TRENDS OF HIGHER EDUCATION AND RESEARCH IN SOUTHERN EUROPEAN COUNTRIES

ECONOMIC DEVELOPMENT IN SOUTHERN EUROPEAN REGIONS: POLICIES AND HIGHER EDUCATION
EDULOG 2017 CONFERENCE

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A3ES

Even before the economic crisis the European Union was confronted with a number of problems, including high unemployment levels (unacceptably high among the young population), and slow economic growth.

The Lisbon strategy (2000 European Council)

Modernising the European social model: increasing employment, protecting an ageing population and fighting against social exclusion.

Critical voices:
Iversen and Wren (1998)
Creel, Laurent and Le Cacheux (2005)

Lehendorff, S. (2012) "A triumph of failed ideas. European models of capitalism in the crisis"

The failure of the Lisbon strategy

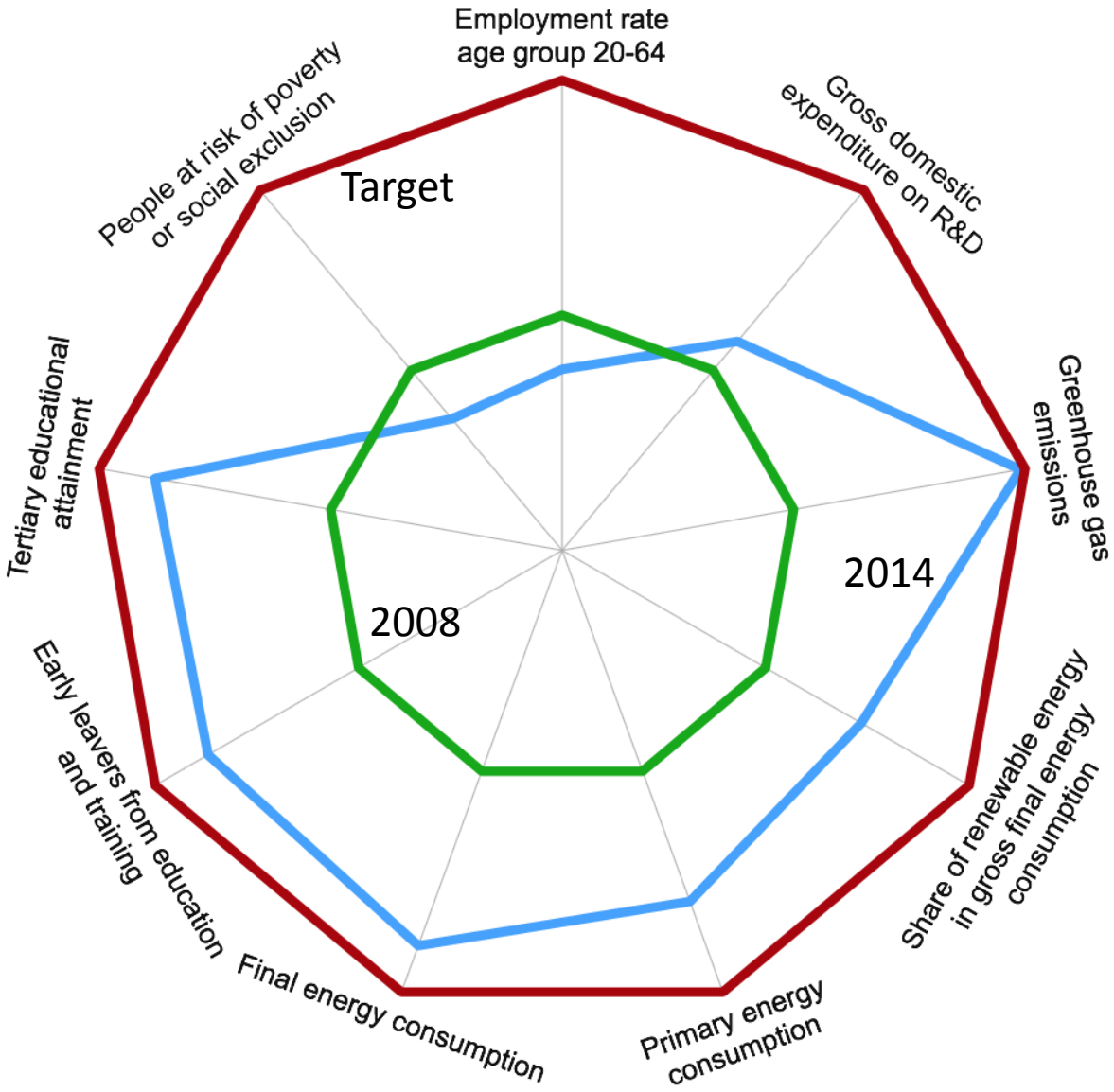
Wim Kok's report (2004)

European Commission 2010 - Strategy 2020

A paradox

Neoliberalism and social friendly policies

The picture presented by EUROSTAT


Employment rate age group 20-64
Gross domestic expenditure on R&D
Greenhouse gas emissions
Share of renewable energy in gross final energy consumption
Primary energy consumption
Final energy consumption
Early leavers from education and training
Tertiary educational attainment
People at risk of poverty or social exclusion
Target
2008
2014

The 'Europe of Knowledge' and knowledge-based economies.

"The current tendency at European level is to look at the Bologna Process as an element of the Lisbon strategy. This is the result of the European Commission actions…" (Froment, 2007)

From the generous ideals of values and culture to higher education at the service of the short-term needs and demands of the economy.

The Commission linked the Bologna objectives "directly to economic gains expected from a common education area" (Martens and Wolf, 2009) and used the Services Directive to create a market for higher education.

The Commission has a utilitarian view of higher education and research

In labour economics human capital is seen as a set of skills/characteristics that increase a worker's productivity and "human capital" will be valued in the market because it increases firms' profits.

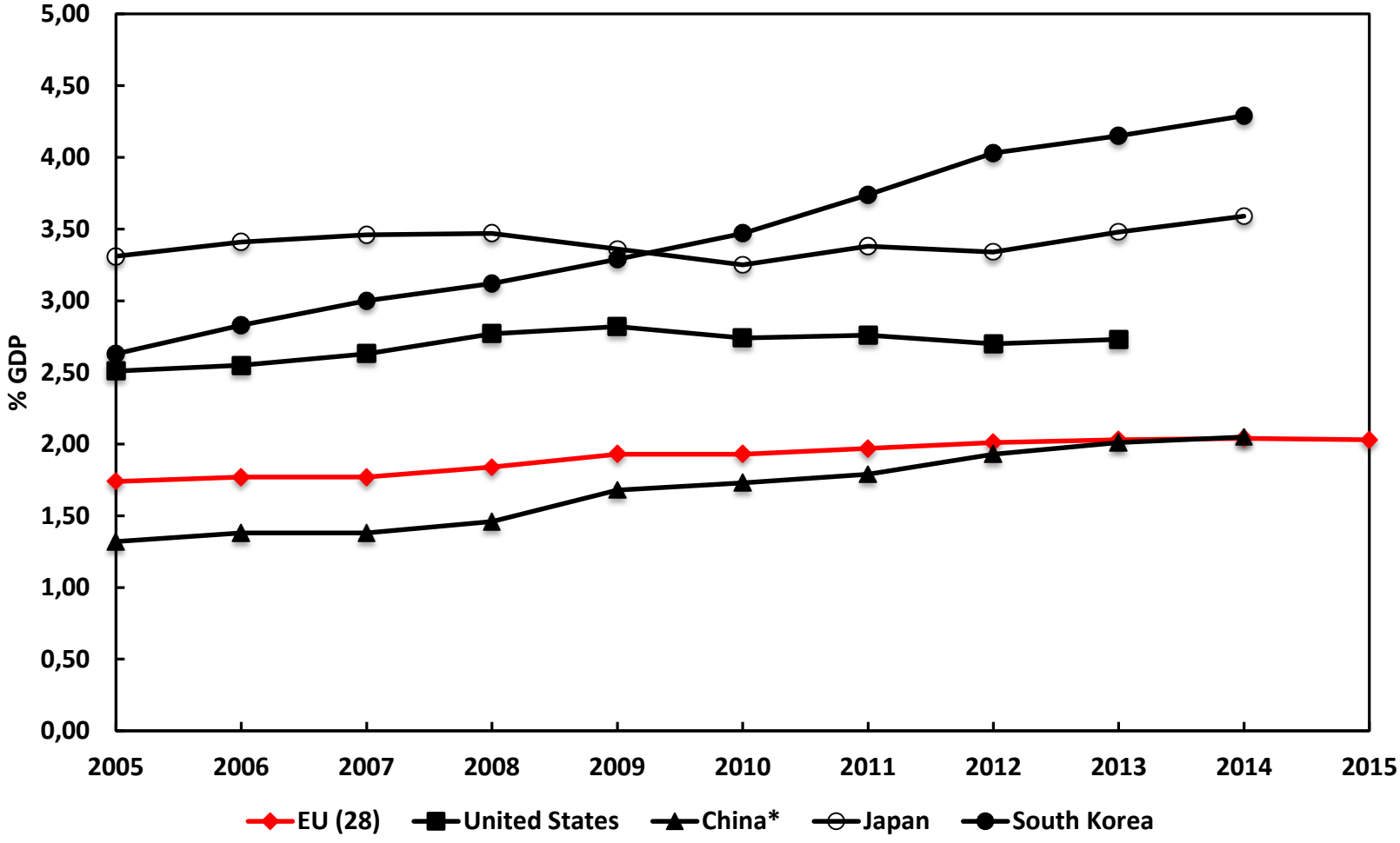
A necessary but not sufficient ingredient for economic growth.

Minimum threshold levels of human capital, economic activity and investment in research and development activities.

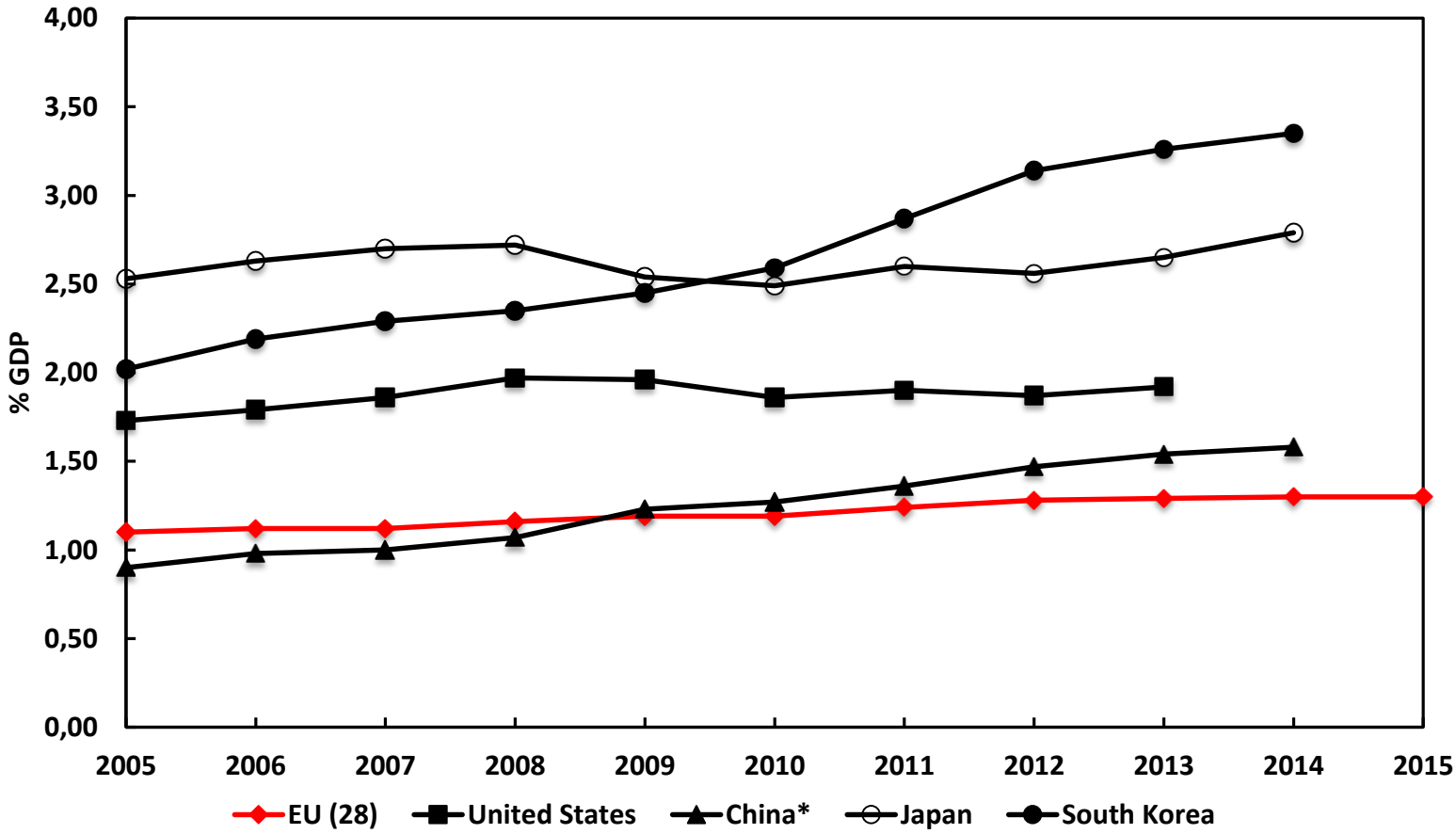
Europe and global competition

EU has failed to close the gap with leading industrialised countries: total R&D expenditure. 1,74% in 2005 to 2,03% in 2015)

