

From *Competence and Competition* to the Leitch Review

The utility of comparative analyses of skills and performance

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Abstract

This working paper sets out to do three things. First, to examine the broader role, contribution and limitations of comparative international skills benchmarking studies. Second, to identify those elements of the influential *Competence and Competition* study that represented a lasting contribution to British debates about education and training (E&T). Third, given the relatively static nature of the English policy debate about E&T policy, to identify where new approaches to old problems may be emerging elsewhere in the developed world.

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Introduction and background

This paper takes as its point of departure the enduring impact of the then Institute of Manpower Studies (IMS) report *Competence and Competition*, which was undertaken for the Manpower Services Commission (MSC) and the National Economic Development Office (NEDO) and published in 1984. *Competence and Competition* provided an international benchmarking of the UK's performance in education and training (E&T) relative to three other developed nations (Germany, Japan and the USA) and provoked considerable debate in the media, within national government and among other stakeholders in the education and training (E&T) system, about our relative performance and how it might be improved.

What follows tries to do three things. First, to examine the broader role, contribution and limitations of these kind of comparative studies as they have been deployed in the UK over the last 25 years, and to suggest how they might be utilised in future. Second, to identify those elements of *Competence and Competition* that represented a lasting contribution to British debates about E&T, and to trace the subsequent development of one of these strands (that relating to the apportioning of rights, roles and responsibilities within the E&T system). Third, given the relatively static nature of the English policy debate about E&T policy since *Competence and Competition* was published, to identify where new approaches to old problems may be emerging elsewhere in the developed world. As will become apparent, if this paper were to have an additional sub-title it would be 'the past is always with us'.

The Background to Competence and Competition

In trying to understand the importance of *Competence and Competition* it is necessary to outline its place within the evolution of three streams of activity – the unfolding of the British (now English) E&T debate, the development of the policy and governance machinery in the sphere of E&T, and the path followed by the IMS/IES's research interests in the field of E&T.

The history of the E&T debate.

The use of international comparisons of E&T activity and its outputs as a catalyst for self-examination and public reflection, and as a spur to national action and renewal, has been a long-standing feature of UK approaches to E&T policy, standing on a tradition that stretches back well into the Nineteenth Century (Perry, 1976; Reeder, 1981; Sanderson, 1988), and with a Royal Commission (the Samuelson Commission) on the topic in the 1880s. Even the deployment of militaristic imagery, reflected in Gordon Brown's recent revival of the Cold War as a metaphor for skills policy, is not new:

A generation ago, a British Prime Minister had to worry about a global arms race. Today a British Prime Minister has to worry about a global skills race because the nation that shows it can bring out the best in all its people will be the greatest success story of the coming decades. So it is time for a wake up call for young people, employees and employers that we now summon ourselves to a new national effort and mobilisation to win the new skills race.

(Brown quoted in *The Guardian*, 28 January 2008).

When introducing the 1870 Education Bill, its chief sponsor pointed to the linkages between education and national power, suggesting that, 'we must make up for the smallness of our numbers by increasing the intellectual force of the individual' (Lowndes, 1937: 18). As Glass (1965: 397) observes, 'now the slogan became 'sea power and school power' as the essential basis of the Empire'.

Whether such analogies and the claims they were and are being deployed to support are valid is an open question. What is clear is that this linking of skills policies to relative economic competitiveness and thence to national survival represents a persistent tradition on the part of some policy makers in seeking to cast discussion of relative performance on skills as part of a hegemonic discourse that will tend to pre-empt opposition and prioritise this area of policy over others.

If not entirely novel, what *Competence and Competition* did mark was the most important early contribution to the current round of international benchmarking exercises, which has continued ever since – some studies being aimed at specific segments of the working population (for example, managers – NEDC/MSB/BIM, 1997; Storey et al., 1992; and apprenticeships – Steedman et al., 1991), with others looking more generally at levels of education and qualification stocks in the workforce. Examples here include the 1996 *Skills Audit* (DfEE/Cabinet Office); Green & Steedman, 1997; Murray & Steedman, 1998; Steedman et al., 2004; and, most recently and influentially, the Leitch Review (2005 & 2006). This research approach and the body of findings it has generated has had an enormous and enduring impact on how British skills policy has been framed (Keep, 1991), being deployed to set the basic parameters of the national policy debate in terms of comparative (actual or threatened) economic failure (Sheldrake & Vickerstaffe, 1987:1). Moreover, the concept of international E&T benchmarking has become institutionally enshrined in the shape of the OECD league tables, the annual publication of which is a focus of interest and potential concern to policy makers and commentators across the developed world.

The importance of the international comparative dimension to the design of skills policies is reflected by the fact that references to our E&T performance relative to overseas competitors are now ubiquitous in official speeches on the topic (see Blair, 2007a; Brown, 2007b), and within policy documents (see, for example, HMT/DfEE/DWP/DTI, 2004; HMT, 2005; DfES, 2007). In a world dominated by the

perceived promises and threats of globalisation, the discourse of relative comparative (dis)advantage on skills is now an almost universal and omnipresent framing device for policy and debate thereupon.

More generally, in terms of the current phase in the evolution of UK/English E&T policy, *Competence and Competition* forms part of a select group of landmark documents which provided the starting point for lines of policy development of which remain more or less unbroken to the present day. These documents and interventions are:

- Callaghan's 'Great Debate' speech of 1976
- The publication by the MSC (1981) of *A New Training Initiative; An agenda for action*
- *Competence and Competition* (IMS/MS/NEDO, 1984)
- *A Challenge to Complacency* (Coopers & Lybrand Associates, 1985)
- The 'Handy Report' on *The Making of Managers* (MSC/NEDC/BIM, 1987)
- The various NIESR 'matched plant' studies on comparative skill and productivity levels (see, for example, Daly et al., 1985; Steedman & Wagner, 1997; Prais et al., 1989).

It will be noted that four of these – *Competence and Competition*, *A Challenge to Complacency*, *The Making of Managers*, and the NIESR work – started from an international comparative perspective and basically deployed perceptions of relatively superior performance (in terms of both skills and industrial competitiveness) in countries such as the US, Germany and Japan as the spur for calls for British reform. Three of these interventions – by Prime Minister Callaghan, the MSC and Coopers & Lybrand Associates – effectively established the main lines for policy debates that continue to the present day. Callaghan's speech problematised the effectiveness of education in meeting the needs of employers and wider economic goals (see Gleeson & Keep, 2004). The MSC's *A New Training Initiative* (1981) set three over-arching goals for training policy, none of which have yet been met: provision of a 'permanent bridge between school and work' that would allow the broad mass of young people to acquire the skills needed by employers, the reform of traditional apprenticeships to provide a vibrant work-based route for initial E&T that would match the best found in Northern Europe, and a massive increase in the training of adults (particularly for those holding jobs at the lower end of the occupational ladder).

