Three separate elements feature in the HEA's revised funding model–

1. An annual recurrent grant, allocated to each institution with particular emphasis on uniformity of core funding in similar areas of activity.
2. Performance related elements with greater emphasis on targets and outputs.

This is the point that the OECD visitors stressed in particular and as a result the HEA policy moved to tie in a portion of the annual recurrent grant to delivery of key public policy objectives.

3. Procedures to promote innovation generally with a definite emphasis on those areas set out as national strategic priorities. A Strategic Innovation Fund will be established which will be allocated to institutions on a competitive basis.

(ibid: 2)

As regards the first element, the HEA's model followed that of the HEFCE, the Higher Education Funding Council for England. Dr Jim Port, a UK consultant who had been involved with designing the HEFCE scheme, was employed to review the suggested Irish scheme. Four broad subject groups were identified each with particular resource requirements and the proposal was to calculate an annual per capita allocation based on registered student numbers in these subject groups with a resource weighting factor for each. For example, a triple weighting was proposed for post graduate students and a 2.3 weighting for the clinical stages of undergraduate medicine. A further incentive to research activity was also included by simply top slicing 5% from the aggregate grant to be distributed in proportion to the number of PhD and Masters awards and the amount of research income per academic staff member earned by each institution.

The second element proposed by the HEA, concerning performance related incentives, featured strongly in the OECD recommendations. The HEA envisaged adding a bonus

of up to 10% to the annual core grant based on the institution's statement of strategy. Four headings were listed that would feature in any decision to award the additional funds.

- The academic core business of the institution, e.g. teaching and learning, research, scholarship, student numbers by type and composition, access, progression, retention, etc.
- The main support areas e.g. human resources, premises, library, IT, student services etc.
- Collaboration, both intra and inter-institutional
- Overall funding framework – examination of the total income needs of the institutions and how these are to be financed, balance between public and private funding, financial management and sustainability etc.

(ibid: 8)

The third component of the HEA model related to the government's Strategic Innovation Fund.

As with the internal reform initiatives promoted by different Presidents, the HEA's work on this funding model was underway prior to the OECD review. The arrival of the visitors provided a new impetus to this work and the recommendations made by the OECD offered both a powerful endorsement to the process and a degree of legitimacy it had previously lacked. This is reflected in the decision to have an external consultant review the general model and to report on its compatibility with the OECD's Review.

At a meeting of the task force on 27 June this year, Dr. Port, an external consultant, said that overall the proposals for the HEA recurrent grant allocation modelappeared to be in line with the OECD's Review of Higher Education in Ireland and with the design principles outlined in the HEA's consultation document.

(ibid: 18)

Summary

It is possible to establish a substantial degree of congruence between the set of recommendations that came from the OECD review in 2003-04 with different programmes of administrative and governance reforms that got underway in many Irish higher education institutions. This proved to be quite a traumatic exercise and there were many protests both at some of the individual decisions and at the underlying management philosophy that motivated it.

The recommendations on governance, staff tenure and research involvement from the OECD examiners were welcomed by the reformers as a wholesale endorsement of their position and programmes. The OECD report provided powerful support to the institutional reformers and many of the subsequent restructuring documents made specific reference to it in order to present suggested changes as being in line with best international practice.

While each institution had formal legal autonomy to pursue its own change agenda, the government was determined to link funding increases to the acceptance of new governing structures and the HEA adapted the work it had been doing on a resource allocation model to conform with the ideas contained in the OECD recommendations.

SECTION FOUR

CONCLUSIONS AND FUTURE PROSPECTS

OVERVIEW AND CONCLUSIONS

In this concluding chapter, the different strands of the thesis are brought together. Two distinct episodes of OECD involvement have been reviewed in detail and some important policy and structural changes within Ireland's higher education system have been traced to those episodes. No less significant are the changes in attitudes and mindsets among policy makers, both political and official, which emanated from contact with the OECD. Two particular features emerge in this overview. Firstly, OECD influence took on a very different form in the second episode, reflecting its enhanced role as a policy actor in its own right. Secondly, the growing convergence in outlook and strategy between the OECD and the EU on higher education issues is underlined as a feature that could have significant impact on Irish policy in the coming years.

Too Soon to Tell

Zhou Enlai, Chinese Prime Minister from 1949 to 1976, was once asked what he thought of the historical significance of the 1789 French Revolution, to which he famously replied 'It's too soon to tell'.

That may be an appropriate response to the principal question posed in this thesis.

What is the lasting impact of the two OECD interventions discussed on the shape and direction of higher education on Ireland?

If, as the Chinese leader suggested, an interval of almost two centuries is insufficient time to evaluate a major historical episode, then there are obvious difficulties in assessing the weight to be given to events of much more recent vintage. Nonetheless,

it is possible to recognise a pattern of distinct influence exercised by the OECD on the two separate occasions that are the subject of this thesis. This is readily established in the case of the initial review in the 1960s but there are good reasons to believe it is no less an arguable proposition in the case of the 2003-4 visit.

The evidence for this can be seen in two ways: one in the changes to official policy that flowed directly from the two reports; and second in the additional momentum for structural changes within the higher education sector that can be traced to the content and process of those reviews.

That influence process is by no means linear. Policy formation in any national context involves a mix of interests and motives. It may be possible in some cases to say that this or that decision is the direct consequence of an OECD recommendation through a well established chain of events that show cause and effect. Other decisions may follow an OECD review but do so in a more oblique manner and may be amended to accommodate or to incorporate particular national situations.

In one case, a government may simply adopt a particular recommendation and proceed immediately to legislate for it. In such a case, the process is direct and there is a straightforward linear connection between review and decision. That is often the exception rather than the rule. Other recommendations enter into the decision making process in a more circuitous manner. They are filtered through internal policy discussions, through public debate and may be amended to avoid pitfalls or roadblocks or indeed left in abeyance temporarily until a more favourable opportunity arises to implement them.

The establishment of Regional Technical Colleges in Ireland followed such an indirect route. Such dedicated colleges were never an express recommendation of the report *Training of Technicians in Ireland*, conducted by the OECD in the early 1960s. But

they emerged, in time, through a process initiated by that OECD study, which put the manpower requirements for skilled technical personnel onto the official agenda for the first time. The genesis of the policy was the OECD report but the final form of the response was determined locally.

This was characteristic of OECD influence in that earliest phase. The underlying philosophy was to analyse, assist and advise with no overt obligation on the national government to follow. The enduring reputation of the OECD within Ireland is very much a by-product of that form of influence with its inbuilt respect for national decision making and adaptation of advice to local circumstances.

By the time of the 2003-04 review, national sovereignty had become heavily circumscribed across a wide range of policy areas. The capacity of a nation state to be the sole determining force in formulating education policy has been eroded in recent decades by the relentless march of globalisation.

