

Beyond *Peril and Promise*— From Omission to Conviction

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Introduction

Higher Education in Developing Countries: Peril and Promise (2000) declared that developing countries will find it increasingly difficult to benefit from the global knowledge-based economy, without more and better higher education. This seminal document, produced over a two-year period—and the subject of this special issue—was developed by the Task Force on Higher Education and Society under the sponsorship of the World Bank and UNESCO.

In its opening pages, *Peril and Promise* (2000), states:

Since the 1980s, many national governments and international donors have assigned higher education a relatively low priority. Narrow—and, in our view, misleading—economic analysis has contributed to the view that public investment in universities and colleges brings meager returns compared to investment in primary and secondary schools, and that higher education magnifies income inequality.

Peril and Promise warns that it does not offer a universal blueprint for reforming higher education systems, but it does provide a starting point for action. Regardless of this restrained rebuttal, this document is in fact more than a blueprint—it is an emancipatory treatise of enormous proportions, as argued in this article and in this special issue as a whole. It is of particular significance for African countries, which have had to grapple with what the report criticizes as “misleading” and “narrow” earlier policy positions of the Bank, without taking full responsibility for them.

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The Luxury We Must Afford

At a meeting with African vice-chancellors in Harare in 1986, the World Bank argued that higher education in Africa was a luxury—that most African countries were better off closing universities at home and training graduate overseas (Brock-Utne, 2000; pp. 218). In a complete reversal of that position, *Peril and Promise* affirmed that higher education “is no longer a luxury: it is essential to national social and economic development.”

In its opening, the report raises three questions: on the role of higher education in development; on the major obstacles met by the sector in developing countries; and on how these obstacles can be overcome. Promptly after the articulation of these three questions, the report notes that some “readers will be surprised that we spend this time reiterating arguments for the importance of higher education.”

It is not only surprising, but in fact unprecedented that in the twenty-first century, dubbed as the knowledge era, such a seminal report had to reaffirm the importance of higher education—when the sector is the center of a knowledge hub. The arguments in favor of the importance of higher education had to be unequivocal, to completely eradicate the earlier flawed—and stubbornly entrenched—policy position advanced and nurtured by the Bank.

Setting the Tone—Implementing the Discourse

The World Bank is not a typical financial institution—it is often also described as a knowledge bank, as it produces major and influential policy documents. About a dozen seminal publications have been published by the Bank on the higher education sector since the 1980s, including *Higher Education: The Lessons of Experience* (1994); and *Education Policies for Sub-Saharan Africa: Adjustment, Revitalization, and Expansion* (1998).

In one of the most prominent publications, subsequent to *Peril and Promise*, *Constructing Knowledge Societies*, the World Bank (2002) stated:

Tertiary education institutions have a critical role in supporting knowledge-driven economic growth strategies and the construction of democratic, socially cohesive societies. Tertiary education assists the improvement of the institutional regime through the training of competent and responsible professionals needed for sound macroeconomic and public sector management. Its academic and research activities provide crucial support for the national innovation system.

In 2004, in a report entitled *Improving Tertiary Education in Sub-Saharan Africa: Things that Work*, commissioned by the Bank, Birger

Fredriksen, at the time senior education adviser Africa Region, wrote in a foreword that “the World Bank is encouraged by the many positive trends seen today in African higher education and stands ready to increase its assistance to African countries to strengthen their systems of higher learning.” He went on to say:

In doing so, the Bank promotes institutional strategic planning, greater institutional autonomy from government, an equal playing field for private higher education, and knowledge sharing among African institutions on successful innovations. It also supports quality assurance and institutional accountability in the efficient use of public resources, and efforts to ensure that tertiary education responds in a more effective and flexible manner to labor market demands for skilled manpower (p. iii).