Finally, the Coopers & Lybrand Associates' report *A Challenge to Complacency* (1985) was commissioned by the MSC and NEDO to develop a range of potential policy options that could address the issues raised by *Competence and Competition*. Following the analytical thread laid down by *Competence and Competition*, *A Challenge to*

Complacency was at pains to try and locate firms' decision making about investment in skills within an international comparative framework, and to identify the pattern of incentives that were and were not acting upon companies when they arrived at such decisions. Many of the weaknesses in the incentives to train outlined in 1985 remain depressingly germane today.

The report also suggested (1985: 4-8) that future policy be constructed around three mutually reinforcing themes:

1. Exhorting and encouraging companies to invest in training
2. Harnessing the interests of individuals as a means of bringing pressure to bear on employers (particularly through an Individual Training Credit)
3. Improving the operation of the training market to make it easier for companies to define, and obtain from external providers, the training they require (which covered making further education colleges more responsive to employers and improving local labour market information)

Binding these three themes together was a call for the development of 'a clear structure of qualifications based on the achievement of set standards or competences' (1985: 8). These recommendations have a strangely contemporary ring about them!

Under theme 1, Coopers & Lybrand suggested a range of possible measures, including the development and promotion of case studies and international comparisons that showed the business benefits of investing in training, national training awards for firms that developed best practice, the incorporation of information about training and its benefits in management training provision, the development of simple measures of training activity that would be required to be disclosed in company annual reports, tax incentives to train, grants and subsidies, sectoral training targets, extension of licence to practice and compulsory continuing professional development schemes, and the development of local foci for employers' training effort possibly modelled on the American Private Industry Councils (PICs). Thus *A Challenge to Complacency* established many of the main lines of subsequent policy development, some of which (eg individual training credits or accounts) are now being tried for the second or third time around.

Moreover, the UKCES has recently announced a research focus on collective measures to stimulate employer investment in skill formation. The research design (UKCES, 2008) suggests that attention will be focused on a range of potential interventions that have a considerable overlap with some of those being discussed by Coopers and Lybrand twenty-three years ago.

The evolving policy environment.

The policy machinery that commissioned *Competence and Competition* and the policy environment into which the report was launched in 1984 were very different from those which exist today. In England, 24 years ago, E&T policy and skills were regarded as second order issues within the national policy agenda. The real action lay elsewhere – with the reform of monetary policy, industrial relations and the balance of power between workers and management, the dismantling of industrial policy, the future of the welfare state, the privatisation of state industries, the reapportioning of responsibility between local government and central government and its agencies, the opening up of public services to competition and marketisation, and efforts to create a ‘property owning democracy’.

Schools and Further Education (FE) were managed by Local Education Authorities (LEAs), training (as a public policy issue) was chiefly concerned with provision of work experience/training for the mass of unemployed youngsters and was in the hands of a semi-independent tripartite body (the Manpower Services Commission), which alongside another tripartite agency (the National Economic Development Office) commissioned the *Competence and Competition* report from IMS. These two agencies embodied notions of social partnership and arms-length-from-government problem solving that are deemed wholly redundant today. By contrast, the role of central government was, by current standards, circumscribed and extremely limited. Indeed, the authors of *Competence and Competition* noted in relation to employers that, ‘few expect or want Government to get involved directly in training, except for those disadvantaged in the labour market’ (1984: 68).

Nearly a quarter of a century on, the world and the place of skills policy within it has been fundamentally transformed – almost every aspect of E&T activity is now designed, managed and directly funded by central government (Keep, 2006); and England has two central government department’s devoted to E&T (the Department for Children, Families and Schools (DCSF) and the Department for Innovation, Universities and Skills (DIUS)), from whence emanate ongoing waves of reform – of institutions, programmes and qualifications. Central government and its now firmly non-tripartite agencies believe that the design of skills policies must rest more or less exclusively in their hands, and, in a post-Thatcherite world where ‘we are all unitarists now’, social partnership and tripartism are effectively dead (Keep, 2006). Moreover, the Treasury-sponsored Leitch Review of Skills argued that, ‘Skills were once a key driver for prosperity and fairness. Skills are now increasingly *the* key driver’ (emphasis as in original, 2006: 3) – a mantra now taken up by the English/UK government (see DfES, 2007; Blair, 2007; Brown, 2007a & 2007b).

This transformation in status is reflected in a corresponding expansion of the range of issues that skills can be conceived of addressing, (see DfES, 2007; DIUS, 2008; Leitch Review, 2005 & 2006). In 1984, the role that improved skills might play in

economic success was regarded as important, but not overwhelmingly so (see MSC, 1981; IMS/NEDO/MS, 1984), and, with the exception of mass unemployment, there was little expectation that skills policies could or should address social issues. Today the boxes on the policy agenda that skills are meant to tick include: various forms of anti-social behaviour, welfare dependency among unemployed or economically inactive adults, low levels of intergenerational social mobility, poverty, widening income inequality, low pay, insufficient innovation by firms, the weak relative economic performance of some regions and sub-regions, concerns about perceived weaknesses in international competitiveness and the relative rate of improvement in productivity (Leitch Review, 2005 & 2006; DfES, 2007). This exhausting but by no means exhaustive list suggests that skills have achieved a philosopher's stone-like status, whereby their application to almost any social or economic problem results in a transmogrification from dull failure to golden success.

To a significant degree this transformation in the status afforded to skills within national economic and social policy has been leveraged through the deployment of kind of international comparative studies and statistics discussed above. International benchmarking has been deployed as a 'threat', just as it was in the Nineteenth Century, in order to acquire higher priority for skills and E&T policies, and to extract greater resources for state intervention therein (Keep, 2002 & 2006). However, this has not been the only force at play. It has also been the case that skills have become more important as a focus for government intervention because a process of ideological filtering has meant that there are fewer and fewer other policy levers left that are seen as being available to be pulled (see Keep, 2002 & 2006, and Keep & Mayhew, forthcoming). In essence, skills have come to be viewed as offering the promise of intervention-free intervention within the economy (Keep, 2006) and, in the social policy sphere, a route to loser-free empowerment and re-distribution (see Blair, 2007, Brown 2007, and Keep & Mayhew, forthcoming). As the author has suggested elsewhere (Keep, 2002 & 2006, Keep et al., 2006; Keep & Mayhew, forthcoming) whether E&T can bear the weight of expectations being heaped upon it is open to very serious doubt.

