



## Modernisation of Higher Education in Europe 2011: Funding and the Social Dimension

This report takes a close look at the social dimension of higher education – a topic that has been gaining attention in policy debates at the European and national levels in recent years. The social dimension concerns the process of widening access to higher education to as large a proportion of the population as possible.

*The present study takes the reference year 2009/10 and covers 31 countries (all EU Member States, plus Iceland, Liechtenstein, Norway and Turkey).*

### WIDENING PARTICIPATION IS THE MAIN CHALLENGE OF THE SOCIAL DIMENSION

One of the most significant trends in European higher education in the past decade has been the continuing process of expansion, with student numbers increasing by an average of 25 %. This process of massification is a global phenomenon related to a shift towards knowledge-based societies, and creates new challenges for Europe. However, while student numbers may be increasing, this does not necessarily imply that higher education is becoming more socially inclusive.

Higher education ministers have emphasised that "the student body entering, participating in and

completing higher education at all levels should reflect the diversity of our populations" stressing that "students [should be] able to complete their studies without obstacles related to their social and economic background" (London Communiqué 2007, p. 5). In accordance with European Declarations, almost all countries proclaim that increasing and widening participation in higher education is a major policy objective. Nevertheless, it is one among several priorities, and there is little evidence of countries linking debates on issues such as quality and excellence to the social dimension.

#### What is Eurydice

The **Eurydice Network** provides information on and analyses of European education systems and policies. As of 2011, it consists of 37 national units based in all 33 countries participating in the EU's Lifelong Learning programme (EU Member States, EFTA countries, Croatia and Turkey) and is coordinated and managed by the EU Education, Audiovisual and Culture Executive Agency in Brussels, which drafts its publications and databases.

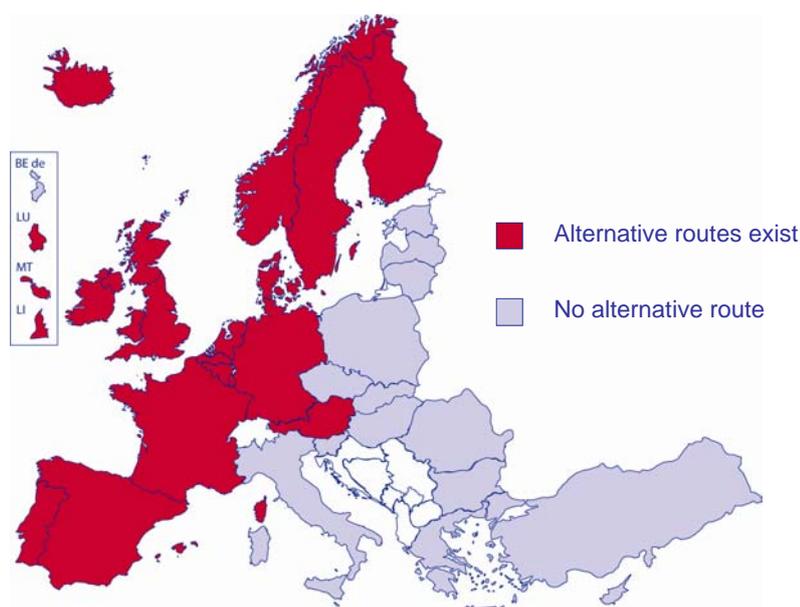


## TWO MAIN POLICY APPROACHES TO WIDENING PARTICIPATION

European countries show significant differences in their approach to widening participation. While some countries focus on measures to increase participation of under-represented groups in higher education, others take a general approach to increase and widen overall participation, hoping that this will also lead to an increase in participation from socially disadvantaged groups. A third group can also be identified where both general and targeted measures are combined.

Just over half of the Eurydice member countries have established alternative routes to higher education, while fifteen national systems do not permit alternative routes into higher education. As the map below illustrates, there is a clear geographical pattern to these countries, with alternative routes being a feature of western European higher education systems. Moreover, a significant number of systems without alternatives routes into higher education also lack regulations on the recognition and validation of non-formal or informal learning.

