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What should be the contribution of further and higher education in Ireland to the current global economic crisis?

Ann Conway

Tutor: Prof. Gareth Parry

*People are at the heart of the knowledge [society]. Success in the future will be strongly dependent on growing the skills of our population.* (Ahearn, 2006: 2)

**Introduction:**

Twenty years ago in 1989 the world witnessed forms of globalisation with protests in Tiananmen Square, the downfall of a communist state in Poland led by dock worker Lech Walesa, and the pulling down of the Berlin Wall with the aid of two onetime cold war enemies and opposing states of USA and Russia and in some cases an opening up and relaxation of borders. Since then the world has watched on, sometimes in awe at the positive effects of making things global more local; such as e-learning on opposite sides of the world, and sometimes in dismay as the real effects of globalisation hit home such as the current global crisis. Today in 2009 as the world reels from the effects of a global crisis, Ireland is still contemplating how we can turn around our economy. As the McCarthy report on Public Services Numbers and Expenditures Programmes (July 2009) is launched and is debated in public, one area which can assist in the recovery of our economy and state is through further and higher education. With widespread recognition of the need for continual training of individuals in the workforce, and to help those who have lost their jobs since the recession hit to find other jobs, up-skilling and re-skilling through lifelong learning is being encouraged at all levels of education and society.

Re-skilling is enhancing your existing qualifications and retraining in skills required for modern businesses which can help gain employment for those made redundant. Up-skilling on the other hand is training people in companies in more skills areas which may help to prevent redundancies and increase skills and knowledge base of the workforce to gain competitive advantage, e.g. teachers and lecturers on an EdD course having already obtained masters and degree qualifications. This would seem the more appropriate policy however, in the current recessionary climate there are many people already signing on for unemployment benefits so re-skilling and re-training is a priority. This is being witnessed with the increase in numbers applying for courses in further and higher education around the country. Nevertheless up-skilling is being employed for sustainability by companies still in operation and applied for by those employed hoping for better future prospects, promotions or careers.
Education is expected to serve the needs of society and when that society is undergoing significant changes pressures emerge to improve the alignment of education and society. Participation in education is both for the betterment of the individual, society or community within which they live and/or work and eventually the economy (National Competitiveness Council (NCC), 2009: 9). Participation on lifelong learning courses bring with it the pride of gaining qualifications, and it can also contribute to new opportunities, access to better employment and ultimately an improved better quality of life. Lifelong learning can also provide the individual the autonomy to be able to shape their own educational programmes and subsequently their own lives (Usher & Edwards, 1994; Edwards et al, 2002). Qualifications are indispensible assets seen as cultural capital (Stevenson, 2001: 2; Hannam, 2003: 7) and passports into both education and work and out of state welfare dependence (Blair, 1998: 9; Martin, 2003: 567). Higher education, further education and community education are seen as a conduits to a better life as it is “a weapon against poverty......the route to participation and active citizenship” (Kennedy, 1997: 4) and creative cultural responses to oppressive life circumstances, shame and social marginalisation (Warmington, 2003).

This paper will be in two parts; the first section will examine the current tertiary education situation in Ireland amid the global economic crisis and will review what should education’s contribution be to help alleviate the crisis. Through doing this both the state and the market, who have interests in the academy and their graduates produced, will become part of the review, as building stronger links with the academy and the economy to help raise skills, efficiency and productivity is becoming more important in ensuring global competitiveness and retaining equality and accessibility in the academy (see Gaffikin and Morrissey, 2003: 98). The second and final section will look at the merge of entrepreneurship and education. As the lifelong learning society is conceptualised largely in terms of maintaining a flexible and competitive economy in the knowledge society, the concept of an entrepreneurial society will be proposed to fill the gap which has emerged since the exit of many international companies for cheaper labour elsewhere. Within all levels of education entrepreneurship should be encouraged and embedded in the curricula from the earliest stages as a prevention rather than cure to the current economic crisis in Ireland.