Competence and Competition within the development of IMS/IES.

The report represented both the consolidation of earlier themes of IMS research in the area of skills and training (see for example, Hayes et al., 1981 and Hayes et al., 1983 on competence-based training), and also the point of departure for new and more intensive interest in this field. In particular, *Competence and Competition* foreshadowed streams of research by IMS/IES in areas such as:

- Science, engineering and technology skills supply (see Connor et al., 1994; Pearson et al., 2001; Pollard et al., 2003; Jagger, 2004)

- Management skills, and management training and development (Hirsh & Bevan, 1988; Tamkin & Denvir, 2006)
- The supply and usage of graduates (Connor & Jagger, 1993; Court & Connor, 1994; Connor et al., 1994; Connor et al., 1996; Connor & Pollard, 1996; Connor et al., 1997; Strebler et al., 1997; Tackey & Perryman, 1999; Pearson et al., 2000; Connor et al., 2003; Barber et al., 2004; Pollard et al., 2004)
- The role, status and organisation of the personnel and training functions, and of line managers in delivering training (see, for example, Spilsbury, 1995; Hirsh et al., 1995; Carter et al., 2002; Tamkin et al., 2002; Tamkin et al., 2003; Reilly et al., 2007; Hirsh et al., 2008)
- The relationship between skills and organisational performance (see, Hillage & Moralee, 1996; Tamkin et al., 2000; Carter & Robinson, 2000; Tamkin et al., 2008; Robinson et al., 2008)

The utility and limitations of international comparisons

Given the strong and continuing British tradition of deploying international comparisons of skills as a catalyst for debate about national policy, what can be said about the utility of this approach? The first point to make is that there are two distinct categories of comparison:

1. Simple assessments of E&T flows and resultant stocks of qualification (eg DfEE/Cabinet Office, 1996; Murray & Steedman, 1998)
2. A systems approach that looks at both outcomes and the means by which these are generated (eg Crouch, 1992; Crouch et al., 1999; Campinos-Dubernet & Grando Cereq, 1988; Maurice et al., 1980; and Sung et al., 2006 on sectoral skill development across countries)

Both approaches are useful, but the second can provide pointers to issues of causality and replicability that simple numerical benchmarking is silent upon.

Given the above, in deploying this general approach there are two sets of issues that need to be considered when trying to judge whether any given international comparison will tend to aid or hinder sensible policy formation:

1. Technical issues about how stocks of skills can be counted and then benchmarked across countries and what measures or signifiers of skill can be deployed.
2. Broader issues about the scale and focus of what is being compared, which suggest that some comparisons, by nature of their structure and analytical framework, are fundamentally different from others.

Technical Issues

These are many and varied and can only be dealt with briefly in this paper. They include:

The problems of equivalence between qualifications in different countries.

These can cover both the depth of learning, but also its relative breadth (and area where many UK qualifications fare badly when contrasted with continental European practice). Steedman et al., 1997 offer a very useful overview of the nature of these problems and how they may be resolved. Underlying these differences in the design of qualifications and associated learning programmes are often hidden but fundamental philosophical and conceptual divergences in how countries choose to conceive of the types and levels of knowledge, skill, know-how and competence that are required for a qualified individual to perform adequately as both a worker and as a citizen (see Clarke & Winch, 2007; Gehin, 2007; Greinert, 2007).

The inability of qualifications to record the vast bulk of skill acquired through informal, on-the-job learning.

In recent years we have come to know a great deal more about how informal learning takes place in the workplace (Gerber & Lankshear, 2000; Evans et al., 2006; Bryson & O'Neil, 2008; Eraut & Hirsh, 2007), its linkages to other aspects of production (Felstead et al., 2008), and about its often complex relationship with organisational performance (Fuller et al., 2003; Ashton & Sung, 2006). There are now even survey methodologies available to measure its scale and intensity (see Felstead et al., 2004). What all this literature tends to show is that informal and normally uncertified learning is extremely important, both to individuals and to the organisations in which they work, and that for many workers in most phases of their career trajectories, it represents the chief means by which they acquire the bulk of any new skills and knowledge. As Eraut & Hirsh (2007) demonstrate, this is likely to be true even for professional workers. At the same time, qualifications also fail to cover generic and inter-personal skills, the importance of which is far greater than it was in the past as interactive service sector work occupies a larger and larger proportion of the workforce (Payne, 1999 & 2000; Keep & Payne, 2004).

This suggests that relying on qualification stocks as the main or sole proxies for the skills possessed by the adult workforce may be highly misleading. The Leitch Review admitted on a number of occasions (2005 & 2006) that qualifications were at best a partial measure of skills, but nevertheless then went on to use comparative deficits in qualification stocks as the primary basis for recommending yet another step change in our production of skills (proxied by qualifications) in the UK.

Rotational comparisons.

If, from a policy maker's perspective, one of the key functions of international comparisons is to engender moral panic and to attract political capital and resources to the policy project of upskilling the workforce, then one means to achieve this is to selectively contrast our achievements with the best elements of other countries' performance while failing to acknowledge that most countries have some weaknesses in particular areas and at particular levels of skill creation.

For instance, adverse comparisons are often made between Germany's achievements in creating intermediate skills (Level 3) via their dual system of apprenticeship training and our own, while at the same time it rarely seems to be mentioned that we substantially outperform Germany at Level 4, where our levels of participation and achievement in higher education now dwarfs those of Germany (our age cohort participation rates in HE are probably about twice those of Germany, where participation is at about 20 per cent of the 18-30 cohort and currently falling slightly, as against the English rate of about 43 per cent). Germany has chosen to be concentrate on Level 3 provision, we on Level 4. Logically, neither country stands much chance of being world class at both if world class is defined via the proportion of the workforce/working age population by highest level of qualification.

What about demand and usage?

Using qualification stocks as the item that is benchmarked may lead to a lack of engagement with two key issues – the underlying levels of demand for skills and how intensively they are being used to productive effect within the economy. Supply and demand of E&T can be out of synch with one another, and where supply outstrips demand over-qualification and the under-utilisation of skills can result.