In Ireland, the primary push for international conformity has come from the European Union. The Lisbon Agenda established definite obligations on the higher education systems of member states to be agents of a business competitiveness agenda.

Nevertheless, a diminution of national sovereignty does not mean it is totally extinguished. The nation state is still alive and well and remains the major site of policy making in higher education. Local factors, domestic political tensions and even outright resistance may delay or amend the implementation of proposals that come with the OECD stamp of approval.

The onset of the international recession in 2008 brought an additional dimension into the higher education policy debate. On the one hand, it gave greater urgency to the arguments of those who saw higher education as the primary agent of innovation and of sustainable economic growth. On the other hand, governments had to take account

of budgetary restrictions imposed by the decline in economic activity and had little sympathy for any sector that sought exemption. Hence, five years on, the full implementation of the 2004 report may be judged as unfinished business but it remains the dominant element of the official agenda for higher education.

Cause and Effect: Post Hoc-Ergo Proper Hoc?

In this concluding chapter, four broad headings are used to assess the evidence of OECD influence: legislative, catalytic, legitimative and attitudinal.

Ireland is no exception to the problems experienced by every developed country in accommodating the dramatic expansion of higher education over the half century since 1960. The late Martin Trow famously classified the different phases of this expansion (Trow 1974, OECD 1993) as the movement from elite to mass provision progressing to a universal level of participation.

The elite phase is primarily concerned with universities and is confined to about 5% of the relevant age cohort with a strong social homogeneity in the student population.

When participation levels go beyond 15%, the higher education system enters into an era of mass provision. Trow's 'universal' phase is associated with a participation level beyond 50%, a point where the growth rate brings, in its wake, huge pressures on governments and institutions alike. The greater degree of public financial involvement often leads to political tensions and many countries have chosen to commission external and/or internal reviews to map out how they can plan ahead both to accommodate this pace of growth and introduce the kind of structural changes that would necessarily follow.

The Irish situation broadly followed the Trow outline. There were three distinct stages and the argument of this thesis is that the transition from one to the next involved, in

each case, significant external influence with the OECD as the principal conduit of new ideas that affected the formulation of policy.

In the first phase, consisting of the whole period from national independence to the mid 1960s, Ireland's higher education system was dominated by the State's five universities with smaller roles played by primary teacher training colleges, some professional bodies and the Dublin vocational education colleges. The five universities offered the standard elite access to the traditional professions of law, medicine, post-primary teaching and public administration. A capacity pressure had built up by 1960 and gave rise to a modest programme of physical expansion. For the most part, the existing structure was accepted without any major demand for change and some capital funds were set aside to allow universities to expand. When a Commission on Higher Education was established in 1960 there was no great expectation that it would do other than suggest a 'more of the same' approach and the main interest was in the possible creation of one or more new universities in places where a strong local demand was evident.

By the time the commission had reported, the whole higher education context had changed and the OECD had, both directly and indirectly, a major hand in the events that produced that change. There were two elements in this. The first was the overall switch in attitudes to education that came about when the Investment in Education report revealed the chronic under-funding of public education. This triggered an unprecedented wave of interest in educational reform both as regards structure and content. A new set of ambitious Ministers and officials set about a reform agenda with vigour. While this was initially concentrated on first and second levels, it was clear that the universities could not long escape the winds of change, if only because of the greater numbers that would complete secondary education and would be looking for

opportunities to proceed further. However, it was the parallel OECD review, Training of Technicians in Ireland, which resulted in fundamental structural changes in higher education. That review did not specifically suggest the creation of any new higher education structure. It confined itself to a plea for the introduction of vocational subjects with equal standing to the traditional academic fare that dominated the secondary school curriculum.

Even the considerable energies and commitment of the new breed of younger Ministers and officials were insufficient to achieve the desired reforms with anything like the urgency suggested by the OECD visitors. An internal review of options for advancing technical education led to a proposal to establish an entirely new type of institution. These Regional Technical Colleges soon took on a more ambitious mandate and were quickly offering a wide variety of post -secondary qualifications in business studies, engineering and science which, inevitably, required a national framework to validate these new awards.

Thus Ireland created, by stealth, a binary system of higher education without ever formally choosing this structure as a conscious option for the future. The two different OECD studies in the 1960s had set out compelling cases for extra investment in education and their reports ushered in quite sweeping reforms that ultimately added up to a binary system. Moreover, the new structure required its own infrastructure such as its own funding and governance mechanisms as well as a national qualifications framework. As each brick was added to sustain and develop the new system, the binary divide became ever more deeply embedded.

In this way, Ireland moved out of the elite phase of higher education in two steps and the fingerprints of the OECD were clearly visible on each. Investment in Education became the catalyst for general reform and for improvements in access, curriculum

and diversity of school type. The demand for university places followed quickly and significantly changed the social mix within these institutions.

The second step that followed from the OECD's involvement was the creation of the Regional Technical Colleges and the evolution of a binary system. By the end of the 1960s Ireland had, with OECD encouragement, moved from the elite to the mass mode and, no less important, had adopted a binary structure that very quickly became deeply entrenched.

A word of caution is advisable here. While it is undoubtedly true that the two parallel OECD enquiries in the 1960s were of critical importance in the formulation of educational policy at the time, it would be wrong to assert that either report provided a definitive blueprint that could guide policy makers every step of the way.

The age old cause-effect argument, 'post hoc, ergo propter hoc', is a useful reference point here. What is the direct link between successive events? It may be quite misleading to suggest a causal link that the second is a direct self-evident consequence of the first.

There is a definite sequence of events surrounding the expansion of educational opportunity at all levels in the 1960s and, for many, the OECD Investment in Education report takes pride of place as the key event from which all later progress emanated. Nonetheless, neither Investment in Education nor the parallel Training of Technicians report offered any kind of blueprint for future action. Ireland, at the time, was experiencing modest economic growth. As living standards grew so did the demand for improved educational opportunities and this happened quite independently of the OECD visit. The publication of the Investment document came at just the right time as it offered the reformers volume after volume of facts and figures to sustain their case for expansion. In Chapter 2, Craft's three components of education policy

were mentioned, ‘sometimes the *agent* of change, sometimes the *condition* of change, sometimes the *effect* of change’ (Craft op cit).

The timing of both OECD reports in the 1960s was propitious for the confluence of all three of these components. The public mood favoured change. Economic conditions both enabled and demanded change so that the two reviews were published at just the right time to be effective.

