OxCHEPS Occasional Paper No. 6

Oxford
Centre for
Higher
Education
Policy

Studies, at New College, Oxford, OX1 3BN, UK
(www.new.oxford.ac.uk/oxcheps)

The Politics of Governance in Higher Education: The Case of the Research Assessment Exercises

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THE POLITICS OF GOVERNANCE IN HIGHER EDUCATION: THE CASE OF THE RESEARCH ASSESSMENT EXERCISES

ABSTRACT

Given that the current Research Assessment Exercise (RAE 2001) has just been completed, it is an appropriate time to explore the impact of the RAEs upon the governance of higher education. This timeliness is reinforced by the earlier publication of HEFCE's own 'Review of Research'(June 2000) as well as the recent report from the House of Commons' Select Committee on Science and Technology Committee (April 2002). We are therefore in a period of review and consultation, which may culminate in a new assessment regime or, as its severest critics would hope, even its demise. While our analysis genuflects to these contemporary developments, it is constructed within a framework that interprets the governance of higher education as constituting a continuous struggle for the control of the production of high status knowledge. Its central purpose is to understand the changing relationship between the state and the universities with reference to the pursuit of research.

Introduction

The first Research Assessment Exercise (RAE) was completed in 1986 to be followed by subsequent assessments of the research output of British universities in 1989, 1992,1996 and, most recently, in 2001. The formal purpose of the first exercise was to provide the information that would enable the Higher Education Funding Councils (to use the current terminology) to determine the distribution of their resources for university research. However, it could be argued that there was also a government-inspired intention to re-enforce a move towards greater selectivity in the distribution of research sources both across the university system as a whole as well as within individual universities. This interpretation places the RAEs within the context of an audit culture designed to secure the policy goal of greater research selectivity. Moreover, whilst universities and departments are obviously concerned about their research income, a broader status issue is at stake: in view of the increasing prestige

of research within the academic community it is important to be perceived as at the research cutting edge. Without a research reputation academics are second-class citizens; their departments and universities second-rate institutions.

An analysis therefore of the RAEs can take different directions. For example, it is possible to focus upon the issue of what is to count as research, and if there are different kinds of research, what is their relative value? Alternatively, the mechanics of the process are not without interest: who becomes a member of an assessment panel, how such individuals are appointed, the means by which the panels reach their decisions and how and why the rules have changed over time. Or can the RAE be analysed as essentially a quality control regime driven by the Treasury to ensure that the universities are providing value-for-money in return for the 'generous' publicly funded research income they receive. There is also a sociological story: how to account for the increasing importance of research in determining academic careers. All these issues will be addressed in this paper but the primary focus is to consider the RAEs from the perspective of university governance, in particular what the development of the RAEs has to tell us about the changing relationship between the state and British higher education.

Our previous research was driven by one dominant interest: to show how an increasingly interventionist state had steadily undermined university autonomy so that the balance between state and society for control of critically important tasks – the transmission and expansion of knowledge – was increasingly the responsibility of government rather than of the universities (1). Does this interpretation of the state-university axis stand up in light of the evidence generated by the conduct of the

RAEs? Or do we need a more refined understanding of both the process of change and the nature of governance in higher education than one that is driven by the rationalising forces of bureaucratic centralisation?

The analysis commences by presenting the value system that confronted the RAEs. The traditional English model of the university was underwritten by a carefully nurtured structure of values and as these were eroded so the model became increasingly problematic (2). In our view, therefore, the emergence of the RAEs is symbolic of a major redefinition of the understanding of university education in England. In particular it was necessary to create the idea of research as a self-contained activity whose the quality could be measured. Thus the RAE was established within the context of a burgeoning audit culture in which the experience of higher education was (and still is) continuously refined into discreet measurable entities. For this to be achieved it was especially vital to establish the belief that the relationship between teaching and research was *not* symbiotic.

Secondly, we analyse the forces that have stimulated the process of change. Significantly, the mechanisms for the evaluation of research were put into effect some time before teaching and learning could be subjected to a parallel process of review. What was different about the cocktail of political and economic forces that made it easier to construct an essentially consensual mechanism for evaluating research output whereas the quality control of teaching and learning has always been more contentious, and up until very recently continued to be bedevilled by powerful opposition from within the university community? To express the issue differently: Is it the continuities within the assessment process that make the RAEs broadly

acceptable to the academic community at large? Part of the answer is to be found in the very character of the Research Assessment Exercises: structures, procedures, personnel and outcomes. It is these characteristics that constitute the third part of our article. We continue by evaluating the impact of the research assessment regime upon the governance of higher education at the system level, within individual institutions and how universities coalesce in order to influence government policy. How does the evolving model of governance in higher education relate to those interpretations of the state that see it as increasingly 'hollowed-out' as it is driven forward by New Public Management principles? And – in conclusion - how stable is the assessment regime given HEFCE's own review of the process in 2000, the reactions to RAE 2001 and the increasing significance of the market in the expansion of research in British higher education? In sum, what are the lessons of the evaluative process for the future governance of higher education, the changing character of the British university system and the very survival of the RAEs?