Thus Canada is often cited in UK international comparisons as a nation whose E&T outcomes outperform our own, and whose achievements we should be seeking to emulate. In terms of levels of post-compulsory participation and the achievement of formal qualifications it is undoubtedly true that at most levels of qualification, Canada performs better than us, but this may represent a problem rather than a strength for Canada. The country's economic achievements, particularly when measured in terms of hourly productivity are not very impressive, and there is a substantial body of evidence that many of its citizens are chronically over-qualified for the jobs they occupy, leading to a massive waste of resources (Livingstone, 1998).

Broader Issues

E&T - systems or outputs?

In terms of broader issues about the use of international comparisons, two fundamental points need to be borne in mind, both of which researchers are normally aware of, but which often seem to escape the attention or understanding of policy makers. The first is that skills are produced in a wide range of settings, as the result of the decisions and actions taken by a wide range of stakeholders. In other words, the sum of a nation's skills are the result both of individual decisions, but also of a complex socio-economic system, that will embrace firms' product market strategies, national systems of industrial relations and collective bargaining, labour market regulation, cultural norms and expectations around the scale and level of education the state provides for the mass of its citizens (Regini, 1995; Culpepper & Finegold, 1999; Guidetti & Mazzanti, 2007). At a subordinate level, this system will encompass the institutional structure(s) that delivers E&T, as well as the qualifications system. It is with precisely these kinds of issues that the second and broader category of international comparative study seeks to engage.

What follows from this is that a strong comprehension of what forces generate skills and qualifications is important if meaningful lessons and inferences for policy development are to be drawn from international comparisons. For example, there is relatively little sense in admiring other countries' stocks of qualifications at Levels 2 and 3 when these are often largely the result of forms of labour market regulation, particularly licence-to-practice requirements, that we have consistently refused to embrace lest they reduce the sacrosanct flexibility of the UK labour market. In other words, these stocks do not simply reflect the workings of more effective E&T systems, they are also the outcome of a regulatory requirement that means that both employers and young people know that the achievement of qualifications at a certain level are an essential prerequisite for access to work in many occupations. We can thus copy the E&T systems, but if we fail to also put in place the system of incentives generated by licence-to-practice regulation, the end results may be far less effective in changing patterns of decision-making and achievement (see Keep, 2005).

Thus, skills are an output that result from the concertation of a myriad of decisions by individual workers, firms, institutions and government (at a range of levels). The size of the stock of skills is, of itself, interesting, but without a firm grasp of the means whereby this was produced, it tells us only a very limited amount. This suggests that data from Type 1 comparisons, unless it is integrated with other information and a wider understanding of the economic and E&T systems environment that generate the results, needs to be treated with caution when being used as the basis for policy formation. Whereas *Competence and Competition* was interested in trying to look at how E&T outcomes emerged from particular

institutional configurations and their interaction with national economic systems, the Leitch Review was, on the whole, not.

Skills = success?

Since *Competence and Competition* was published research on the nature and strength of the causal link between skills and performance (at a range of levels) has moved on quite considerably. Therefore the second caveat that needs to be registered about international comparisons of qualification stocks and/or skills is that research over the last two decades suggests that there is no simple, direct, linear relationship between the stock of skills possessed and economic success. Having a large stock of relatively highly qualified workers is, of itself, by no means a guarantee of superior economic performance. As the author (and many others) have endlessly repeated, the evidence available suggests that skills are a necessary but not sufficient condition for economic success, whether at the level of the individual, the firm, the locality, region, sector or national economy (Ashton & Sung, 2006; Keep & Mayhew, 2004b; Keep et al., 2006; Knell et al., 2007). Work by the IES and the Work Foundation on the links between skills, HR practices, and other aspects of firm performance reinforces this point (see Tamkin et al., 2008). Unfortunately, this is a message to which policy makers in England have proven highly resistant, indeed the 'skills as battleships' (Keep & Mayhew, 2004a), arms race metaphors now being deployed by politicians, suggest a more or less total failure to comprehend this simple but vital point.

More skills, but what skills?

Even if one accepts that more is generally better when it comes to a nation's stock and supply of skills, the issue remains what skills, at what level(s), for which workers will make the most impact? If, as suggested above, skills are embedded in a complex matrix of strategic choices and institutional structures that interact with skills to generate competitive success, then ensuring that additional investment has a good 'fit' with those areas where the nation's competitive advantage lie, is liable to produce better results than simply boosting the overall stock of skills in all directions. In other words, international comparisons are not necessarily a good guide to where specific additional investment ought to be targeted.

The Future Use of International Comparisons

International comparisons, as suggested above, are now embedded, via the OECD's league tables in *Education at a Glance*, within the fabric of national E&T debates and performance benchmarking across the developed world. This is unlikely to change.

What the foregoing suggests is that if international comparison exercises are to remain a staple element in the repertoire of policy-oriented research, there are a few

key lessons that perhaps need to be learned by those who utilise their results. First, that the 'skills as weapons' arms race metaphors currently being banded about are extremely simplistic, misleading and ultimately dysfunctional. At any given moment, Britain (or the constituent parts thereof) has been trailing overseas rivals on some aspect of skills and training for at least the last 120 years. Despite this, on many measures we continue to outperform countries that have better qualified workforces than our own. Moreover, the size of another country's stock of workforce qualifications, of itself, is a relatively weak guide on where, when and in what to invest future effort and money to improve the home country's economic or social performance.

Second, that the use of Type 1 comparisons (skill/qualification stocks benchmarking) to generate a threat to future economic prosperity that will galvanise firms into increasing their investment in E&T, probably has a far smaller and less certain effect than policy makers like to imagine. This is because companies have available to them to a wide range of strategies and moves around product market strategies, market segmentation, product design and specification, product or service delivery, production systems and technology; and financial engineering, licensing, branding, franchising, off-shoring or outsourcing, all of which, used correctly, can help to secure competitive advantage (Regini, 1995; Ashton & Sung, 2006; Keep & Mayhew, 1996; Keep et al., 2006; Brown et al., 2008; Salaman & Storey, forthcoming). Upskilling the bulk (or indeed any part) of their workforce is but one option among many. Policy makers' presentation of a simple binary choice – upskill or die – appears to many employers either hopelessly simplistic or entirely irrelevant.

From this it follows that if, as is currently the case in the UK, there is no obvious and immediate skills crisis (as witnessed by real, extensive and persistent skill shortages and gaps across large swathes of the economy), the existence of which is accepted by all parties, then unless government is willing to foot the entire bill for closing the 'gap' between the home country and its rivals, or to compel employers to do so, the impetus or driving force for change is liable to be lacking. It is broadly implausible that employers will invest their own money in training to levels above those they currently need, simply in order to meet a set of government targets (see below) that will improve our performance in OECD league tables (about which individual employers probably care very little).