The role of the OECD in this period was primarily that of a facilitator and its influence could be categorised as catalytic. It had no formal decision making power to require a member State such as Ireland to change its educational policies nor, indeed, did it have sufficient resources to offer any incentive to achieve the desired reforms. Instead, it offered a friendly external eye that could identify where gaps existed in educational provision in order that national policy makers would be in a stronger position both to argue for increased resources and to formulate policies that would deliver the desired results. The Irish Minister, Dr Hillery, who received the report, was never in any doubt about the extra political clout it offered him as he could argue for additional funds with the authority of a significant international body to back up his demands (Walsh 2008).

The long -term influence of the dual OECD interventions in the early 1960s is rooted in the catalytic role they played to stimulate debate and action. Armed with the evidence so painstakingly gathered by the Investment in Education team and by the recommendations of the Training of Technicians report, Ministers and officials were finally in a strong position to achieve many objectives that had remained dormant for years. Hillery recalled he had expressed initial scepticism to his senior officials when first approached to approve the invitation to the OECD because he had already a clear view of what he wanted to achieve. However, he was persuaded that the OECD route

was the best way to achieve his objectives as his plans would then command much greater attention and authority (Walsh 2009).

In Section Two, there is an account of the frenetic pace of events in the aftermath of these two OECD reports. This account highlights the tension between a traditional mechanism of policy development, the national commission, and the new one, the external OECD reviews. These had an altogether different timetable and pace and their reports matched the mood of urgency that had taken hold among reforming Ministers and officials as well as the general public.

While it would be erroneous to claim a direct causal link for each and every policy change during the decade from 1965 to the OECD reviews, it is possible to recognise a general OECD imprint on Ireland's higher education structure at the end of that decade. There was neither an Investment in Education Act nor a Training of Technicians Act that gave formal legislative effect to OECD proposals. Rather, the impact of the two reports was felt in a rather more diffuse way. Ultimately, some changes in legislation were necessary but equally existing structures were adapted to accommodate the new policies. For example, the governing structure for the new regional colleges was initially incorporated within the existing legal framework of the country's vocational education committees and this continued for more than twenty years. On the other hand, new legislation was necessary to establish the NCEA, the national qualifications authority that would validate the courses to be offered and provide the recipients of the awards a secure route to professional recognition and employment.

Of equal significance to new laws and new institutions were the sweeping changes to the prevailing outlook on the importance of educational investment. The speed of the

official response in that period is testimony to the mood of urgency that these OECD reports stimulated.

Although many individual adjustments were made to the binary structure set up in the second phase of expansion, the general shape has remained intact and enabled Ireland to reach the age participation level that characterised the ‘universal’ stage, as defined by Trow, much quicker than many more developed countries.

The 2004 Scorecard

Five years on from publication of the 2004 Report, it is only possible to make an interim judgement on its impact. One possible approach would be to establish a scorecard based on the fifty -two proposals in the document and to give a score out of fifty- two for the number of the recommendations that have been implemented. The obvious shortcoming of this approach is that it gives equal weight to each separate proposal though some are purely administrative while others touch on more fundamental matters.

On its own, that particular score would be quite small as only a few of the recommendations have been followed to the letter. As always, specific proposals get amended to adapt them to local conditions but the underlying wish behind the proposal may become part of official policy in one form or another but may never be explicitly linked to the original source. They guide policy without any precise statement to that effect in official statements and indeed are often absorbed sub-consciously without a clear link to the source.

The very first recommendation in the 2004 Report, that the binary system be preserved, is a case in point. Five years later, that structure was still intact. However, no Minister ever stated expressly that this was a core element of policy with no

exceptions and no clause was inserted in the Institute of Technology Act (2006) to place it strictly on a formal legal basis. Political sensitivities surrounding the Waterford Institute of Technology application for university designation precluded any such statement. In principle, the 1997 Universities Act permits such applications and this remains in place. In practice, there is little appetite to make an issue of the matter to the extent of enshrining the existing division into law while the pressure for a more general consolidation of institutions through mergers and alliances may, in time, resolve the problem.

In effect, Recommendation Number 1 ‘that no further transfers from one side of the binary divide to the other be permitted in the foreseeable future’ has been honoured but has never been formally enshrined in law or adopted as official policy.

Similarly, the government decided to retain Higher Education in the title of the HEA rather than endorse the suggested switch to Tertiary Education. Nonetheless, the new legislation broadly followed the report’s suggestions to incorporate the institutes of technology within the HEA. While the new law did not formally require the reconstituted HEA to follow the suggested model in every detail, its actual operational procedures do provide for separate sub-committees, one to handle matters that relate only to the universities, the other for the institutes, as was suggested by the visiting examiners.

After five years, the tuition fees issue remained deadlocked as before. The veto exercised in 2003 on any change of policy by the then minority party in the government (Progressive Democrats) was repeated in 2009 by the junior government party (the Green Party) that replaced it, much to the chagrin of the university heads. The funding crisis at the time of the examiners’ visit abated somewhat with ambitious commitments from government for new streams of funds to support research and

internal reforms, very much along the lines suggested by the OECD. Many HEIs either embarked on reforms to their governing structures or accelerated ones that were already under consideration. The proposal that only the universities and the DIT be permitted to confer doctorate level degrees has been left in abeyance as have specific structural reforms such as the limit on the size of governing authorities. Fixed term contracts for new staff have become the norm in both universities and Institutes of Technology since 2009, a significant step towards the implementation of the report's proposal for a more rigorous approach to the award of tenure for staff.

A Dual Mandate

The modest implementation score is far from being the whole story. It takes a long time to overcome entrenched attitudes and, in this case, to recast the whole purpose of a higher education system, particularly the part where tradition continued to play a dominant role. The OECD panel had a dual mandate. One was to make definite recommendations that could be adopted fairly quickly and implemented without too much controversy or institutional trauma. In that case, the obligations to meet EU targets could be met and a favourable impression generated as to the country's commitment to a more general continent wide economic strategy. The second part of the mandate had a longer term perspective, to align the higher education system to the national and European economy and to recast institutions to be entrepreneurial in their internal governance and in their self- identity.

The panel went about that task with evident enthusiasm. While the terms of reference included a reference to 'society' as well as to 'economy', the emphasis of the report itself is overwhelmingly geared towards the latter. This is particularly marked in the detailed recommendations concerning research funding which suggested that the

existing mechanism to support research in the social sciences and the humanities be brought under the aegis of Science Foundation Ireland. Further evidence of the dominance of a purely economic perspective lay in the proposal to establish a post of ‘Chief Scientific Advisor’ whose remit would include the distribution of *all* research funds with a concentration on those areas that had greatest economic potential. This general view, that emphasised the connection of HEIs so closely with the national economy, was a common theme through the entire report.

That connection had always been implicit as a major rationale for public investment in the system but, in this report, it took on an added dimension as the pre-eminent basis for such investment.