Research and the Idea of the University

The expansion of knowledge, that is the pursuit of scholarship and research, was an integral part of the traditional liberal idea of the university (3). A number of key assumptions were built into this pursuit. Research was perceived as having a symbiotic relationship with teaching: research and teaching were mutually supportive halves of the academic enterprise. Logically it followed that research should be integral both to the role of the academic and to the purpose of the university. By definition for academics to be academics they had to be committed to expanding knowledge with the same logic applying to their departments and their universities. It would be nonsensical to describe some universities as research-led for all universities were supposed to be research-led.

The urge to undertake research flowed out of the intellectual interests of the individual researchers. It was not something to be planned or even managed for the expansion of research was driven from below rather than orchestrated from above. What were the tangible incentives that drove the academics forward? In fact the incentives were not very tangible for the pursuit of knowledge was valued in its own right rather than for any concrete benefits it might bring. Research was an end in itself, and even if it sometimes generated desirable personal pay-offs, this is not the reason why it was pursued occasionally to the detriment of health, wealth, status and even sanity. And how was the value of the new knowledge to be judged? Crucial to the liberal idea of the university was the belief in the free exchange of ideas that permitted their rigorous testing by fellow academics. New research findings were not given much credence until they had received the appropriate accolades of peer review. High status knowledge was high status knowledge only because the established disciplinary figures granted it that status. Hence for new knowledge to become part of the disciplinary canon it had to pass a rigorous process of peer review.

Inevitably peer review meant that certain kinds of research would be awarded the highest accolades. Historically the British academy of scholars has placed a premium on pure rather than applied or vocational knowledge, although the precise meaning of, and relationship between, the different kinds of research has remained contentious (4). However, the UGC made it very clear to those institutions aspiring to university status that if they wanted the Committee's support when they submitted their applications to the Privy Council then responding to the needs of the local economy should not figure too prominently in their future plans (5). And, much to the chagrin of the House of

Commons' Select Committee on Science and Technology, apparently not even the polytechnics were immune to the disease of academic drift (6).

There was no need for a crisis in British higher education to alert us to the fact that several of these assumptions were tenuous. The claim for a symbiotic relationship between research and teaching has always been contested, and only the most blind could have failed to recognise the tightening link between research output and career advancement. Nonetheless, the fact that the ideal was never fully realised is not to deny its potency. Its hold upon reality may have been weaker than its dominance as an ideal but there were no competing value systems to challenge its hegemony. Critically, there was no powerful institutional base that embraced an alternative set of values that was positioned to challenge the traditional ideal.

The Drive Towards Selectivity: A Constructed Coincidence of Interests

Over the past twenty-five years the pursuit of research in British higher education has been driven steadily forward by values that in critical respects are very different from those that we have just outlined. Undoubtedly the most significant development has been the movement towards research selectivity. To identify precisely the start of the process of change is both a difficult and, ultimately an unrewarding, task but it began much earlier than most academics probably realise. Kogan and Hanney note that 'As far back as 1965, the Department of Scientific and Industrial Research in its final report had come out in favour of selectivity' to be followed in 1967 by a Council for Scientific Policy statement encouraging 'further progress towards specialisation at selected centres together with concentration of resources in some fields of science'(7). There is widespread agreement that a key stage in the process was the publication in 1982 of the Merrison Report, significantly the product of a joint University Grants

Committee/Advisory Board for the Research Councils (ABRC) Working Party (8). The Report documented the extent to which the infrastructure of university research had been eroded and argued that if further damage was to be prevented then resources for scientific research had to be allocated selectively. Rather than provide a clear way forward, an understandable reticence given the continuing potency of the traditional value system, the universities were urged to create committees to recommend how research resources were to be distributed selectively and then to relay the results of their endeavours to the UGC.

A mere five years later the ABRC's own *A Strategy for the Science Base* showed no such timidity. A much-quoted section of the report, described as a discussion document, argues, 'Accordingly we consider the future pattern of higher education provision appropriate to the needs of research would be for differentiation between three types of institutions', which it continued to describe as types: **R** (undergraduate and postgraduate teaching combined with substantial and wide-ranging research activity); **T** (undergraduate and MSc teaching with research that will support that teaching but lacking advanced research facilities); and **X** (teaching across a broad range of fields with world-class research in particular fields, possibly in collaboration with other institutions) (9). Whilst this is not a model that crudely separates universities into either teaching or research institutions, or is even a model that was inevitably going to be implemented, it does suggest that within universities there may be departments that are not provided with 'advanced research facilities', whose endeavours are restricted to undergraduate and masters' level teaching and, should they undertake 'scholarship and research', it is with a view to servicing their teaching.

The idea was taking shape of the ‘teaching only’ academic, department or even university.