**Current socio-economic situation in Ireland**

Ireland is experiencing a serious economic downturn resulting in job losses and renewed emigration (Barrett, Kearney & Goggin, 2009). Furthermore, the annual rate of inflation is fluctuating (Central Statistics Office (CSO), 2008), with a marked deterioration in the labour market, throughout 2008 which has continued in the early months of 2009 (CSO, 2009). The Irish economy is officially in recession and continues to contract sharply (Barrett, Kearney & Goggin, 2009). Consequently, consumer sentiment is in decline (Economic and Social Research Institute (ESRI), 2008) and the
international forecasting institution the Organisation for Economic Co-Operation and Development (OECD) projects that real domestic spending in the Irish economy will decline and forecasts a protracted economic slowdown in the United States, Japan\(^1\) and the Euro area, giving the situation further prominence (OECD, 2008).

Unemployment in the OECD area is forecasted to be c. 10% by 2010 compared to just 5.6% in 2007 (OECD, 2009). Ireland’s unemployment rate passed the 10% mark in February with economists forecasting that the rate could reach 14% by the end of the year (Slattery, Irish Times, 2009) and with an increase of 2.6% more unemployed in June (RTE, News at One July 1\(^{st}\), 2009) Ireland’s government needs to implement plans immediately for a recovery through partnerships with all stakeholders within the economy.

Ireland needs to act fast if it is to retain any of its competitiveness gained throughout the Celtic Tiger years, by providing a highly skilled, productive and flexible workforce which will attract high-value inward investment and grass roots development of businesses and generation of employment. Healy and Slowey (2006) suggest that the Celtic Tiger boom had been dependent on the Irish human capital and of formal education including the mobility and return of highly skilled workers who had emigrated in the 1980’s and early 1990’s. They suggest that it was also in part to do with favourable incentives given to international firms willing to invest in Ireland (Healy and Slowey, 2006).

The OECD (2008a; 2009) recommends a greater reliance on education and training particularly for labour market needs and this is concurred with in the recent launch of the government strategy for sustainable economic renewal (Department of the Taoiseach, 2008) where it views the importance of Ireland’s performance on a global scale as an ‘Innovation Island’. This essentially requires our higher education system becoming the cornerstone to this development and an impetus to economic and social renewal through elements of lifelong learning (Green, 2006), research and development and partnerships with all stakeholders within the state as the strength of the educational system has been identified as a key factor in the recent economic growth during the Celtic Tiger boom period (Fitzgerald, 2000; Smyth, McCoy, Darmody & Dunne, 2007: 139).

### The Academy as the Cornerstone and Impetus to Economic and Social Development

Tertiary education in Ireland, although having been underfunded for years (OECD, 2004), has provided the country’s indigenous firms and multinational corporations located here with highly skilled graduates, facilitating the role it played in the boom years of the Celtic Tiger (Healy and Slowey, 2006: 7). Coupled with this is the evidence of the expansion of the educational sector during

\(^1\) Japan has just announced it has come out of its recession (CNN News August 16\(^{th}\))
the past two decades, (Clancy, 1982, 1988, 1995, 2001, Higher Education Authority (HEA), 1995, 1995a) with students now coming from a wider range of social and cultural backgrounds (Clancy & Wall, 2000; Clancy and Goastellec, 2007). However, Ireland has comparatively low participation rates in continuing education and training (Hannan, McCoy and Doyle, 2003) and lifelong learning (National Competitiveness Council (NCC), 2009: 35) in comparison with other countries. In 2005 34% of the older cohorts of the working population had no more than lower second level education (Junior or Intermediate Certificate level) (NCC, 2008). While it could be viewed that the expansion in numbers in higher education is indeed positive, when one sees the significant gap at mature sections of the population, who had not benefitted from earlier educational expansion (Healy and Slowey, 2006: 7, 9) and the Celtic Tiger years in relation to attendance at third level and subsequent skills and qualifications held, something needs to be implemented to significantly narrow this gap. The White Paper, Learning for Life, for example, had set a target to get 15% of mature students into higher education in the short term and to be raised to 25% in the longer term (DES, 2000). It is these low skilled individuals who are also most likely to find it more difficult to regain employment if made redundant.

Academies have significant power to help these learners and also to provide opportunities to areas sunk into unemployment and struggling with large social welfare provisions. As it stands Ireland is at the verge of not being able to meet the current rapid increase in welfare demands (Mottiar, 2009) where large social welfare provisions are the norm (O’Regan, Irish Times, 2009) but could in fact become a disincentive to work. This can be a difficult issue to tackle, however, if certain provisions were put into place not only will the social welfare supports be put to good use and the human capital involved will regain a sense of worth, but the economic capital can be regenerated for the future with the aid of the local community and academies (Gaffikin and Morrissey, 2003: 98, 101) moving the state from ‘welfare’ to ‘workfare’ (Hoatson, et al 1996; Martin, 2003: 567).