From the foregoing it is possible to identify a number of areas where future attempts at international E&T comparisons might seek to make progress. These include:

- Seeking measures of informal skill formation and adult learning in the workplace
- Trying to gauge the match between the demand for and supply of skills, and identifying skill mis-matches and over-qualification

- Looking at how stocks of skills are actually utilised within the productive process, and how they interact with employee relations, work organisation and job design systems (some countries, eg Norway, have in place measures, albeit fairly crude, of skill usage among the adult workforce)

Having examined the continuing importance of a comparative approach, our attention now turns to the enduring legacy of *Competence and Competition's* framing of the UK's skills problem. As we shall see, it is very largely a case of plus ca change!

The enduring policy agenda identified by competence and competition - the role of employers

Competence and Competition identified a range of issues about the design, management and funding of the national E&T system, many of which remain with us today. They included:

- Problems with the supply of science, engineering, technology and maths students.
- Weaknesses in management education and training
- The lack of a mass, high quality work-based training route for young people
- A lack of clarity about the respective roles and responsibilities of employers, the state and individuals
- The need for accurate and transparent flows of information about E&T routes, their outcomes and patterns of demand for skill in the labour market
- The need for FE colleges to market themselves to employers and to be more responsive to employer demand
- The role of trade unions in guiding their members towards appropriate training opportunities
- The need for institutional mechanisms whereby employers could exercise collective responsibility for E&T planning and provision
- The ability of higher education to deliver what employers were demanding, and the realism of those employer demands
- The need for individuals to accept greater responsibility for their own upskilling

The contemporary relevance of many of these issues is strong. Of all them, perhaps the most important is now the question of where employers fit within the E&T system and their role therein.

Employer leadership and the rights, roles and responsibilities of employers

Some of the difficulties that that this paper discusses concerning policy makers' aspirations for 'skills parity' with overseas rivals are the product of a number of fundamental, long-standing questions about the role of employers within E&T policy and its delivery, which, despite a great deal of activity and policy 'churn' have yet to be satisfactorily resolved. For instance, the authors of *Competence and Competition* noted that:

British companies do not act on the US model and themselves set up or support whatever facilities they need (eg engineering ET) but usually expect somebody else to do it (eg the Government). Nor do they come to a long-term institutional arrangement, like their German or Japanese counterparts, in which the roles of the three parties are clearly defined and each acts to carry out its part of the bargain.

(1984: 90)

These problems can today be re-formulated thus:

1. Within the E&T system, what should employers, individuals and the state be respectively responsible for, deliver and pay for?
2. In an E&T system that has moved from being tripartite (ie a form of social partnership) to bipartite (ie a 'partnership' between government and employers), how are the two parties to discuss, agree, concert and deliver their respective strategy and actions?
3. Employers, when making decisions about investment, and product market and competitive strategies, may be part of the overall problem, which raises questions about whether an employer-led system, even if such were possible, would get us to where government appears to wish us to be.

What follows examines these three topics, the first in greater detail than the latter two (both of which would, to be dealt with adequately, demand a separate paper).

Who should be doing (and paying for) what?

One of the abiding fundamental themes of UK policy debates on skill, albeit one that has tended to take place in the background, revolves around the need for a far clearer division of responsibilities between the different actors within the E&T system – the state, employers, training providers, trade unions, and the individual. This issue is all the more important in the context of what is essentially a semi-voluntary system of training, wherein employers have to provide some forms of health and safety training, and, in a limited number of occupations, training mandated by legislation on topics such as food hygiene. Licence to practice regimes are limited to the older

professions (teaching in state schools, medicine, dentistry, law, engineering) and to a few safety-critical non-professional occupations – gas fitters, aircraft pilots, etc. Within some of the professions, the professional bodies also require certain levels of continuing professional development (CPD) activity. Otherwise who gets trained in what, with what frequency, is a matter to be decided by the employer and the individual worker.

Unfortunately, who is supposed to be doing (and paying) for what has rarely been very clear. This weakness was pointed to in *Competence and Competition* (1984), revisited by the National Skills Task Force (NSTF) in its final report (NSTF, 1999), taken up by the Cabinet Office PIU project on workforce development (Cabinet Office 2002) and then by the DfES in the *Progress Report on the Skills Strategy* (2003a). When the final version the Skills Strategy (DfES, 2003b) appeared, it ducked the issue. The Leitch Review, to its credit, returned to the topic and suggested the following division (Leitch Review, 2006: 15):

- the Government should provide the bulk of funding for basic skills and the platform of skills for employability, with employers cooperating to ensure employees are able to achieve these skills;
- for higher intermediate skills (Level 3) employers and individuals should make a much higher contribution, in the order of at least 50 per cent; and
- at Level 4 and above, individuals and employers should pay the bulk of the additional costs as they will benefit most

This was slightly different from the division of responsibilities that had been set out by the NSTF and the DfES in 2003, in that in both these earlier iterations, employers had also been expected to fund task-specific skills training for adult workers' current jobs at all levels (including Level 2). The picture now, with the arrival of Train to Gain and the offer of 100 per cent government subsidy to train workers without a first Level 2, is more complicated. In addition, it is important to note that Leitch (2006) and the English government (DfES, 2007) have both made the explicit assumption that individuals and employers will in future be willing to invest far more heavily than in the past in order to meet the new targets for workforce qualification stocks at Levels 3 and 4.

These appear to be fairly simple and straightforward guidelines, which if adhered to would leave everyone knowing with a fair degree of certainty the expected source of investment in particular forms of E&T activity (except perhaps at Level 2 for adult workers). Sadly, the guidelines appear not to be being followed by government, thereby repeating a fairly consistent pattern of behaviour on this topic whereby a desire by officials to roll out programmes and to meet targets tends to over-ride pre-established rules about who should pay for particular types and levels of activity. Thus when the Train to Gain Level 3 pilots, which originally offered 50 per cent

subsidy of training costs, ran into problems of low take-up the LSC simply boosted subsidy level to between two-thirds and three quarters of the cost of training. It is unclear what level of subsidy will be on offer for the national roll-out of Level 3 Train to Gain. With the piloting of the new Level 4 co-funding of higher education, HEFCE is currently operating at a level of state subsidy of 70 per cent, and does not appear tremendously confident that it will reach even a 50/50 split with employers – this despite the fact that Leitch expected them to be paying the vast bulk of the costs. The new Sector Compacts are liable to make the above problems even worse, as they introduce ‘flexibility’ into the T2G offer to employers (ie greater flexibility in what types and levels of employer training public subsidies will support) in return for a vague (and hard to measure) promise that employers will act to try and stimulate demand for skill.