It is of significance that the first steps towards research selectivity should come from within the scientific community. As the major consumers of research income any move towards its selective distribution would have been more difficult to achieve without its support. The scientists may have been driven by the conviction that this was the most effective way of maintaining high quality research and the infrastructure that sustained it. Or the advocacy of selectivity may have simply been an anguished, although apparently rational, response to government parsimony for if no action were taken then the edifice of British scientific research would sink slowly but inexorably into the morass.

But it would be misleading not to recognise that academic support for the selective allocation of state resources steadily embraced a wider segment of the academic community than the scientists. The UGC, in response to the government’s sharp cut in its annual grant in the early 1980s, decided to take the lead in determining how the cuts were to be distributed. There may have been misery for all but the pain suffered by the Universities of Salford and Aston was to be especially severe (10). Besides the ‘selective reductions in grants’ the UGC also decided ‘to give financial assistance for the closure of low-grade departments, and then to arrange the transfer of staff between universities in fields where it judged there were too many departments’ (11). And none were protected from the logic of rationalisation as some of the most prestigious scientific fields came under the microscope: Physics (Edwards Report), Chemistry (Stone Report) and Earth Sciences (Oxburgh Report) (12). Indeed, the Oxburgh

Report, with its advocacy of a hierarchy of departments, was cut from the same clothe as the ABRC's *A Strategy for the Science Base*. Furthermore, the research councils, including the Social Science Research Council (as it was known before the intervention of Sir Keith Joseph), moved away from the 'response mode' in the distribution of their research grants to a more 'directed mode' in which academics were invited to bid for funds in fields that the research councils deemed should be nurtured (13).

Running parallel to this alleged rationalisation in the provision of funding and the distribution of departments were yet more UGC exhortations to the universities to manage their research resources more effectively. In the mid-1980s the UGC issued a raft of statements to this effect. For example, in its Strategy Advice to the Secretary of State in September 1984, the Committee stated that it intended:

> …. to develop a more systematic and selective approach to our allocation of funds for research. This will not be effective unless the universities make a complementary effort to develop explicit research strategies …(14)

To this end the Committee issued Circular 12/85 in which the universities were requested to provide information on how they managed their research efforts, to be followed by Circular 9/87 requesting them to update their previous submissions (15). The principles of selection, discrimination and management were taking root on a broad front.

But no analysis of the various pressures that led to the creation of the RAEs can be complete without placing these contortions of the bodies that were responsible for managing higher education within the context of government policy. Firstly, there are the funding crises: the attempts to control the size of the public purse in response to

the general financial malaise of the mid-1970s and then the planned strategy of Thatcher governments to limit public expenditure as a percentage of Gross Domestic Product of which the sharp cuts in the UGC's annual grant in the early 1980s are but one manifestation. Secondly, there is the more interesting question of whether a funding model that assumes every university academic undertakes research is actually giving value-for-money. Not surprisingly on both fronts the Treasury, which it is important to remember up until 1964 was the government department responsible for the UGC, would have a keen interest. And it comes as no surprise to learn of the Treasury's hostility – bordering on contempt - towards the Department of Education and Science (which assumed responsibility for the UGC in 1964) during these crucial years (16).

But, although a Thatcher Government may have been hostile to the Department of Education and Science, there would be little reason to believe that it would have much sympathy for the UGC given that it was dominated by so-called producer interests. The willingness of the UGC to pursue a more pro-active line in the early 1980s can be perceived as a response to repeated parliamentary exhortation, especially from certain select committees, that it should assume such a role. Furthermore, there was the argument that unless it became more dirigiste it would suffer a swift demise at the hands of a deeply suspicious government. Ironically the UGC changed its role, much to the chagrin of many within the university community, and yet this still proved insufficient to ensure its survival! Perhaps it was a question of too little, too late?

However, these developments need to be placed within the context of the wider endeavours of the Thatcher and Major Governments to change the character of the

British state. The UGC gave way to the Universities Funding Council (UFC) and the Polytechnics and Colleges Funding Council (PCFC), which were soon to be merged into the national funding councils (HEFCs). Significantly, the funding councils are not – at least formally – dominated by 'producer interests' and, even more significantly, excepting for managing their designated tasks they are not planning, and certainly not policy-making, bodies. At best they are in a position to proffer advice. Their task is to construct the mechanisms that will result in the implementation of government policy, and a question that we will need to address is whether the RAEs have succeeded in fulfilling politically determined policy goals.

The shift from the UGC to the funding councils can be placed within the context of the emergence of what has become known as 'the new public management' movement. In the words of Rhodes, 'As the boundaries of the state were redrawn in the 1980s, the British state sought to strengthen its capacity to regulate and audit institutions, their policies and implementation of those policies' (17). Whilst the DES may have been one of the prime movers in the process of change in higher education the model of governance that has subsequently emerged means that it has been denied direct control of the affairs of higher education as at one time may have been suspected, but rather its role is to influence the regulatory framework within which higher education institutions function. Thus it has a more indirect input and must compete with other government institutions, for example the Office of Science and Technology, Department of Trade and Industry and the Treasury, to shape the character of the regulatory framework. Ironically, such a model of governance may constrain higher education institutions more severely whilst giving the impression, or at least creating the allusion, that university autonomy has been retained.