The OECD visitors took for granted the explicit alignment of higher education interests with national economic interests. What had previously been long accepted as part of an implied bargain with the State, was now made explicit and placed under a more intensive and intrusive scrutiny. That would mean a more deterministic attitude in deciding on how research funds would be distributed on a number of fronts, between different fields within individual institutions, between competing institutions nationally, between one side of the binary divide and another, between basic and applied research.

The revision of governance arrangements was another major component of the 2004 Report and its call for a ‘central steering core’ as the ideal model of governance in an entrepreneurial environment was taken up with alacrity by the major universities and later by the DIT. This development may be judged as the most far -reaching and significant outcome of the OECD examination. The transition to this model of governance was already underway in some of Ireland’s HEIs at the time of the review but the endorsement of this approach by the international examiners offered a timely

boost to the efforts to achieve this reform in the face of internal resistance. This constituted a major shift in the internal culture of many Irish HEIs away from a traditional allegiance to collegiate governance towards a more centralised form that placed greater emphasis on performance targets and outcomes as determined by a mix of state pressure and market forces.

Peer Review at Work

An important theme of this study has been the mechanisms by which OECD influence is transmitted and the changed role of those mechanisms in securing desired results. On both occasions that are the subject of this thesis, the work of the OECD could be categorised as a peer review exercise but very definite differences can be observed in the operation of this particular mechanism between one and the other. On the first occasion, at the 1961 Washington Conference, it was the very idea of a peer review to be conducted in the full glare of international attention that produced some initial hesitation among the Irish delegates. Such a peer evaluation of a country's education system had not been tried before and there were some misgivings among officials and Ministers that the process itself could be politically turbulent by allowing the entire system, warts and all, to be open to external examination (Walsh 2009, O'Connor 1986). The potential advantages of having a thorough review outweighed any inconveniences, so these misgivings were set aside to enable the Investment in Education survey to go ahead.

In the intervening decades to the visit of the higher education examiners in 2003-04, the notion of peer review as an instrument of policy development became a standard part of the OECD's modus operandi. Moreover, the European Union incorporated it as

a key element in its own approach to measuring and evaluating progress of the 2000 Lisbon Agenda.

Higher education was listed as one of the key components of that agenda and the review of higher education in Ireland had the Lisbon Agenda as an integral element of the terms of reference. Hence, the review served a dual purpose. It was a peer review, conducted at the invitation of the Irish authorities, by the OECD parallel to its own more general thematic study of tertiary education and it served, too, as a valuable exercise for Ireland to assess its own position in meeting the targets set for the country as part of the European Union's package of economic reforms for the new century. The OECD itself identifies the particular role that the peer review mechanism plays in the achievement of its goals. As an organisation, it does not possess any of the traditional coercive instruments available to a sovereign state or to an international network of states that are bound by enforceable treaty obligations. There is no supranational OECD court that can oblige a member State to conform to a particular line of policy or face penalties. It operates by 'soft law', the persuasive power of like minded peers that share advice and seek common approaches to the solution of problems.

Mutual examination by governments, multilateral surveillance and peer pressure *to conform* are at the heart of OECD effectiveness (added emphasis). (OECD2004c:4)

Note the explicit purpose of peer pressure that is acknowledged here in a document that set outs the organisation's own view of its role *just at the time* when the mission to Ireland was underway. It is peer pressure with an express purpose: peer pressure 'to conform', the pressure on officials, Ministers and policy personnel to follow a particular line of thought and action and to have available a network of support and encouragement, if required, in the routine

domestic debates and bureaucratic battles that are part and parcel of policy making in every country.

A peer review mechanism requires a set of benchmarks to enable the reviewers operate common standards. The first OECD review for Ireland after the 1961 Washington Conference was just one of the earliest of its kind and so did not have an exact set of such benchmarks. However, there was a common understanding of what was to be achieved, namely a reorientation of educational objectives to include a more defined link to economic development and the expansion of technical skills. These became the underlying purpose of the policy shifts that dominated the politics of educational expansion for the decade that followed.

King (2009) highlights an additional dimension to the OECD peer review process that became significant in the first years of the 21st century. At this time a Directorate of Education was established with a particular emphasis on the collection of comparative data giving rise to a particular emphasis on comparisons in the conduct of OECD reviews. With so extensive a range of educational data placed in the public domain, it was possible to add a comparative element to any policy discussions and to highlight any perceived inadequacies in a particular national system by reference to other countries. The ready availability of such comparative data to opinion formers in the mass media, in national parliaments and among national administrators can add immensely to the normative pressure to secure support for reforms. If the published data indicates success for a particular model or set of policies across a range of countries, there is an inevitable push to adapt a national policy or system to replicate that model, a dramatic switch from an earlier belief that stressed the uniqueness of each country's approach to all education policies.

This collection and dissemination of information has opened up new possibilities for the exercise of peer pressure. It enables benchmarks for best practice and standardised criteria for the assessment of systems to be established. It opens up the possibility of international league tables and rankings, a feature of particular interest to a country like Ireland which sets great store on reputational capital in its national effort to secure inward investment. Institutions such as universities, no less than countries, are concerned about their reputations and are anxious to demonstrate compliance with international standards 'so as to avoid a detrimental market standing in the world' (King *ibid*). Thus, the extensive publication and wide dissemination of education data by the OECD has created the potential for comparative analysis between countries as regards the performance of their educational systems and this generates an additional standardisation demands on OECD member States.

The impact of this development is well summarised by Andreas Schleicher, Head of the Indicators and Analysis Division in the Directorate for Education.

When education ministers meet at the Organization for Economic Cooperation and Development (OECD) these days, they begin almost every conversation with a comparative perspective. It seems that information is creating pressure to improve performance and that public accountability is now often more powerful than legislation, rules, and regulations.

(Schleicher 2010)

The Irish review in 2003-04 that focused on higher education had two explicit comparative benchmarks embedded in the Terms of Reference. One set out a clear objective to place Ireland's higher education system in the top rank of the OECD and the other to develop a world class research and innovation capacity in Ireland within

the framework of the ambitions set out for the EU in the Lisbon Agenda 2000. The visiting panel were 'peers' in the full traditional sense of the term, a blend of academic, administrative and political personnel, whose expertise and experience would command authority and attention. There was a dual purpose at work in the decision to initiate a peer review of this nature and, indeed, a dual audience for whatever its recommendations would be.

One purpose was to have a distinct set of proposals that could form the basis of policy, budgetary and legislative initiatives by a government which hoped the proposals would command attention because of their external origin. The other purpose was to secure a wider public support for measures that might prove difficult, even impossible, to negotiate through the traditional routes of policy making and political consensus. This dual purpose was reflected in the dual audience sought. One audience was the narrow internal community of higher education professionals, administrators and academics who would have the task of bringing proposals to fruition. An OECD 'imprimatur' could serve as a vital leverage to achieve consensus and overcome both inertia and resistance.