It also remains unclear what degree of participation can be expected from employers in terms of the provision of apprenticeship places (DIUS, 2008), and the provision of work placements for 14-19 Diploma students and other youngsters. As the author (and others) have noted before, government has an unfortunate tendency of designing new E&T activities and programmes for young people and expecting automatic buy-in from employers, normally without first seeking their views or agreement on this (Huddleston & Keep, 1999; Gleeson & Keep, 2004).

Government and employers in an ‘employer-led’ system.

The second problem, that of managing the relationship between government and employers within the context of an ostensibly ‘employer-led’ E&T system, is a very large one, and is complicated by the failure outlined above, namely that neither party appears to be capable of establishing and maintaining a clear and consistent understanding of who is responsible for what. The aspect of this puzzle that will be focused upon here concerns the setting and use of targets within the E&T system.

Targets are a key feature of the English E&T system. They drive funding, and provide the central feature of its performance management system. They generally relate to either levels of participation in various streams of E&T activity and/or achievement of particular levels of qualification achievement (Keep, 2002). The Leitch Review (2006) in deploying a new set of targets as the central driver for its policy prescription, suggested that, in future, participation targets would become less important, as the achievement of qualifications (in ‘economically valuable skills’) became the key indicator of success.

The problem comes in the fact that government has for a long time now chosen to assume that employers will sign up to whatever targets it establishes, usually without any meaningful prior consultation with firms. This certainly seems to be the case with the Leitch Review’s ‘world class’ targets that would set the UK within the top quartile of the OECD’s E&T league tables at every level of skill. The catch is that

these targets were not derived from forecasts of expected real levels of demand for skills from firms or sectors within the economy, and although Leitch claimed that they represented 'the optimal level of skills in the economy' (2006: 15) it is hard to disaggregate them in ways that are meaningful to employers across different sectors and occupations or which relate to the product market and competitive strategies of individual firms. Thus even if they are optimal at national level (and the evidence adduced by the Leitch Review to support this claim is fairly slender and open to dispute), they may still make little sense to, and enlist little support from, individual employers.

If the government was willing and able to pay for and create all the necessary additional learning and qualifications needed to reach them, this would be a minor problem. Unfortunately, as noted above, achievement of the targets rests in very large part on an expectation by government that employers – large and small, from every sector – will want to invest far more heavily than at present in skill. This is a very big leap of faith on the part of policy makers, and one that is not backed by any very firm evidence.

The first Leitch target to be postponed (due to low levels of progress towards it) – that most employers would have signed up to the adult learning Pledge by 2010 – suggests that many firms are liable to sit on their hands, even when large amounts of subsidy are available through Train to Gain. Moreover, when it comes to Leitch's expected expansion of employer spending on adult intermediate and degree level skills, a fair question that any employer might ask is why should they be expected to pay to train employees to levels of skill for which the organisation has limited need simply in order to boost the UK's standing in some OECD league tables. Even when those who purport to represent employers have established their own targets for E&T activity that involve active employer engagement they are often not met (see the history of the CBI's Vocational Education and Training Task Force below as an example).

Finally, as noted above, employers are potentially aware that policy makers and E&T agency staff are likely to be more committed to meeting the targets towards which much of the desired additional training activity is meant to be leading than are they. Officials and government certainly have more to lose if they are not met than do employers. Thus firms may have acquired the tacit understanding that in any sort of stand-off about lack of progress towards a government target or other E&T policy goal, it is the officials who are liable to blink first and either offer employers direct subsidies or the promise of another expansion of the state-funded education system in order to meet the officially determined 'need' or target (Keep, 2006). Having absorbed these lessons and developed strategies based upon this understanding, it may prove extremely hard to re-programme employer expectations and resultant behaviour in ways that enable the 'world class' targets to be met. For example, the

experience of Sector Skills Councils (SSCs) in developing Sector Skills Agreements (SSAs) suggests fairly clearly that firms tend to be much more at ease with the task of drawing up a shopping list of demands for additional E&T activity to be funded from the public purse than they are with developing collective mechanisms for self-help or in volunteering to fund specific items from the shopping list for themselves (GHK/Breen and Partners, 2008).

Employer leadership and their limited demand for skill.

This is a massive topic, and one that cannot be dealt with adequately here. The key points to note are, first, that if, as much of the evidence suggests, the UK countries are suffering from a degree of systems failure in the underlying levels of demand for skill, then policy interventions to tackle this have to go wider than just more government-funded skills supply and exhortation on employers to do better. Solutions will need to embrace wider forms of intervention, such as economic development and a major push on the employee relations and work organisation/job design environment in which skills are being created and deployed (Keep & Mayhew, 1999; Keep et al., 2006). Second, that in the absence of such wider approaches, employer leadership of the E&T system is liable to lead to levels of output (in terms of breadth, depth and volumes of skill) that will prove insufficient to achieve the Leitch targets or deliver the semi-mystic step-change in skill requirements after which policy makers have hankered for the last two and a half decades or more.

The implications of the continuing failure to address the employers' role in both the policy problem and in its solution

The inability to grapple with the issues raised above and to arrive at a lasting settlement with employers that will 'stick' helps explain a key feature of the English E&T debate as it has evolved over the last quarter of a century – its circularity. Over the period we can witness successive cycles whereby policy makers and/or other stakeholders:

- arrive at a fresh analysis and/or stocktaking of current performance
- define a set of policy prescriptions (the vast bulk of which are similar to interventions that have been suggested and sometimes tried in the past)
- announce the impending success of these policies (sometimes even before they have been piloted – for example see the 14-19 Diplomas)
- followed by a period in which expectations are confounded and success proves either partially or wholly elusive.

The cycle then begins again – in many instances with little if any sign that anything has been learned from the earlier failures. For explanations of this phenomenon see Keep, 2006; Higham & Yeomans, 2007; and Keep & Rees, forthcoming.

