

Opening key note EURASHE 2012

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Life long learning & social innovation:

How higher education can help modernise the European welfare society

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First of all, thank you for providing me with this opportunity to share some of my thoughts with you today. I'm honored to be here with you at EURASHE. Since for many years I have been engaged with debates and actions to strengthen our future and the role of higher education in it, and especially that of universities of applied science.

I started my career in the mid 90s as Vice-President of the Dutch National Union of Students and following that as adviser with the HBO-Raad, the Dutch Council for Universities of Applied Science. After graduation, I founded Kennisland, a Dutch thinktank aimed to strengthen the knowledge society which I have lead in the past 12 years. Next, I'm also a board member of the Lisbon Council, which has been promoting the modernisation of Europe since the early days of the Lisbon Agenda. Currently, I'm working with the Young Foundation in the UK to build a global academy for social innovation. From that experience, I hope to provide some inspiration to the discussions ahead.

The theme of this conference is: Life long learning and the welfare society. And I have been asked to start the conference giving an overall perspective on it. To me, the theme is highly relevant. Because I see a rapidly changing society which poses enormous challenges and opportunities to European higher education. Its institutions can thrive and play an important role in life long learning and the modernisation of our welfare society, but unless only you will change what you do today you will not and your place will be taken by other actors. It will happen with or without you, and I would hope with.

I hear longlasting debates on life long learning and the importance of it. Already since my time as a student leader in the 90s. But I feel ashamed, and to be honest everyone in this room should be, by the lack of real progress. As your own FLLLEX project just

concluded: If we observe a consensus in policy recommendations, many obstacles remain when it comes to implementation.¹ And they are not just legal or financial barriers, many have to do with your own strategies. You can do much more than you think. And that is needed. As the European Commission concluded in a recent report, despite all the talk: *For the majority of Europeans, lifelong learning is still not a reality.*² To me, that is an embarrassing understatement. Since 2000 the number of people among 25 and 64 involved in life long learning has only grown slightly and remains under 10% on average in the EU. Since 2005 it even went down. And the differences between member states are huge, with Denmark at 32% and Greece at 3%.³

Those numbers are frustrating, but let us not be paralysed by them. The question is what we can do to improve them. Despite all obstacles. Because if we don't, we might even risk life long learning loses momentum and disappears from the policy agenda altogether. That would not be good for society, I think. And it would definitely not be good for higher education.

To help find answers and spur the debate, I will give my perspective on two topics: life long learning and social innovation, and I place them in the light of their contribution to the modernisation of the European welfare society. I will integrate the role of European Universities in all three of them. In my opinion, those three topics are strongly related and contribute to an overarching goal: to help present and future generations of Europeans to live in prosperity.

To this end, in the year 2000 European leaders have already declared Europe has to become the 'most competitive knowledge economy'. However, everyone knows the so-called Lisbon Agenda has failed miserably. Our inability to reform and to become more productive and innovative, is perhaps the most important reason why so many member states are in such deep trouble today. So, not changing is costing us much. Let us learn

¹ FLLLEX, 2012, FLLLEX; The Impact of LifeLong Learning Strategies on Professional Higher Education,, Final report, KH Leuven / EURASHE. The report is being presented at this EURASHE conference and will be soon available through <http://www.eurashe.eu/projects/fllex/>

² *Education and Training in a smart, sustainable and inclusive Europe*. 2012 Joint Report of the Council and the Commission on the implementation of the Strategic Framework for European cooperation in education and training (ET 2020) (March 2012)

³ Data taken from Eurostat online database: Table on Participation in education and training by sex and age, last update 06-03-2012. <http://appsso.eurostat.ec.europa.eu/nui/setupBookmark.do>

that lesson, and not make the same mistake in the years ahead and when we again debate a growth agenda for Europe.