Officials of the country under review may welcome advice from outside that supports unpopular policy changes... which they themselves feel are necessary for the longer term good of the country. (OECD 2003c:2)

The other audience was public opinion in general with particular reference to the public press. If a Minister or an official was in a position to claim the endorsement of so prestigious a body as the OECD for a change in policy then he or she was in possession of a powerful tactical advantage. In the Irish case, one adjective was used consistently in the public debate about the 2004 Report. It was forever a 'landmark' document. The choice of such a word conferred a particular status on the recommendations and wrong footed any opposition right from the start. The OECD, in

its own assessment of peer review, highlights the value of a public opinion dimension to the process by including this explicitly among the means by which ‘peer review’ can give rise to ‘peer pressure’. For that purpose a Directorate of Public Affairs was established in 1997 with a remit to maintain ‘fruitful relations with the press and opinion makers, while spreading the organisation’s key messages to the general public’ (OECD 1998).

The impact will be greatest when the outcome of the peer review is made available to the public, as is usually the case at the OECD. When the press is actively engaged with the story, peer pressure is most effective. Public scrutiny often arises from media involvement.
(OECD 2007:1)

Such media involvement had considerable potential in securing consent or at least tacit acceptance of otherwise unpalatable decisions. In higher education institutions, opponents of change could easily be categorised in a hostile manner as inhabitants of ‘an ivory tower’ with no cognisance of the so called real world of international commerce. These arguments did feature regularly in the Irish situation when debates in the leading institutions spilled over into the public media. In every case, such public debates were heavily loaded in favour of the new commercial paradigm for higher education. The two competing models were ill -matched, one that seemed to promote the retention of a privileged elite tradition at public expense as against the full involvement of the institutions as active players in the nation’s economic and commercial life.

This move towards a quite assertive media involvement was indicative of a distinct shift of role for the OECD. A mass media strategy suggested that there was a didactic element in the message to be conveyed and it highlighted the desire to achieve a high degree of policy convergence across member states.

The European Union Dimension

Both episodes of OECD involvement in Ireland had a substantial European Union dimension. In the early 1960s, the Irish government, led by Sean Lemass, was moving gradually towards an application for membership of the then European Common Market, parallel to that of the UK. In the event, that ambition was initially stymied by the veto exercised by French President, General de Gaulle, but it remained a primary aim of Irish government policy to pursue membership if an opportunity to do so were to arise again, as indeed happened in 1972.

The undeveloped state of the Irish education system was a major cause for concern as a potential barrier to the success of such an application. Lemass, as Taoiseach, recognised that the OECD's Investment in Education study could offer a way to overcome this barrier. While there is no overt reference to the European Common Market in the terms of reference for the first OECD visits, the relevance of its work became apparent as the focus of public policy in many areas, including education, shifted towards preparation for European membership.

The European dimension had a much greater significance in the 2003-04 OECD review. By 2003, a greater convergence had developed between the EU and the OECD, each stressing the same themes of efficiency, globalisation and competitiveness to their member states, leading Rinne (2008) to claim that 'the message, objectives and language of those organisations are cast in the same mould'.

While the funding and tuition fees controversy became the proximate cause for seeking OECD involvement in a review of Irish higher education, the Lisbon Agenda was an equally pressing concern of Irish policy makers. Accordingly, the terms of reference drew attention in the first paragraph to the wider European Union objective, to become 'the world's most competitive and dynamic knowledge-based economy and

society'. The EU heads of governments explicitly highlighted the 'pre-eminent guiding and coordinating role' (EU 2000) that would be an intrinsic feature of its operation with 'periodic monitoring, evaluation and peer review' (ibid) among the mechanisms to be used to deliver the objectives.

Effectively, the EU at Lisbon chose to adopt an amended form of the routine 'peer review' and 'peer pressure' strategies that had become commonplace within the OECD and the Irish review in 2003-04, though formally an OECD review, fitted readily into this framework.

The report, when submitted, had an added significance because of this extra dimension. While a commitment to compliance with any or all of the recommendations was never a requirement of the OECD process, there was a clear public policy objective to meet any targets set for Ireland by the EU agenda. Ministers and administrators were well aware of the compliance pressures that existed within the EU and they saw in the OECD review a way to secure agreement among HE stakeholders on a reform programme. This joint EU-OECD aspect in the Irish report is of special importance in that it adds an extra layer to the pressure to conform that was already inherent in the OECD review process. Dale (1999) helpfully lists five separate categories through which the pressure to conform can be managed.

- Harmonisation
- Dissemination of information
- Standardisation
- Imposition
- Interdependence

The hallmarks of OECD influence have tended to be associated more with its singular capacity to assemble and disseminate information and its role in setting policy

agendas. The EU has now moved guardedly from its traditional soft touch on education matters onto a more determined path of standardisation and harmonisation. The OECD's Irish review in 2003 combined the features of both forms and had a particular remit to take the country's EU obligations into account in the formulation of its report.

The Black Box Metaphor

The formulation of higher education policy at national level can be a Byzantine process as it involves the interplay of many separate forces each with their own agendas. The word 'process' is important here and is fundamental in any judgement of OECD influence either in Ireland or in any national context. The OECD has a time honoured process when it conducts a national review and the result of that feeds, in turn, into whatever national mechanisms exist to translate the product of that process into actual firm decisions. It may seem a rational model with a direct sequence from one step to the next but, in practice, that is far from the reality and the two episodes that are the subject of the present work demonstrate the many layers that may exist in translating the product of a review into specific public policy actions.

There are different national interest groups at work in any policy review that are quick to seize on proposals made in an international report to advance their viewpoint. That can be very selective, an a la carte approach that promotes some but not necessarily all of the recommendations OECD examiners put forward. The endorsement by the OECD panel of a change to the free tuition fee policy was commonly used in the public debate. The associated proviso about student support reforms was rarely mentioned yet the examiners were most emphatic that both went together. So a direct

linkage between a proposal and the ultimate official decision may be clouded by this kind of selective interpretation and presentation.

One vivid conceptualisation of that process is the 'black box' metaphor 'where input is clearly related to output, but where the means by which the transformation is brought about are not apparent' (Dale 1999). This study has attempted to go into that black box in the case of two important episodes to dissect the source of the basic ideas that determined official decisions.

The fundamental character of the study is determined by this in that it emphasises the dual character of policy formation, the process as well as the text itself. This allows a strong political element to be included in the study and, indeed, the evidence presented throughout the study clearly highlights the extent to which political events and political choices impacted both on the decisions to get involved with the OECD and on the outcomes.

