ESRC SCHOOL BRIEFINGS

A wealth warning

We shouldn’t be optimistic, says Professor Phillip Brown, director of a project examining skills and the global economy. Not only are there not enough high-skilled, high-waged jobs to go around in the UK, “there will be increasing pressures on graduate wages as more high-skilled jobs migrate to low-waged countries.”

Professor Brown argues that “a university credential is rather like an endowment policy. Past returns are not a guarantee of future performance…With many more people qualified for ‘knowledge’ work, the price of that work is likely to fall. It is also difficult to predict the future consequences of economic globalisation.”

Professor Brown and colleagues Professors Hugh Lauder and David Ashton analysed the hiring strategies of leading multinational companies in seven countries. They found that:

- Multinational companies are increasingly employing high-skilled graduate workers in low-cost countries. This off shoring, which hardly existed before 2000, looks set to continue expanding.

- These companies are still engaged in a ‘war’ for top talent, leading to increasing polarization of graduate careers in a ‘winner takes all’ jobs market. In an attempt to recruit the best in a world-wide marketplace, leading companies target graduates from well known, elite universities. This has implications for social mobility, since lower socio-economic groups are less well-represented in these top institutions.

- Multinationals are more concerned with employees’ performance and personality than with formal qualifications.

Many companies are now trying to standardise ‘knowledge’ work in the same way that manufacturing processes were standardised in the past. If creativity and real thought are needed only from a minority, the perception of higher education as a source of personal fulfillment and the route to creative, challenging employment risks being seriously misleading, Professor Brown and his colleagues warn.

In a Teaching and Learning Research Programme Commentary on education, globalization and the market economy, Professor Brown, and his team comment: “While it is too early to reach firm conclusions, we must confront the prospect of a high-skilled, low-waged economy for the UK.” The disjunction between education, jobs and rewards has profound implications for our understanding of educational opportunity, justice and social mobility, they say. The view of education as preparation for employment is no longer a reflection of reality: “Alternative visions of society, education and the economy have never been more urgently needed” they say.
Questions to think about

1. Do these pieces of research help you to make decisions about the future? What else would you need to find out to make good judgments?

2. Some of these studies looked at the differences between the educational careers of middle and working-class students. How is disadvantage perpetuated? Why might the gap widen even more?

3. What is the Government trying to do to improve opportunities for poorer students? Are its policies working? What more could be done? Think about the second article ‘Who goes to uni?’ and talk about what needs to be done at secondary school level? What can individual schools do? What are the bigger social issues?

4. How do the findings of the third and fourth briefings ‘University begins at 11’ and ‘Why go to an elite university?’ build a bigger picture than either item on its own?

5. How do all four items fit together? Are there contradictions between them?

6. ‘Why go to an elite university?’ raises serious questions about what the working lives of today’s students will be like. The researchers call for new visions of society, education and the economy. If university education does not necessarily lead to a high-paying job, what is it for?

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