

Enter the OECD and UNESCO. The OECD has long been a champion of greater trade in higher education services and of a more market-oriented approach to its international delivery. Last October, the OECD, in partnership with UNESCO, unveiled a draft set of guidelines on quality assurance and accreditation in cross-border higher education. Immediately, the proposed guidelines unleashed a storm of protest from faculty unions concerned that the interests of academic staff had been ignored and that the guidelines were aimed at promoting private for-profit higher education.

What is astonishing about the first draft of the guidelines is that academic staff and their interests were completely left out of the mix. The draft identified six key stakeholders involved in quality assurance and accreditation—governments, higher education institutions and providers, student organizations, accrediting agencies, credential evaluation bodies, and professional bodies. Faculty did not even warrant a footnote. Academic freedom was not mentioned once. Yet, respect for faculty rights and academic freedom are key foundations of quality higher education. Without ironclad guarantees of academic freedom, the very cornerstone of critical thinking and inquiry, quality is simply impossible to establish.

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#### INDUSTRIAL DEFINITION OF QUALITY

There are other reasons faculty are concerned about the guidelines. In making the case for a new international quality assurance regime, the guidelines adopt an industrial definition of quality. This concept of quality—unlike the common understanding of the word as an indicator of how good something is—means a guarantee that something meets a certain basic standard or has gone through an appropriate process of “quality control.” In an educational context, checking for quality in this sense typically means assessing institutional processes and policies against a basic standard. It actually tells the “customer”—the student—very little about how good an education will be provided. Rather, it indicates only whether every student going to that institution will get the same “product.” This provides little assurance that a good, let alone excellent, education will be received.

In addition, the guidelines reveal their commercial bias through the close correspondence between the language in the draft and the language present in GATS. For instance, Part 1 of the guidelines for governments recommends that countries: “Establish or encourage the establishment of a system of fair, transparent and not administratively burdensome registration or licensure of all higher education providers operating in their territory including distance higher education.”

The words “fair,” “transparent,” and “not administratively burdensome” correspond directly to “fair and equitable treat-

ment,” “transparency,” and “least burdensome” provisions in GATS. That the registration or licensure system should be open to all providers, domestic or foreign, public or private, is essentially a market access commitment. In effect, such wording would require foreign providers to be treated at least as well as local ones and would prevent governments and accrediting bodies from discriminating against private and for-profit providers.

#### NEW GUIDELINES

Faculty unions oppose the inclusion of education services in trade treaties like GATS because the provisions in these agreements can have a powerful narrowing effect on public policies and promote the privatization of higher education. While the guidelines would not be legally binding in the same way as trade agreements are, it would nevertheless set a dangerous precedent if trade-like commitments were made and legitimated in any international instrument.

This is not to deny that rules are needed to protect students and to promote quality in international education. However, as opposed to the current draft guidelines and GATS, these rules must be based solidly on educational values, not commercial objectives. This would mean developing different quality assurance guidelines that respect academic freedom and collegial governance and that explicitly recognize the right of the appropriate national bodies to determine which institutions and programs are accredited and how they are assessed. ■

## GATS and Education: An “Insider” View from Norway

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Following the debate on the General Agreement on Trade and Services (GATS) and education over the last few years, you might think that education was a central topic in the GATS negotiations and that countries pursued their schemes and stratagems for the education trade with great determination. In fact, the view from inside provides a completely different picture: very few countries—about 40 in all—have made any commitments or demands regarding education, and only half of those have made firm commitments concerning higher education. In terms of trade liberalization, those who have made commitments generally promise less than the policies they already have in place and request little more from others. Broadly speaking, lobbyists and other opponents of including

education in GATS seem to assume that countries follow aggressive strategies to secure markets for their own education industries. In reality, what takes place inside the GATS apparatus is completely different: an almost sleepy disregard for education matters.

It should also be remembered that GATS—the treaty on trade in services, as opposed to goods—is but a single element in the much larger package of trade talks that deal with trade in goods (GATT), intellectual property (TRIPS), government procurement, and so on. While the Doha Round of WTO negotiations should have been finished by the end of 2004, the deadline has been extended until the end of 2005, given the lack of agreement on some of the difficult topics—such as agricultural products.

#### SO, WHAT HAPPENS NOW?

Most participants and observers seem to expect that, once the tricky issues in the overall trade negotiations have matured sufficiently, a more or less sudden release of the deadlock will follow and an agreement will be reached. GATS is lower down on the totem pole and will take signals from the overall progress. Thus, the most likely scenario will be a “stampede” to finalize matters in the GATS segment as soon as possible after a solution has been found for the “big” issues—before everyone decides to call it quits, freezing the positions of all member countries. At the end, no one will want to be caught in a position of having made concessions without receiving any benefits in return. These challenges inspire caution around the table.

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#### EDUCATION—NOT A BIG DEAL?

The education sector is never the flavor of the month in GATS. This lack of attention seems curious, both because education represents a fairly hefty volume of trade—probably close to \$40 billion a year—and because it has attracted quite a bit of public interest and concern in many countries. Mostly, public opinion on trade in education services tends to be critical. The very mention of education in connection with GATS is widely seen by the education community as consecrating education as a tradable commodity and betraying the tradition of education as a common good.