The importance of higher education to the national economy became evident rather later in Ireland than elsewhere but became firmly embedded in policy making ever since the country opened its doors aggressively to foreign investment and became a member of the European community in 1973. The twin OECD reports on education investment and on technician education had, by that time, made their mark and their emphasis on manpower training and other economic goals had become infused into policy making as a 'taken for granted' assumption. The impact of that initial enterprise was on attitudes and, in time, those attitudes became absorbed in the thinking of policy makers and political leaders. That episode can be judged a near perfect example of the OECD's role in setting the agenda for policy development and leaving a lasting impression both on the specifics of education policy and on the

OECD's own reputation as a source of ideas and authoritative advice, a reputation that was worth its weight in gold for decades after.

Three Dimensions of Power

Dale (ibid) draws attention to a number of different dimensions to the exercise of power and these can be seen in operation in both OECD visits to Ireland.

The first dimension is the most conventional, the customary exercise of executive authority by a government that has, in principle, the capacity to enforce its will through the routine parliamentary process, through negotiations or through legal action. In practice, this option is not always attractive to a Minister if it involves controversy or conflict. There is often a switch of tactics to the second dimension of power, which involves agenda setting behind the scenes either by domestic elites or by international organisations that guide officials or governments towards changes in outlook that can, in turn, significantly influence policy outcomes.

A third dimension has been suggested by Lukes (1974) which focuses on the power to define the terms of public debate on issues and the classification of some ideas as being the norm with an inbuilt label of 'common sense' attached to them. This categorisation is a valuable tool in interpreting the pattern of events that form the basis of this thesis.

Dr Hillery, Ireland's Minister for Education in the early years of the 1960s, was committed to reform and had, at the time of the OECD intervention, commenced work on a plan of action (Bonel –Eliot 1996, Walsh 2009). He opted to pursue the OECD route as the one that would ultimately produce the better outcome, recognising that the weight of an important international body would greatly facilitate his task in

persuading his government colleagues to support his proposals and in bringing both professional and public opinion around to the need for changes.

While he had the formal power to proceed directly, he chose the alternative route that could achieve the same result without the risk of conflict that could arise from any attempt to disturb by law the established pattern of command within Ireland's education system. The two OECD reports in the early 1960s achieved a remarkable feat in setting a new agenda for educational policy making. From a longer term perspective, they achieved a result that can be categorised as the third dimension of power. They changed the terms of debate so that the underlying ideas and priorities became embedded as the norm of official policies.

The same could be argued with even greater force in the case of the 2003-04 OECD report. The apparent wish of the government to achieve the return of tuition fees for HEIs was strongly contested. The suggestion caused dissension even among members of the Cabinet and provoked ferocious public opposition. The formal authority of the government was seriously undermined by this conflict and this loss of authority undermined the capacity of Ministers to achieve the higher education reforms that would facilitate Ireland's capacity to contribute to the targets set down by the European Union through the Lisbon Agenda.

A wholly different approach became necessary to create a more favourable environment for reforms and to dismantle the apparent blockade to change. The introduction of the OECD into the reform debate added an international flavour to the debate but its purpose was primarily for domestic political reasons. Both the second and third dimensions of power came into play. A highly charged political issue such as tuition fees became depoliticised through the OECD process. It passed, at least temporarily, from the political stage and was subsumed into a process that was

formally apolitical in nature. The government got a breathing space while the issues became more technical than political. This allowed conflict to be by-passed. The participants in the review were detached from the local conflicts and so could be regarded as dispassionate observers and commentators. The terms of reference given to the OECD examiners stripped the arguments that had raged into components that could be analysed separately as essentially management and operational issues, devoid of political or ideological content.

The recourse to the OECD allowed the government to outmanoeuvre the domestic opposition to its fees policy and equally to set in train an internal reform agenda that would accelerate and legitimate a makeover of the functions of higher education within Ireland's economy.

This is indicative of one exceptionally powerful mechanism of OECD influence.

Thousands of senior officials attend various OECD committee meetings in Paris every year. This is international networking on a grand scale and is conducive to the co-option of both political and administrative representatives of member states to the normative agenda set by the OECD across a wide spectrum of policy issues. This is far from being an entirely passive process. The officials who come to Paris all actively share knowledge of their own national experiences and the agenda can be adjusted to accommodate national or regional particularities. The consensus that emerges can quickly assume the status of international best practice and become the gold standard by which policy developments in individual states can be measured.

This certainly happened in Ireland as a result of the Washington conference on Education and Economic Development in 1961. Early scepticism about the value of the entire exercise and the relevance of the theme soon gave way to the enthusiastic adoption of the theme and its incorporation into the domestic policy agenda. In this

way, the OECD operates a 'socialisation effect' (Porter and Webb 2008) in conjunction with peer review and peer pressure. The officials and Ministers who participate carry back the OECD message but, in turn, they get powerful allies from the process for their own reform efforts back home.

Conclusion

This thesis has explored the OECD's connection to Ireland's higher education system over a period of close to fifty years. Two episodes have been examined in some detail to trace the line of influence of that organisation on policy decisions, laws and attitudes during that period. In the Irish case studies, the additional element of a European dimension has been examined, tangentially in the case of the 1960s involvement but much more explicit and direct in the later review. The gradual convergence between the OECD and the EU in recent years has been highlighted as this will undoubtedly be of significance in the future for Ireland as the EU assumes ever greater legal competence in higher education.

Substantial emphasis has been placed on the mechanisms of soft power for the transmission of influence over policies and events that are evident from both Irish episodes. The evidence suggests that soft power is exercised in both directions. There is the tremendous influence on officials and Ministers through OECD events and the results of transnational policy reviews that encourage convergence between member states in their approach to their own particular national situations. No less important is the manner in which national interest groups can cite the results of OECD reviews to confer legitimacy on their preferred strategies and this can have a powerful impact in guiding public opinion to back a particular policy.

Ultimately, on the evidence of the two Irish case studies presented here, it is the exercise of such soft power that determines the OECD's enduring legacy in Ireland through its capacity to sway habits of thought among public officials involved in the preparation of policies.