In our 'The Politics of Governance in Higher Education: The Case of Quality Assurance' we analysed how within the context of a discourse of 'management and market' the regulation of teaching and learning in higher education was progressively carried forward by an evolving regime of quality assurance (18). What we have argued so far in this paper is that the broad context for the regulation of research in higher education was distinctive in as much as powerful elements within the academic community were advocating the cause of selectivity in the distribution of research resources long before it became a major plank in government policy. But this advocacy arose within the context of tighter flows of public money to support the scientific infrastructure and the drive towards a regulatory regime characterised by devolved management and contractual accountability. Moreover, there were the political pressures of successive Tory governments determined to control levels of public expenditure, to undermine the effectiveness of producer interests in the delivery of public services, and bent on introducing private capital and market mechanisms to secure value-for-money in the delivery of those services.

The Character of the RAE: Change and Continuity

As the Universities Funding Council's (UFC) *Report on the 1989 Research Assessment Exercise* notes it was UGC Circular letter 12/85 that 'gave substance to the new selectivity policy':

> It set as general objectives for research funding the redistribution of research resource among universities and encouragement for redistribution of this resource within universities towards "work of special strength and promise". It emphasised the purpose of selective funding as being to "maintain the quality" of university research and the strength of the dual support system as far as possible within the resources available (19).

Thus the first RAE was instigated and, significantly, it was launched under the auspices of the UGC, which could never be accused of hostility to the traditional values of British university education.

Whilst, not surprisingly, the emergence of the new order was accompanied by a chorus of approval from its sponsors, the reception at the grassroots of the universities was more equivocal. But in an early evaluative article Trevor Smith made the point that, although the methodology of the 1986 was roundly criticised ('By any test this was a pretty rough and ready lash-up of techniques') (20), the academic profession, in spite of some impassioned principled objections, was by and large reconciled to the selective funding of research: 'Although the UGC exercise was deeply flawed, evaluation per se seems to have been generally accepted, however reluctantly' (21).

One of Smith's general conclusions was that, 'The exercise is unlikely to be repeated in the same form since it has been overtaken by events' (22). In the sense that the RAE has been modified with each evaluation since 1986 (1989, 1992, 1996 and 2001), Smith's assertion is indeed correct. The most important changes were introduced after the 1986 exercise suggesting that the implementation of the first venture had been poorly planned. For the RAE to gain credibility it had to be effectively organised. Consequently, after 1986 the UGC worked to ensure that the 1989 panels: adopted a common evaluative scale (amazingly they had not done so in 1986!), established the principle of evaluation with reference to defined criteria, and determined the nature of those criteria. Although panels were permitted to exercise a measure of discretion (the critical criteria may differ from one discipline to the next), it was important that the technical competence of the RAE was, as far as possible,

beyond reproach. Not only should the judgements of the individual panels carry weight but also those judgements needed to be compared with confidence, so a 5 in English meant the same as a 5 in Physics. Interestingly, British political scientists, through the analysis and evaluation of the early exercises, were active in stimulating improvements in the quality of the assessment process (23).

While the changes between 1986 and 1989 were very significant since then they have been essentially technical in nature, for example: the extension of the ranking scale, the number of publications that individual faculty members can list, the rules on who can and cannot be included in a submission, how to count faculty who have moved between institutions during the assessment period, and the form in which the description of departmental research activities can be presented. But in general terms the model has remained stable with the major changes occurring under the auspices of the UGC between 1986 and 1989, and perhaps – post-2001 – we are to experience another period of critical change.

And what have been the all-important continuities? Although the watchword has been the selective allocation of resources, to date the funding councils have resisted the pressure to concentrate R income upon only a limited number of universities. Neither have governments transferred all the state's resources for university research to the research councils (so ending the dual support system) to be competed for by individuals and research teams, which would create a very selective and competitive distribution model. The argument is that excellence is widely distributed and consequently a highly selective funding of a limited number of universities would

destroy many prestigious centres of research. And this is a principle that HEFCE continues to endorse:

> We believe that the HEFCE should continue to allocate research funds selectively, by subject, on the basis of the quality of research in that subject, and should not seek to concentrate funding in a limited number of institutions. We are unconvinced by arguments for limiting funds to a few research-intensive institutions (24).