The commitment of the Irish government and the EU to standardise a qualification framework in order to facilitate mobility, accessibility, and flexibility throughout the member states is evident in the Bologna Declaration 1999 and the work of the National Qualifications Authority of Ireland (NQAI) (The European Higher Education Area, 2001; NQAI, 2003; 2003a; 2005). Increased modularisation of courses, the provision of more flexible learning opportunities, and The National Plan for Equity of Access to Higher Education, endeavours to encourage the broadening of entry routes to higher

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2 7.6% of those surveyed aged 25 to 64 received education in the four weeks prior to the Eurostat survey in 2007 – still below the Lisbon target of 12.5%, the EU 15 average of 12% and way behind the leading countries

3 Admission rate in 2004 was nearly 55%, nearly twice that in 1980 (Central Statistics Office (CSO), 2004).
education to greater reflect the fundamental changes brought about through the implementation of the National Framework of Qualifications in Ireland (NFQ)\(^4\) (HEA, 2008).

The mission statement of the Department of Education and Science (DES) is directed towards an education system that will ‘enable individuals to develop to their full potential as persons and to participate fully as citizens in society and contribute to social and economic development.’ Our national recovery is dependent on being able to provide a supply of highly educated workforce, equipped with skills aligned to business needs (National Skills Strategy (NSS) (cited in the NCC Report, 2008: 27). The NSS proposes that 48% of the labour force should have qualifications at the NFQ level 6 to 10 (advanced higher certificate and above); 45% should have qualifications at NFQ levels 4 and 5 (Leaving Certificate or equivalent); and the remaining 7% will have NFQ at levels 1 to 3 (Further Education and Training Awards Council (FETAC) first certification) but should aspire to achieving skills at higher levels (NQAI, 2003; 2003a).

Higher education institutions (HEI’s)\(^5\) in Ireland consists of a binary system of universities and non-universities, i.e., the institutes of technology (IoT’s), colleges of education, private colleges, each offering courses from levels 6 to 10 based on the scale of the NFQ and the Higher Education Training Awards Council (HETAC) certificates. Entry into the institutes and universities is traditionally through the Central Administrations Office (CAO) once the leaving certificate minimum grade and points for the course have been obtained. Some courses also require an aptitude examination and/or interview. Non-traditional (entry not via CAO) and mature students (those aged 23 and over) may gain entry directly via the college and course of their choice based on the specific criteria of that course and college. In most cases the leaving certificate is still required which prevents many adult learners from attending, however in recent years this is changing with the acceptance of Accredited Prior (and/or Experiential) Learning (AP(E)L), Recorded Prior Learning (RPL) and work experience of specified duration (NQAI, 2005). Post Leaving Certificate (PLC) is also accepted and these are usually obtained through FETAC certified courses.

Further education is dedicated to education and training at post leaving certificate (PLC) level in Ireland since 1985\(^6\) and awards FETAC certificates at levels 1 to 6 of the NFQ. Most are Irish government validated certificate but other awards are granted via UK and international accreditation. PLC courses are full and part time, provided in public and private colleges and communities around the country and concentrate on core, work and technical skills development with a view towards

\(^4\) The NFQ is a ten level system of learning from the very early stages (first level certificate) to the most advanced (Doctoral degree). All Irish qualifications are included in the NFQ which was established to assist the notion of a ‘lifelong learning society’ (see also www.educationireland.ie , www.nfq.ie and www.nqai.ie )

\(^5\) HEI’s receive 80% of their funding from the state and are encouraged to seek further endorsements from private partnerships and scholarships.

\(^6\) Set up during a previous recessionary period in Ireland
employment. Fas\textsuperscript{7} and Failte Ireland\textsuperscript{8} are two semi-state bodies involved in providing training for industry at PLC and FETAC level. Pobal are developing an entry route for community college graduates into FETAC courses at the moment for non-traditional and adult learners (\url{www.pobal.ie}).