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APPENDICES

APPENDIX 1

Terms of Reference for OECD Investment in Education Survey

Source: Irish Education Documents: Hyland and Milne (1992)

- a) Preparation of inventory of the existing position in relation to skilled manpower. This would involve prior agreement on the definitions which would be applied to the various categories of workers.
- b) Framing of educational targets, including provision for research, in relation to the assessments to be made of overall needs for skilled manpower according to field of study and level of skill, for the next 10 – 15 years. Alternative estimates, made according to different basic assumptions will take into account trends in economic and demographic factors, and also the experience of other countries.
- c) Assessment (on alternative basis) of future essential demand for educational facilities at different levels based on present trends and international experience and having regard to any other factors likely to influence such demand
- d) Estimates of future enrolments at different levels of education and by subject of specialisation, according to the alternative assumptions mentioned above.
- e) Interpretations of estimated enrolment figures in terms of the expansion of educational resources, i.e. teachers, buildings, equipment, etc., taking into account possible improvements in the quality of teaching.
- f) Evaluations of the expenditure entailed by the various alternatives for the expansion of educational resources – the evaluations should be expressed in relation to macro-economic data such as GNP and volume of investment.

- g) Consideration of arrangements necessary to ensure the review of the position at intervals in the light of changing circumstances in the field covered by the study. In this connection to recommend the nature and extent of the additional statistical data concerning current activities which should be collected and the methods and frequency of such collections.
- h) The extent to which the foregoing assessments might be influenced by the provision of educational facilities in Ireland for students from other countries and of educational aid in the form of teachers and other trained personnel for service in the emergent countries.

APPENDIX 2

OECD REVIEW OF HIGHER EDUCATION IN IRELAND 2003

TERMS OF REFERENCE

Mr. Noel Dempsey T.D., the Irish Minister for Education and Science, has invited the OECD to carry out a review of higher education in Ireland. The context for the review is provided by Ireland's strategic objective of placing its higher education system in the top rank of the OECD in terms of both quality and levels of participation and by the priority to create a world class research, development and innovation capacity and infrastructure in Ireland as part of the wider EU objective for becoming the world's most competitive and dynamic knowledge-based economy and society, as agreed in Lisbon (2000). The challenges of maintaining quality, responsiveness and competitiveness in higher education are a major priority against the background of unprecedented levels of expansion, change and diversification in the sector in Ireland. The OECD review will evaluate how well the Irish higher education sector is meeting these strategic objectives and will offer recommendations for making further progress. The review will examine the role of higher education institutions as centres of education, knowledge and research in respect of their public, social and economic responsibilities and will consider the interface between the higher and further education sectors in meeting these overall needs. The capacity of the higher education sector for promoting lifelong learning, the transition to the knowledge society, knowledge and technology transfer to the economy and society, supporting spatial strategy, and in meeting the international challenges to learning and research institutions will be key aspects of the review. The comparative Irish performance will be examined by reference to other OECD countries.

More specifically, the review will examine policy issues and options in the following areas:

- **Role of Higher Education:** The need to ensure that the higher education sector can fulfil the transcending roles of developing students to their full potential and pursuing knowledge for its own sake while being open and flexible in meeting an increasing diversity of needs and demands associated with the knowledge society, lifelong learning, globalisation, meeting the needs of national and regional economies and of local communities, together with contributing to social cohesion and equity.

- **Strategic Management and Structure:** Structures and arrangements for dynamic overall strategic planning and management of the higher education sector having regard to the need –
 - for an integrated and cohesive approach to the development of the roles of different higher education institutions and between those institutions and further education providers,
 - to provide for systematic and sustained input to the formulation and review of the main areas of higher education and research policy and planning by the key agencies and interests in interconnected areas of economic, social and cultural developments.
 - for effective approaches to delivering on key strategies, including promotion of equity of access, enhancing the quality of teaching and learning, meeting future skills and research needs for economic and social development, and the development of greater procedural, systemic and institutional transparency in higher education
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- **Teaching and Learning:** How institutions in the higher education sector might best respond to the needs of their students through the use of appropriate systems of quality assurance to support the highest quality of teaching and learning, facilitating greater levels of participation and completion and developing new and innovative approaches for a more learner-centred approach to the design and delivery of academic and other services

- **Research and Development:** Given the increasing importance of research, development and innovation for the knowledge society, examine how research and development in the higher education sector can best be supported and further developed to highest international standards and the outcomes of this knowledge be best applied in support of social, cultural and economic progress having regard to the integral connection between research and teaching and the development of an appropriate balance between these in institutions.
- **Investment and Financing:** Potential approaches to the future resourcing of the higher education sector and institutions that can best enable achievement of the strategic objectives established for the sector, having regard to the governance, accountability, efficiency and effectiveness requirements associated with the high level of public investment in the sector, broad public policy interests and principles of academic freedom and institutional autonomy.
- **International Competitiveness:** In the context of growing internationalisation and mobility of students and the need to provide a diversified and world-class higher education system at both undergraduate and postgraduate levels, how a critical mass of consistently high quality and standards can be developed having regard to the promotion of greater inter-institutional collaboration within a competitive national and international environment.

APPENDIX 3

RECOMMENDATIONS OF OECD REVIEW ON HIGHER EDUCATION IN IRELAND SEPTEMBER 2004

1. That the differentiation of mission between the university and the institute of technology sectors is preserved and that for the foreseeable future there be no further institutional transfers into the university sector
2. That steps be taken to coordinate better the development of the tertiary education system by bringing the universities and the institutes under a new common Authority, the Tertiary Education Authority, but that machinery be established within the Authority to prevent mission drift
3. That in transferring the institutes of technology to the new Authority the managerial controls on their freedom to manage themselves to meet institutional objectives be reviewed with a view drastically to lightening the load of external regulation
4. That greater collaboration between institutions be encouraged and incentivised through funding mechanisms in research, first degree and postgraduate degree work and in widening access and lifelong learning
5. That in a situation of potential demographic led decline in student numbers institutes of technology be given the same freedom to initiate new academic programmes as the universities and that the new funding Authority establish a mechanism, which should be binding on both institutions, to deal with complaints that an institution was deliberately creating a new programme which would cut into the established market of a neighbouring institution
6. That in principle there should be a common quality assurance machinery covering both sectors of both sectors of tertiary education but that implementation should be deferred to give the university quality assurance machinery created under the 1997 Act more time to develop and pending longer term clarification of the crossborder systems of quality assurance that are emerging under the Bologna process