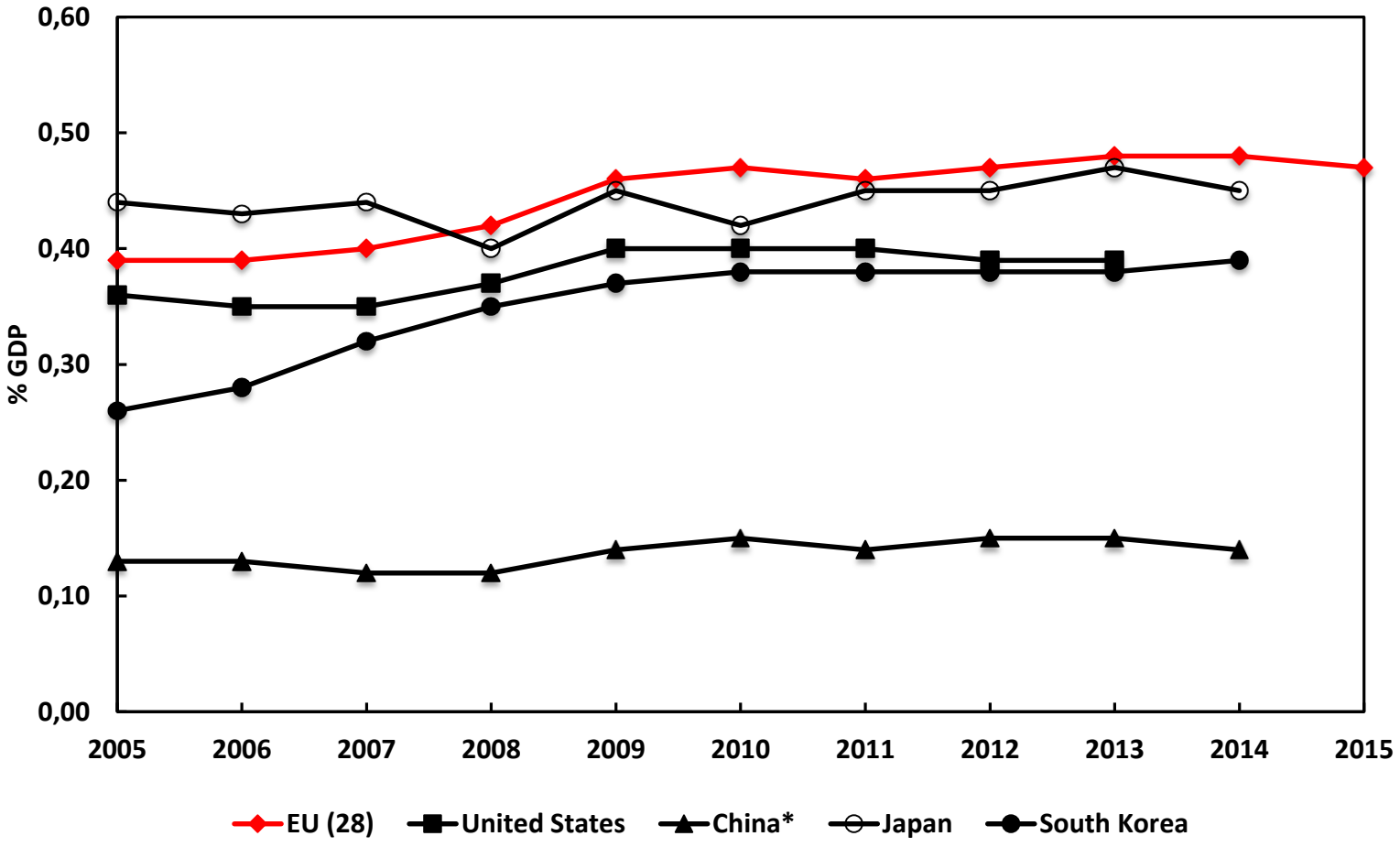
Private investment by the business and enterprise sector is the major problem. Situation as regards tertiary education is not very good.



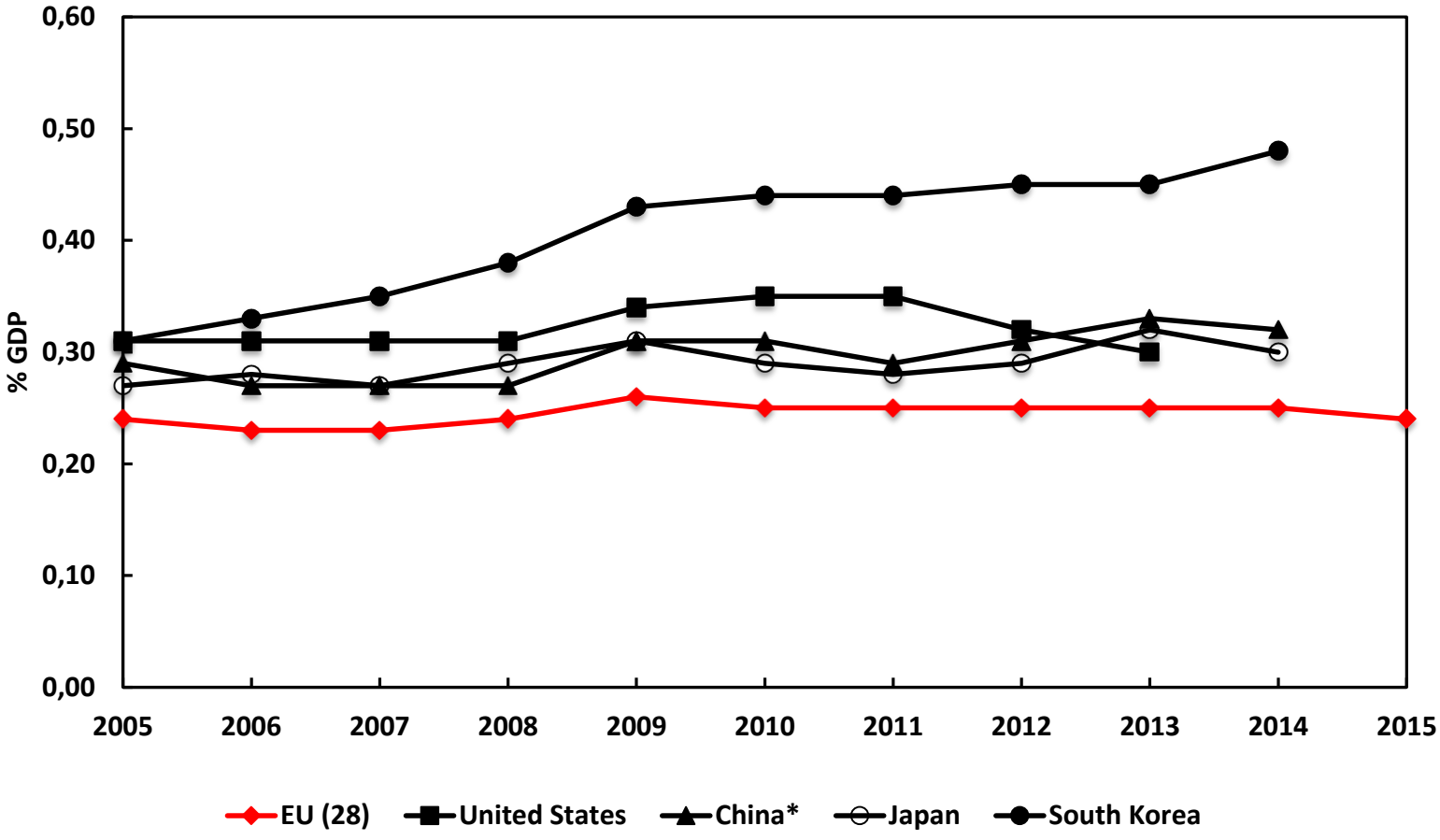
Total expenditure in R&D as % of the GDP



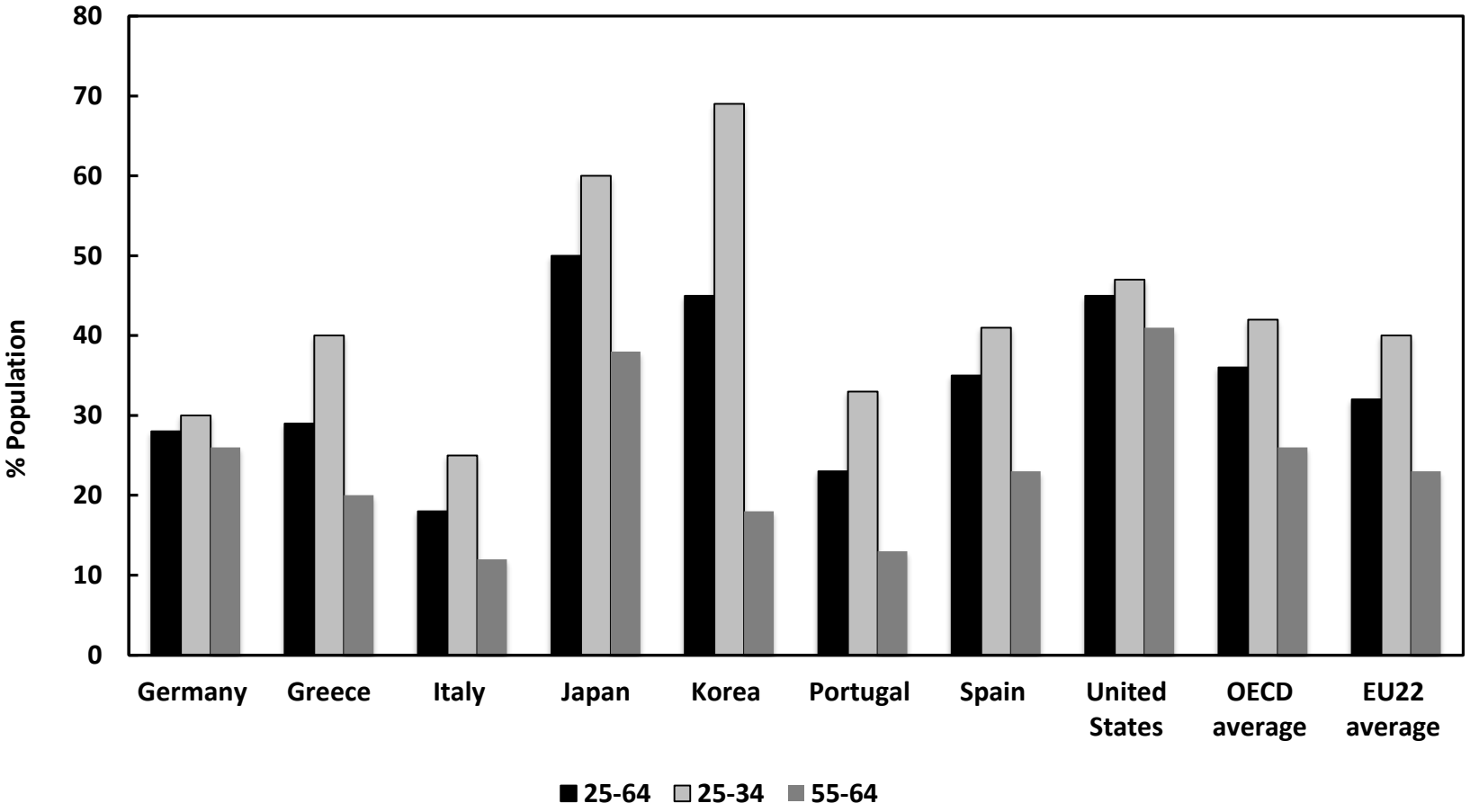
Expenditure in R&D, enterprise and business sector, as % of the GDP



Expenditure in R&D, higher education sector, as % of the GDP



Expenditure in R&D, government sector, as % of the GDP



% Population holding a tertiary education degree

Regional Convergence Policies

Reducing the gap between the development levels of the various regions…

EU single market strategy and 'negative integration'

Unfolding contradictions between different national capitalisms.