But, inevitably, the principle of selectivity was placed under severe pressure when the binary system was abolished and the former polytechnics could complete with the traditional universities for research income (in fact the Polytechnic and Colleges Funding Council, PCFC, had also distributed a small of research income). Although the research income (including an 'encouragement' element of 2.6% of the total in the 1992 RAE), allocated to the new universities was small (25), it was symbolically important for it reinforced the idea that research excellence could be found throughout the system of higher education. The pressures for selectivity may have been intense but it was politically important not to exclude institutions from the allocation process if the RAE was to gain a broad legitimacy. Like the definition of research, the principle of 'selectivity' had to be sufficiently ambiguous to deal with different value positions and political imperatives. The RAE had more than enough problems without being lambasted for creating a 'them and us' distributive model. A mechanism was needed to handle the tension between preserving research excellence in the elite universities and encouraging its spread across the university system at large.

A second significant continuity is that, although research income is selectively allocated, nonetheless it is made available to the universities in the form of block grants. In other words there is no prescriptive guidance as to how the universities

should distribute this income, that is a matter for them to decide. However, given the continuous pressure of both the UGC and the funding councils for the better management of research income, with the not-too-heavily disguised message that better management equals selective allocation, it is not too difficult to guess the method of distribution that the funding councils and the government want the universities to adopt. However, in formal terms there has been no curtailment of their autonomy: the universities can resuscitate their 'failing' departments rather than reward their star performers.

The most comprehensive empirical evidence on the impact of the RAEs upon institutional behaviour was produced by the McNay Report and its findings are ambivalent: '…. The RAE **has** had an effect' and that effect has been diverse. It 'has been used by some people as an opportunity for change, or as a lever to change, or to create an arena for policy debate on issues beyond the immediate remit of the RAE'. Nonetheless, there is a clear university perception that the RAE is not simply a quality assurance mechanism with a 'feed-back loop to the funding cycle' but also a means of securing the policy goal of selective research funding (26). At the macro-level the state has ensured selective funding but to date at the institutional level the evidence is more equivocal.

The third, and undoubtedly the most significant, continuity has been has been to place peer review at the centre of the evaluative process, but – as Weale pointed out long ago – given that it is impossible for the panels to read all the submitted publications peer review is likely to degenerate into 'review by reputation' (27). But, given the present pressures, this remains an insurmountable problem and there appears to be no

plans to introduce an alternative model. To quote HEFCE's *Review of Research*: 'We propose that there should continue to be research assessment, based on a peer review process, that builds on the solid and accepted foundations of the RAE' (28). The strength of the faith in peer review is illustrated by the decision in 2001 that those departments 'provisionally identified as meriting the highest ratings' (that is departments considered to be of international excellence) were then subjected to a further peer review by international experts (29). Thus academic judgement was to be reviewed by presumably a more elevated academic judgement. So the guardians are responsible to yet another layer of guardians. And in parallel fashion, although the research councils have shifted to a more directive mode in the distribution of their resources, it is still academics who are the central figures in determining the favoured research areas and in deciding what applications will be funded.

Nonetheless, it is important to remember that it is bureaucratically organised peer review; that it occurs within an institutional context determined by the research and funding councils. Thus for the professional academic dynamic to sustain its control of the knowledge base it has had to accommodate itself to the bureaucratic procedures established by the state. And, as the McNay Report makes clear, within some universities academic judgement has run up against institutional managers as the latter struggle to control the process in order to maximise potential incomes.

The fourth, and final, continuity has been the attempt to give the RAE a measure of respectability by enveloping its process of development in a continuing widespread consultation exercise. The 1986 RAE may have been sprung upon an unsuspecting world but since then it has evolved in a very public fashion. Each exercise has been

followed by a report and there is widespread consultation prior to the instigation of a new exercise. RAE 1/98, besides noting the responses of higher education institutions to one such consultation exercise, also lists the numerous and very diverse body of other organisations who participated, ranging from the Association of Art Historians through to the Women's Studies Network (UK) Association – over 200 organisations in all (30). The purpose is obvious – to legitimise the authority of the RAE on a continuing basis by engaging in dialogue with the full range of constituents.

The continuities suggest a process of political and bureaucratic incorporation (wide consultation, no blanket exclusion of institutions and an evaluative process – peer review – that is broadly acceptable to the academic profession) within the context of an exercise that has a potentially divisive outcome, which is the selective allocation of resources. And yet, whilst incorporation is important to sustaining the legitimacy of the process, so is the selective output. As we have seen the pressure for the selective allocation of resources emerged from within the academic profession in response to the erosion of the scientific research infrastructure within universities. This was the response of an elite cadre within the academic profession to a steadily worsening situation that was increasingly threatening their interests. It was important therefore that this segment of the academy of scholars had faith in the RAEs.

There are two interrelated ways in which this confidence has been created and sustained. Firstly, the key personnel – the members of the assessment panels and, in particular their chairs, have been mainly eminent figures in their fields and – equally significantly - representatives of the leading universities. For example, an early listing of chairs for the RAE 2001 Panels (31) recorded only three professors from

post-1992 universities as Panel chairs: Susanne MacGregor (Middlesex University), Judith Elkin (University of Central England) and Christopher Gratton (Sheffield Hallam University). They headed respectively the panels for Social Policy and Administration/Social Work (a joint panel), Library and Information Management, and Sports-related Subjects. The 1989 Report (obviously listing representatives of only the pre-1992 universities) records that out of a total of 128 panel members 30 were from London, 21 from Oxford, 19 from Cambridge and 13 from Edinburgh. While some institutions (Brunel, City, Dundee, Heriot-Watt, the Business Schools of Manchester and London, Salford, St. David's Lampeter and Swansea) failed to muster a single panel member (32). The great and the good have been making judgements upon the academic profession as a whole.