Briefly examining the areas on which the Bank intended to focus, it was obvious that its commitment was still narrow, focusing on developing strategic planning, autonomy, advocacy for private higher education, accountability, and the like. Not that any of these are unimportant, but considering the statements that have been made in the seminal documents—*Peril and Promise* (2000) and *Constructing Knowledge Societies* (2002), among others—the list in the foreword appears rather lightweight.

Accelerating Catch-up: Tertiary Education for Growth in Sub-Saharan Africa (World Bank, 2008), another major installment by the Bank, further liberates the continent from its own flawed, intellectual policy discourse, which gripped the system for a long time. Unlike what is stated in *Peril and Promise*, this report categorically declines to accept responsibilities, as it notes that:

[...] the deep decline in Bank funding for tertiary education, particularly for a decade between 1994 and 2004, led many in Africa’s education community to conclude that the World Bank was an active opponent of tertiary education. In reality, the reasons for this trend in Bank financing went far beyond a simple matter of advocacy for or opposition to a particular subsector of education (pp. 3–4).

Be that as it may, it was a very welcome boost to several other voices that have always recognized the critical role of higher education in development. The report, which fully embraces the role of higher education today, is a far cry from the World Bank’s position in the past. It now declares that “neglecting tertiary education could seriously jeopardize SSA’s [sub-Saharan Africa] longer-term growth prospects, and slow progress toward MDGs [Millennium Development Goals], many of which require tertiary-level training to implement.”

This is indeed a major turn around from the time when higher education was declared a luxury the continent could ill afford. The report covers numerous aspects of higher education on the continent and therefore it is impossible to provide an exhaustive review here. But an attempt is made to only focus on the main highlights of the report.

The report stresses that each country should map its own course, using its own unique national development strategy, and drawing lessons of good practice from other countries. It recognizes that countries in Africa have achieved sufficient diversity in their higher education systems and advises that the Bank's own analyses and recommendations should be contextualized in the realities of each respective country. A one-size-fits-all approach has given way to country-specific realities. The current discourse aptly discounts a generic panacea for the complex challenges that currently confront higher education systems in the region (Teferra, 2008).

UNESCO organized the World Conference on Higher Education (WCHE) in Paris from July 5 to 8, 2009. The main achievement of this conference, which attracted around 1,000 participants from around 150 countries, is neither the agenda it has articulated for the future, nor even the specific pledges that were made, aimed at revitalizing the subsector. The most important outcome of this major conference may be the way that it finally liberated African higher education from the restrictive and flawed policies that guided it for more than two decades. It is true that, in the last several years, a number of attempts have been made to reverse the defective policy that declared higher education undeserving of support. If those attempts were considered a series of battles to reverse the policy, the conference was clearly the culmination of that conflict, where victory was finally declared (Teferra, 2009).

A series of conferences and other conventions on African higher education have been organized by multiple stakeholders within Africa and elsewhere, including the latest major one, African Higher Education Summit, in Dakar, Senegal. There is now a unanimous position on the role of higher education to promote national progress, sustainable development, and global competitiveness.

Be that as it may, still disparate voices are heard in conventions where major stakeholders are meeting, and personnel in some of these institutions still espouse outmoded views, at the disappointment of many others who agonizingly reminisce the Bank's defunct policy with implications for its activities in the present. For instance, the centers of excellence initiative supported by the World Bank and administered by the Association of African Universities (AAU) and (recently) the Inter-University

Council for Eastern Africa (IUCEA) has received some praise. It also prompted national governments to pursue the idea through their own resources, though a few voices remain critical of the intention of the Bank—a remnant of its history and continued credibility gap.

Rate of Return: The Mantra of Cost-Benefit

African higher education was declared a luxury on account of wrong charges, and then convicted for its poor rate of return on the basis of flawed studies commissioned by the World Bank economists, led at the time by George Psacharopoulos (1973, 1985, 1994). According to the studies, which sealed the fate of Africa's higher education for over two decades, the rate of return to higher education, they erroneously claimed, is lower than that of other subsectors of education. As a result, support to higher education declined precipitously.

