

OPENING ADDRESS

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Introduction

The Dubrovnik Conference builds on foundations laid by an expert's conference which took place in Novi Sad in October 2005. This expert's conference, now known as the Novi Sad Initiative, was launched to address a set of issues that are crucial to the implementation of the European Higher Education Area, but not yet properly embedded in the Bologna Process – higher education institutional reform. As was anticipated in its final document, the Novi Sad Initiative was seen as a rehearsal for a follow up events to be taken forward by governmental representatives and brought to the attention of the political and academic leadership of Europe.

I have been tempted to give an unconventional, and rather personal, view on the evolution of the higher education system and to provide a bit of prophecy which does not bind any of parties involved in the organisation of the Conference. I very much hope that this view will provoke also a non-conventional discussion across the sessions.

The university autonomy and need for mutuality and self-regulation

The autonomy of the University is always at the centre of continuing negotiation with local and national governments, with local and national agencies, and increasingly with trans-national bodies and agencies. Once this is recognised, it is necessary for Universities as autonomous bodies to enter into relationships with one another, through or independently of transnational bodies such as the European Quality Agency, the Bologna group etc. Mutual, and peer-comparative, recognition by Universities of qualifications and research output beyond local and national boundaries and legal frameworks is required. This cannot be achieved by a state controlled Higher Education sector.

On the other hand the issue of autonomy has to be considered in the context of continuing move towards *increased accountability* and *attention on quality of provision* within universities for the use of public funds. Most universities already operate in a highly *competitive environment*. There is strong competition for student recruitment, for research funds and for best staff. Most universities also face *pressure on resources* and the *need to justify expenditure*

As universities try to obtain more autonomy, they have agreed more or less reluctantly to implement procedures of accountability and external quality assurance/control. The fact is that, in most of higher education systems, quality is not solely defined by academic institutions, but also by the norms and expectations of other external players. *Thus, it is important to understand quality assurance/control as a crucial point in the articulation of the relation between state, different economic players and the university system.*

Government and agencies could not provide more than a threshold for quality assurance ... *a real continuing improvement of the quality could be achieved only by self-regulation and benchmarking and providing targets against which performance can be measured and assessed by peer-groups within the world group of universities.* Looking at the higher education system as a whole we therefore need a paradigm change in the relationship between higher education institutions and the external stakeholder: from suspicion to trust. *It is an intriguing fact that most governments have placed more faith in market self-regulation, than in professional academic self-regulation.* This withdrawal of trust in professional academic self-regulation of universities could be explained by the fact that higher education is fragmented and directly subordinated to hundreds of local and national governments across the world.

Global recognition, comparability and portability of qualifications

As Universities recruit and serve in a global higher education situation, the importance of both, the global market and trans-national bodies and agencies, become paramount. Whereas state funding for any particular University may be subject to local needs and considerations, *it is not possible for Universities to meet their wider responsibilities*

without acknowledgement of the global marketplace for students, and hence the need for global recognition for the qualifications – the skills, knowledge and understanding – that they obtain.

There is an apparent contradiction between the pressure of competition between Universities leading to hierarchies of Universities, or to league tables invented by some universities and journalists, and the need for mutuality and common quality standards. The role of the quality agencies and the increasingly explicit enumeration of the achievements of students (in the Diploma Supplement for example) point to a tendency to increased standardisation of provision. *Where competition is highest – e.g. in the US – the comparability of qualifications is lowest. Where peer support and quality assurance is highest – e.g. through an external examiner system (as in Ireland, UK, Denmark) – the comparability of qualifications is greatest.*

In the move towards Bologna for example (which was always an agreement at Ministerial level, not one of the Universities), some governments (Spain, France, Italy, Austria, Hungary) have imposed a new legal framework on the Universities. Others, (UK, Ireland, Sweden) do not have the direct power to do this, but rely on the fact that *HE sector knows that the portability of qualifications within and outside Europe is a sine qua non for their survival in the global market.*

The role of students in governance of higher education

I would like to underline here a very special role of student's involvement in higher education reform process and in particular the role of European Student Union, formerly ESIB. Students always acted as one of the principal stakeholders since the early time of the history of universities and it is very clear that they role will increasingly become more and more important.

In particular the role of students in Bologna Process has proved to be, without any doubt, a crucial one and gradually ESIB/ESU became one of the most important partners of the European institutions with responsibility in higher education. Some of academics and

students say that ESIB failed to create an appropriate distance from European Higher Education establishment, to show enough interest for institutional reforms, and to show the same enthusiasm for reforming the way how students are organised as for reforming others.

Fortunately this view proved not to be true. Certainly, the topics of governance and student union development have moved up in their agenda and university autonomy became a central feature of their policies. Of course their approach to this topic might therefore be unique in the sense that they try to match autonomy with certain securities (or rights) for students. Maybe this is why some academics feel that students have not been deeply involved in the debate on governance of higher education. There is no any doubt now that autonomy and students rights are closely linked and that students are aware about that.

As funding of Universities across Europe gradually incorporates the payment of fees by students, a notable shift can be seen in the way in which students play a part in the University. In the aftermath of the upheavals of the late 1960s and 1970s, students took an important place in the democratic structures of Universities – on faculty committees, Academic Boards and Senate. As this participation has weakened in some countries, for example in UK, it has been replaced by the student as customer or consumer with a different set of rights and a tendency to look for legal redress to perceived injustice rather than to the internal process of the University.

University Funding

Outside legal matters money is the main mechanism used by the state to control universities. In future there must be instruments in the higher education system which has to limit direct political involvement in higher education institutions and prevent an inappropriate use of the power of the purse to constrain academic freedom and self-regulation.

The best universities in the world all have the autonomy needed to manage their own affairs in an efficient fashion. Universities that are an emanation of the state, as is in effect the case in France and Italy, have very little control over their resources and are unable to set relevant academic priorities

Higher education needs to be properly funded. According to the Lambert report the European Union countries currently invest about 1.2 per cent of their gross domestic product in this area. A figure nearer to 2 per cent would be required to make the EU an effective competitor with the best in the world. The important difference between Europe and just about every other developed economy is that private finance plays a very modest role in its university funding. Thus public funding for higher education represents about 1 per cent of GDP for the 25 EU countries; roughly the same proportion as in the US. But private funding in the US amounts to a further 1.4 per cent of GDP and the average in countries of the Organisation for Economic Co-operation and Development is 0.8 per cent, compared with only 0.1 per cent for Europe.

If Universities are to be supported increasingly by private funding, from business, endowment, and third stream activity, it is important that the hard won autonomy from the state is not replaced by limitations imposed by private finance. A new form of buffer might be needed through good governance to effect this.

Knowledge based society – looking at the future

It is now widely accepted that the society of the future will be based on the knowledge ... and it is clear that universities will play a major role in the course of creating such a society.

Development of a robust higher education system provide the best opportunity for underdeveloped economies to catch up. The economic boom of countries such as Ireland and Finland is directly related to investment in knowledge economy

Only autonomous, well integrated and well funded university can achieve this task.