Adult education has only in recent years assumed a higher priority in policy as the concept of lifelong learning within the knowledge society has taken on more importance, through the year of lifelong learning in 1996 to policies embedding lifelong learning ethos through the HEA, NQAI, FETAC, HETAC\textsuperscript{9} and the more recent Back to Education Initiatives (BTEI). Much of Ireland’s adult education caters for people who have fallen through the ‘formal’ education system as it continually failed them in various ways as they were ignored or deemed unimportant (Finnegan, 2008). Adult education today is delivered through community projects, public library schemes, literacy programmes, women’s study groups and further and higher education institutions via short courses or more flexible open and distance learning.

As the nature of work continues to change, and the increase in unemployment does not dissipate, there is an increasing need for individuals to return to education throughout their careers to seek formal qualifications, or re-orientate their career paths through lifelong learning which is becoming a manager of the crisis. Lifelong learning in a learning society should be managed through structured partnerships (Parry, 2006: 409) with schools, colleges and universities and to include those IT companies providing broadband around Ireland as flexible learning can take place once internet access is available to everyone. But again this manages only to target those already in the ‘system’.

**What should be the contribution of Ireland’s Further Education?**

Those on long-term unemployment should be given incentives to return to work on a part-time basis initially in conjunction with supported programmes for up-skilling and for those recently made unemployed and now signing on for the first time in many years can be offered supports for re-skilling and/or changing careers, such as free courses through Dublin City Corporation libraries for setting up your own business. They may then find that they may no longer depend on the state, but become empowered through new avenues opened up to them. This would support Dewey’s (1987: 218; Biesta et al, 2009: 9; Bergan, S. 2008: 282; Martin, 2003: 568) concept of democratic and

\textsuperscript{7} Fas – Foras Aiseanna Saothair, Ireland’s Training and Employment Authority
\textsuperscript{8} Failte Ireland is Ireland’s National Tourism Organisation and Training Agent in Tourism and Hospitality
\textsuperscript{9} The NQAI is soon to amalgamate with FETAC and HETAC under the last Budget guidelines for education (Budget (Ireland) 14/10/2008)
citizenship learning which empowers the learner for a sustainable future both socially and economically, where they would become more self sufficient, self interested and consumers again.

Fas should widen their programme of short courses designed to improve job search skills and provide more apprenticeship training with industry, which they are piloting in two locations of Clondalkin and Letterkenny (two high unemployment localities) (Department of Enterprise Trade and Employment, 2009). The Department of Social and Family Affairs (2009) is also encouraging a return to full-time education for those made unemployed through a Back to Education Allowance. This, together with the cut in jobseekers allowance, is aimed at motivating those unemployed back to education to improve their skills rather than becoming welfare-dependent from a young age (O’Brien, Irish Times, 2009; Wall, Irish Times 2009, 2009a; Molony, Irish Independent, 2009) and supporting the workplace rather than the welfare. The back to education initiatives should include all areas of interest but at the moment only provide access to courses in subject areas required for immediate employment.

Example should be taken from Dell’s situation before more workers are made redundant. In Limerick and Dublin in Ireland¹⁰ Dell workers will benefit from European Union (EU) aid under the EU Globalisation Adjustment Fund (EUGDF) (2006) once those receiving their redundancy papers reach 500. Other supports are being given to these workers in Limerick by Fas and local Further Education College (FEC) courses on re-skilling as many of those laid off had worked for many years in factory positions which required specialised skills which have made them inflexible and unable to transfer their skills outside of the IT sector (Collins, Irish Times, 2009). Others still employed should be encouraged on BTEI’s to up-skill and increase their prospects of staying in employment.

The increasing importance of a knowledge based economy has led to increases in the level of skills demanded by employers while the current economic climate forces firms to react to the rapidly changing market, with career jobs, or ‘jobs for life’ also becoming a thing of the past and individuals moving or being moved among jobs or sectors, therefore rendering ‘skills life’ shorter. Therefore there is a move away from an almost exclusive school-leaver focus for entry into third level education, to the provision of up-skilling and additional qualification courses (see LMAP outlined below). The concept of lifelong learning is a key issue. These factors have implications for further and higher education, as education and training is envisaged as achieving a flexible sustainable workforce (Deering, 1997; DES, 2000; National Strategy on Education for Sustainable Development, 2007). In such an environment non-traditional learners need to be facilitated to enter higher education, and avail of retraining opportunities throughout their lives, facilitated by the AP(E)L or RPL strategies which should be married with the alignment of part time fees with full time courses as