This background is probably one reason many governments try to avoid bringing the issue of education up at all. Another reason may be that most member countries, including some of the most important ones in the world of education, prefer to leave their ministries of trade or finance in tight control over all aspects of trade negotiations. Sector authorities, such as education ministries, often have a very limited say in defining

national positions or sector interests. That emphasizes the dominance of general trade policy over specific sector concerns and explains the relative unimportance of education services in the process.

#### THE VIEW FROM THE NORTH

Norway has chosen a much more sector-focused approach, with every ministry directly involved in the Geneva talks as well as in preparing and formulating relevant GATS policy. For the education sector, that has probably led to a more active policy than would have emerged from pure trade-based policy impulses.

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The Norwegian position is, in brief, that as long as global trade in education exists and grows it needs regulation. A gold rush of transnational education services without safeguards would present a serious threat to consumers (i.e., students) and to the weaker education administrations of most developing countries. At the same time, education abroad or from abroad is the only available option for the huge number of hopeful students whose governments have little hope of offering them an adequate education at home. It would be neither possible nor wise to try to ban trade in education services; the challenge is how to make use of its benefits while keeping the less desirable effects in check.

In other words, to us, GATS is a response to globalization far more than the turbocharger of global education trade. In this connection, it should be remembered that no country has as yet been lured by GATS into making giant strides toward a free market in education. Generally, members have stated a more protective position than their current practices. Should all countries suddenly decide to open their education markets only to the extent they have promised in GATS, the result would be a more restrictive market—not the heedless market liberalization feared by GATS opponents.

#### NORWAY'S CONCEPT OF GATS

It is probably true to say that GATS was conceived purely as a legal framework for trade regulations with well-defined terminology and prescribed procedures but little regard for the actual substance of the services to be traded. Today, some disagreement exists about the nature of GATS, certainly in education circles. Should GATS be allowed to continue to develop as a system of technical treaties and procedures, relegating concerns about the quality of future education services to other forums? Or must the work on GATS reflect joint responsibility for the global education system as well as our ability to meet the world's overwhelming need for education?

A number of critics, particularly in the developing world, have addressed both concepts of GATS. On the one hand, they would prefer education to be excluded from GATS altogether. If education is to be dealt with at all in GATS, they call for a much more serious approach to the substance of education, not just its trade aspects. On the other hand, many critics feel that the proper arenas for regulating the global education system consist of the specialized international agencies in the field—UNESCO, in particular. In our view, UNESCO represents an important partner in securing the necessary base for future development and regulation of transborder trade in education services. OECD is another, and Norway has provided a lot of political and financial support to the joint efforts of the two organizations. The primary example involves the development of international guidelines for quality assurance that will be finalized during 2005, for which Norway has chaired the working group.

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Even so, compared to the binding legal obligations of GATS, the recommendations and guidelines of UNESCO and OECD constitute much blunter instruments. Given the commercial scale and methods of the education market, the Norwegian position is that enforceable legal safeguards must comprise the most rigorous kind of regulation and that GATS offers a suitable framework. That said, international forums such as UNESCO and OECD, professional associations, NGOs, and academic institutions should have an expanded, not a reduced, role in the future development of a global education system that benefits all.

#### **HOW CAN WE ALL HELP?**

Herein lies an important responsibility. While the details of WTO negotiations will probably continue to be clouded in secrecy, vigorous informed debate, research, and academic discourse on education trade issues will carry significant weight and influence decision makers. Perhaps education is too serious a matter to be left to governments alone. ■

## The Rise and Fall of Transnational Higher Education in Singapore

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In January 2005, the Singapore minister of education, Tharman Shanmugaratnam, announced a number of new initiatives. These included raising the participation rate by 2010 in the country's three domestic universities by almost 20 percent (to 25 percent of the school-leaving cohort), creating a national open university, and offering university status to selected private institutions. One of the first private institutions in line for university title is the Singapore Institute of Management (SIM). Singapore remains one of the largest markets for transnational higher education in the world and is a particularly important market for Australian and U.K. universities. Leading private institutions, such as SIM, are key local partners and have been drawn to foreign partnerships as a way of offering degrees. The latest announcements may be further evidence of the government's desire to reduce dependence on foreign higher education.

#### **GROWTH OF TRANSNATIONAL HIGHER EDUCATION**

Considering these developments, what are the implications for transnational higher education in Singapore? Extrapolating from the 2000 Singapore census, it is clear that Singapore has an aging population. The current 20-to-24-year age group is the smallest in 30 years (and a full third lower than the peak in the mid-1980s). The school-leaving cohort will rise again over the next five years, peaking around 2010, before falling back. The mid-1980s school-leaver boom saw the beginnings of transnational higher education in Singapore. The government was keen to expand access to higher education but could not grow domestic capacity fast enough. So despite a period of steady cohort decline post-1985, the transnational market in Singapore expanded significantly due to an increase in tertiary participation of the age cohort from 8 percent in 1985 to 15 percent in 1990. Participation now stands at around 45 percent. This massive expansion has only been possible through foreign provision, whether studying abroad or transnational provision. But while transnational activity was viewed as a way to stem study abroad rates and to mentor local institutions, the long-term aim was greater self-sufficiency.

In 2003, Singapore's domestic universities enrolled around 40,000 students and the polytechnics around 56,000. According to the Singapore Department of Statistics, in 2003 around 170 private tertiary providers in Singapore enrolled