Division of labour, easily accessible credit and low interest rates.

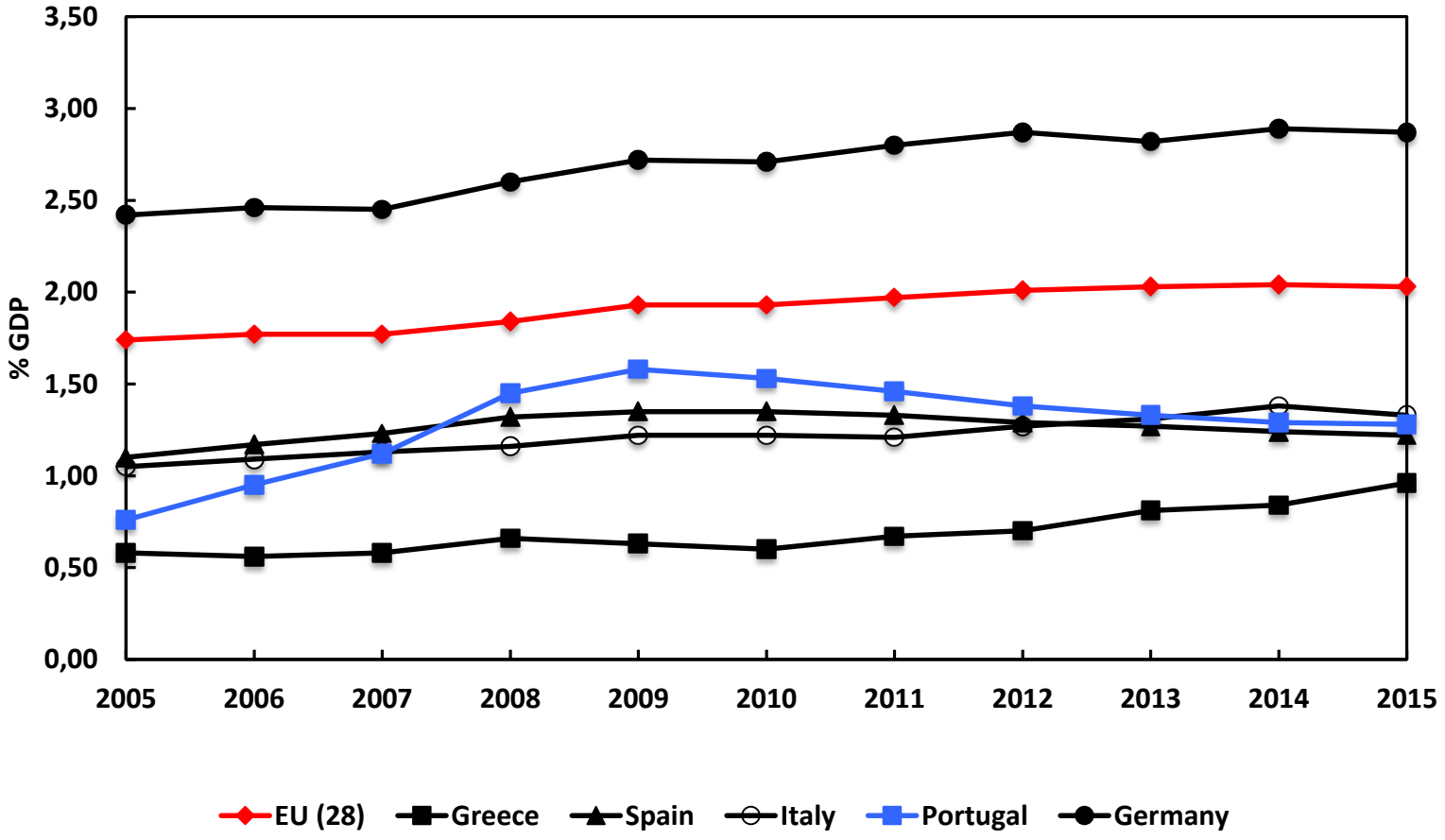
Investments in R&D and research personnel

Southern European countries are well bellow the EU average.
Germany is well above the European average.
Similar results the when the enterprise and business sector is considered.

In the HE sector Germany is just slightly above the European average
Portugal shows an unexpected good performance.
The other SE countries show poorer performances than the European average.

In the government sector Germany shows good performance, above the EU average Portugal presents a very poor performance. Greece presents a better performance than Portugal.

A similar picture can be found when the analysis focuses on the % of research personnel in the labour force.



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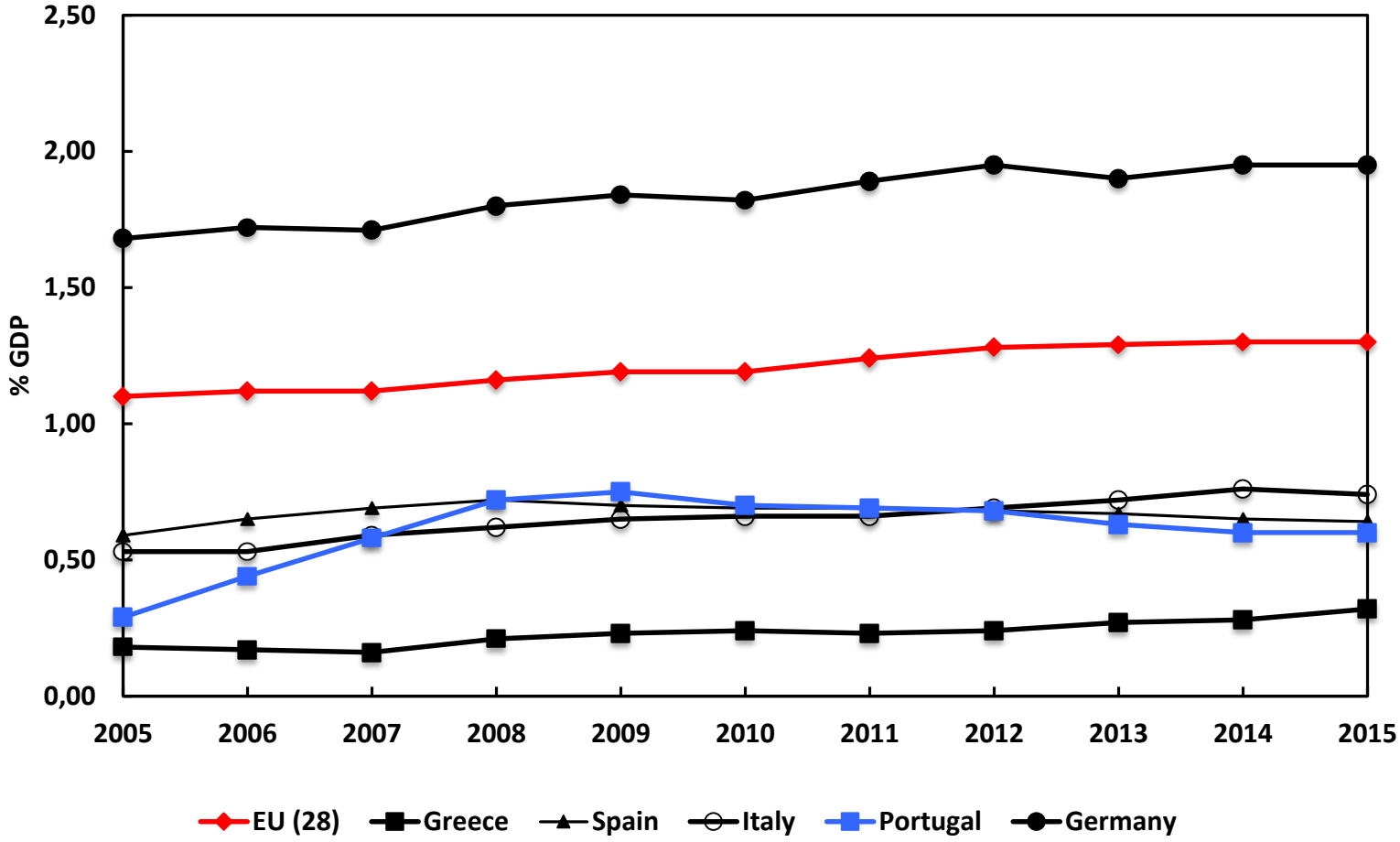
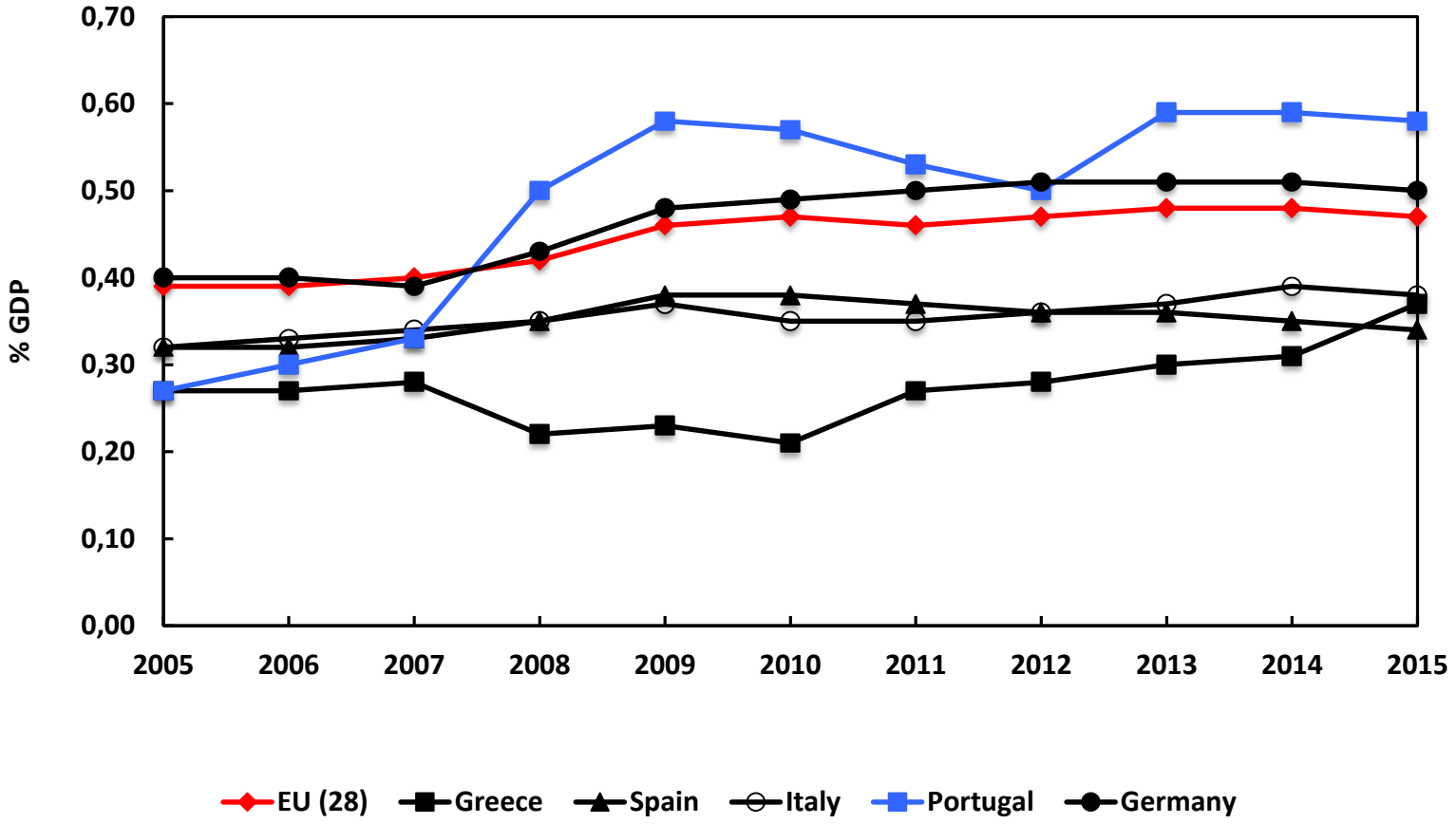
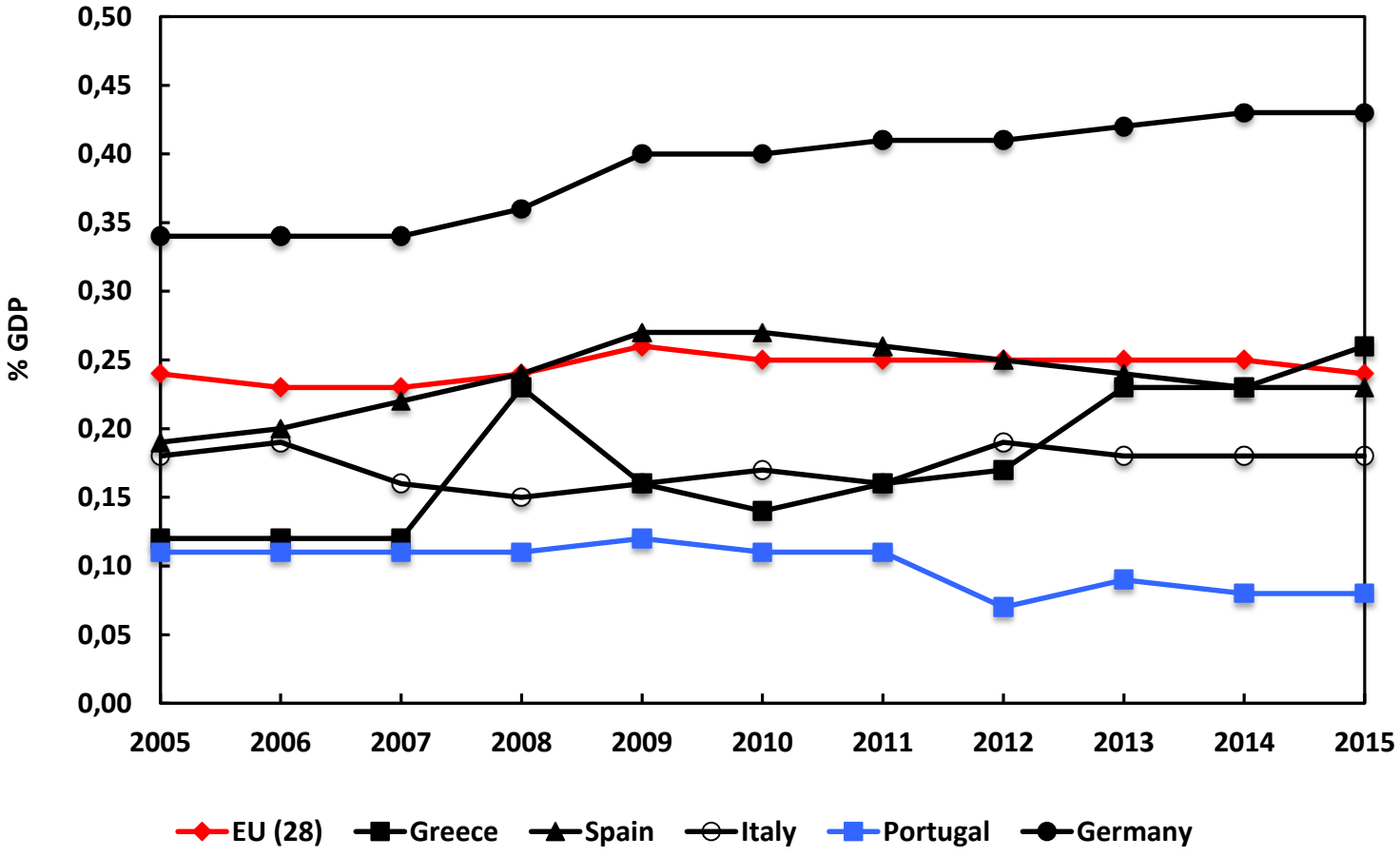