¹⁰ 1,900 workers out of 3,000 employed in both sites (mainly in Limerick)
this currently discriminates against those wanting to up-skill, or return to education while still working or re-skill having just after being made unemployed.11

What should be the contribution of Ireland’s Higher Education

Currently a programme for re-skilling, the Labour Market Activation Programme (LMAP), under the partnership of the Department of Education and Science, the Department of Enterprise Trade and Employment and the Higher Education Authority of Ireland (HEA) is advertising for candidates for undergraduate and postgraduate programmes (levels 6-9 of NFQ) within the IoT’s and universities in areas of study specifically required in business today and for business set-up. To qualify you must have been made redundant for at least six months and already hold some qualifications. This target those already in the ‘system’ should be open to all.

The IoT’s

The recent (Keogh, Irish Times, 2009) Dundalk Institute of Technology (DkIT) announcement of their intention to lead a €2.5m jobs initiative that will create 90 jobs over three years in border communities in the Republic of Ireland, Northern Ireland and Scotland. This is in partnership with the University of Ulster and the University of Glasgow, and with small to medium enterprises in the three regions to encourage and sustain their cultures of entrepreneurship and jobs creation. This is one example of a partnership programme within higher education which should help alleviate the current crisis in Ireland.

An example of an outreach programme and collaboration with employers through workplace learning is an initiative which was highlighted in the most recent Grangegorman campus announcement, ‘Joining up the dots’, an integrated employment, education and training strategy within the new Dublin Institute of Technology (DIT) campus where thousands of jobs will be created in the construction sector and in the new science and technology park on campus through the science and buildings faculties (see also http://www.dit.ie/news/archivecurrentyear/joiningupthedots). This new campus aims to greatly improve the social and economic benefits to the local community through both employment and education. However, there are recommendations for the Grangegorman development to be disbanded under the McCarthy (2009) report which I think is unacceptable, as it will only cause further unemployment.

11 At the moment there are no fees for students of full time courses except for registration for exams, but this is currently being debated in Dail Eireann with a view to reintroduce student loans to cover fees planned for 2010.
Universities

Other schemes for up-skilling are currently available through higher education colleges around the country, for example Continuing Professional Development modules in the National University of Ireland (NUI), Galway recently advertised on May 29th (NUIG advert, Irish Times, 2009), to augment existing qualifications, and the access, success, citizenship initiatives of the National College of Ireland which began in 2007\(^1\). The courses being offered at university level through the LMAP re-skilling programme are mainly of a ‘top up’ nature which is being offered to those who have qualifications of a lower NFQ level from FETAC, HETAC or any of the IoT’s. This is commonly referred to as the ‘ladder system’. All universities in Ireland are currently offering courses under this programme.

However, more should be done to highlight the programmes being offered in further and higher education for lifelong learning in partnership with secondary levels and businesses through workplace learning. Some of my friends who have been made redundant in recent months have contacted me for information and help indicating that they did not know of the many supports that are currently being offered. Only recently advertising campaigns have highlighted the LMAP’s offered in the tertiary sector. More should also be done taking example from DkIT on partnership and progress within research based concepts for businesses (see also McCarthy report recommendations 2009 on partnering for research grant assistance).

The HEA has also made some steps towards addressing the challenges for further, continuing and higher education in relation to lifelong learning and the non-traditional student. It is to further develop an integrated approach to higher education policy which addresses the changing, more diverse nature of the student body, including, in particular adult and part-time learners. These and other issues of access and equity are highlighted in their reports (HEA, 2004, 2005, 2008; DES, 2000). However, is this just ‘training-as-panacea rhetoric’ as suggested by Cruickshank (2002: 141; Martin, 2003: 567)? As a recent Goodbody report (O’Leary & O’Brien, 2009) suggests, unemployment will continue to be a problem for many years to come and Ireland needs more than just ‘policy discourse’ to solve Ireland’s growing crisis, rather what is required are ‘action plans’ to get things moving again.