An example of this tendency, which bears upon both the role of employers within a voluntarist training settlement, comes with the CBI's Vocational Education and Training Task Force (for a hyperbolic account thereof, see Banham, 1994). The Task Force was set up by the CBI to tackle the then latest wave of perceptions of an ongoing 'skills crisis', and it developed an analysis that stressed the role of the poaching of skilled labour, weak incentives on individuals to invest in their own skills, and institutional rigidities in the E&T system. The Task Force argued for the development of a 'training market', individual training credits, and a more employer-led E&T system via an enhanced strategic role for the Training and Enterprise Councils (TECs) (CBI, 1989; Banham, 1994). Writing five years after the Task Group's report was published, Banham (as an ex-director general of the CBI) claimed that it had been 'accepted as a sensible way forward by all the special interests involved' (1994: 167), that 'the skill revolution seem (sic) to be well under way' (1994: 168), and that the CBI's work in the field represented an 'apparent miracle' (1994: 168).

The reality turned out to be slightly more complex. In its report, the CBI's Task Force established a set of minimum training standards that would allow the British workforce to become internationally competitive. In particular, they suggested that, 'by 1995 all young people attain NVQ Level II or its academic equivalent' and that 'all young people should be given an entitlement to structured training, work experience or education leading to NVQ Level III or its academic equivalent' (CBI, 1989, 9). In addition, the CBI demanded that, 'the practice of employing 16-18 year olds without any worthwhile structured training must stop' (CBI, 1989: 9). The Task Force concluded that, 'there is inadequate and insufficient education and training of young people to meet skill needs and the current situation is unsustainable employers believe that there must be a quantum leap in the education and training of young people both to meet the needs of the British economy and to face the competition on even terms' (CBI, 1989: 13).

Progress on these demands has been painfully slow. In 2007, just over 26 per cent of those under 19 still failed to achieve a Level 2 (DCSF/DIUS, 2008: 7). This not merely fails to meet the CBI's (in retrospect incredibly demanding) target of 100 per cent, but also the National Advisory Committee on the Education and Training Targets (NACETT) subsequent and more modest goal of 85 per cent reaching a Level 2 by 2000, and also the LSC's original National Learning Target (NLT) that 85 per cent of those under 19 should have achieved a Level 2 by 2004. In passing it might be noted that these slippages reflect a persistent trend in England for E&T targets that are met

to be celebrated, and targets missed to be quietly ignored, until, eventually, they are either met or left to slide into oblivion (see Keep, 2002).

Entitlements to Level 3 provision exist, but they appear to fail to have any significant impact on the choices and achievements of many young people. The proportion of apprenticeships being offered by employers at Level 3 rather than Level 2 in England has fallen in recent years, and employers continue to this day to offer jobs that lack formalised and/or nationally accredited training (though the scale of this problem may be smaller than hitherto estimated, see Maguire et al., 2008). Current policies, including new entitlements, yet further reform of the apprenticeship system, and the compulsory raising of the learning age, are all designed to tackle long-identified but as yet unresolved weaknesses in E&T provision for youngsters.

Moreover, the Youth Credits, which were the government's response to the idea of some form of individual training credit for young people, failed to have any material impact on young people's or employer's decision making about training and were swiftly junked. Individual Learning Accounts (ILAs) were the next iteration, and we now await the arrival of Skills Accounts as a third attempt to make the concept work. The larger goals of an effective training market and a more employer-led, demand-led E&T system remain, nineteen years on, a work in progress. This somewhat bleak vignette of the lack of progress on long-cherished policy goals leads us neatly to the point where some conclusions can be drawn.

Conclusions and final thoughts

Ambition Rooted in a Flawed Understanding

In writing this paper, the author has been struck by two over-riding and inter-related thoughts. The first relates to the contrast in ambition between *Competence and Competition* and the Leitch Review's Final Report (2006). *Competence and Competition* set circumscribed goals, concerned with securing significant but limited relative improvements in our performance. It never suggested that the UK could be world class on skills, indeed the report's authors recognised that it was highly unlikely that in terms of overall levels of work-related E&T we could ever catch up with Japan and the USA (1984: 6). This cautious judgement of what might be possible was rooted in a clear understanding of the fact that the E&T system and its outputs were located within a wider national economic and social system and that the intrinsic levels of demand for skill that this generated were liable to place limits on what changes could be delivered.

By contrast, the Leitch Review eschewed a detailed understanding of how and why the UK's or other nations' skills system(s) operate, deployed international benchmarking techniques based on qualification stocks, and then set targets based on

the assumption that, in this phase of policy development and implementation, we can achieve what has eluded us over the last twenty-five years – the will, need and capacity to catch up across the board with the skill levels being deployed in competitor countries. In doing this, the Review side-stepped the fact that demand for skill from UK employers is often patchy and limited, and is unlikely to provide the impetus to propel us to anything approaching the levels of qualification achievement being aspired to by government. Indeed one of the clear lessons that the experience of the last quarter of a century has provided to policy makers, albeit a lesson that they often choose to ignore, is that UK employers, en masse, have generally proved themselves incapable of aspiring to, specifying or delivering world class training outcomes. Individual firms may achieve this benchmark, but at aggregate level it appears largely unobtainable. If it had proven to be otherwise, the required progress would have been made some time ago and the Leitch Review would not have been necessary.

The example of youth training and apprenticeship is apposite. Since at least 1981 (but arguably actually for a long time even before that – see Perry, 1976), there has been a desire by government and a minority of employers to reform, revitalise and massify the work-based route for initial VET. Reform schemes:

- Unified Vocational Preparation (UVP)
- Youth Training Scheme (YTS) in one and two-year variants
- Youth Training (YT)
- Youth Credits (YCs) and Training Credits (TCs)
- National Traineeships (NT), plus ‘Other Training’
- Modern Apprenticeships (through many iterations)

have come and gone and although we have made very significant progress in increasing post-compulsory participation (and, to a lesser extent, qualification achievement) this has been done through full-time education in schools and colleges rather than through the work-based route, and we have never achieving the desired goal (see Keep & Payne, 2002; Fuller & Unwin, 2003 & 2004).

We are currently going through the latest in a long line of revamps of apprenticeship (DCSF/DIUS, 2008b). Although overall numbers and completion rates have improved from a very low base, in some sectors employers have abandoned technical certificates and reverted to a framework that just includes basic skills and the relevant NVQ; there is no component of wider general education within the vast bulk of apprenticeships (such as would be found elsewhere in Europe); the government has suggested that minimum ‘off-the-workstation’ training entitlements are specified (a development that takes us back, in a weaker form, to where we were

in the mid to late 1980s with one and two-year YTS); and, most importantly, the bulk of the apprenticeships that employers are willing to offer are at Level 2 rather than at Level 3 and would therefore not be recognised as apprenticeships in much of the rest of Europe.