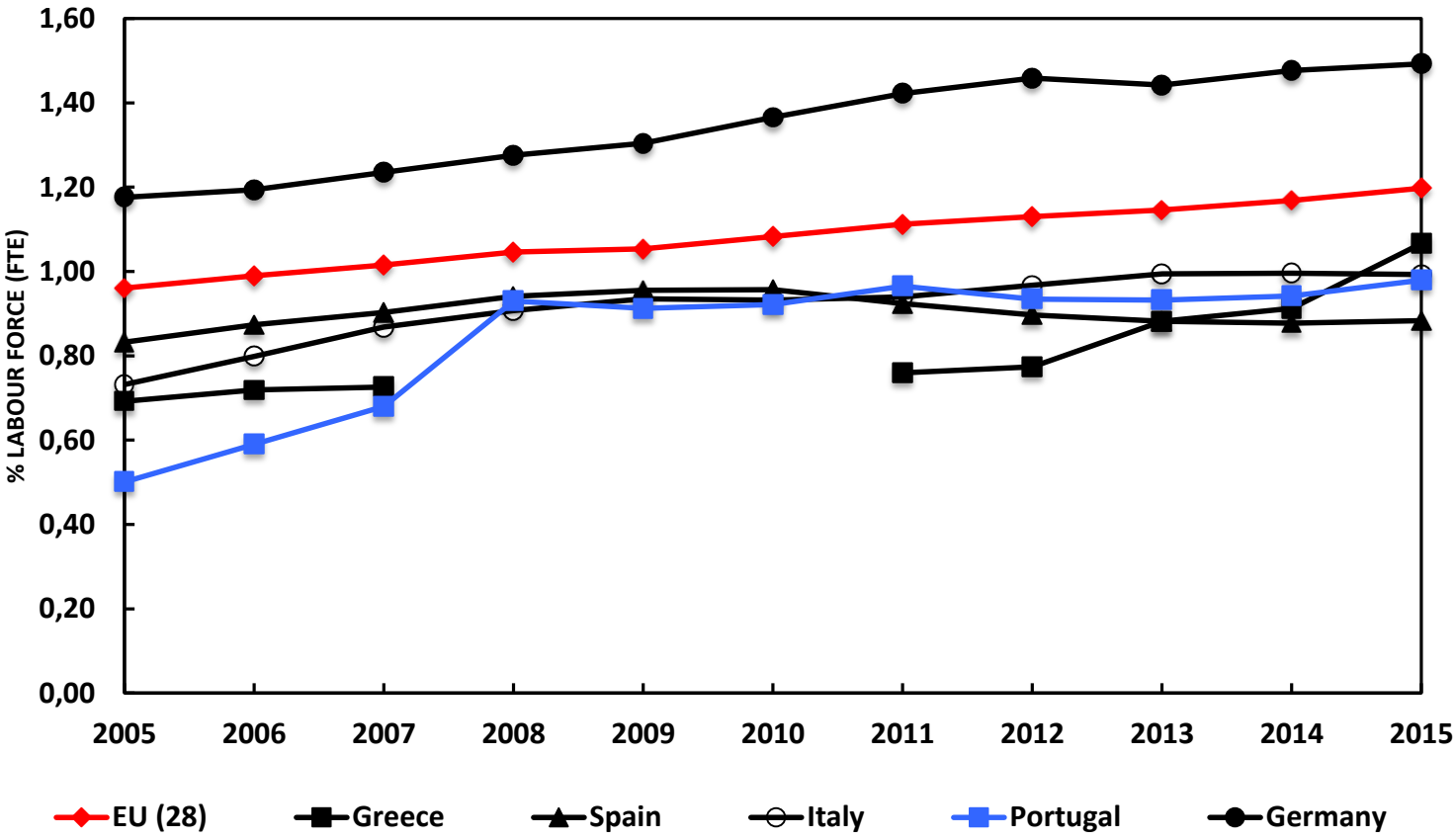
Expenditure in R&D, enterprise and business sector, as % of the GDP



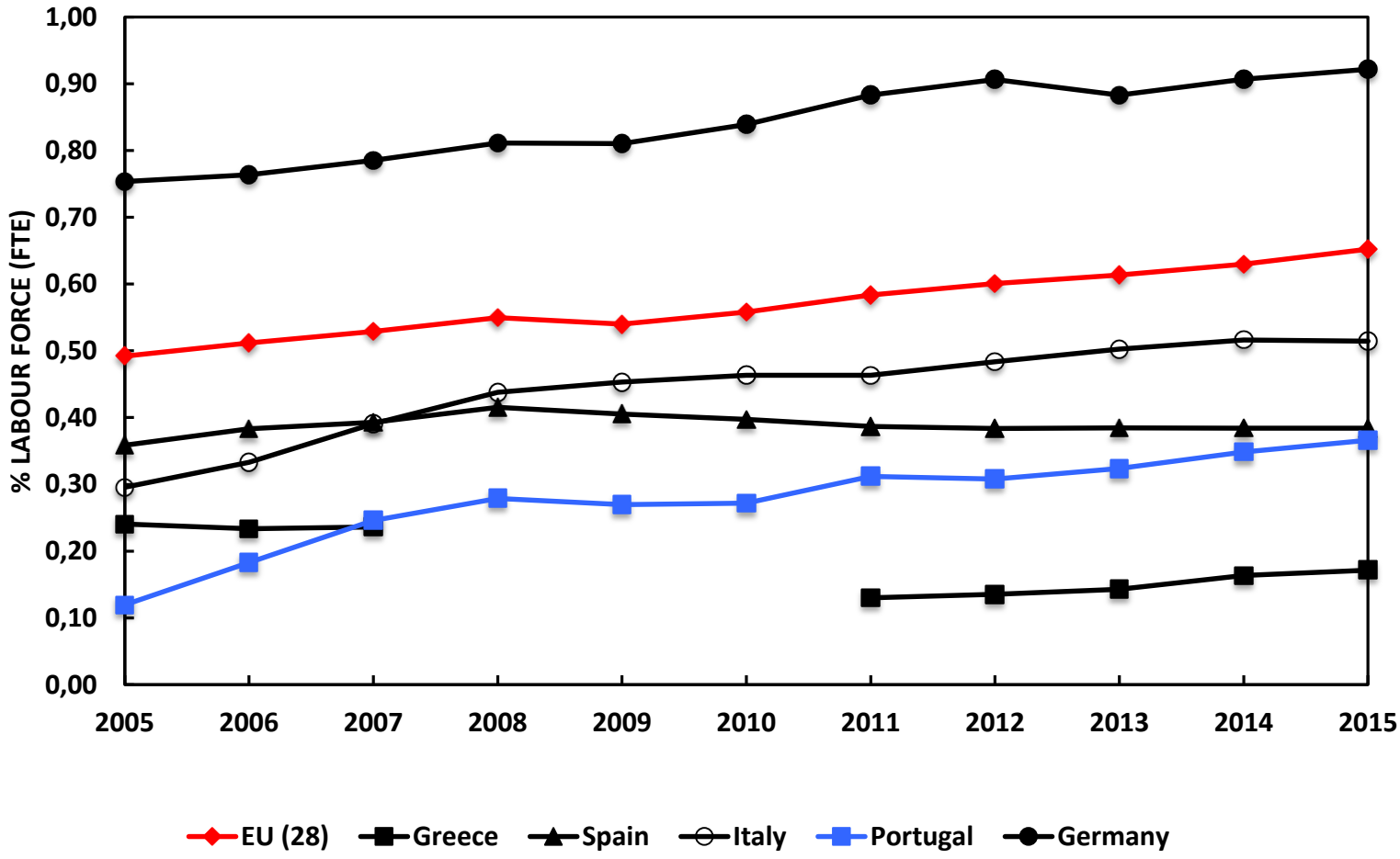
Expenditure in R&D, higher education sector, as % of the GDP