State policies in the past have endeavoured to be policies of social inclusion and active citizenship (Ahearn, 2004) however Ireland is still rife with inequality (CORI, 2007). The current programmes provided through state and academies are positive, but not all potential students have equality of

\(^1\)This can be found at the following url: [http://www.ncirl.ie/Alumni & Foundation/NCI_Foundation](http://www.ncirl.ie/Alumni & Foundation/NCI_Foundation) (last updated 2009) (e.g. Develop Ireland’s workforce and Shape Regeneration Infrastructure).
access yet and all graduates will still be dependent on the availability of jobs in the market. This is subsequently dependent on an innovation and entrepreneurial economy where entrepreneurship and new business set up is encouraged and supported, both locally and nationally, with the help of academies and financial institutions, thus reducing a certain dependence on multinationals for the bulk of our employment and returning to grassroots businesses.

Ireland’s ‘market-state’ and a partnership with education

The knowledge society has greatly emphasised the importance of knowledge skills and know-how in the population at large, apart from social justice, the current recession now emphasises the significance of learning throughout life and as a way of life in modern society. Therefore a more coordinated approach to align the higher education institutions and enterprises through up-skilling courses and research so that they can work together to exploit and develop our current and future highly skilled graduates and employees is imperative in the role of recovery of the economy, and development of one of a more efficient knowledge economy, innovation society and entrepreneurial economy (Prospectus Survey on Higher Education, 2007; OECD, 2004; 2005; Irish Council for Science, Technology and Innovation, (ICSTI), 1999; NCC, 2008; Department of Enterprise, Trade and Employment, 2002). The links between indigenous firms and the research departments of HEI’s is vital. While 27% of foreign multinational firms link with HEI’s, only 17% of Irish firms were linked (OECD, 2004).

Knowledge is power (Finnegan, CNN, 2009) that can empower society to move away from welfare dependency, through lifelong learning initiatives, flexible approaches to delivering lifelong learning and a more flexible workforce. You don’t have to sit in a classroom to be a learner, in fact more and more of lifelong learning initiatives are work based learning programmes. All of these courses can be collected for APL or RPL for entry into further and higher education. The Enterprise Strategy Review Group Report Ahead of the Curve (2004) emphasised the importance of building upon the existing education and training systems, with a renewed focus on fostering continual acquisition of knowledge, up-skilling and competencies. Generic core transferable skills should be embedded in all curricula from early school right throughout learning and especially highlighted though the provision of lifelong learning and continuing professional development courses (e.g. www.Options4Adults.ie), such as those being offered en mass now on entrepreneurship and business set up.

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13 See for example The Irish Centre for Work Based Learning Partnerships set up in 2004, or community outreach programmes such as the highly successful Bridge to Education Programme with Dublin City University and Ballymun Outreach Project (DES, May 18th 2009).
Entrepreneurial Economy

The Irish have worldwide recognition and reputation for being successful in business and arts, (Global Entrepreneurship Monitor (GEM), 2005) and this together with the resourcefulness of the ‘new’ Irish (foreign nationals who have made Ireland their home) can play a part in Ireland’s survival. It is these non-traditional potential students who are entrepreneurial and create businesses, and in most cases employment for others, that we also need to focus on both in and outside of the academy. Kennedy (2009) illustrates that when Digital Equipment Corporation (DEC) pulled out of Galway in 1993 and when Motorola pulled out of Cork after 25 years, both cities saw a wave of entrepreneurialism that boosted employment. Policies need to emphasise not only the support for re-skilling and up-skilling, but also for entrepreneurship.

Today entrepreneurship and small to medium enterprises (SME) are increasingly important parts of the global business world. The responsibility for entrepreneurship education and training does not rest entirely with the academies as pointed out by Garavan and O’Cinneide (1994; 4). There is a need for creation of an atmosphere that will encourage entrepreneurship and recognize failures as all part of the learning process (Garavan et al., 1997). One common objective of entrepreneurship education and training is to stimulate entrepreneurial drive talent and skills and the success of an entrepreneurial economy is to encourage and reinforce attitudes towards entrepreneurship and both outline the importance of education and entrepreneurship as crucial factors for the continued success of companies (O’Brien, 2008, Morrissey, 2008). The education and training system must adapt to produce the skills to drive successful enterprise in conjunction with work-based learning and up-skilling.