Whilst HEFCE is prepared to argue that the distribution of its research income should not be confined to a particular stratum of universities, the whole purpose of an exercise in selectivity is to ensure that some are rewarded more generously than others. And again the consequent distributive pattern should come as no surprise. In HEFCE's *Review of Research* we read: 'It is clear … that the vast majority of funds go to a small number of universities: 75 per cent of QR went to 28 of the 105 institutions' receiving QR funding in excess of £250,000. And these 28 universities account for 68% of the total number of research staff submitted to the RAE (33) while the main report states that in 1998/99 '75 per cent of HEFCE research funds went to 26 HEIs' (34). The funding mechanism is designed to reward the quality of submissions above quantity so that currently (that is pre-2001 RAE) 'a unit with a 5* rating attracts approximately four times as much funding as one with a rating of 3b for the same volume of research activity' (35). Although their names have been repeated

often enough - the Universities of Oxford and Cambridge, University College, London and Imperial College, London – HEFCE itself is more coy when it comes to identifying the successful institutions in its *Review*. But it can come as no surprise that these are the very institutions that provide a disproportionate number of the chairs and members of the RAE panels. This is not to suggest nepotism or conspiracy but rather to insist that the evaluative process is enveloped within a broader political process. Therefore, to establish their credibility the RAEs had to reward disproportionately elite institutions whilst not excluding those with less enhanced research records.

In spite of the selective distribution of HEFCE research funding, the process has built into it pressures that work to make it less selective over time. The most dramatic example was the need to incorporate the post-1992 universities. Self-evidently to include at a stroke so many new institutions mitigated against the refinement of selection – whilst the pot did not automatically have to be shared out more widely more institutions were competing for a share of the spoils. This was one of those 'once-and-for-all' changes, but there is a long-term pressure that works in the same direction. The evidence is that the ratings of individual departments improve over time, a point reinforced dramatically by the outcome of the 2001 RAE, so there is a steady drift across the board towards greater research excellence. The only way, therefore, of sustaining income differentiation is to ensure that research funding at least keeps pace with the overall improvement in research ratings or to redistribute the existing resources in a manner that discriminates more harshly against those with lower ratings – perhaps even excluding them from receiving any resources for their

efforts. This is an issue to which we will return when considering the future of the RAE.

So how are the procedures of the Research Assessment Exercises to be understood? The UGC established a mechanism, subsequently refined by the funding councils, for the selective distribution of its research income. The mechanism was a clear response to government pressure exerted within the context of continuing financial stringency. Although in this sense 'imposed from outside', the functioning of the RAEs has been driven by producer-interests - the academics who consume the research income. This internal control can be demonstrated by examining the modus operandi of the RAEs, the personnel and institutions that dominate their activities as well as the pattern of resource distribution. However, not all the issues have been resolved to everyone's satisfaction. In particular there is still a sharp struggle as to what should count as high status knowledge. And where is the selectivity line to be drawn in the RAE? Even a cursory examination of HEFCE's documentation reveals that it is not long before a confidently pronounced position is followed by prevarication. And prevaricate it must given that it does not control the allocation of financial resources. Moreover, the two tensions are interrelated: the dominance of one set of values as to what is to count as quality research determines how and where the lines will be drawn and who will be the winners and who will be the losers.

Issues of Governance

However one interprets the purpose of the RAE (as a device for determining the distribution of research monies, as a means of securing greater research selectivity or as an accountability mechanism that ensures the more efficient use of resources), it is evidently part of a model of governance dominated by the idea of regulatory politics.

Although the state, in its bureaucratic and political forms, is the dominant force in the process of change in higher education, it does not follow that the state needs direct control of the structure of university governance in order to secure its policy objectives. Indeed, in the case of higher education the destruction of institutional autonomy through the imposition of direct state control could prove both politically divisive and self-defeating. Divisive not simply because of opposition from the universities but also because of opposition from many of the elite institutional networks in Britain. Self-defeating because thereafter universities would lack the credibility they require if their decisions regarding the organisation of teaching and research are to carry weight. The state needs its elite institutions to be trusted for society to function effectively. Should it be felt that the universities are mere creatures of the government of the day then trust disappears and society is tainted. Of course totalitarian regimes can force compliance but at the risk of destroying institutional integrity along with the respect which in part constitutes the basis of their wider authority.

