Peril and Promise: a Decade Later

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The sea is dangerous and its storms terrible, but these obstacles have never been sufficient reason to remain ashore.

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Abstract

This paper examines the impact of the path-breaking 2000 report entitled "Higher Education in Developing Countries: Peril and Promise," which called for scaling up investment in tertiary education and research as a key vehicle to equip developing countries with the knowledge and qualified manpower needed to fight poverty and accelerate economic growth. Written by a distinguished group of independent experts with financial support from several donor agencies, the report had a major influence on the policies of developing countries and the type of interventions that donor agencies fund to accompany the tertiary education development of these nations. The article also reviews major global changes in the context and content of higher education, the "quiet revolution" of quality assurance, the impact of disruptive factors such as the financial crisis, the technological revolution, the "excellence initiatives" in several countries, and gives recommendations on how to move forward.

Cet article examine l'impact du rapport révolutionnaire publié en 2000 et intitulé « L'Enseignement supérieur dans les pays en voie de développement : Péril et promesse », qui préconisait un accroissement de l'investissement dans l'enseignement supérieur et la recherche comme vecteur essentiel pour munir les pays en voie de développement du savoir et de la main d'œuvre qualifiée nécessaires pour lutter contre la pauvreté et accélérer la croissance économique. Rédigé par un groupe distingué d'experts indépendants, avec le soutien financier de plusieurs

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organismes donateurs, le rapport eut une influence majeure sur les politiques des pays en voie de développement et le type d'interventions que les organismes donateurs financent pour accompagner le développement de l'enseignement supérieur de ces nations. Cet article passe en outre en revue les principaux changements mondiaux dans le contexte ainsi que dans le contenu de l'enseignement supérieur - la « révolution tranquille » de l'assurance qualité, l'impact de facteurs disruptifs tels que la crise financière, la révolution technologique, les « initiatives d'excellence » dans plusieurs pays - et donne des recommandations sur comment aller de l'avant.

Context of the Report

For several decades, traditional human capital analysis based on rate-of-return analysis challenged the need for public support of tertiary education on the grounds that graduates captured important private benefits—notably higher salaries and lower unemployment—that should not be subsidized by taxpayers. Many multilateral and bilateral donor agencies, influenced by this argument, focused their support on basic education rather than investing in the expansion and improvement of tertiary education systems in developing countries. The priority given to basic education led to a relative neglect of the university sector that was felt particularly strongly in Sub-Saharan Africa. This reinforced the perception that the donor community had not been responsive to the growing demand for tertiary education development, especially in the poorest developing countries.

By the late 1990s, however, 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 (Solow, 2001; World Bank, 2002). These studies established that tertiary education institutions support knowledge-driven economic growth and poverty reduction strategies by training a qualified and adaptable labor force, generating new knowledge, and providing the capacity to access existing stores of global knowledge and adapt this knowledge to local use. Tertiary education institutions are unique in their ability to integrate and create synergy among these three dimensions.

The Social Benefits of Tertiary Education

By focusing narrowly on the private returns of government spending, rate-of-return analysis failed 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 (Bloom, Canning and Chan, 2005). Tertiary education can offer better opportunities and life chances for low-income and minority students, thereby increasing their employability, income prospects, and social mobility and decreasing income inequality. The norms, values, attitudes, ethics, and knowledge that tertiary institutions can impart to students contribute to the social capital necessary for constructing healthy civil societies and socially cohesive cultures, achieving good governance, and building democratic political systems (World Bank, 2001).

Building on these findings, the path-breaking 2000 report entitled *Higher Education in Developing Countries: Peril and Promise* called for scaling up investment in tertiary education and research, as a key vehicle to equip developing countries with the knowledge and qualified manpower needed to fight poverty and accelerate economic growth (World Bank and UNESCO, 2000). Written by a distinguished group of independent experts with financial support from several donor agencies—including the World Bank and UNESCO—the report had a major impact.

Impact of the Report

In the first instance, it 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 Millenium Development Goals (MDGs). For instance, the training of teachers and school principals, from preschool to upper secondary, is the primary responsibility of tertiary education institutions. Education specialists with tertiary education qualifications participate in curriculum design and educational research for lower levels. Therefore, the symbiotic linkage between tertiary education and the lower levels of schooling has the potential to stimulate a virtuous circle of capacity building because the quality of tertiary education affects the quality of primary and secondary school education and is, in turn, directly influenced by the quality of secondary school graduates. Similarly, the report emphasized the vital contribution of medical education at the tertiary level, especially the training of medical doctors, epidemiologists, public health specialists, and hospital managers, who are indispensable to drive the efforts of any country attempting to meet the basic health MDGs.

Second, *Peril and Promise* unleashed positive reform initiatives in several developing countries. Pakistan stands out as a good example

in that respect. Two core members of the group of experts who wrote the report came from that country. Afterwards, they were instrumental in the launch of a national Task Force that elaborated a detailed vision and strategy for the transformation of the Pakistani tertiary education system. The government endorsed it and provided substantial funding to implement it. This led to significant progress up to the beginning of this decade, until the growing political instability in Pakistan slowed down reform activities in tertiary education.

Third, the report paved the way for increased South-South networking and collaborative activities. This has included sharing successful experiences and good practices across continents, as well as South-South technical assistance at the national and institutional levels. The new digital library in Madagascar, for instance, was established a few years ago with strong technical support from the Pakistani digital library.