I. The changing welfare society

Lets start with some words on the welfare society. We are gathered here in the beautiful city of Riga. Walking down the streets I see young people, I feel new energy and hear about ambitions for building a better future together. But alas, such is not true for much of the rest of Europe. To understand our current situation let me bring you back to the South of Italy in the 1860s. Everywhere in Europe revolutions are taking place, which by the way many describe as crisis. They are being propeled by the underlying transformation towards the Industrial Era. Since everyone is talking about crisis and the South of Europe these days, the analogy seems appropriate. This is the setting for the world famous novel 'Il Gattopardo' by Giuseppe di Lampedusa. The novel provides some important lessons for all of us today. It paints a picture of decline. A Sicilian Prince sees his power and wealth crumble, but he is not able to act and adapt to the new society in order to save his estate. And since his decline is only relative, he also does not see the need for change. He rather sticks to what he has. But his children know their inheritance is going to ruins and they will no longer have his life of privilege and wealth. Decline over generations is slowly but steadily becomes unavoidable.

In a crying attempt to convince the Prince to act and change, his young nephew says the most famous line in the book: "If we want things to stay as they are, things will have to change'. That is exactly the challenge for Europe today. If we want to remain to have a European welfare society in the future, things will need to change. Because again, our world is living through a transformation. And I see higher education having a key role in it. Because the key is to provide knowledge and tools to present and new generations with which they can build a brighter future, and simultanueously modernise the systems of our welfare society. That starts with understanding what we are up against.

What many describe as crisis today, in my view is a shock in a global transformation. A transformation from an industrial towards a knowledge society. A globalised society where knowledge has become one of the most important economic factors. A society driven by productivity and innovation which both are, as Peter Drucker put it, applications of knowledge to work.⁴

⁴ Peter Drucker, 1990, The Post-Capitalist Society.

That transformation does not come easy, it comes with shocks and crises. But it also bring new opportunities, new sources of wealth and I'm convinced a better life for the most of us. This transformation started long ago. We often speak of the knowledge society as a thing of the future, yet it is a reality today. Again it was Peter Drucker who already described the rise of the knowledge worker in the 1960s. We are increasingly dependent on knowledge and information, and re-creating it is how most of us create value today.

Then, the digital revolution gave a first shock in the 1980s when traditional industrial labor disappeared because of automation. Following, globalisation lead to the move of jobs to lowcost countries in Eastern Europe or Asia. Entire sectors, like textile and shipbuilding, went down while we became a knowledge-intensive service economies. Now, the world is really becoming a global network. A world connected through the internet, where capital and information freely go around. That in itself has led to new crises. Like a financial crisis because we failed to understand and control the risks of the new opportunities technology offered us, like transferring millions in miliseconds around the globe. But also the Arab Spring which spurred a political crisis for old regimes in that region, and even here many democracies and institutions of the welfare society suffer a severe crisis. Yet there are good stories to tell as well. We live in a time of unprecedented wealth and health, we travel the world and surf the web, and we have seen many innovations chaing our lives. In the western world now about a third of GDP is internet-related.⁵ Today emerging markets are richer than ever and becoming fully integrated. They do not only offer lowcost jobs but compete in the knowledge intensive parts of the world economy. The world is becoming a level playing field. And that can not be a bad thing, right?

All those transformations have severe consequences for the way we organise our society, let alone our welfare society. We need to find new balances. Abive all, the balance between protecting people and stimulating them to take responsiblity fort heir own lives. The balance between contributing to and receiving from the welfare society. And all this with taking the new conditions of the knowledge society in mind.

⁵ See Ann Mettler, 2012, Europe needs a new Growth Agenda.
<http://innovation.blogactiv.eu/author/innovation/>

Now, many in higher education often view the knowledge society as a positive thing. And it is. Not in the least for higher education, I would say. Despite it just being our new reality, it can bring good things to many. But we also need to look at the negative effects the knowledge society surely brings about as well as the crises caused by the transformation towards it. Also here we have to find a balance. And that means change. When we talk about modernising our welfare society, this is the debate we need to have. How to adapt to the knowledge society and mitigate the shocks of its transformation.?

