It is a pleasure to be back in China at another AAOU conference. I am delighted to visit this beautiful province of Yunnan for the first time and I thank Professor Shao Nan and her colleagues at the Yunnan Radio and TV University for the warm welcome they have given us. It is a pleasure to congratulate our Chinese hosts, in Yunnan, in Shanghai, in Beijing and all over China on the tremendous energy that they are devoting to advancing the practice of open and distance learning through research, publication and technological innovation. As in so many fields of human endeavour today, China is showing the way for the world in pushing forward the frontiers of theory and practice.

I am a long time admirer of the Asian Association of Open Universities. The AAOU is a professional focus for the most significant concentration of distance-teaching universities in the world. One of your strengths is the great variety of institutions represented here. Some of your institutions are very large, some are much smaller. Depending on your technological environments some of you are offer online learning whereas others use the mass media. Some AAOU universities have already acquired a reputation for quality whilst others are working to achieve it. This diversity creates extremely rich interactions at AAOU conferences.

I am a long time admirer of the AAOU and it seems that the sentiment is reciprocated! For some years now you have acquired the habit of inviting me to give a keynote speech at your conference. When our colleagues here in Yunnan invited me to address you I hesitated before replying because I was afraid that the members of AAOU must be tiring of listening to me. But when I arrived in Jakarta I found that printed brochure for this Yunnan conference already had me listed as a speaker along with my photo! I can only think that you still want to hear me and I am flattered by your confidence.
After making so many speeches to AAOU conferences what can I say that is new? Indeed, should I attempt to say new things new?

The theme of your conference is *Reflections on and Future Prospects for Choice and Use of New Technologies in ODL - Strategies, Cost-Effectiveness and Impacts*. This theme evokes the new - that is to say new technologies. But it also recalls the traditional concerns of good teaching: strategies, effective use of resources and beneficial impacts on students. I am going to take a high-level, system view of all this and I've taken the title: *Expanding higher education for the 21st century: how can we expand Open Learning?*

The members of AAOU are distance-teaching universities but you call yourselves open universities. This year I shall be concerned particularly with that word ‘open’. How can new approaches, new providers and new technologies expand the role of open learning in higher education?

I shall begin with the need to expand higher education. This is well-trodden ground so I shall be brief. After that I shall look at two trends that are contributing to the expansion of higher education and open learning around the world, first the growth of private providers operating for profit, and second the steady increase in cross-border education, that is to say the supply of distance learning courses and programmes across national borders. Where to the Asian Open Universities stand in relation to these phenomena? How can you make learning more open and increase the proportion of higher education that is carried out through open learning?

I shall then examine technological trends that affect the development, delivery and support of distance learning. I shall say little about the delivery technologies - the Internet, eLearning and so on, because I expect they will be extensively discussed elsewhere at this meeting. Instead, I shall focus particularly on technologies that can make course development more cost effective, most particularly the trend towards open educational resources. Do open educational resources have the potential to make distance learning more open and more cost-effective and, if so, how do we exploit that?

Finally, I have always argued that success for an open university depends as much or more on good leadership, management and organisation as it does on pedagogy and technology. I shall conclude with some remarks on that theme.

**Expansion of Higher Education**

You don't need me to tell you that higher education is expanding rapidly in most countries. For the last forty years most projections of higher education enrolments in have underestimated the reality nearly everywhere. At the global level a forecast of 110 million students by 2020 will likely be reached by 2010. Here in China you doubled your enrolments in just a few years around the turn of this century to create the world's largest higher education system.

Although China has now slammed the brakes of expansion for fear of producing graduates who will not find employment, it seems likely that public pressure will cause expansion to resume sooner rather than later.
The challenges of the knowledge economy are raising people's aspirations for education everywhere. Better communications have put them in closer touch with the wider world so it will be increasingly difficult for governments to refuse the popular demand for better access to higher education. People will overcome obstacles and find their way to educational opportunities just like flooding water goes around an obstacle.

A particular challenge is the great disparities in participation rates between countries. In OECD countries the age participation rate (i.e. the proportion of the 18-23 year-old age cohort getting tertiary education) is now around 50%, whereas in many developing countries it is less than 10%.

You see this in the countries represented in AAOU. Korea and Japan have some of the world's highest participation rates whereas in south Asia you find some of the lowest. There is a huge challenge of catch-up. How will it be achieved?

The Economy of Higher Education

The developing countries facing the greatest challenge are those that established small, state-controlled university systems with no tuition fees in the days when only a tiny proportion of the population aspired to higher education. In these countries there is no prospect of expanding higher education or improving its quality at state expense given all the other demands on the public purse. Yet by providing free tuition and treating the academic staff as public servants such countries have created expectations about the manner in which higher education will be expanded that their governments are reluctant to disappoint. However, they will have to disappoint them, because public pressure will see that access to higher education does expand, even if the water of demand flows around rather than through the state system. What routes will the water take? How will people satisfy their thirst for higher education if the state system can't cope?