A Changing World

Almost fifteen years later, the world of higher education has changed significantly. Developing countries have seen tremendous enrollment growth, especially in the private sector. In Europe, the Bologna process has led to the creation of a "common higher education space" facilitating the circulation of students and academics and fostering active academic collaboration across countries and institutions. Asian nations have been at the forefront of efforts to place higher education at the center of their economic development strategies.

The Quiet Quality Assurance Revolution

One of the most significant developments of the past two decades has been the "quiet quality assurance revolution" that occurred all over the world, even reaching the majority of developing countries (Salmi, 2015b). Whereas only a minority of developing countries had a formal quality assurance system by the turn of the century, the quality assurance movement has gained tremendous momentum in the past 15 years. In Latin America, the first quality assurance body was established in Mexico in 1991, followed two years later by a national accreditation agency in Colombia. In the following two decades, most countries in the region set up a national quality assurance body, with the exception of the Central American nations, which started with a regional accreditation agency. Today Uruguay and Bolivia are the only countries in the region without any formal quality assurance and accreditation body, although the ministry of education is responsible for licensing new private universities.

Asia and the Middle East have experienced a similar evolution. In South-East Asia, Indonesia took the lead in establishing a national quality assurance agency in 1994, followed over the next two decades by almost all the countries in the region. Today, Myanmar is the only tertiary education system without a formal external quality assurance department or agency. In the Arab world, the first decade of the new century saw the creation of quality assurance systems in most countries, eleven out of the seventeen main countries in the region by 2009. Yemen was the twelfth nation, and today only five countries are without a formally established quality assurance system. Two of them, Lebanon and Tunisia, are at an advanced stage in the setting up process.

Sub-Saharan Africa is perhaps the region where the quality assurance movement has been slowest. By 2006, only six countries had a fully established quality assurance agency, Ghana, Nigeria and South Africa being the pioneers in that domain. In the past eight years, however, progress has been impressive and today 23 countries count with a national quality assurance agency. The concluding declaration of a recent pan-African conference on quality assurance urges all countries that do not have a proper quality assurance system to put one in place as a matter of priority, especially in view of the growing importance of private tertiary education and e-learning (Jongsma, 2014).

Forces of Disruption

Tertiary education finds itself at another crossroad today, as national systems seem to be pulled in several directions by a combination of factors bringing about both opportunities and challenges at the same time. The forces exercising new pressures on higher education can be divided into three groups: crisis factors, stimulation factors, and rupture factors.

The crisis factors are the direct results of the economic and financial crisis that started in 2008. Many governments have significantly cut their tertiary education budget and, at the same time, the personal income available to households for education expenditures has shrunk. Furthermore, in many countries, the slowing down of the economy has led to rising graduate unemployment.

Compounding these elements of crisis are rupture factors such as those pointed out in a 2013 report published in the United Kingdom, proposing the image of "an avalanche" to describe the radical changes affecting how higher education institutions will be conducting their teaching and research activities in the future (Barber, Donelli and Rizvi, 2013). Among these rupture factors are (i) technological innovations such as flipped classrooms and other strategies facilitating interactive

learning, (ii) mass online open courses (MOOCS) reaching hundred of thousands of students all over the world, (iii) increased competition from for-profit and corporate universities that provide professional qualifications closely linked to labor market needs, and (iv) new accountability modalities like the global rankings that allow for different kinds of comparisons of the performance of universities across all continents, student engagement surveys that measure the degree of student satisfaction with the quality of teaching and learning, or labor market observatories that assess the employment results of university graduates.

Finally, tertiary education institutions are exposed to stimulation factors in the few countries that, notwithstanding the financial crisis, have continued to give priority to the development of their knowledge economy by protecting the tertiary education budget. Several governments have even launched "excellence initiatives" translating into a large influx of additional resources for their nation's leading universities—for example in China, Denmark, France, Germany, Russia, and South Korea—, often under the influence of the global rankings. Nigeria is the only African country having explicitly embraced a strategy to establish "20 world-class universities by 2020". However, this initiative has not survived the political and fiscal crisis of the past two years (Salmi, 2015a).

Moving Forward

How these three sets of factors play out in each country determines the new "perils" and "promises" likely to shape the development of tertiary education in the years to come. In a recent visit to the United States, the prime minister of the Canadian province of Ontario observed that, increasingly, the main source of comparative advantage that countries can rely on is not capital, technology, or raw materials anymore, but the talent of their educated population. Along the same line, when the new prime minister of Norway made her inaugural speech in early 2015, she emphasized the need for Norway to move away from oil and gas dependence and build its future on knowledge ("knowledge is the oil of the future".

African countries must recognize the truth of these statements and focus, harder than ever, on improving and strengthening their tertiary education systems as key pillars of economic and social development. For that purpose, they must find ways of designing and setting in motion an acceptable set of structural reforms that would help raise access, improve quality, modernize governance practices, and achieve financial sustainability. This would require a balanced approach to promote innovations among tertiary education institutions while preserving fundamental principles linked to the public good mission of universities and the priority that equity considerations warrant.

The Need for Vision and Consensus

The success of these reforms will depend on the ability of Sub-Saharan African countries to build a national consensus around the urgency of transforming their tertiary education system and the priority areas of reform. In a recent article ("Let's Go Denmark"), *The Economist* analyzed the strength of the political culture in the Scandinavian countries combining a tradition of negotiated compromises and the ability to undertake audacious change at the same time, which has allowed these nations to evolve smoothly into dynamic, knowledge-based economies without eroding their social fabric characterized by a high degree of cohesion and inclusion. Being able to undertake reforms consensually designed and accepted as long-term State policies, rather than as the program of a given government driven by short-term electoral considerations, may be the biggest challenge in countries with little tradition of bipartisan politics.

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