Alternative routes to higher education for non-traditional candidates, 2009/10



Source: Eurydice.

## MONITORING SYSTEMS ARE YET TO BE DEVELOPED TO ANY SIGNIFICANT DEGREE

Although some countries set benchmarks or targets in relation to participation of under-represented groups, this practice is not greatly developed.

The impact of measures taken to increase and widen participation is difficult to gauge at European level, as countries not only combine different measures but also monitor different aspects of the composition of the student body.

Thus it is difficult to provide a comparative picture of how under-represented groups are faring in different higher education systems across Europe. Only five countries make data on student completion rates publicly available. This indicates that in many countries, student completion rates are neither regarded as a matter of societal interest, nor a measure for which institutions should be considered accountable.

## FUNDING OF HIGHER EDUCATION INSTITUTIONS DOES NOT EXPLICITLY SUPPORT SOCIAL DIMENSION OBJECTIVES

It is difficult to find clear evidence that national higher education institutional funding mechanisms are being oriented to support and stimulate the main social dimension policy objective of widening participation. Instead, the main funding mecha-

nisms rely on traditional input characteristics (such as numbers of staff and students) or focus on other objectives such as the quality of research. Widening participation is often left to more marginal funding schemes.

## FEE AND SUPPORT SYSTEMS HAVE A MAJOR IMPACT ON HIGHER EDUCATION SYSTEM PERFORMANCE

One fundamental aspect of higher education system performance is how successful countries are in providing equitable access to diverse and high quality education that enable citizens to develop and fulfil their potential. While the existence of fees may deter low-income and socially disadvantaged groups more significantly than those who are more wealthy and advantaged, support mechanisms can act as an effective counterbalance. Thus the balance between fees and support, and the question of how to target resources most effectively are critical issues for higher education policy-making.

National reality in Europe varies from situations where no students pay fees to those where all students pay fees, and from countries where all

students receive support to those where few receive support. Fees may also be set at very low, symbolic levels or be a very significant element of overall student expenditure. The diversity of fee and support systems is striking and perhaps not sufficiently recognised and has a major impact on the performance of higher education systems.

In the majority of countries, students have to pay fees in principle, but various criteria are used to decide which students pay, and/or how much they pay. Such criteria are most often based on the mode of study, type of study programme or field of study chosen, but can also be based on characteristics of the student population, or the combination of both approaches.

**PROPORTION OF FIRST AND SECOND CYCLE STUDENTS PAYING FEES AND RECEIVING GRANTS, 2009/10**

<b>Majority receives GRANTS</b>		<b>Majority pays FEES</b>	
<b>Minority pays FEES</b>	DK, MT, FI, SE, UK-SCT, LI, NO	CY, NL, SK, UK-EWNI	
	DE, EL, LT, HU, AT	BE, BG, CZ, EE, IE, ES, FR, IT, LV, PL, RO, SI, IS, TR	
<b>Minority receives GRANTS</b>			

Source: Eurydice.

Many European countries combine grants and loans, yet the relative importance of grants and loans in mixed systems also varies significantly. Grants are rarely universal, and are provided on the basis of financial need, academic performance, or a combination of these two main criteria. Publicly supported student loan systems exist in approximately two-thirds of European countries.

Iceland is the only country where public support to students is offered exclusively through loans.

The picture with regard to indirect support is even more diverse and closely linked to the general social policy approach of countries. In 16 systems there are neither tax benefits nor other financial entitlements for parents of students.

### DEMOGRAPHIC CHALLENGES NEED TO BE ADDRESSED

Demography in Europe is set to affect countries profoundly, but the impact will be felt differently in different parts of the continent. Demographic decline in the population of 18-34 year olds from 2010 to 2025 will significantly affect countries in Central, Eastern and Southern Europe. In contrast, a minority of countries mostly situated in Northern Europe shows positive projections for the number of young people in the population.

offer needs to be expanded to new potential students through renewing support for lifelong learning and increasing attention to the diversification of the student body. This report shows that many of the countries where widening access to under-represented groups and adult learners will be most urgently needed are those where such measures to open up higher education systems to non-traditional learners are currently the least developed.