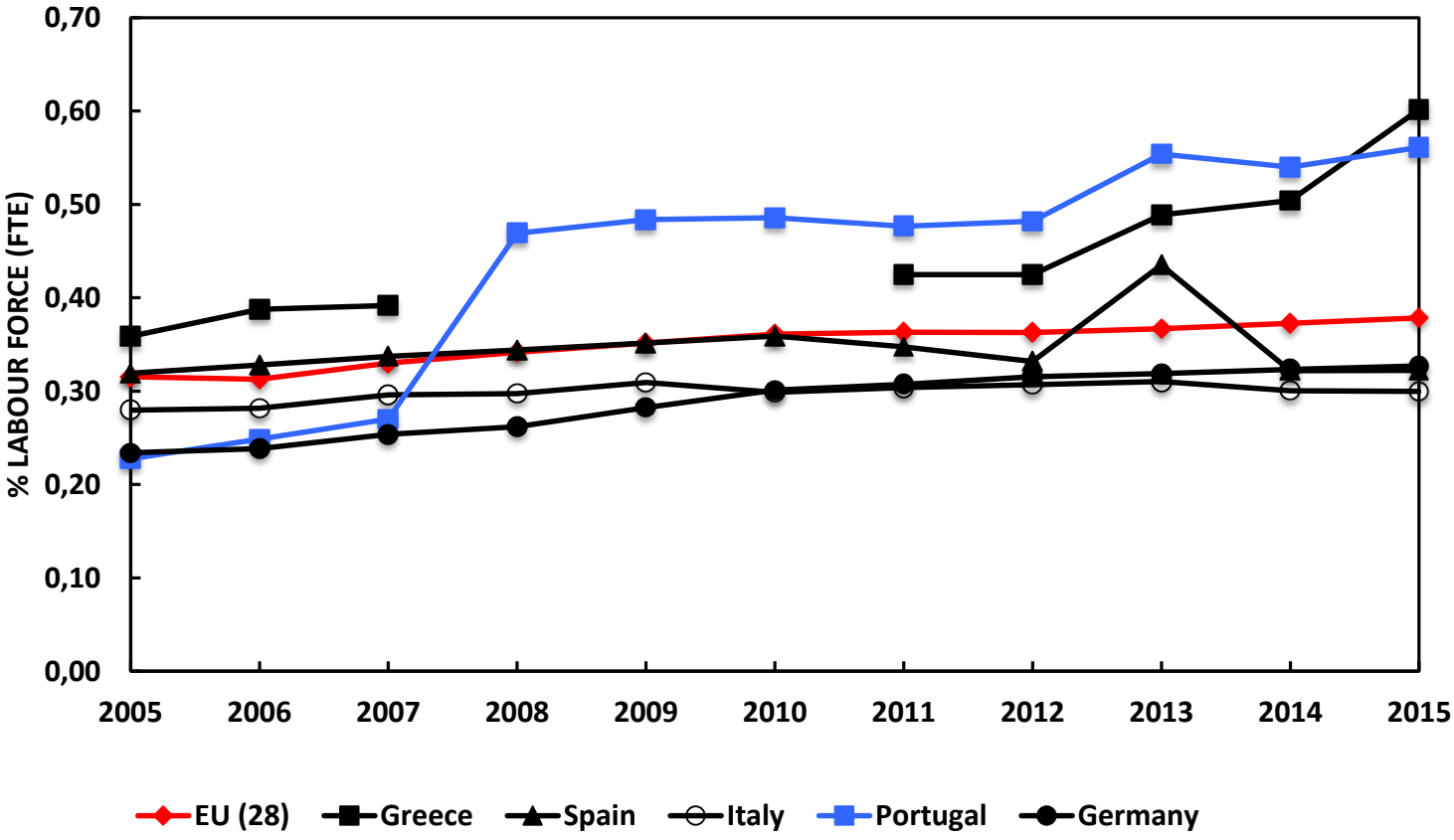
Expenditure in R&D, government sector, as % of the GDP



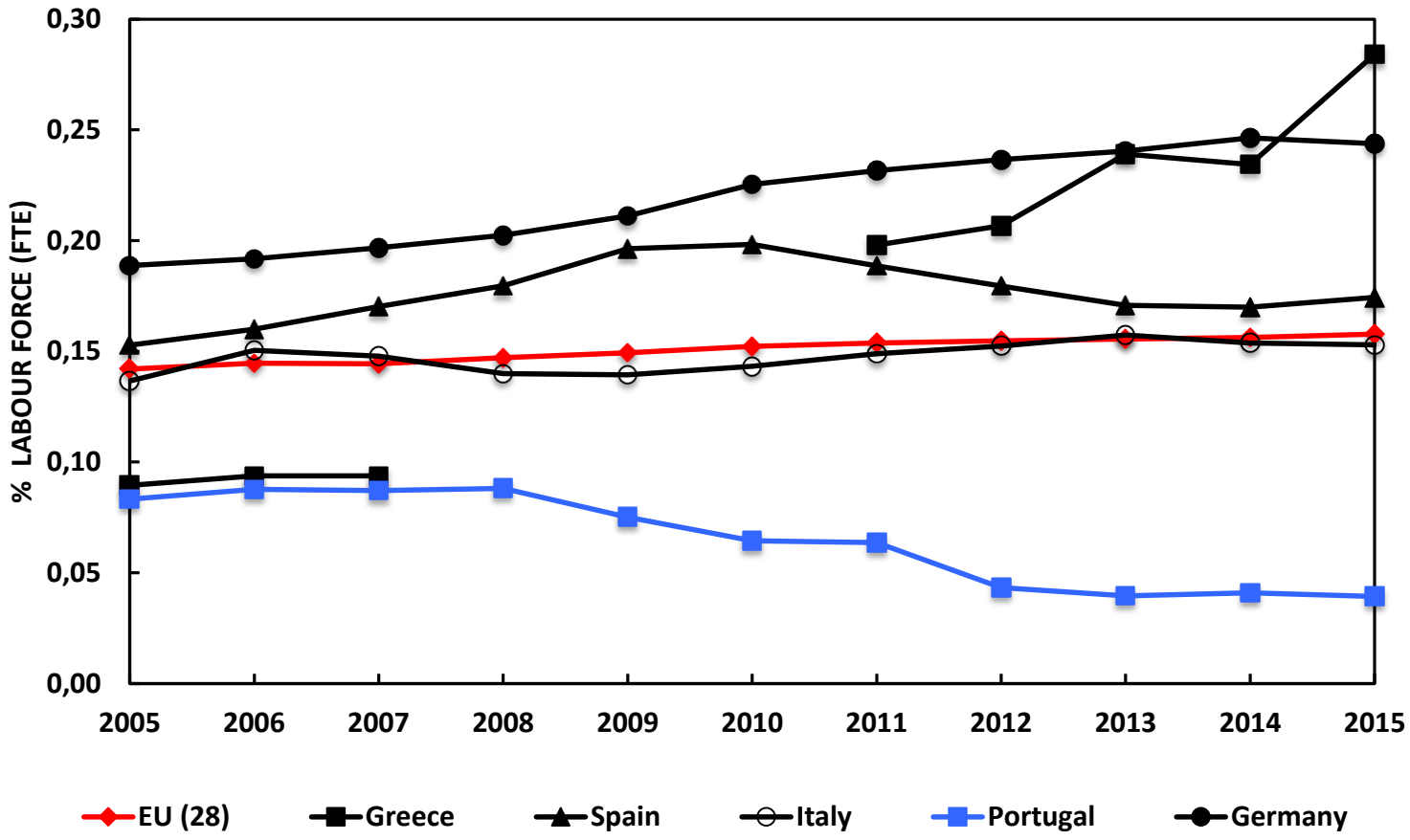
R&D personnel, total, % labour force (FTE)



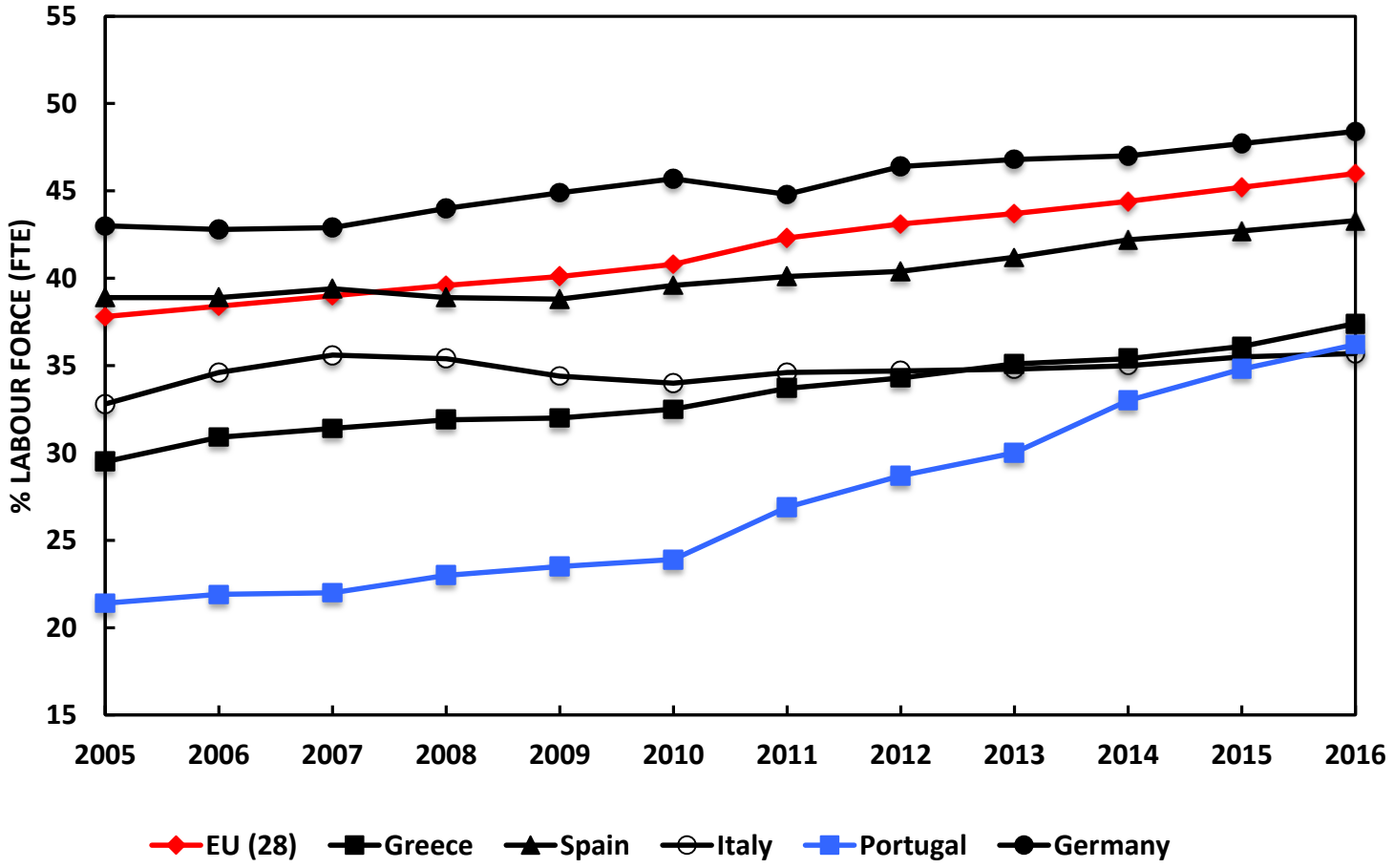
R&D personnel, enterprise and business sector, % labour force (FTE)