Here, for higher education I basically see two roles. First and foremost, through education providing people with the knowledge and tools to create a prosperous life in a changing society. Preparing and supporting people for that change. Not just new generations, but everyone. That means life long learning. Second, contributing through research and innovation to help find new answers to the social needs that arise from this changes in society. Promoting the modernisation of our welfare society. That means social innovation.

With these two tasks, institutions of higher education play a crucial role in tomorrow's society. And they need to start doing it today. Let me therefore go into both of them now. First of all, life long long learning.

II. Life Long Learning

In the industrial era the main function of our welfare society mostly mentioned was protection. To provide support to those who had lost their job or were unable to participate. However, it often meant putting people aside with some form of support from the state, while companies could increase productivity with the best performing employees. That model is simply unsustainable. Just like it is environmentally unsustainable to keep using goods and throw them away the way we do now. We need to invest in renewables, not just in energy or goods but also in people. In other words, invest in life long learning. For higher education that start with rethinking who your targeting.

First, you need to target professionals of all ages not just young students. The problem of our welfare society becomes even more urgent when that society is ageing. Yet that problem might be a lot easier to solve when our economy is based on knowledge intensive services. Let me explain that.

Our working population is getting older and is shrinking. The welfare problem here is not just that we can not afford pensions and health care a current levels any more. Indeed we can not. The real problem is that those who work need to become more productive and work longer in order to sustain a welfare society whatever shape it has. However, today older workers are often not seen as productive and many still think we should best just get rid of them. Companies hardly invest in employees over 45 years to keep them up to date with new knowledge and competencies. We need to change that. For younger workers it means they need to keep learning through their careers in order to achieve high productivity in a constantly changing world.

If we can realise that, it would truly mean modernising the welfare society and providing it with a much better earning base. To me the debate on the welfare society is too often about the demand side, but we should be talking about the supply side. And strengthening that might even be easier than before. In the industrial era physical problems often literally broke and stopped careers. Think of miners, builders or harbor workers. In a knowledge-based service economy that is less the case. People can work longer physically, if they still have the brains to do the job. And we know the brain is pretty resilient when properly and regularly trained. That is where higher education comes in.

Second, targeting professionals with all kinds of degrees not just your alumni. Today those engaged in life long learning already have a higher education degree. In the Netherlands, about 24% of the higher educated engage in life long learning against just 8% of the lower educated. Employers also invest considerably more in training of higher educated than lower educated. And the results are clear: higher educated people earn more, live longer in good health, are less likely to get unemployed, get fewer children and have more trust in other people, public institutions and the government.⁶ The question higher education has to ask itself is: do we contribute to widen this gap, or help close it?

If we fail to serve these two target groups, I predict our welfare society will enter into two conflicts with large social ramifications. We will have a conflict between generations where the young do not want to pay for the old, whereas the old will fiercely defend what they have. Most of all, through a strong majority in elections. Next,

⁶ See for data: Kennisland, 2010, Kenniseconomie Monitor 2010.

society will see a conflict between the low and the high educated. Leading to the rise of populist parties, more social and political tensions, fragmentation and less ability to govern. It will lead to a decreasing legitimacy of public institutions and public goods of the welfare society. Because lower educated do not trust them, whereas higher educated are less willing to pay for them. In some places, we can already see first signs of such conflicts today. But if we do not resolve them in time, it is like Ronald Reagan once said: You've ain't seen nothing yet.

So the stakes are high. And higher education needs to clearly take a position. But I am convinced higher education can fulfil a good role here. Ofcourse not by herself, but it could start by marking its position and changing its offer. Inviting both governments and private sector to join in this challenge. I would hope higher education takes the lead. If it does not, probably others will do so. Because society needs to find a solution to this problem. I think society and higher education would both be better of when they do it together.