At the time, some individuals, organizations, and professional associations did challenge these findings and positions. But these voices, especially in Africa, were so lightweight that they did not muster enough power to effectively oppose them. Moreover, the precarious economic and financial state of African countries at the time was such that they did not have enough leverage and had to accept whatever terms was offered to them.

It would take another 15 years, after the publication of *Peril and Promise*, before the World Bank would come out with a figure in terms of rate-of-return on African higher education. In 2015, it declared that the rate of return is not only high, but that at 21 percent, it is among the highest in the world.

Positions and Perspectives

Bloom, Rosovsky, and Altbach (in this issue) revisit *Peril and Promise* in a comparative perspective, by examining two of the world's largest higher education systems, China and India, and sharing the lessons for others from their experiences. They reckon that *Peril and Promise's* perhaps two most important contributions were to relegitimize higher education in the development dialogue and to articulate several key recommendations at a time when higher education institutions were facing dramatic change. The report, they conjectured, certainly did not cause the transformation, for which they attribute numerous other forces, including middle class expansion worldwide; increased complexity and sophistication of the labor market; and what some called the "diploma disease," a perceived necessity for more educational qualifications in a job market subject to unremitting pressures for expansion.

While recognizing the high relevance of the study for India and China, both giants in their own right in the academic landscape, Bloom et al state that neither country has moved comprehensively to implement the report's recommendations. This may be an indication that, while some countries relish the report as a document of liberation, that enthusiasm is not shared across the developing world with the same state of fervor.

Bloom, Rosovsky, (at Harvard) and Altbach (at Boston College) describe the growing international acknowledgment of higher education as an instrument of development, and evidence its transition from implicit exclusion from the Millennium Development Goals (MDGs) to explicit inclusion in their successors, the Sustainable Development Goals (SDGs). This author, who maintains that SDGs hold a lackluster position on higher education, takes a more conservative stance than Bloom and his colleagues: higher education has actually only transitioned from explicit exclusion in the era of the MDGs to implicit inclusion in the current era of the SDGs.

Salmi (in this issue), reminiscing about the report, notes that by the late 1990s, a growing body of research had demonstrated the need to go beyond rate-of-return analysis to measure the value of tertiary education as an important pillar of sustainable development, recognizing its essential role in creating, disseminating, and applying knowledge, and in building technical and professional capacity.

Salmi, a former senior World Bank staff, now a higher education consultant, notes on his website that:

The report had an important impact at three levels. First, it helped turn around donor policies in favor of greater attention to higher education in partner countries. Second, it unleashed many positive reform initiatives in the developing countries themselves. Third, it paved the way for increased South–South networking and collaborative activities. <http://tertiaryeducation.org/2014/07/peril-and-promise-a-decade-on/>

Salmi, referencing Bloom, Canning, and Chan (2005), also observes that by focusing narrowly on the private returns of government spending, rate-of-return analysis fails to capture broad social benefits accruing to society, which are important to recognize and measure. These include research externalities, entrepreneurship, job creation, good economic and political governance, and the positive effects that a highly educated cadre of workers has on a nation's health and social fabric.

Because it was written by a distinguished group of independent experts with financial support from several donor agencies—including

the World Bank and UNESCO—the report, Salmi concludes, had a major impact in shaping higher education policies. Bloom et al, however, discount the report as a nonfactor at least in the two major countries—India and China—where phenomenal growth is being recorded.

It may be the case that both Salmi and Bloom et al could all be right at the same time. Salmi notes that *Peril and Promise* “helped turn around donor policies in favor of greater attention to tertiary education in partner countries, following the recognition of the importance of tertiary education in the pursuit of meeting the Millennium Development Goals.” This phenomenon holds true in countries where development partners (aid agencies) play a critical role, both in policy provision and in supporting and funding declared policies therein. But China and India are both the architects and bankrollers of their own development pathways, mostly unencumbered by the changing whims of development partnerships.