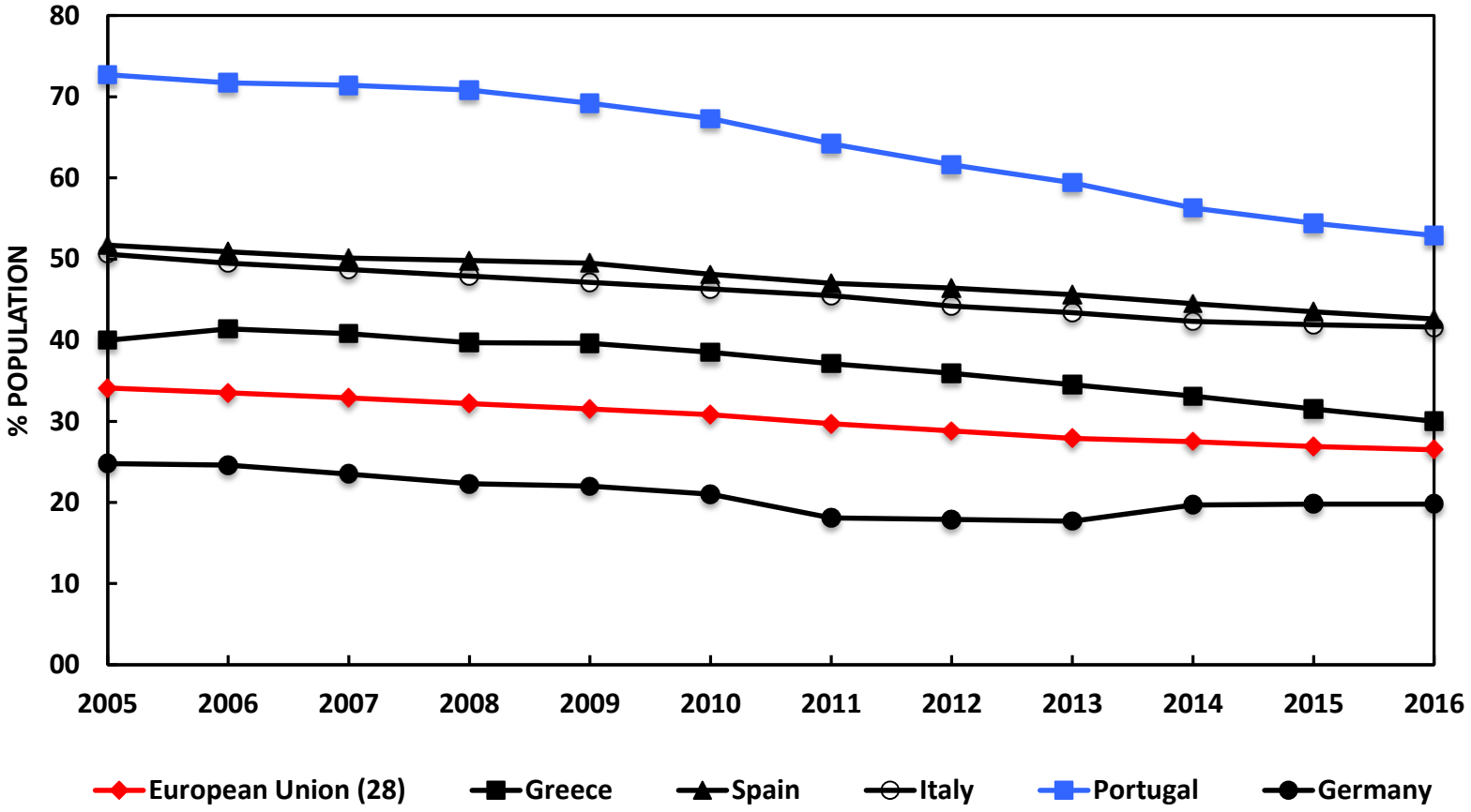
R&D personnel, higher education sector, % labour force (FTE)



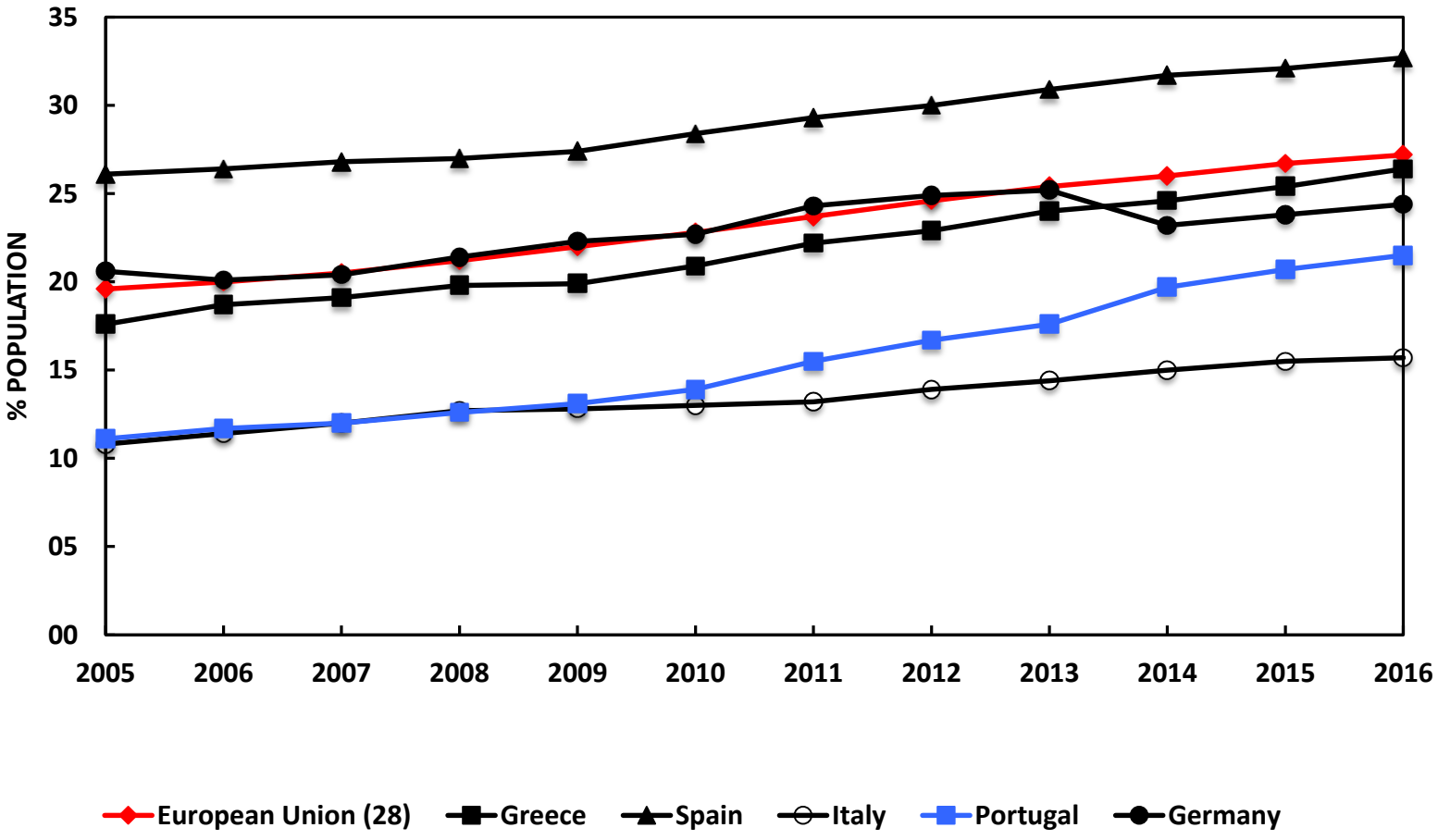
R&D personnel, government sector, % labour force (FTE)



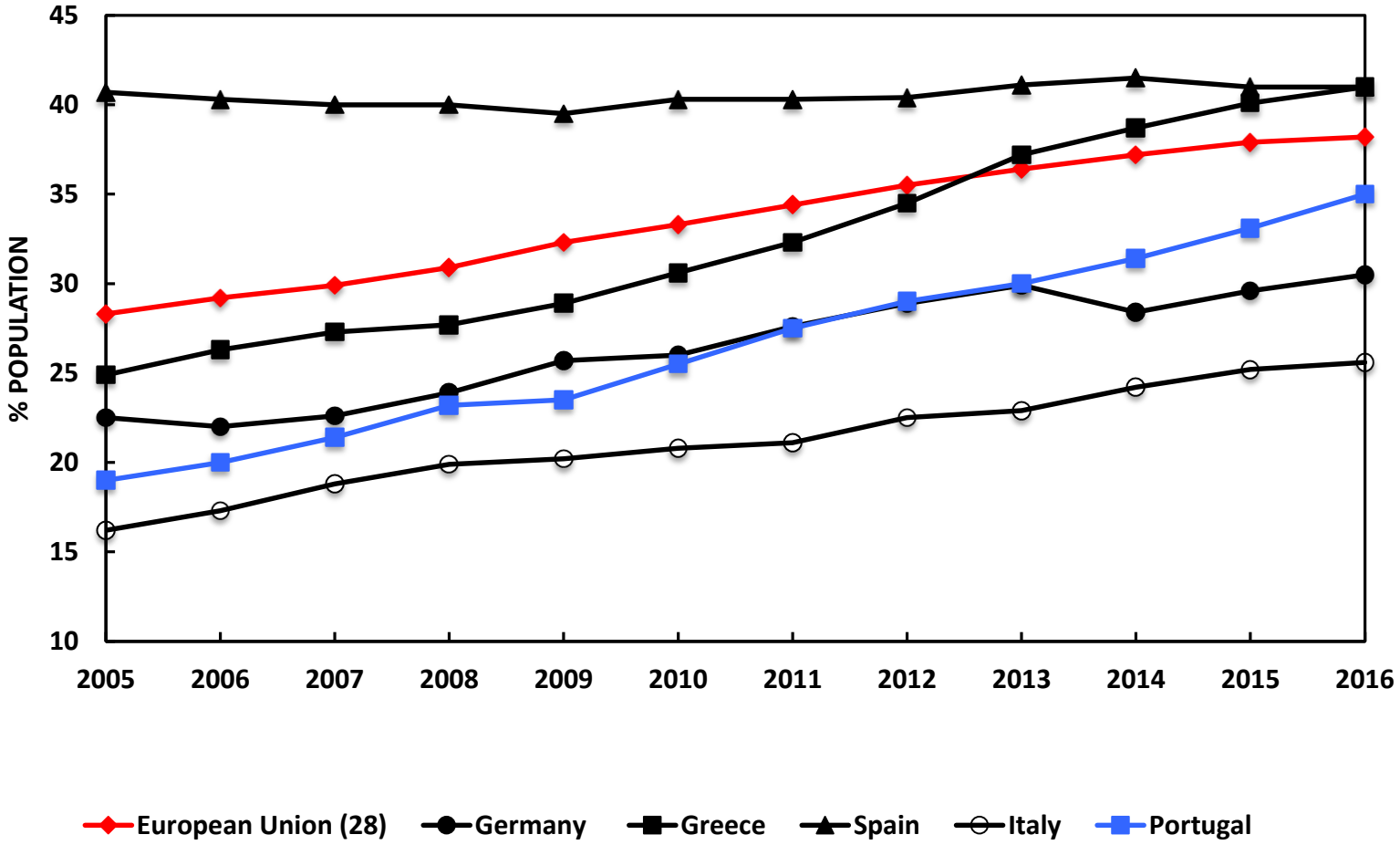
Human resources in science and technology (% labour force FTE)