So, higher education has to decide if it is relevant to this and what role it takes. Then higher education insititutions need to take into account three trends in life long learning. They can help devise a strategy and implement it.

1. The trend of blended learning

A society which is based on knowledge and innovation thrives when education is close to the real needs of the learners, and quickly responds to it. That is especially true for life long learning. In reality, I see too often a large gap between the workplace and the classroom. What I miss in the debate on life long learning is the trend of blended learning, sometimes also reffered to as challenge based learning or action-oriented learning. Yet, I see this trend coming up strongly in executive education and in the world of professional training providers. This is not just combining the physical classroom with online workplace-based elements. Education is in this case much more directed towards solving real-world challenges of students, using the best available knowledge to find new answers for real problems. It is blending the workplace with the classroom.

To give two examples from my own experience. The learning philosophy of the global academy I'm now working on in the UK is based around this philosophy. Together with our targeted learners we define real challenges they have in their work. Then, we work together with relevant faculty from different universities and experts from the field to

develop courses which help find answers. In those courses there is not just knowledge transfer, but also peer to peer learning and working on real-world challenges where students directly learn to apply what they've learned. And time to translate that to your own challenge and get feedback on that. With Kennisland we even developed a course called the Safari where organisations are paying for a group of students (mostly young professionals) to help solve a problem they face, while those students learn our methods and knowledge on designing and creating social innovation.

This approach shortens the time between learning and applying those learnings, one of the key criticisms both life long learners and its stakeholders often have towards higher education. So, my advice is: not just look at formal, non-formal and informal learning, but develop a vision on education which helps to close this gap and integrate this into your offer. Only then higher education can become an relevant actor in life long learning.

2. The trend of transformational learning.

The flexibilisation of the labour market means more people will look for new jobs more often. In an market driven by innovation this seems inevitable. People will not have the same job throughout their career. This means more emphasis on transformational learning. Not surprisingly, research in your FLLEX project showed that transformational learning was the number one motivation for professionals to return to school.⁷This is not about learning to perform a current job better, but to learn how to do a new job. Or supporting your personal growth to get towards a new job. In tomorrow's labour market that will be needed more often, and this should get more focus in the offer institutions provide with respect to life long learning.

3. The trend of online and distance learning.

Many institutions in higher education still regard online learning as inferior to the physical experience. Although there certainly is truth in it, this should not mean disregarding online education totally. Certainly in life long learning combining it can bring many advantages. However, I do not see much happening on this front by most higher education institutions. If you underestimate the importance of online learning, you could end up like record companies in the music industry or book shops in the publishing industry. You will exist, but only serving a small population.

⁷ FLLEX, 2012, idem.

Online learning is growing fast. In the US, enrolments in fully online courses are around 11% and expected to increase to 20% by 2014. 24% of programmes in the adult education market are currently online, and this is expected to increase to 40% by 2014. The global market for e-learning is expected to be around \$69 billion in 2015.⁸

For European higher education I see two possible threats from new entrants when talking about online learning. The first one is top-class US universities going global through the web. MIT already offers a wide range of open courseware. Earlier this year, Harvard and MIT announced they were investing \$60 million to develop a open-source online learning platform to bring their courses to global masses. Already, 120,000 students are participating in the pilot course run by MIT.⁹ And when Stanford made its course on Artificial Intelligence available online for free over 160,000 students enrolled. So be aware of high quality courses by top-notch universities coming to your students for low prices through the web.

Then there are also numerous private initiatives like Khan Academy.¹⁰ Started as a hobby providing short video tutorials on subjects like secondary school math, it now has grown into an open library of over 3000 video on YouTube about everything from physics to arithmetics. Often developed by people working in higher education institutions by the way. They got more than 140 million views. Khan Academy received several million dollar grants by Google and others to develop its online library and full courses, and this is just one of many initiatives which are spawning everywhere.

I know this can not replace the experience of a motivated class room with a great teacher. But with these new entrants and not being there online yourself, you will get a much more difficult job explaining that to your students. Even more, I would expect you will lose at least some market share.