Consequently, in spite of forebodings to the contrary, there was little to fear by way of direct departmental interference when responsibility for the UGC was transferred from the Treasury to the DES in 1964. Of course what *was* at stake was the possibility that the Department would weigh up the educational demands upon the public purse and find those of higher education of a less pressing nature than, for example, nursery education. Alternatively, and very significantly, the department could start to invent ways to link the universities to the other sectors of education in order to ensure that they responded more effectively to the nation's economic needs.

The emergence of the funding council regime has seen the maturing of regulatory politics in higher education. The input of government into the regulatory model has broadened considerably beyond what is now the Department for Education and Skills with a powerful role for the Treasury. Another influential part of the change process has been the House of Commons' Science and Technology Select Committee, which for a long time expressed its bemusement at the apparent lack of purpose shown by the UGC. In effect the messages from the bureaucratic and political wings of the state converged to demand more centralised regulation. Consequently, what has emerged is a steered system of higher education, a managed market. It is a matter of debate as to how heavy or how light the steering mechanism is or how damaging for universities are the consequences of refusing to follow the designated track. But the model has generated in its own politics and we have seen intense conflicts emerging out of the two major regulatory systems, that is the audit and inspection procedures established by the RAEs and the QAA.

There is considerable force in the argument that state intervention via the UGC led to the creation of a university system in Britain. The argument would be that since its conception in 1919 the UGC defined, probably without realising consciously what it was doing, a coherent model of the university and created structures and procedures to put that model into effect. Not surprisingly, it was the financial resources of the state, wielded by the UGC, which ensured its influence would prevail. There was institutional differentiation within the system, and perhaps a layered hierarchy, but the universities had more in common with one another than distinguishing characteristics. The coming of the funding councils, with the emergence of the regulatory model of governance, appears to have reversed the process of convergence. The assessment of

research and teaching/learning has given rise to different policy networks. Moreover, the universities have formed cartels (the Russell Group and the 94 Group) to fight their own particular group interests. The battle against the QAA has been 'won' and we now have in place a 'light touch' assessment regime that will not treat all universities equally. Currently we can see the argument in favour of a differentiated process of research assessment emerging in the light of RAE 2001. How that battle is to be resolved remains to be seen

Conclusion: What does the Future Hold?

In our *The Politics of Governance in Higher Education: The Case of Quality Assurance* we constructed a model in which the regulation of knowledge was divided into three functions: standard setting, monitoring/evaluation, and intervention (36). The above dissection of the RAEs has demonstrated that in terms of both standard setting and monitoring/evaluation the academic profession is still largely in control of the process in spite of, for example, attempts to question the apparent bias against applied research (also voiced within the academic profession itself) and the infiltration of external assessors into the monitoring stage. And until now intervention has taken the form of providing the resources to underwrite the outcomes of the two previous functions.

The state had apparently achieved its policy goals: a competitive process of evaluation, the more selective distribution of research monies and the preservation of established research excellence whilst encouraging emerging research talent. Over time the RAE had gained 'a mossy respectability'. Furthermore, HEFCE's 2000 *Review of Research* claims that 'consultation revealed a very strong response in favour of continuing with the RAE' (37). An air of quiet of self-satisfaction pervades

the report; there was every expectation that after the 2001 exercise the RAE would continue along the same path, albeit with minor modifications.

But from the very beginning of the evaluative process there was within the universities a multi-faceted critique of the RAE (38). Firstly, it manifested an institutional bias: for the traditional universities and against the new universities. Secondly, it discriminated against certain social groups: women, young scholars and members of minority ethnic groups. Thirdly, it constructed undesirable procedures: costly, cumbersome and time consuming. And fourthly, it sent out the wrong messages about the character of higher education: the RAE implied selection, hierarchy and diversification whilst the critics craved for a holistic system. Many of these critics sought the destruction of the RAE and, at least implicitly, looked back to those halcyon days in which – allegedly – the state unquestioningly embraced the cause of higher education, generously financed its expansion and respected unreservedly university autonomy.

As justified as these criticisms may be (and they have received some support in political circles) the real threat to the RAE in its present form comes from the realisation, strongly underwritten by the 2001 Exercise, that it is an increasingly dubious mechanism for the selective allocation of research resources - which is to assume that this is the central policy purpose of the whole process. In RAE 2001 comfortably over 50% of the researchers entered were in departments ranked as either 5 or 5* with some panels (for example, Physics with 79% of faculty in departments rated 5 or 5* in 2001 compared to 51% in 1996) awarding embarrassingly high scores (39). The embarrassment arises not simply because of the suspicion of unwarranted

'grade inflation' but – more critically - because the outcome makes it harder to distribute resources selectively. Of course the circle can be squared but this is dependent upon securing from the Treasury a real increase in resources. As HEFCE's 2000 *Review of Research* argued:

> We recommend that the policy priority ought to be to protect grants for top-rated departments, but a consequence of this is that additional funds will probably be needed after the 2001 RAE to allow improved departments to benefit from their enhanced performance (40).