Overall, since the early 1980s, attempts to create a high quality mass work-based route have been subject to repeated failure, and the government's response has been to expand further and higher education in an attempt to supply what employers will not provide (Keep & Mayhew, 2004a). As argued above, employers have not been blind to this trend, and have learned, through this and other examples, that if they fail to invest in skill, in many cases the state will step in and do it for them. In terms of the aspirations embodied in the Leitch targets, what does this slice of history tell us about employers' conceptions of skill need (in terms of both breadth and depth), and what does it suggest about the likely achievability of our becoming 'world class' at Level 3 in any foreseeable future?

Once more round the circle

The second thought or theme is that, in essence, what this paper has suggested is that the world of research and analysis has developed considerably since *Competence and Competition* was completed, whereas the world of English national E&T policy has remained firmly rooted in a conceptualisation of the skills problem that is no more advanced than that deployed in *Competence and Competition*. Indeed, insofar as official understanding fails to comprehend that skills outputs in other countries are rooted within wider economic and social systems, it has actually moved backwards a step or two.

As a result of this failure of the basis for policy to evolve and to engage with the complexities of how labour and product markets structure the demand for skill, policy cycles tend to repeat earlier policy moves, often with only slightly greater success than previous iterations, and progress is much slower and more halting than policy makers intend or expect. To put it another way, in England we remain locked in the same ongoing phase of the skills debate as we were in 1984, with a range of strategic objectives that has remained fixed (see *A New Training Initiative* (MSC, 1981) for details) and policy responses that have altered relatively little over the period (see *A Challenge to Complacency* (Coopers & Lybrand Associates, 1985) for details). In essence, policy moves over the last quarter of a century have focused almost exclusively on the following supply-side measures:

- Reform of E&T institutions and attempts to increase employer 'voice'/influence/choice
- Reform of E&T programmes and initiatives

- Reform of the qualifications system
- New streams of subsidy (to individual, eg EMAs) and to employers (eg Train to Gain)
- Exhortation and/or vague threats (eg announcement by the government that we have entered a 'post-voluntarist' era)
- The marketisation (usually of streams of subsidy) and contestability of provision

Given the failure of earlier iterations of these policies, the onus ought to be upon those advocating their continued pursuit to explain why they will produce substantially different results this time around. In any event, this stasis in policy thinking is a depressing end result to a quarter of a century of increasingly frantic activity.

Nor, in the immediate future, is there much sign that, in England, we are liable to be moving on. As Davis (2008) notes, the same fundamental ideological assumptions underpin New Labour and Conservative skills policies, with both continuing to place primary emphasis on another round of supply side revolution which will, of itself, catalyse the long-awaited step change in employer demand for skill. Efforts to re-orient policy towards stimulating underlying levels of demand through economic development activity run into both ideological and machinery of government barriers (Keep, 2006; Davis, 2008). Yet economic development and issues to do with skill usage within the workplace – topics woefully neglected by the Leitch Review – remain key to moving forwards.

International Benchmarking of Policy Development?

However, if we raise our sights from the English policy scene and address the wider world, some of it not all that far away from us, we can see that other countries have, or are in the process of, moving on to the next stage of the debate and therefore towards very different models of what skills policies might look like.

The realisation that, on its own, more skill is not enough, is spreading. Other developed countries, for example Scotland (Scottish Government 2007) and New Zealand (Business NZ/Council of Trade Unions/Industry Training Federation/New Zealand Government, 2008) have embraced the need to develop skills strategies that holistically encompass the supply, demand and usage of skill, rather than simply endlessly find new ways to ramp up the publicly-funded output of skilled labour. Their realisation that skills supply is not enough have been borne of the experience of investing heavily in tertiary education and other forms of E&T provision, and yet finding that this has not been sufficient to deliver the hoped for boost to economic performance. In Australia, the Skill Formation Strategy projects in Queensland, and the skill ecosystems projects in New South Wales (see Windsor & Alcorso, 2008) have

been pioneering approaches that combine skill formation with reforms of employee relations, job design and progression routes, and economic development and business improvement, while at the same time seeking to enable employers in particular sectors, sub-sectors and localities to take ownership of their skills problems (however defined) and to play a much larger collective role in their solution.

What these developments suggest is that English policy makers would do well to engage in some form of international benchmarking of E&T policy development as a complement to the rather more established tradition of comparative studies of E&T system architecture and outcomes. The conclusion that such an endeavour might reach is that the future is being forged elsewhere, and that we are being left behind!

What Hope for England? The Role of UKCES

If, as argued above, English policy is trapped in a form of 'Groundhog Day' syndrome, whereby it can really only rotate around a small, fixed policy menu in the hopes that this time things will turn out better, then the question becomes one about who can reframe the policy problem in a manner that engenders fresh thinking and new approaches. The list of potential actors here is limited. The research community has tried, but has encountered enormous resistance from policy makers to its attempts to spark off new ways of conceiving of and solving the 'skills problem'. As hinted at above, a change in the party of government may also make relatively little difference to the overall direction of policy. Moreover, as the author has argued elsewhere (Keep, 2006) the incentives facing senior policy makers in central government are not particularly favourable to any radical re-framing of policy, and to date attempts to do this from within (for example, the Cabinet Office PIU report on workforce development) have had limited long-term impact.

This leaves employers and the only semi-autonomous agency that exists within the current English E&T system – the UKCES. Partly through being UK-wide in its remit, UKCES is already demonstrating an important role in acting as a transmission mechanism for alternative approaches to policy framing (for example, on skill usage) that are being formulated within the UK but outside England, and in advocating a more widely specified analysis of the skills problem. The UKCES is also attempting to develop what might be termed an independent policy formulation capacity (the ability to generate its own policy ideas independent of government), something that has been lacking for many years within an increasingly hierarchical and centralised E&T system. The author's one plea would be that UKCES, rather than concentrating solely on expending vast amounts of time, energy and political capital in trying to persuade the English government to amend or fortify their current policies on skills, might want to in addition contemplate what catalytic role it could play in bringing together employers and motivating them to find new ways to collectively address their own problems, rather than wait for government to solve them.

The author is aware that this is a small ray of potential hope on which to end what is otherwise a somewhat gloomy overview of the last quarter of a century. The task of breaking free from the current somewhat limited policy paradigm and moving towards a broader analysis and policy agenda is not going to be at all easy. As this paper has sought to demonstrate, the power of ideologically and structurally induced path dependency is very significant in the field of English E&T.

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