Enough on life long learning, and I'm getting towards the end of my talk. But before I do, I shortly wanted to share some thoughts on social innovation and the other role institutions of higher educations can play in modernising our welfare society.

⁸ Data Eduventures.com; Brave New World: The Changing Landscape of Education and Technology," April 2010, Spire Research & Consulting

⁹ See <http://www.fastcompany.com/1836120/60-million-venture-to-bring-harvard-mit-online-for-the-masses?partner=rss>

¹⁰ See <http://www.khanacademy.org>

III. Social Innovation

Social innovation is a new term which receives growing interest from governments, ngo's and businesses around the world. It's about finding new answers to the social challenges of our time. These challenges need social innovations which are both good for society and which enhance society's capacity to act. NGO's, governments and enterprises increasingly recognize that.¹¹

Social innovation is increasingly seen as a driver for social and economic progress. For instance by the European Commission. In the new Research Agenda some major social challenges are formulated which will be central to EU policy in the new Framework. That will decide how R&D funds will be invested. In Horizon 2020 the Commission proposes to invest 30 billion euro (of the total 80 billion euro) in these social challenges like climate change, renewable energy and ageing.

2011 saw a surge of interest in social innovation. New government initiatives supporting social innovation have been launched, marked by the first anniversary of the Obama Social Innovation Fund, the inauguration of Social Innovation Europe, and the launch of the India Inclusive Innovation Fund. The scope of social investment broke new ground with the launch of SOCAP. Social entrepreneurs are sharing and learning through networks like Ashoka, Skoll World Forum and the Social Innovation Exchange. New university programmes have been established, although so far mainly US ones. Consultancies, too, have introduced new social innovation initiatives, including IDEO and McKinsey.

Europe is considered a frontrunner in this development with already a large number of organisations being involved and applying methods of social innovation. Not in the least because the concept fits to a vision of a modern welfare society. Yet, higher education institutions still seem to be largely absent in this field. If they wanted, they could fulfil an important and leading role. By directing their capacity for research and innovation more towards it. By participating actively in the process of modernising our society. Of course many scientists, teachers and others within higher education institutions already are. That is good. But the last twenty years universities often haven't been

¹¹ To find more information, publications and networks on social innovation I recommend to visit: www.socialinnovationexchange.org and www.socialinnovationeurope.eu

considered and acting as an ivory tower, cherishing their autonomy and more driven by what other academics demanded. For instance in terms of citations in scientific articles. I would hope they broaden their view and become more open to society.

Ofcourse this is more true for traditional universities and less so the universities of applied science. Here, I see a special role for the latter. To them, this role is much closer to your heart than that of your academic counterparts. You could lead the way, and social innovation seems to be an excellent opportunity for universities of applied science to show their relevance. Connect yourself with that movement, define a role and develop ways to open yourself to society. That would definitely be my advice. And it could even proven fruitful when it means getting access to those European funds after 2014. However, that means making choices on which areas your institution wants to be part of the European top, in research and education.

IV. Closing words

To close off. We are living turbulent but also exciting times. Our society is going trough a transformation. This offers new opportunities but also threats and crises. Our aim remains the same: for generations of Europeans, now and in the future, to live a prosperous life. Yet, as the young nephew said to the the Sicilian Prince: "If we want things to stay as they are, things will have to change'.

That means making sure not only our children but also present generations have the knowledge and tools to create a bright future in a changing world. That, in my view, is the central challenge for higher education. It can help modernise our welfare society in two ways: through life long learning and social innovation.

The stakes are high. It means rethinking your targets, like older professionals and lower educated. And your environment will be changing as well. You have to think about how to close the gap between the workplace and the classroom, how to focus on transformational learning and what new competition through online learning will be confronting you. But I'm convinced you can do it. Higher education has brought this world so much progress. Our present society is based on it. So why would tomorrow's society not?

Thank you.