If significant decline in the supply of qualified graduates is to be avoided, the higher education

### MACRO-LEVEL FUNDING TRENDS ARE NOT UNIFORM ACROSS EUROPEAN COUNTRIES

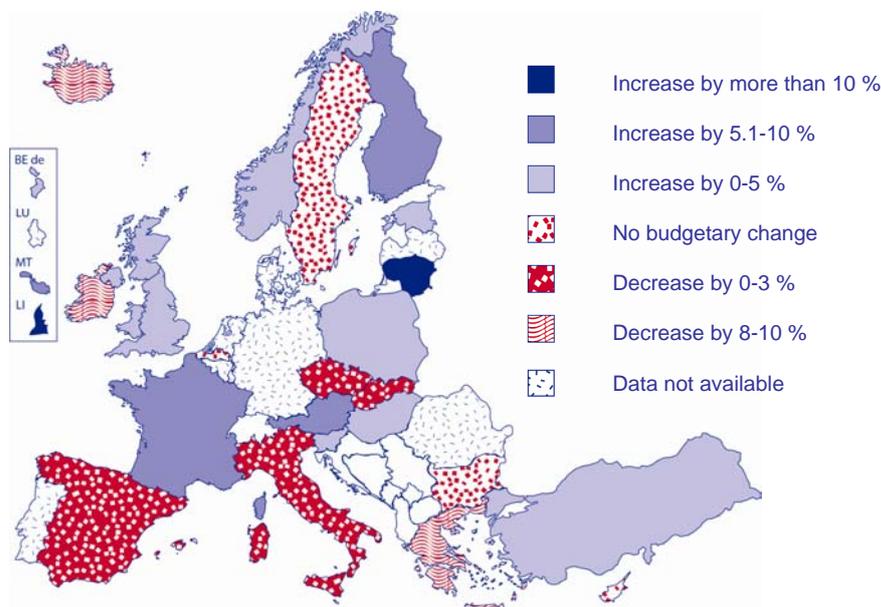
Even before the impact of the financial and economic crisis began to be felt, investment in higher education was failing to keep pace with participation trends. Indeed while participation increased

rapidly before 2008, funding remained stagnant as a percentage of GDP expenditure, and indeed several countries cut their national higher education budgets during the years prior to 2008.

Since 2008, however, funding trends have been diverging. While very significant cuts have been (or will be) made to some systems, several European countries, including countries that have experienced significant economic difficulties, have adopted stimulus packages containing support

measures for their higher education systems. Given the continuing need for more highly educated people in the labour market this latter strategy could prove more successful in alleviating the long term effects of the economic crisis.

### Changes in higher education budgets from 2009/10 to 2010/11



Source: Eurydice.

### KEY CONCLUSIONS

- Countries are struggling to adapt their higher education systems to meet the challenges brought about by rapid societal change over recent years.
- The social dimension has not generally become a significant driver for higher education policy, but numerous special measures are in place in most countries to address the under-representation of particular groups.
- Political declarations on the social dimension are not always matched with coherent measures, funds to realise them or monitoring mechanisms to evaluate their impact.
- There is an urgent need to address social dimension issues more forcefully and coherently both at EU and national level, particularly in view of the economic downturn across Europe.

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### The full study

Modernisation of Higher Education in Europe 2011: Funding and the Social Dimension

can be found in English, French and German on the Eurydice website:

[http://eacea.ec.europa.eu/education/eurydice/thematic\\_studies\\_en.php](http://eacea.ec.europa.eu/education/eurydice/thematic_studies_en.php)

### Printed copies of the report

are available upon request at: [eacea-eurydice@ec.europa.eu](mailto:eacea-eurydice@ec.europa.eu)

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