Private Provision of Higher Education

One route is to turn to private, for-profit institutions. It is no accident that the AAOU countries with the highest participation rates in higher education, Korea and Japan, are those where many private, for-profit providers of higher education have long co-existed alongside the state sector. Most of these providers operate through classrooms, but the private sector also worked extensively through correspondence education.

New methods of education have always attracted private providers. When Britain introduced the penny post in 1840, Isaac Pitman almost immediately started offering a correspondence course in shorthand, and private providers subsequently dominated the correspondence education industry.

The next wave of distance education, led by the large multi-media open universities, was dominated by the public sector. The three key aims of public sector involvement, as exemplified by the UK Open University in 1971 and by many of your institutions today, was first to scale up distance education and open up access, second to integrate new media and technologies into the teaching and learning strategies, and third to provide effective academic support and feedback to students. In addition to widening access dramatically, some of these institutions also showed that distance learning can be of higher quality, as
well as less expensive, than conventional higher education because it has to be developed and delivered in a much more systematic way.

The development of the public-sector open universities is the great educational success story of the 20th century and you should all be very proud of what your institutions have achieved in expanding access, cutting costs and giving more consistent quality to the student experience.

Today, in the 20th century, the private sector is making a comeback into distance education which they often call eLearning both because it sounds modern and because there are online components. However, private sector involvement in eLearning started badly, in the dotcom frenzy of the millennium year, when various companies, carried away by the hype about the Internet, tried to create 100% virtual institutions. Most of them failed. Those that are still around learned from you and adopted a mix of learning technologies that blended the Internet with other media, including print.

They are attracted to distance education because it has a cost structure in which a higher upfront investment is rewarded by lower marginal costs when volume is achieved. The access that for-profit institutions have to capital markets allows them to make those investments.

For these reasons I now detect a new phase of private involvement in higher distance education. It is too early to call it a trend but I note three developments in the last month.

First, here in Asia we have seen the launch of the Wawasan Open University in Malaysia. I congratulate WOU and its Vice-Chancellor, Professor Raj Dhanarajan, who was my predecessor as president of the Commonwealth of Learning. This is an ambitious initiative as you can see by this quote from Minister Lim at the launch:

"Give us five years to put Wawasan in front of Universiti Malaya (UM) which presumably is the country's best university. That will be our benchmark," They are also making a substantial investment of over $50 million over ten years.

Second, moving to Africa, it was announced last week that Educor, which is South Africa's largest private provider of education, will provide courses to the National Open University of Nigeria.

Third, Best Associates, a merchant bank based in Texas, USA is already a significant player in private campus education through the Whitney International University System and in education at other levels through Voyager Expanded Learning. But the firm has larger ambitions as its website states:
"Internationally, more than 30 million qualified students cannot find space in universities. Half the world's population is under age 20, and there are two billion teenagers driving demand for expanded education services."

Last year, when I addressed the AAOU conference in Jakarta, I drew your attention to C.K.Prahalad's book The Fortune at the Bottom of the Pyramid and challenged you to develop systems better to serve the four billion people at the bottom of the global economic pyramid. In a conversation with Randy Best last month he told me that Best Associates was in the process of investing $500 million to take up just this challenge.
The public open universities should welcome these private players, as the National Open University of Nigeria clearly is, for two reasons. The first is that our ultimate goal must be to expand access to higher education and anything that does that in a cost-effective and quality manner should be encouraged.

The second reason is that public open universities are already much more like private providers than conventional public higher education institutions. What are the similarities?

First, open universities charge tuition fees and have some flexibility in setting fee levels. Even modest fees, when multiplied by large numbers of students, generate substantial income. This makes many open universities financially strong, gives them significant independence from their governments, and allows them to make investments in the future, not least in new technology.

Second, compared to conventional universities, which are essentially cottage industries, open universities operate on an industrial model based on division of labour and specialisation. This means that you speak the same language as private enterprises that use similar industrial approaches to make products and deliver services.

What do I conclude from these comparisons? First, that you should not fear the entry of private providers into distance education at scale. The competition will do you good.

Second, you should raise your ambitions. If an American private provider has its eye on the fortune at the bottom of the educational pyramid then you should too, because you already have tremendous experience of serving the disadvantaged.

Third, you may want to consider partnerships with private providers, particularly if you plan to offer your programmes outside your own country.

This last is the field of cross-border higher education and to this I now turn.

