



Global Trends and Local Policies in Higher Education

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Abstract

The accelerated global expansion of higher education in the twenty-first century is accompanied by the emergence of a shrinking sector in many matured systems. It is argued that the expansion possibilities are higher in the least developed region of Africa. Despite the stated policies promoting internationalization, many countries follow inward-looking strategies of higher education development. Massification of the sector challenges the traditional elite modes of operation and social interactions in the sector.

The twenty-first century has already experienced an accelerated growth and global expansion of higher education. The gross enrollment ratio (GER) doubled from 19 percent to 38 percent between 2000 and 2018. The sector experienced an average annual increase of around 6.5 million students in the first two decades of this century against an increase of 2.45 million students between 1980 and 2000. According to the UNESCO Institute of Statistics data, global enrollment in tertiary education reached 236.8 million in 2021. More importantly, women became the majority in colleges and universities accounting for 52 percent of the total global enrollment.

Higher education enrollment in the global South increased by 91 percent. The countries of Sub-Saharan Africa experienced the highest increase of 125 percent between 2000 and 2018. China and India expanded most rapidly and increased their share in global enrollment to nearly 40 percent in 2021. It is expected that Sub-Saharan Africa will remain the only region with a continuously growing youth population and higher education enrollment in the coming years.

Shrinking National Systems

The global picture conceals local variations because expansion of higher education was uneven across countries. Interestingly, some of the advanced higher education systems experienced a stagnation or a decline in enrollment. For example, in Japan, South Korea, Russia, and the United States the higher education sector actually shrunk. In more than half of the countries in the world, fertility is below the replacement rate of 2.1, so most countries are facing a decline in population. Some of the estimates indicate an almost 40 percent decline in student numbers by 2040 in some parts of East Asia.

Downward demographic trends are leading to a phenomenon of “marginal universities” which are insolvent and on the verge of closing due to insufficient student numbers. Nearly 75 percent of private universities and many public universities outside South Korea’s capital are severely affected by the decline of student population. They can survive only as “zombie universities,” heavily relying on financial support from the government. There are nearly 84 such marginal universities in South Korea. Japan has closed several universities and merged many others due to insufficient student numbers. The Japanese government further plans to close universities that cannot recruit enough students for a consecutive period of three years. In some countries, there are also proposals to sell university property to ensure their financial survival.

Medical and engineering schools, which once enjoyed a premium in the education market, are nowadays often vacant in India. A total of 860 places for medical students remained vacant in the past three years in India due to high fees levied by private medical colleges. Many students migrate to East European countries or China to benefit from their low-cost medical education. Many engineering colleges in India are closing due to lack of students since households are unwilling to invest in “low-value” high-cost engineering degrees.

Inward-Looking Local Policies

Globalization process integrated national systems into the global higher education market. But many trends are now reversing. Many countries have adopted inward-looking policies. Brexit in the United Kingdom, the dual circulation strategy in China, the self-reliance policies prioritizing indigenous knowledge systems in India, country-first policies, substitution of international expertise with local talents and the promotion of a higher education system with “Chinese characteristics” rather than based on Western

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standards are examples of inward-looking policies. It seems investing in nationalism and inward-looking policies is becoming increasingly beneficial in terms of political gain.

Is University Education Worth It?

The college wage premium for the best performing students is high, while average and poor performers, who constitute the majority of graduates, receive low returns for their investments. Given the high cost of higher education, many students are asking themselves: Is university education actually worth it? A poll published by the *Wall Street Journal* in March 2023 pointed to a crisis of confidence: 56 percent of Americans now believe that a degree is no longer worth the time and money spent on it. In August 2023, the *Economist* reported a declining rate of return for a bachelor degree in the past decades. In the post-financial crisis period, the return on higher education has been declining in the less developed countries, and the decrease in returns has been high among the youth and early-career workers.

The polarization in returns has made admissions to elite institutions highly competitive and led to a significant growth in “shadow education.” Private tutoring is considered important to improve results in admission tests for highly selective institutions and graduates’ final exams results. In fact, private tutoring is widening educational inequalities favoring children from privileged households.

Diversity and Elitism

Higher education remained a privilege of the developed countries and of the privileged in the less developed countries. Massification of the sector attracted students from non-traditional groups, from disadvantaged groups and from remote rural areas. Increasing student diversity poses challenges to social exclusive and elitist practices in institutions of higher education everywhere.

Diversity also has implications for the medium of instruction since language of instruction may be different from language of social interactions, especially for those from disadvantaged backgrounds. Elite universities with credentialing students for high prestige employment may refuse to respond to the diversity challenges and may remain “cathedrals of conservatism and masters of survival.” Private elite universities in the South, though limited in numbers, reinforce conservatism and enjoy market premium among the elites who seek admission in these institutions.

Concluding Observations

This century saw an accelerated expansion and massification of higher education in the less developed countries, and a contraction of the sector in some of the matured systems. Higher education expansion is fuelled by an increasing social demand stemming from a negative correlation between unemployment rate and level of education. Massification of the sector attracted students from nontraditional backgrounds adding to student diversity on campuses in developing countries. Improving quality and managing student diversity remains an institutional challenge in most countries. ▲

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