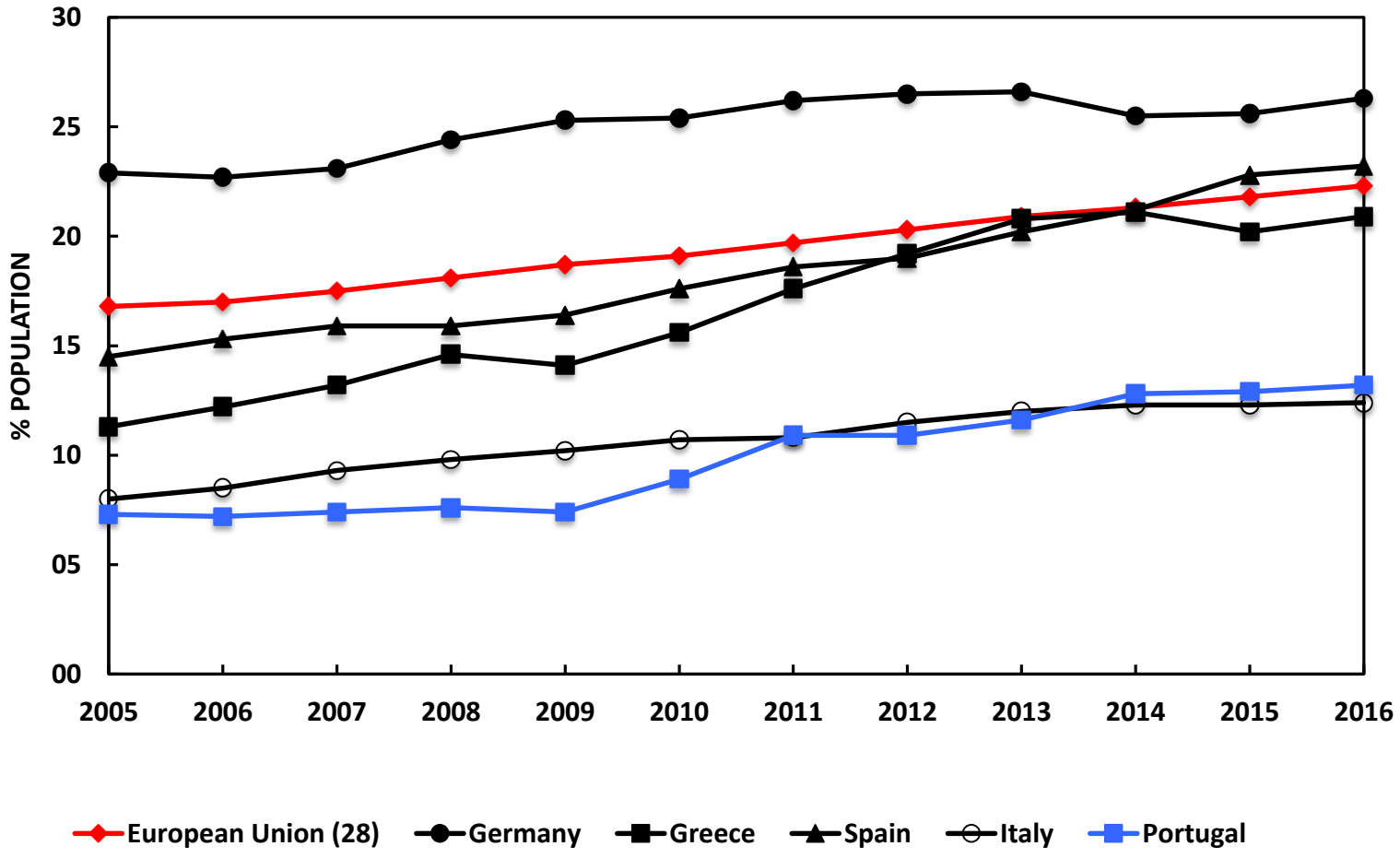
% of the population, 15 to 64 years, with less than primary, primary and lower secondary education (ISCED 0-2)



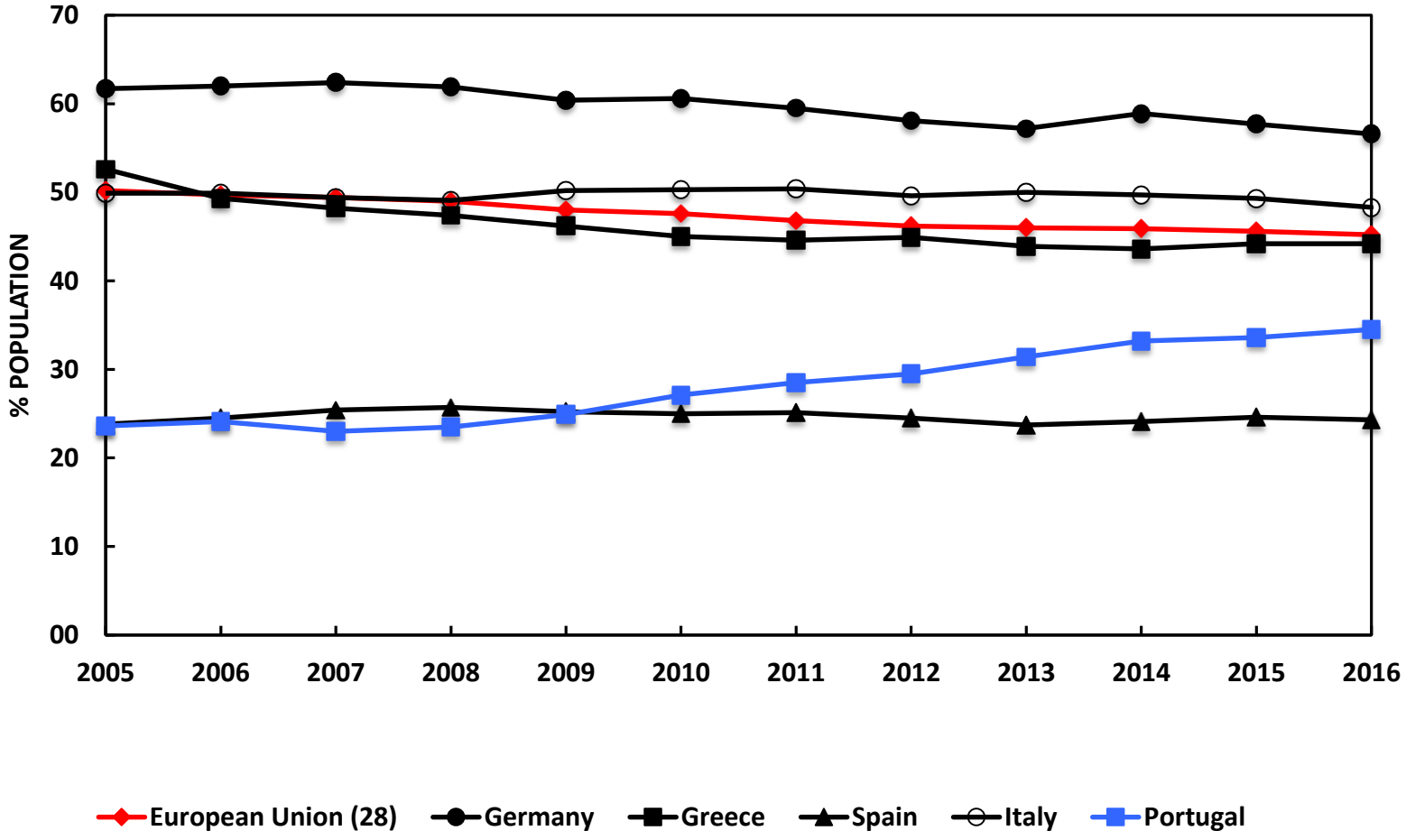
% of the population, 15 to 64 years, with tertiary education (ISCED 5-8)



% of the population, 25 to 34 years, with tertiary education (ISCED 5-8)



% of the population, 55 to 64 years, with tertiary education (ISCED 5-8)



% of the population, 25 to 34 years, with upper secondary and non-tertiary education (ISCED 3-4)

The varieties of capitalism approach contend that each state has its own model of capitalism, shaped by culture, history, mentality and economic-political system

In coordinated market economies firms pursue long-term production strategies and employees are usually offered long-term employment tenures.

Workers feel incentivised to invest in and acquire highly specialised, sector-specific skills that will be rewarded through stable employment and trade unions are powerful.

In contrast, in liberal market economies, trade unions and employer associations are generally less powerful and cohesive, while negotiations over wage coordination and labour conditions are more difficult.

In liberal market economies it is relatively easy for firms to employ or lay off labour in order to take advantage of new opportunities, while production strategies based on commitments to long-term employment are less attractive.

Individuals are encouraged to invest in general skills, which are transferable across firms, and in career trajectories that contemplate frequent job changes.

Liberal market economies (Anglo-Saxon) – U.S., Britain, Australia, Canada, New Zealand, Ireland.

Coordinated market economies – Germany, Japan, Switzerland, the Netherlands, Belgium, Sweden, Norway, Denmark, Finland, and Austria.

Portugal, France, Italy, Spain, Greece, and Turkey constitute another type of capitalism, described as 'Mediterranean' or 'mixed market economies'

Regional disparities at sub-national level

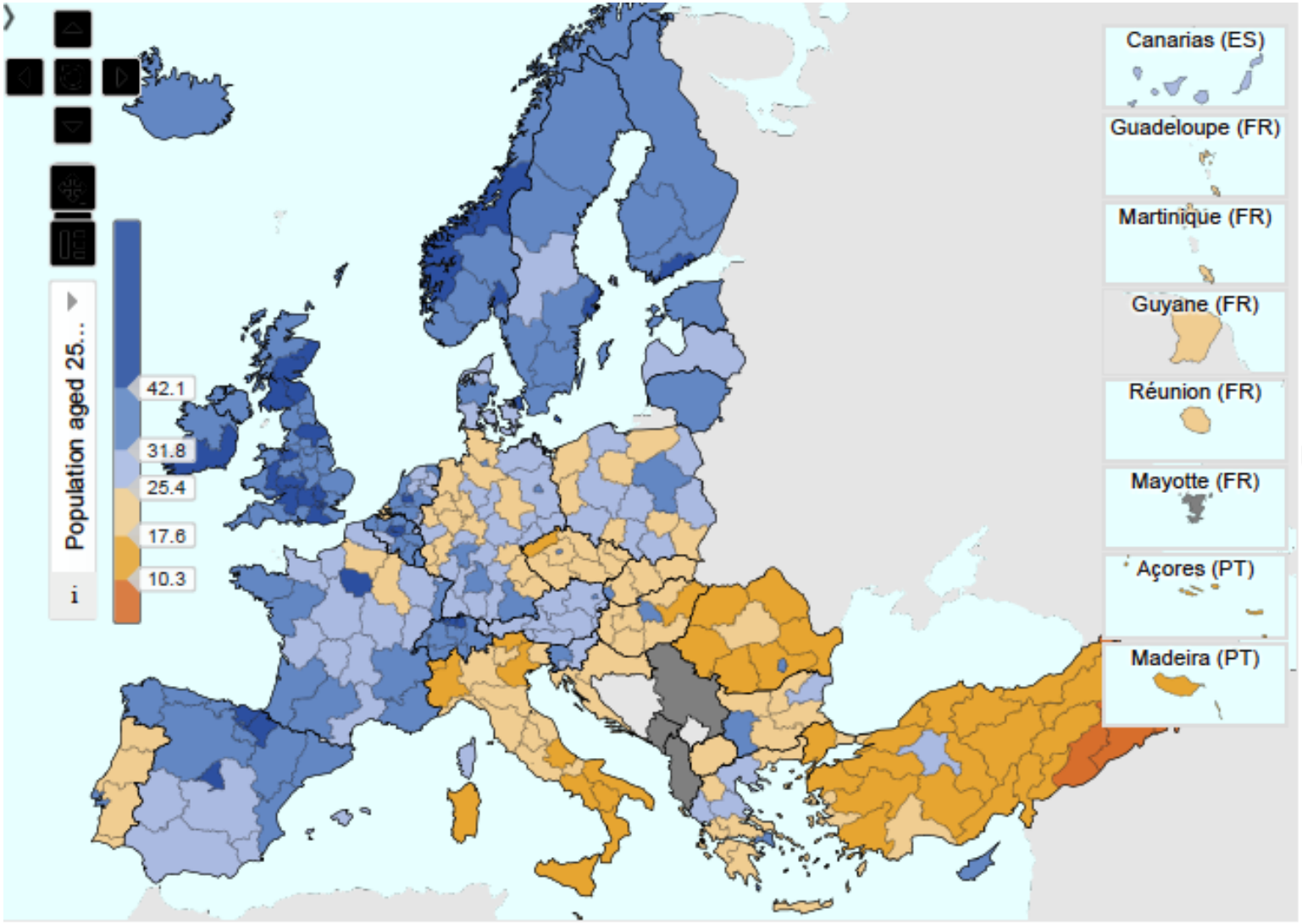
No convergence and in some cases divergence has even been increasing.