In their joint article (in this issue), Ebrima Sall, executive director, and Ibrahim Oanda, program officer, both at the Council for the Development of Social Science Research in Africa (CODESRIA), state that both government policy-makers and academics discussing the future of higher education in the continent often proceed from the justification that “even the World Bank has now accepted that higher education is important for Africa”; and then continue proffering the same kind of policy recommendations along the lines advanced in World Bank policy documents.

Beyond acknowledging that higher education is important because the World Bank has said so, such discourses rarely reflect much internal reflections on the kind of higher education that the continent requires. They contend that the most important revolution in higher education provision in Africa, however, did not come from the imposition of World Bank policy prescriptions, most of which remain contested to date. Rather, this came from three developments internal to Africa, confirming the fact that the most promising strategies to developing higher education are likely to be generated internally.

In their rather critical analysis, Sall and Oanda observe that:

Statistics on levels of graduate throughput and unfilled gaps in the labor market throughout Africa reveal a crisis situation, which turns the post-1990 promise of African higher education into a fraud, a kind of “Ponzi scheme” that appears as a promising investment to families and individuals, only to aggravate poverty [...] at any given moment, half of the graduates from universities in East Africa represent a lost investment in terms of time and family resources.

In yet another compelling argument, they charge that the World Bank and other donors are encouraging African countries and institutions to de-emphasize social sciences and humanities (SSH). Despite this advice, a number of donors and western foundations are engaged to support SSH programs at a number of African universities. Sall and Oanda wonder why the same institutions that discourage African governments and institutions from supporting SSH, fund the same programs, including interventions aimed at curriculum reform and postgraduate education. Such a policy, they conclude, imperils the future of SSH and what these disciplines contribute to, in the production of relevant knowledge.

Halvorsen (in this issue), in yet another critical article, posits that the publication of *Peril and Promise*, as a joint initiative between the World Bank and UNESCO, reflected an alliance of unequal partners that espouse divergent cultures—with dire consequences for public knowledge. He views UNESCO as the junior partner, whose standing in the global discourse has diminished since its 2009 World Conference on Higher Education, while at the same time the World Bank's has soared, exemplified in particular by the launching of the much hyped centers of excellence initiative, particularly in Africa.

He further observes that the *Peril and Promise* report reflects the pressure of the neoliberal agenda to make public organizations and institutions act as actors competing on a market place, as a “public economy.” Halvorsen, a professor of sociology at the University of Bergen, Norway, describes this phenomenon as the transformation of the collegial university into a “stakeholder university,” and of knowledge institutions into service providers.

Halvorsen cites Makerere University as the best, but by far not the only example, of how the Task Force behind the report was on the wrong track with its recommendations for stronger management. He further lambasts the Bank for its hegemony in interpreting the ideas for future support put forward in the report as part of its neoliberal agenda. As he vigorously laments the loss of the global public space advocated by UNESCO, he stresses the need to reclaim it.

It is interesting that despite the general view many maintain on *Peril and Promise*, this author included, Bloom et al (as regards China and India), Sall and Oanda, and Halvorsen all maintain that the groundswell for higher education development was already taking place at the time of the production of *Peril and Promise*, prompted by a plethora of factors; Halvorsen, in particular, asserts that the World Bank, realizing the trend, jumped on the bandwagon by producing this seminal piece—to yet again steer the conversation and shape the discourse.

Varghese (in this issue), a former senior staff at UNESCO–IIEP and now director of the Centre for Policy Research in Higher Education (CPRHE) at the National University of Educational Planning and Administration, New Delhi, India, concurs that *Peril and Promise* was published when higher education in developing countries was under great stress and strain. He observes that the sector received peripheral reference in development discourses, and no priority in resource allocations, on the grounds of low returns to investments.

