

Foreword from the Principal

As Principal and Vice-Chancellor of the University of Strathclyde I am very pleased to introduce this special issue of the Fraser Commentary which, in addition to the regular forecast and review of the Scottish economy, is focussed on the role of higher education and training in Scotland.

Scotland has always recognised the value and importance of a university education, and today's higher education sector is vibrant, diverse, makes a significant economic contribution to the Scottish economy and plays a pivotal role in Scottish life. One of the papers in this issue estimates that HEIs as businesses support up to £3 billion of economic activity in Scotland (3.3% of GDP) and 61,000 full-time equivalent jobs (3.4% of the Scottish total). In addition HEIs make major contributions to the economy through the skills of our graduates who are employed in Scotland, and through the effects of universities on innovative activity and the knowledge exchange process that connects Scottish businesses with Scottish universities. The mechanisms through which universities impact on economic activity help to provide conditions that facilitate a move out of the current recession. The important contribution of Scottish HEIs to the economy is reflected in the Scottish Government's recent recognition that they form a key economic sector in their own right, one of only seven sectors that the Government regard as

having a vital contribution to make to the Government's Economic Strategy.

Scotland faces many challenges and uncertainties in the twenty-first century. Increasing global competition, faster rate of change, the need to be innovative in both traditional and the emerging sectors, to re think our energy production and consumption all require a skilled and imaginative workforce. How can we predict these future demands on higher education and how should higher education respond? What is the right balance of investment between research, teaching and wider engagement through knowledge exchange?

The Scottish Government has asked the higher education sector to align its publicly funded activities more closely to the Scottish Government's strategic objectives. We need to have a better understanding of what is currently being delivered by Scottish universities and how this contributes to the Scottish economy and society before we can agree on what Scotland wants from our universities, taking account of the economic, social and cultural domains. The research highlighted in this June issue of the Fraser Commentary reflects our commitment to be an international centre of research excellence and a place of useful learning, improving the evidence base for future policy discussions of higher education. As Principal of one of Scotland's most influential universities I welcome this contribution to the debate.

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