Reports have highlighted the lack of educational supports for entrepreneurs in the past (Goodbody, 2002: 29), but have also suggested that the increase in business hubs in the IoT’s and more recently some universities as more than helpful at overcoming the hurdles of accessing finance or other supports for start up businesses. Education was also seen as a key incubator for entrepreneurship and for future entrepreneurial success (Goodbody: 2002: 78) with students of a third level university requesting more start-up business type modules to be provided. Programmes in entrepreneurship and education for entrepreneurship must be developed and encouraged from an early stage in education but especially so in further and higher education (such as Bolton Trust Competition in DIT) as students ready themselves for business and enterprise development after their degrees.

The GEM report (2005) shows Ireland as having one of the highest start-up rates in Europe for new businesses and in many ways the reason for this is an attitudinal transformation away from ‘failure’ and towards ‘learning’. The report also highlights the need for early adoption of entrepreneurship in education from as early as primary education, but to reinforce entrepreneurship across all levels if
indigenous enterprise is to flourish in the future and a culture of entrepreneurship is to be adopted and initiated as a career choice (Report of the Small Business Forum, 2006). Curricula and assessment mechanisms throughout education should promote critical thinking, entrepreneurship and innovation (NCC, 2009: 6). Together with this is are the LMAP’s in areas of entrepreneurship and business set-up now being run across the community and FETAC colleges, the IoT’s, and Universities highlighting the importance of not only the knowledge society but of a developing entrepreneurial economy.

Some graduates interviewed in the past year with the Irish Graduate Survey, (Webb, Sunday Independent, 2009) indicated that they were aware that times are hard and so they intend to 'ride out the recession' by staying in college and studying. For these graduates it means attending another course, at undergraduate or postgraduate level, with 40% of respondents intending to go on to postgraduate studies. Others who may have earned work experience throughout their degrees felt more confident about getting a job. Some universities this year are seeing increases of between 50% and 80% in applications to postgraduate courses based on the same period in 2008. Only 16% of graduates said they would like to open their own business someday (The Irish Graduate Survey, 2009; Webb, Sunday Independent, 2009).

**Conclusion:**

Education should be viewed as an intelligent investment with accountable returns, i.e. employment for individuals and tax returns for government from those employed after graduating, rather than increasing costs and public spending. However, successive government budgets of the last year have seen policies introduced whereby funding for education is being further reduced. The state’s focus on an annual budget process reinforces the weakness in long term development planning. The McCarthy report (2009) has also put a strain on the entire education system with its recommendations of 6,900 further job cuts (i.e. more unemployed) which it claims will save the economy 746 million. But what of those jobs lost and increase of those unemployed?

The economic advantage and aid to social mobility, derived from gaining educational qualifications, together with the barriers associated with gaining employment by unqualified school leavers, has impacted on the demand for further and higher education. Education and training is viewed as crucial to achieving the objective of an inclusive society, where all citizens have the opportunity and incentive to participate fully in the social and economic life of the country. It is suggested however, that the growth in the third level sector has not facilitated equal access to higher education, and the continuing social inequity has been frequently documented (Clancy, 1982; 1988; National Economic and Social Council (NESC), 1993; Clancy and Wall, 2000; HEA, 2009). Ireland historically has comparatively low participation rates in non-formal, non-compulsory, continuing education and training in comparison to other countries (Hannan, McCoy and Doyle, 2003) ranking one of the most...
unequal out of 18 industrialised countries (United Nations Development Report, 2005). A national cohesive approach of widening access to higher education for traditionally under represented sectors, such as socially disadvantaged groups, is expected to promote equality of opportunity in higher education with a view to contributing to social cohesion and inclusiveness, and enhanced equality of opportunity (DES, 2000; Osborne and Leith, 2000; Skilbeck and O’Connell, 2000; National Development Plan (NDP), 2007).

The link between higher education and economic and social development is addressed in a plethora of national government commissioned reports (some of which were reviewed in this paper), which substantiate the view that education and training is perceived as a vital resource for a successful modern economy. Both have a crucial influence on economic performance at an individual and aggregate level. The previous market-state policies of expanding third-level education are based on the premise, that a highly skilled and educated workforce will enhance economic competitiveness, industrial growth, and increased levels of prosperity. What we are now witnessing since the global economic downturn hit Ireland and most countries around the world are more and more redundancies each (and every) day, and fewer jobs available. Of those advertised, most are seeking highly skilled workers for lower pay than what they would have been used to during the Celtic Tiger. Many made redundant are in the same locations such as the West (Dell and all the companies Dell affected), South (e.g. Waterford Wedgewood), East (e.g. SR Technics) and North (e.g. Euro Iompu Teoranta (the largest bus manufacturing company in Ireland). The rationalisation and disbandment of certain IoT’s will only have a more negative effect with more unemployed (see McCarthy, 2009).