7. That the issue of 'multi year' funding should be addressed both in relation to the alignment of financial years and in relation to mid year allocations in order to give HEIs a secure base for financial planning on a year to year basis
8. That in order to incentivise HEIs actively to seek external sources of funding the Government make a clear statement that income they generate from sources outside those provided by the State will not be subject to off setting against state fundings
9. That HEIs be required to plan to generate financial surpluses and encouraged to build up reserves against future necessary expenditure
10. That greater flexibility be introduced into academic salary structures in order to permit institutions to take special steps to attract or retain particular individuals with key skills or experience that an institution needs
11. That the present arrangements for auditing HEI accounts be amended in accordance with the recommendations in paragraph 44
12. That university governing bodies be reduced in size to a maximum of 20, including student members, to improve their effectiveness and that lay members be required to constitute a substantial majority
13. That each university or institute governing body should create a nominations committee made up primarily of lay members, to propose replacements for vacancies amongst lay members against a template of skills and experience required on the board to be determined by the governing body
14. That university or institute governing bodies should elect their own chairs
15. That the post of university president or institute director should be publicly advertised and external candidates encouraged to apply. Appointments should be made by governing bodies through appointing machinery they should devise
16. That the headships of university departments be given limited terms so that there can, when appropriate, be rotation, and that appointments or reappointments should be made by the governing body on the recommendation of the president
17. That universities review their resource allocation processes with a view to ensuring that resources are allocated in line with established institutional strategic priorities
18. That universities review their human resource strategies with a view towards making the probation period longer and the granting of tenure more rigorous and to providing promotion routes to personal chairs as a reward for exceptional research performance or leadership

19. The HEIs give higher priority to staff development issues and allocate resources accordingly and that the Tertiary Education Authority be asked to monitor the process
20. That the National Office for Equity Access to Higher Education be tasked with following up the recommendations of the Points Commission to establish where more needs to be done
21. That the Tertiary Education Authority recognise in its funding formula the additional costs of recruiting and retaining students from disadvantaged backgrounds
22. That every effort be made to increase part time student numbers as a proportion of total numbers in tertiary education and to this end distinctions between part time and fulltime students be removed for the purpose of the obligation to pay fees and receive maintenance support and that part time students should count (on a pro rata basis to fulltime) for the calculation of recurrent grant
23. That continuing education evening courses (other than those strictly for leisure) should be supported by recurrent grant and should be fully integrated into an HEI's academic programme
24. That the DES and the new Tertiary Education Authority put their weight strongly behind NQAI's efforts to secure agreement between providers of nonstandard qualifications and developing mechanisms to enable the introduction of APEL
25. That CHIU and the Council of Institute Directors jointly address the question of issues surrounding retention, in consultation with the Tertiary Education Authority and make a report
26. That the Tertiary Education Authority find ways of taking account of wastage figures in the calculation of recurrent grant in order to provide an incentive to institutions to remove some of the structural barriers to retention
27. That public investment in research and R&D needs to be further increased if the requirements of the Lisbon declaration for 2010 are to be met
28. That the institutes of technology should continue to concentrate on applied research and that underpinning research resources should be the subject of specific investment by Enterprise Ireland, and not by the new Tertiary Education Authority, in targeted areas against clear national or regional economic priorities
29. That resources for research and for research infrastructure including capital resources be better coordinated through closer links between the new Tertiary Education Authority and an expanded SFI (see below) and with universities being funded on the basis that they are required to accept responsibility for major building

refurbishment or building replacement within the recurrent resources available to them

30. That consideration should be undertaken now in respect to the future of PRTL

31. That steps be taken radically to expand the numbers of doctoral students in universities with the intention to more than double them by 2010

32. That degree awarding powers for doctoral awards be concentrated in universities and that, except in the case of DIT, where such powers have been granted to institutes of technology by HETAC they should be rescinded

33. That SFI be confirmed as the national agency for the funding of basic research and publicly funded R&D in higher education and that its powers and responsibilities be extended as described in paragraph 70 and that its board structure be amended to reflect its new role

34. That the responsibilities and programmes of the Irish Councils for the Humanities and Social Science and for Science, Engineering and Technology should be subsumed under an expanded SFI

35. That the Government appoint a Chief Scientific Adviser reporting to the Tanaiste and Minister for Enterprise Trade and Employment who would inter alia be responsible for the coordination of civil science and in particular coordinating the research investment conducted by other departments with that of the expanded SFI and the new Tertiary Education Authority.

36. That a Committee for Research Policy reporting to the Cabinet be formed which would develop and oversee a national strategy for research, R&D and innovation

37. That all HEIs should have business incubator units or other facilities to encourage the exploitation of research through spin out companies every effort should be made to involve private sector finance in such ventures

38. That the new TEA should fund an expansion of professional research exploitation services in all HEIs and ensure that HEIs are accountable for such activity

39. The structure of the new Tertiary Education Authority should comprise a small Board concerned with strategy and resource allocation and two Committees, one for the university and one for the institute of technology sector

40. The chair of the TEA Board should also chair the two Committees the post should be publicly advertised

41. There should be a National Council for Tertiary Education, Research and Innovation to be chaired by the Taoiseach, which would bring together the relevant

Government Departments with an interest or involvement in tertiary education to determine a rolling national strategic agenda for tertiary education and its relation to innovation, skilled labour force and the economy

42. Relations between the new Tertiary Education Authority and publicly funded individual institutions of tertiary education should be governed by a contract renewable annually on the basis of an institutional strategic plan approved by the TEA, after a formal face to face dialogue with the institution

43. There should be a new model for resource allocation to HEIs as described in figure 3 the first task of a new Tertiary Education Authority should be to devise the detail of the model after consulting on its strategic implications such a funding model, although containing many common elements should be differentiated between the university and the institute of technology sectors so as to preserve the distinctive roles of the two sectors

44. The principles which should be incorporated into the funding model should include keeping the core funding block grant as simple and transparent as possible

45. The core grant should make provision for long term maintenance of facilities and buildings

46. Capital funding for new building should be included within the new Tertiary Education Authority's resource allocation process but should be linked to the strategic funding component which itself should be geared to the achievement of the national strategic agenda

47. There should be a Strategic Investment Fund for National Priorities along the lines of PRTLTI and managed by the TEA and a Strategic Fund for Regional Development managed by Enterprise Ireland both sectors of higher education should be eligible to bid for these funds

48. The new Tertiary Education Authority should be mandated to publish annually appropriate statistical data about tertiary education to enable an informed public discussion to take place about the extent to which the national strategy agenda is being achieved and to enable institutions to benchmark their performance one with another and internationally

49. Irish institutions of tertiary education should market themselves more energetically internationally with a view to doubling the international student population in five years

50. That, subject to means testing, fees for undergraduate study be reintroduced and the “Free Fees” policy be withdrawn

51. That the Government consider schemes, as described above in paragraphs 97 to 99, where the means testing would incorporate the changes proposed by the de Buitelir Report and where institutions, subject to appropriate controls, could set fees, which incorporated the Student Services Charge, above the present “Free Fee” limit and where a loan scheme, financed through the private sector but supported by an interest rate subsidy from the Government, or graduate contribution scheme along HECs lines, would be available to students not eligible for a fee waiver.

52. That if tuition fees are reintroduced it should be axiomatic that the additional income is not offset against reductions in state income and should therefore represent a real and tangible increase in HEIs’ resources.