Compounding the observations of Salmi and Bloom et al (both in this issue), he states that although the perspectives provided by *Peril and Promise* were very helpful as guiding principles, many changes in the world of higher education were beyond what was foreseen in the document. He cites, and elaborates extensively on, the multitude of new forms of globalization of higher education, including institutional mobility and hubs, program mobility, and massive open online courses (MOOCs). He concludes that the optimism provided by *Peril and Promise* was a good incentive to frame policies and programs that helped revive the higher education sector in developing countries.

Opting to focus on scholarly knowledge, Kenneth Prewitt, of Columbia University, notes (in this issue) that the familiar trilogy—technology, commercialization, globalization—cannot affect universities without also affecting their role in the production and dissemination of scholarly knowledge. None of these forces is entirely new; Prewitt picks the printing press as an example of a new technology of the past that had similarly far-reaching consequences for the generation and distribution of knowledge.

He argues that scholarly knowledge is at an inflection point because both state and market have knowledge requirements that, if not met by research universities, will be sought out, and paid for, elsewhere. Even in these early days of the new landscape, it is clear that universities no longer have the knowledge monopoly they enjoyed for more than a century. They now share knowledge-making with for-profits—from social media corporations to pharmaceutical laboratories, from think tanks (nonprofit and for-profit) to consultancy firms and other training and credentialing multinationals.

Zooming his inflection lens on Africa, he posits that with the present intense interest and investments in other parts of the world for top rankings, it is conceivable that even the top performing African university, Cape Town University, may be pushed down the ranking leagues. In his counterintuitive claim, which he declares “is beneficial to Africa,” he posits that if Africa’s “universities cannot win in the rankings, they should ignore them, which liberates them to pursue alternative plat-

forms of excellence.” This author maintains comparable perspectives to this position as reflected in several articles (Teferra, 2015c; 2015d).

Conclusion

Moving the governing discourse of higher education from a massive deficit mode to an uncontested persuasive position—as a crucial contributor to development—has been a very long and arduous journey. Policy discourses conceived and formulated in the headquarters of the World Bank, such as *Peril and Promise* (2000) and, even earlier, as *Education Policies for Sub-Saharan Africa: Adjustment, Revitalization, and Expansion* (1998), exhibit the tenuous policy landscape African higher education occupied for a long time.

This author expressed his enthusiasm publicly on the publication of a report by the World Bank in 2015, which declares that the rate of return for higher education now is not only high, but at 21 percent is the highest in the world. This recognition was a watershed moment in shattering the entrenched position, hence the enthusiasm. This enthusiasm, however, was challenged by some who rightly argued for the need to rigorously interrogate the new position, without regard to its positive outlook.

More than 15 years after the publication of *Peril and Promise*, the policy discourse governing higher education in a number of development quarters still remains outdated. Even the most current globally recognized discourses—such as the SDGs—tend to be reservedly enthusiastic towards the sector, as this author observed (Teferra, 2015 a, b) and argued in multiple policy forums involving numerous (relevant) regional and international development players.

While the World Bank and other powerful players continue to dominate the conception, advancement, and implementation of policy on higher education, their positions may seem to have dwindled, as other competing, strong, and credible centers of financial, economic, and cultural powers have emerged in the last decades (Teferra, 2016). This trend can be seen as a positive development in the hope of entertaining alternative discourses and perspectives, while containing single-minded policies that has not served the continent well. While we continue to enthusiastically ride on the positive higher education policy discourse since *Peril and Promise* (and subsequent documents), we should be more proactive in subjecting existing and emerging ones to a systematic and rigorous intellectual dialogue.

African higher education has come a long way—from a climax of bankruptcy to a dawn of heightened interest. If the publication of *Peril and Promise*—with all its issues, as argued in this special issue—is

the prelude to the shifting discourse in African higher education, the recent declaration by the African Union Commission—designating ten head of states as Champions of African Higher Education—may be the summit in this long and arduous journey.

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