

ST-SMU Future of Education

Quality of degree matters more

In the third of a four-part series on the future of education, social economist Phillip Brown cautions that a university degree may not deliver the good life any more

Sandra Davie
Senior Education
Correspondent

Social economist Phillip Brown is a great admirer of the Singapore model of economic development, especially the commitment to producing an educated and skilled workforce.

"Beginning with low-skilled jobs in manufacturing, Singapore has now established itself as a node for research, financial services and high-end manufacturing," says the distinguished research professor from the School of Social Sciences at Cardiff University.

But he cautions: "It is not so straightforward any more."

Singapore's success has heightened expectations of what an education can deliver in terms of income and the good life. This has led to public demand for a further expansion of university places.

Having made periodic visits to Singapore since the mid-1990s when researching the rise of the Asian Tiger economies, he is well versed with Singapore's plan to allow up to 40 per cent of each age group to attend university here.

"It is tempting to conclude that as long as Singapore continues to invest in education and skills development, it will continue to deliver rising prosperity and a competitive economy," says the 59-year-old who currently teaches a master's course on skills and workforce development here.

He refers to the research he had conducted with two other British academics, Prof Hugh Lauder and Prof David Ashton, which resulted in the 2011 book *The Global Auction: The Broken Promises Of Education, Jobs And Incomes*.

As laid out in the book, he and his co-researchers uncovered major economic trends which call into question the common belief that a university education will deliver a "graduate premium".

One trend that stood out is the explosion in the supply of university-educated workers in both affluent and emerging economies, fuelled especially by the staggering number of graduates being produced by Chinese universities.

In 2009, there were about 98 million graduates in the Chinese workforce, Prof Brown points out. By 2020, this figure is expected to rise to 195 million. And similar dramatic growth in university enrolment is evident in India.

But why should this concern Singaporeans? He explains that in-



creasingly, graduates here are not just competing with their local peers, but those in the region, and even from around the world.

"Companies now have the capacity to integrate webs of high-skilled labour across global operations. They now cast a wider net for the cheapest workers with the skills they need, turning the contest for graduate-level jobs into a 'global auction'," he explains.

He recalls a visit to a carmaker in the engineering heartland of Baden-Württemberg in Germany in the late 1990s.

When asked if the firm could produce its luxury models elsewhere in the world, the response was an emphatic "no" then. The official explained that the quality of engineering required in the production of its luxury models meant that they could only be produced in Germany.

When he and his co-researchers returned several years later and posed the same question to the same executive, the answer was "yes". "The company was not only building its entire product range outside Germany, but also in an emerging economy," says Prof Brown. "We found the same story in many companies."

While employees want to increase the value of their labour and earn higher wages, companies want to maximise profits and aim to lower their labour costs.

"So they will go where they can find workers with the skills they need, but who are prepared to accept more modest wages."

Add to this, the rise of "Digital Taylorism". Taylorism refers to the large-scale, assembly-line manufacturing principles laid down by US industrial engineer Frederick Taylor. Digital Taylorism occurs when white-collar work is broken down

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into elements. The elements are standardised and computerised such that they can be delivered by low-skilled, low-wage labour.

Analysing X-rays, drawing up legal contracts and processing tax returns are examples of skilled jobs going offshore.

He says: "In many other countries, including Singapore, students heading to university want to study business or economics in the hope of landing the lucrative jobs in the finance industry. But even bank jobs are not protected."

"Consultants to banks foresee the arrival of the 'financial services factory', as banks and insurance companies continue to break down tasks into a series of procedures that can be digitalised."

Another trend to grapple with – class distinctions among graduate workers, which will further widen income inequality.

"Even though companies increasingly look for cheap graduate manpower, they will still want a cadre of thinkers and decision-makers at the top – perhaps 10 per cent or 15 per cent of the total. They are the ones given 'permission to think' in order to lead innovation, drive performance and develop business strategy."

"The 'thinkers' or 'developers' are highly qualified, expected to work on international engagements and are typically recruited from global elite universities."

"But the mass of employees, in-

cluding those with garden-variety university degrees, will be the doers, who perform routine functions for modest wages."

He cautions that in Britain this trend has left about a third of graduates with outstanding education loans from as far back as 1998 high and dry – they have not even reached the required modest re-payment salary level.

He says that even as the Government expands university places and increases investments in human capital, policymakers have to consider how a much better educated workforce in Singapore would respond to work that does not fulfil their expectations.

Given its size, strategic position and lack of natural resources, he and his co-researchers had written a paper recommending that Singapore respond in two ways. The first concerns talent.

He stresses that Singapore needs to nurture local talent that MNCs will find attractive, and who will help anchor their presence here.

The second concerns nurturing the small- and medium-sized enterprises. This will grant Singapore a degree of economic autonomy within a context of MNCs constantly seeking to cut costs through relocation.

He is well aware that Singapore is already making advances on several of these fronts, including growing its indigenous companies. He especially applauds the SkillsFuture movement that aims to provide Singaporeans with the opportunities to develop to their fullest potential so that they can ride the new economy. What policymakers here need to think of is how this can be achieved in the light of the "global auction for talents".

sandra@sph.com.sg

If I were 18 again...

Professor Phillip Brown started his working life as an apprentice at the British Leyland car factory in Oxford before going to college to study Sociology. His PhD thesis dealt with social class, education and the transition to employment.

His academic career took him to Cambridge University and the University of Kent at Canterbury before he joined Cardiff University in 1997.

He is a visiting professor at the University of British Columbia, Sciences Po in Paris and the Institute of Adult Learning in Singapore.

Q How did you go from being an apprentice in a car factory to studying sociology in university?

A I took up the apprenticeship after leaving school with just one O level, in metalwork.

But after a while I was not satisfied with working in a factory and wanted to move up. I went to retake my O levels, then the As, which got me interested in studying sociology.

Q If you were 18 again, would you still want to go to university and would you still want to study sociology?

A Yes, because I have a genuine interest in the field. I was lucky to have found the opportunity to discover what it is that I truly love.

When I entered university, it was a voyage of discovery. I was excited about what I was learning. That has remained. I still feel like a student of the subject. There is still a lot to learn.

But if I was starting over, I would like to have studied the other social sciences as well.



A more integrated social sciences approach is better, to have more breadth and depth.

Q What advice do you give your children with regards to university education?

A Two of my children are still in university but one has dropped out because he couldn't see where he was going. He wants to do electrical apprenticeship; it's something he wants. It's not a status symbol for me; it's his life. My only advice to him was to choose an area where there is progression.

It's what I tell all students. Follow your passion but also ask the hard questions. Think about why you want a degree and if pursuing one will help you land the job you want.

I also tell them not to think of university education as simply a meal ticket, but an opportunity for them to study the things that they find exciting.



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