The continuing development of automated production methods, combined with increasing competition in manufactures from low-wage developing economies, is likely to reduce yet further the scope for the employment of low skilled and inexperienced personnel in advanced economies if Britain is to benefit from advanced technology. Higher standards of schooling and of vocational training are now widely recognised as essential in Britain – as in the United States and many other industrialised countries. This book provides a realistic analysis of what needs to be done, based on visits by expert teams to matched samples of manufacturing plants, as well as to schools and vocational colleges in Britain and Continental Europe.

The policy emphasis derived from these studies is on the need to expand, not the proportion of the workforce with university qualifications, but those with craft and vocational qualifications. Concern with schooling attainments and the focus of school curricula need to be shifted towards helping those of average ability – though not at the expense of the most able who have for long been exceptionally well served by the British educational system.

The author has headed a team of researchers at the National Institute of Economic and Social Research (London) who have been engaged in international comparisons in this field for the past ten years. Their findings have been influential in the development of government policies in this area. This book represents the first comprehensive account of their findings; it explains why government policies need to move even further, and in which directions those policies must next move.
THE NATIONAL INSTITUTE OF
ECONOMIC AND SOCIAL RESEARCH

Occasional Papers
XLVIII

PRODUCTIVITY, EDUCATION
AND TRAINING
An international perspective
THE NATIONAL INSTITUTE OF ECONOMIC AND SOCIAL RESEARCH

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PRODUCTIVITY, EDUCATION AND TRAINING
An international perspective

S. J. PRAIS
To the memory of
PROFESSOR SIR RICHARD STONE
CBE FBA Nobel Laureate
1913–1991
an inspired and inspiring researcher in the social sciences

Founding Director of the Department of Applied Economics,
University of Cambridge, and a Governor of the National Institute of
Economic and Social Research
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Preface

This slender volume is intended to provide policymakers, students and those interested in current affairs with a systematic introduction to the issues associated with the improvement of Britain’s schooling and training systems. What are the best ways of raising educational and vocational standards to benefit from rapidly advancing technology, and to meet growing competition from developing countries? Modern economics textbooks tend to deal with these matters in simplified general terms, often referring simply to labour as a single homogeneous factor of production, and to its quality – if mentioned at all – in terms of average years of schooling of the workforce. For general theoretical or analytical purposes, that approach has a certain value. But anyone wishing to understand what should be done, and what can in practice be done, needs to enquire more deeply. These issues have become important in all advanced industrial countries – in the United States no less than in the United Kingdom – but while this book discusses underlying pressures and trends in general terms, when it comes to policy details the book naturally, because of its provenance, pays more attention to the needs of Britain.

Understanding what has succeeded in training and education in other countries is a valuable first step towards answering such policy questions. It is now nearly fifteen years since a small team at the National Institute began a series of empirical comparisons between Britain and adjacent Continental countries of productivity and workforce qualifications in matched samples of manufacturing plants in selected industries, together with associated comparisons at training colleges and schools. Results were published in a series of reports in the National Institute Economic Review as each set of comparisons was completed. The results considered as a whole are now here presented for the first time in a single book; the stimulus for doing so was provided by the Economic and Social Research Council who, in making their grant for the 1988–92 phase of work, suggested that the time had come to provide an overview. The present volume is the result. I have deliberately produced a short but systematic account, to help the busy general reader as well as the over-burdened student.
Preface

Researchers requiring details of the underlying studies will need to refer to the original reports. An initial selection of these studies was reproduced in a single compendium issued by NIESR in 1989; a second volume of subsequent studies will be made available by the National Institute shortly. References in the present book to articles reproduced in the compendia are shown in square brackets [ ], with full details at the end of the book; other references are given in full in the notes.

A briefer account of these studies, but one with a little more historical detail, was provided in my Keynes Lecture to the British Academy in October 1993 (subsequently published in the Proceedings of the Academy for that year). I am grateful to the Academy for allowing me to reproduce some sections of that lecture here.

The present volume and its underlying studies could not have been produced without the generous cooperation of very many people in industry and education – in Britain and on the Continent – who appreciated the value of comparative research in these areas, and who spoke to us frankly of current problems and trends. Equally, it could not have been produced without the help of a team of collaborators at the Institute; over the years that team has included Elaine Beadle, Helvia Bierhoff, Anne Daly, David Hitchens, Valerie Jarvis, Daniel T. Jones (now professor at the University of Cardiff), Hilary Steedman and Karin Wagner (now professor at the Technical University, Berlin). Fran Robinson saw the book through the press. I am indebted to them all for their cooperation.

In addition to the ESRC, I am happy to acknowledge financial support for a succession of related phases of this research programme by the Gatsby Charitable Foundation, the Leverhulme Trust and the Anglo-German Foundation for the Study of Industrial Society.

The publication of this volume coincides with my completion of around thirty years of research activities at the Institute under a succession of Governors and Directors. The financial organisation of research today requires the advance specification of projects, very often in some detail: it is only if that specification can in practice be treated elastically that original work is possible. I take this opportunity of expressing my thanks to the Institute and its supporters for its tolerance of – what must have seemed at times – my perhaps unduly idiosyncratic and elastic approach to my tasks.

I have dedicated this book to my late friend Richard Stone who, as my first employer, set my footsteps on the path of research.

S.J.P.
London
November 1994