I grew up during the 70’s and 80’s and I remember the long recession Ireland went through and witnessed many of our friends and neighbours emigrating for jobs to places like the UK, USA and Australia. Unfortunately as many other countries are experiencing the same kind of downturn in Ireland there are limited opportunities for people of low skills wishing to emigrate. Fortunately Ireland and its people have become far more educated since the 1980’s, but there are still communities which have lost out both on employment for their communities and education for their people. Mobility is an option for very few but Ireland would prefer to retain its workforce and be able to provide jobs for them in the future.

In further and higher education empowerment through education and training initiatives, through courses on up-skilling (for those still lucky to be working), (re-skilling for those unemployed) and/or career projection, such as entrepreneurship, can help communities and society become more self-reliant and economically viable. State support would also be required for initiatives within the post-secondary education sector. By removing some of those unemployed off the social welfare and encouraging them back into education this would relieve a certain amount of strain on the state and so
it would become a win-win situation. The unemployed will become empowered to do something for themselves and their communities rather than being dependant on the state for welfare support. Education pursuit in this regard should be for the betterment of the individual and the society and community within which they live and/or work and then eventually the economy can improve slowly.

Future education and training should really be based on a system of learning not education, skills and competencies not just content, and providing graduates that are ready for employment and entrepreneurship rather than dependent on ‘jobs’ or ‘social welfare’ (see also Dale, 2005). At the OECD 2009 Forum (Crisis and Recovery, June 23rd – 25th) Belgian Minister Vincent Van Quickenborne noted that education systems were only measuring hard skills, maths, etc, but not creativity, and called for a change of European education systems.14

Ireland’s future economic success is highly dependent on innovation, creativity and skills coming from the academy and the community. Investment by the state in education and training (currently HEI’s receive 80% of their funds from the state), lifelong learning and research and development in partnership with the market and businesses (a further 20% of investment in HEI’s is encouraged through private partnership but should be more) is also the cornerstone to success. The success examples of the Nordic countries model of knowledge economy and knowledge society (Green, 2006: 7) should be adapted into Irish and European education with partnerships across stakeholder groups in each state and high mobility among graduates and flexibility in work and educational forums. There should be a more transparent and fluid communication path amongst the state, market, the community and the academy when policies are being made for all to be involved and a proper partner system to exist.

We must move away from an almost exclusive emphasis on the state and rather move towards a system of multiple partnerships between the state, the academy and the market. A neoliberal state and higher education provision would seek to create an individual who is enterprising and a competitive entrepreneur which is what is needed in a world of high unemployment. State policies dedicated to education and training which raise the skills levels of the population, together with taking people off of welfare, and combining partnerships with academies, industry and society to try to become an innovative Ireland is now what the country needs. Not just policy and rhetoric, but also definite action and implementation. Higher and further education can help but the time now is to act not to pontificate.

14 The European Union has recognised the importance of creativity and has made of 2009 the “European Year of Creativity and Innovation”.

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Appendix 1

The Expert Group on Future Skills Needs (EGFSN) proposed a vision of Ireland in 2020 that suggests, that a well educated and highly skilled population contributes to a competitive, innovative, and enterprise knowledge based participative, and inclusive economy (Forfas, 1998; Expert Group on Future Skills Needs 2000; 2001; 2003). A number of reports have indicated the importance of generic/transferable or ‘soft skills’ as being of primary importance in maintaining an adaptable and flexible workforce (National Economic and Social Forum, (NESF), 2003; National Training Advisory Committee, 2003). The fourth report of the expert group has also recognised that ‘soft skills’ defined as interpersonal and intrapersonal skills are becoming more important for organisational success (see also NCC, 2009). As a consequence, the report recommends that soft skills which include communication, leadership, team work, personal development and effectiveness, and learning to learn need to be incorporated into the national education curricula including the third level sector (Forfás, 2003). A further report focuses on the availability of an internal supply of foreign language skills to enhance the attractiveness of Ireland for foreign multi-national companies. Ireland is a small open economy and linguistic ability is an important asset for indigenous business organisation if they are to survive in a global marketplace (EGFSN, 2005a).