But the enhanced input (at least for the English and Welsh universities) has not yet been forthcoming, and the response has been to distribute funding even more selectively 'in order to protect the resources of top-rated departments.' The consequence is considerable embarrassment for the funding councils: not providing research income for some departments that improved their ranking and a decline in the income of departments that sustained a 5 ranking which supposedly indicates that most of their research is of at least national importance. In future, in the light of such outcomes, the incentive to improve, or even to manipulate the system, may not be so strong.

But what has been embarrassment for the funding councils and angst for many within the universities, has provided a political opportunity for the opponents of the RAE. No doubt the Treasury has been less than pleased with the pressure to provide increased resources, and the outcome has probably reaffirmed its scepticism of both the Department for Education and Skills and of the funding councils' academic management. To date the most explicit expression of political opposition to the RAE in its present form has come from the House of Commons' Select Committee on Science and Technology. Although the RAE may survive, and numerous alternative models are currently being floated, it is likely to be revamped so it emerges in an

almost unrecognisable form. Whilst the state itself may still refrain from directly entering the monitoring/evaluation process, in future it is likely to construct stronger parameters on standard setting (a further attempt to secure more funding for so-called applied research) and to determine the form that the monitoring/evaluation process will take rather than leave this to academic judgement. Above all there needs to be more explicit commitment to the policy of selective resource allocation and a recognition of the fact that audit procedures can be driven by forces that will undermine their ability to deliver this goal. Furthermore, to argue that research excellence is widely distributed (which may be true) merely exacerbates the tensions. The RAE has been driven by its own version of 'academic drift' and what is surprising is the failure of the state to recognise the high probability that this was going to occur.

From the perspective of university governance, the most interesting idea to emerge so far is the Select Committee's recommendation of a review process that will treat different universities differently. To parallel the 'light touch' QAA regime (the shift from inspection to audit) there could emerge a 'light touch' review of research for existing centres of excellence (41). The consequence would be a steadily more fragmented university system with the institutions of the state relating to its component parts in contrasting ways. And, of course, within the universities there would be differing forms of governance as they each sought to maximise and manage effectively their own particular pattern of income flows.

In an attempt to hold on to the high ground, indeed to widen the remit of the funding councils by giving them a system planning role, the Chief Executive of HEFCE

(Howard Newby) is reported to have suggested an alternative funding model which parallels in part the recommendations of the Select Committee: 1. Income for teaching; 2. A two-track research assessment exercise which recognises the need to reward both pure and applied research as well as the research training of staff and students; and 3. Links with business and the local community (42). However, the funding councils may already be in a parallel position to the UGC during its dying days - actively pursuing policies that they believe are consistent with government thinking whilst ministers are planning their demise!

HEFCE's *Review of Research* shows a very important development in the pattern of resource input into university research in Britain. Between 1984 and 1997 the relative input of the Funding Councils has declined sharply (from 58.8% to 35.1%) with increases in the inputs of the research councils (from 17.2% to 24.1%), government departments (from 7.5% to 10.4%), UK industry (from 7.5% to 10.4%) and, most significantly, charitable bodies (from 6.7% to 13.6%) (43). From this data there is no way of discerning whether there has been a major shift in British universities away from so-called pure research towards so-called applied research but the shift in the balance of the funding inputs would suggest that this is indeed the case. But, more significantly, the shift in funding sources coupled with HEFCE's claim that a strong research base generates differing research agendas within the same institutions, makes debates about the distinction between pure and applied research rather arcane.

But yet another important trend has also emerged – the increasing co-operation between state and private finance in sustaining massive, long-term research projects (44). So, those universities that are interested in augmenting their research base on a

grand scale have to work out strategies for sustaining state funding, increasing the input of the market, and learning how to bring together state and corporate interests in a viable system of governance. Some time ago, Keith Tribe persuasively argued that, unlike its American counterpart, British capital simply lacked the resources to make a substantial input into creating a flourishing research base in our universities, and thus the need for state intervention (45). But in the age of global capital – especially in the fields of biotechnology, information technology and medical research – the context is obviously very different. The market is becoming an increasingly significant player and the universities, like the funding councils, will have to determine what structures of governance they need to control its input.

The creation of the RAE, therefore, represented another stage in the erosion of university autonomy. However, while it was part of the process by which the governance of British higher education was fundamentally changed, it operated in a manner that fully incorporated the principle of peer review. The policy of the selective distribution of resources relied very heavily upon the judgements of leading academics from the most prestigious universities. Initially, the state seemed to gain much of what it wanted (competition for resources, a selective distribution pattern and more effective research management in some, if not all, the universities) but it has worked through the established order – working with the grain rather than against it. But the 2001 RAE demonstrated the continuing ability of producer interests to undermine an implicit state-university concordat. It will not be long before the state shows that its powers of intervention are such that it has the ability to reshape the standard setting and monitoring/evaluation stages in the research assessment process

so that it achieves a viable basis for the selective allocation of resources it craves and the increasingly differentiated system of higher education that it believes is desirable.

What price university autonomy?

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