

# Israel and the U.K.: Ne

Like the U.K., and unlike the U.S., the Israeli Higher Education (IHE) system is centrally funded and managed. The Israeli Government funnels its support for IHE, over \$1 billion a year, through the independent Planning and Budgeting Committee (PBC) of the Israel Council for Higher Education (CHE). The PBC allocates its funds via special formulae which incorporate student numbers, teaching and research activity (and excellence), local and national priorities, and educational infrastructure needs. It also funds several important supra-university institutions such as the Israel Science Foundation (ISF, \$32 million). The PBC's funding policies, as embodied in its allocations formula, thus plays a major role in shaping IHE.

Under the pressures of rapidly growing economic needs, social expectations and affluence, the demand for IHE is exploding. According to PBC Chairman, Prof. Nehemia Levtzion, over the last ten years, the number of IHE students has more than doubled, from 76,000 to 155,000, with more growth in sight. Israel's high-tech revolution has created a critical need for technically trained employees. This has boosted the total number of S&T undergraduates to a record 31,500 students this year, with a projected 50,000 students (31% of all university undergraduates) by 2005. The PBC will try to particularly boost student enrollments in the Computer Sciences and Electrical Engineering.

Until 1995, Israel's traditional, research-oriented universities tried to meet the increased demand for IHE but, since every teaching position at a research university also generates significant research-related expenses, this automatically raised overall costs. Since then, the PBC has redirected almost all further growth in undergraduate education to Israel's teaching-oriented (non-research) college system. Once the home of only 10% of all Israeli undergraduates, colleges now host 45% of them, and should host 55% of them by 2005. Conversely, limiting the size but increasing the per-student funding of Israel's research universities should actually improve their ability to produce internationally competitive scientists.

The desire of Israeli students to "get ahead" has almost doubled the number of Masters degree students, from 16,100 to 30,700, mostly in Business Administration (30% of the increase), Education (12%) and the Social Sciences (20%). Although almost all students in the Natural Sciences still pursue Masters research theses, during 1991-98 the percentage of Masters candidates presenting a dissertation has dropped from 69% to 39% in the Humanities, and from 57% to 21% in the Social Sciences. This May the CHE began allowing non-university institutions, meeting high standards, to apply for the right to award a non-research Masters degree.

Despite these changes, the PBC strongly wishes to keep the two tracks of the IHE system separate and distinct. It particularly wants to keep the colleges costs low and their teaching loads and quality high. That is, it seeks to divide the IHE system's overall mission: the colleges will provide broad public access to IHE and the universities will focus on maintaining excellence in research (almost all Israeli basic research is done in the universities). Israel's

expenditure on academic research is an amazing 0.83% of its entire GDP (compared to only 0.38% in the U.K. and U.S.). Still spreading these resources too thinly could keep Israel from realizing its full research potential.



PBC Chairman Prof. Nehemia Levtzion (Israel)

***Under the pressures of rapidly growing economic needs, social expectations and affluence, the demand for Israeli Higher Education is exploding.***



# Models for New Times

Although the U.K., with 58 million inhabitants, produces 5% of the world's GDP and 8% of the world's scientific publications, it has faced many of the same educational challenges as Israel. Much of British higher education, including a third of British academic research, is funded by the Higher Education Funding Council for England (HEFCE). As in Israel, HEFCE funds are distributed largely by formulae, as a block grant to the university, to be distributed as they see fit. The reckoning comes at the next quality-driven national Research Assessment Exercise (RAE) and other reviews.

HEFCE Chief Executive Prof. Brian Fender, notes that the U.K.'s student body, has also doubled over the last decade, with \$18.3 billion (\$6.4 billion of it HEFCE funds) now supporting 1.76 million students, of which 1.06 million are full-time undergraduates. The U.K. system of polytechnics, which like Israel's colleges originally emphasized professional training, was established only in 1966. Increasingly emulating their more prestigious cousins, they were all officially declared universities in 1992. About 53% of all British students attend these "new" universities. Although both old and new universities list Science and the Social Sciences as their second and third most popular majors (respectively), the first place in the former goes to the Humanities, and in the latter to Business and Management.

The U.K. nationwide RAE sets up peer review panels to assess the quality of the research undertaken by academic "research-active" staff in 69 areas, in accordance with published criteria, every four to five years. Research publications, grants, contracts, graduate student records and strategic plans are all considered. Grades ranging from 1-5<sup>+</sup> are assigned and these are "mercilessly" used to determine HEFCE research funding during the next cycle: grades 1 and 2 receive no HEFCE research funding, and grade 5<sup>+</sup> receives about four times as much as grade 3<sup>-</sup>. Some 84% of all HEFCE research funding thus went to groups rated 4 to 5<sup>+</sup>.

Far from fearing former polytechnic researchers, Fender lauds the inclusiveness and openness of the new U.K. system, which allows all to compete but rewards only the best. In practice, most funds still go to the traditional research universities, but new universities which focus tightly enough to produce pockets of true research excellence can get a hearing and funding. For example, although the new universities still get less than 10% of all HEFCE research funding, their share more than doubled between the 1992 and 1997 RAE cycles, while the ratio of new to old university student enrollment remained constant (at about 1.13). Opening up the university club in 1992 has not hurt Britain's established research universities, claims Fender. Rather it has given new optimism, status and hope to Britain's polytechnic-based institutions and has "generally gingered up the whole system."

In the interest of further diversity, social equity and innovation, the U.K. has begun to promote off-campus learning and to elevate "interaction with industry and society" to one of the three core activities of a publicly funded university, co-equal with research and teaching. Similar social relevance concerns guide academic research funding by the U.K.'s Research Councils (22% of all academic research funding) and the efforts of the U.K.'s comprehensive Foresight Programme.



HEFCE Chief Executive Prof. Brian Fender (U.K.)

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