The mismatch between education and the labour market is a most relevant problem of the Southern European countries.

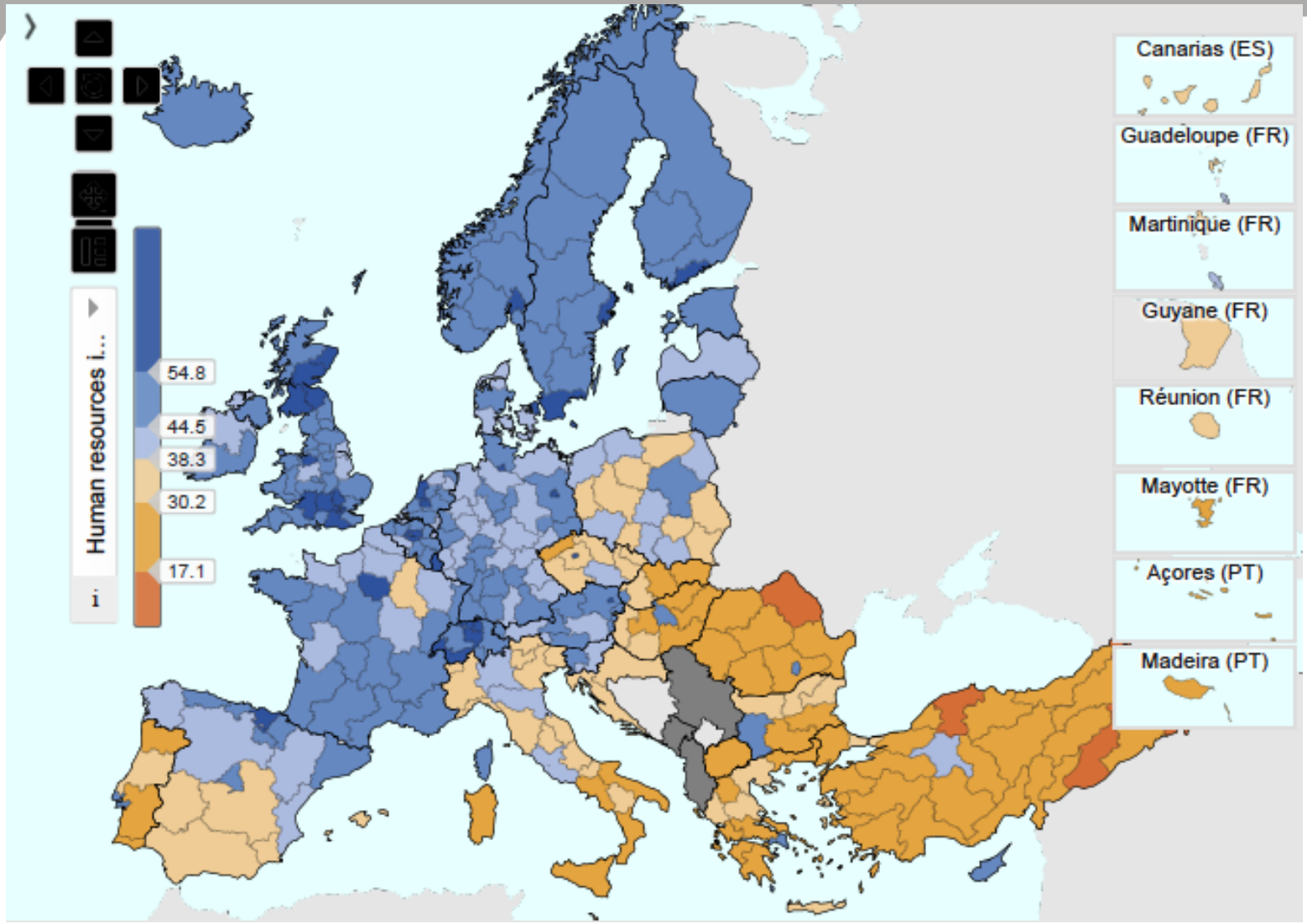
The low qualification level of many employers and the incapacity of moving into higher levels in the production process do not allow for the efficient use of the educational endowment available to each region.

People with a university degree may find difficulty in obtained employment compatible with their qualifications.

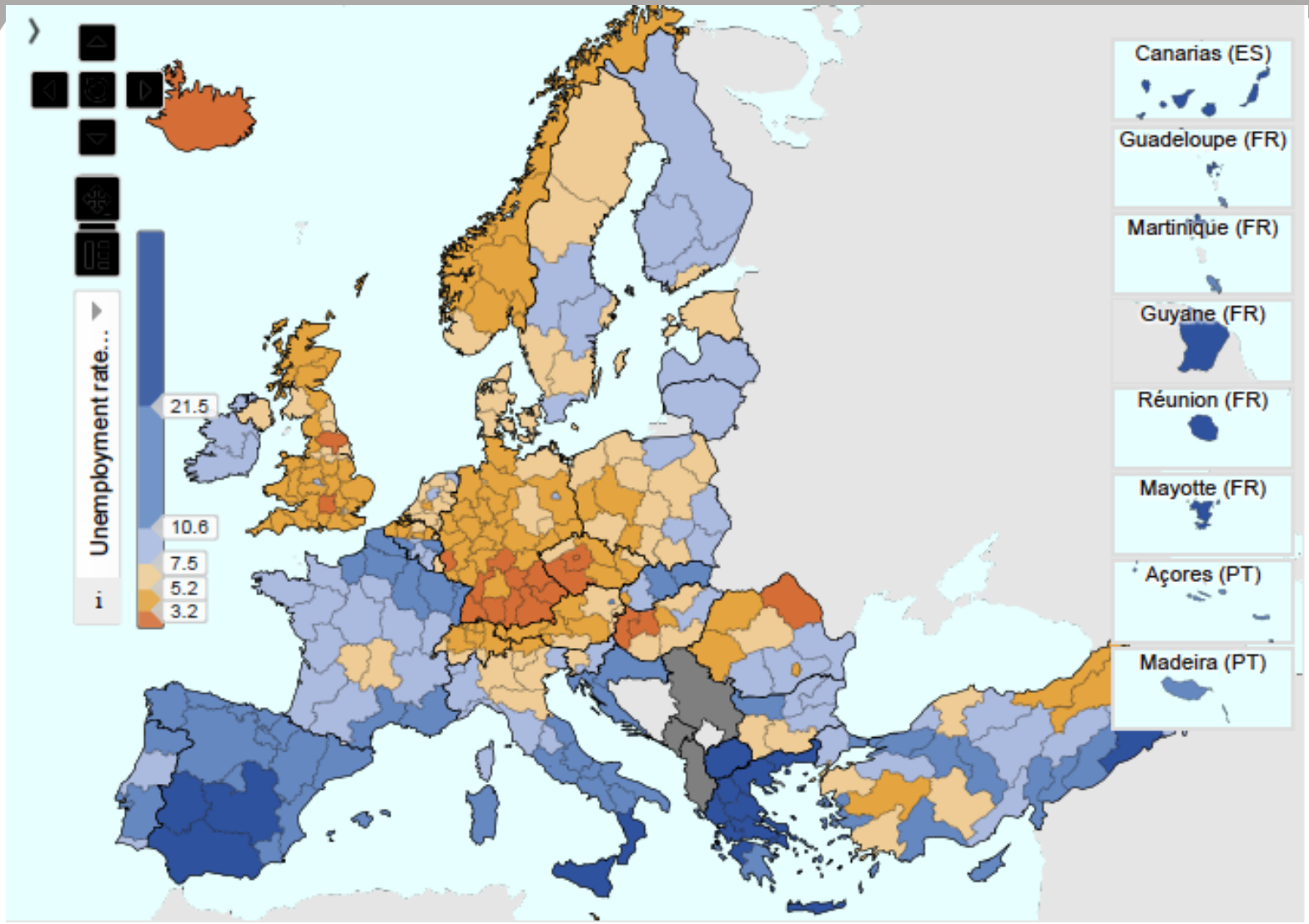
Human capital upgrading policies must be coordinated with 'moving' qualified job opportunities into the periphery.



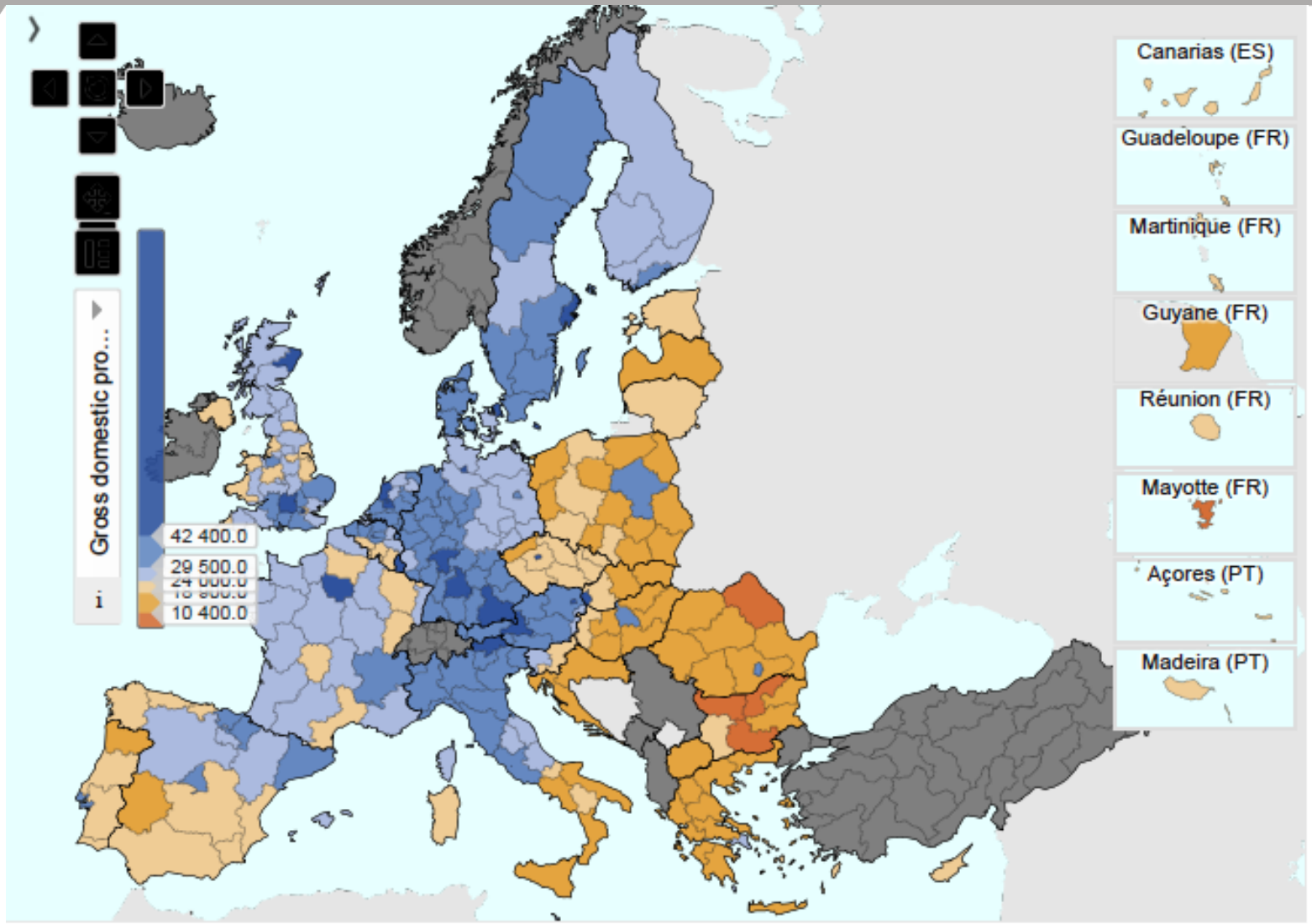
Population aged 25-64 years with tertiary education



Human resources in science and technology



Unemployment rates (%), 15-74 years



GDP at current market prices