Cross-Border Higher Education

I talked a bit about cross-border higher education in Jakarta. I said then that, at the moment, cross-border provision is making a negligible contribution to satisfying the demand for higher education in developing countries. But that is changing and you, as Asian open universities, should be helping to change it. We at COL and our colleagues at UNESCO are trying to help you do that and I draw your attention to two of our recent publications.

The General Agreement on Trade in Services

First we have just published with UNESCO a simple guide to the GATS, the General Agreement on Trade in Services. This is something you should be aware of, because it will gradually have an impact on what you do outside your own countries and on foreign providers that come into your country. Let me note here that once any open university operates outside its national space it becomes essentially a private, for-profit provider. There may be a few instances where your government subsidises you to serve a national diaspora but, in general, when you operate abroad, you must generate a surplus - or a profit.
We believe that our booklet on GATS will help to demystify it for you. For example, it explains the four modes of provision of services across borders. They are, first, Consumption Abroad, which is when you go to another country to study, as many of you will have done. Second there is the Presence of Natural Persons, which means visiting professors and suchlike. Third, there is your main business of Cross-Border Supply, meaning distance education. Lastly, there is Commercial Presence, which is means local campuses of foreign universities. I want to three points about cross-border education.

**A level playing field**
First, of course, your country does not have to sign up to the GATS and allow trade in education. So far 47 countries have made commitments under the GATS. Do you know whether your country has done so? You should know.

Of the 53 Commonwealth countries that I work with only seven have made commitments under the GATS - and only Lesotho and Sierra Leone have made commitments in all five education sectors.

But you can expect more countries to make commitments to trade in education because these are often made in exchange for commitments to expand trade in other areas. The key point is that if your country does make a commitment to open up trade in higher education then it will tend to have to regulate all providers on its territory, including foreign providers, in the same way. The government can, of course, continue to fund its public institutions without funding foreign providers, but it cannot discriminate between providers in arbitrary ways.

**The Virtues of Partnership**
My second point is to urge those of you who do intend to expand your operations abroad to do so in partnership with a local institution. Open universities are also particularly well placed to offer higher education across national borders. When they do this they are operating essentially as private, for-profit institutions outside their home country. However, reasons of principle and pragmatism argue for taking a partner in each country in which they want to operate.

The reason of principle is that higher education is part of each country's national cultural space. At a time when many countries are suspicious of the homogenising effects of globalisation you must be sensitive to this. Partnering with a local institution gives you a local face and will help you ensure that your offerings are sensitive to local needs and customs.

The reason of pragmatism is simply that you are likely to be more successful in attracting students if you have a credible local partner. Students tend to have more confidence in their national institutions than in foreign imports.

A nice example of that, back in the 1990s was the joint offering of the UKOU’s MBA programme with the OU of Hong Kong. It immediately became the largest MBA by distance learning in Hong Kong, something that would not have happened it the UKOU had tried to go it alone.

Partnerships will also help you achieve good logistics and effective student support. If the result of the partnership is that your institution becomes redundant in another country because your local partner is able to carry on the programme alone, then so be it. An example from this region is the partnership
between the UKOU and the Singapore Institute of Management which after ten years, in 2002, was transformed into an accreditation relationship as the SIM Open University was set up.

Quality Assurance
My third point about cross-border higher education is to urge you to pay particular attention to the quality of what you do. Since COL operates in countries all over the world we have a good view of what goes on. Indeed, COL sponsors students in some cross-border programmes. I am sometimes ashamed of the poor quality that I see. Just last month I met students in a cross-border programme from an AAOU institution who had waited eight months since completing their courses and still had not received the results.

Unless you get your act together cross-border higher education through distance learning will get a bad name that will damage all of you.

The answer is simple. Over the last three years the international community, through UNESCO and the OECD, have produced Guidelines for Quality Provision in Cross Border Higher Education. Producing this document was quite a feat, since the diversity of views among countries on the pros and cons of globalisation carries over into their views on cross-border education. I pay tribute to our colleagues at UNESCO and the OECD, and particularly to Stamenka Uvalić-Trumbić, who led the team for bringing this important and difficult work to a successful conclusion.

One great virtue of the Guidelines is to recognise that cross-border higher education is a complex issue with many stakeholders. They identify six: governments, institutions like yours, student bodies, quality assurance agencies; academic recognition bodies and professional bodies. The Guidelines are very simple and, in the case of institutions, take up only two pages. They are simple and clear and you should follow them. Indeed, by stating clearly that you follow these Guidelines when you operate outside your own countries you will increase your credibility and success.

Technologies to make learning more open
I have talked at some length about trends in the larger global context of distance education because I judge them important. Let me now turn to technology. How can technology make your open universities more open?

Once again I start with economics. If you want to serve the billions at the bottom of the economic pyramid you must get your costs down. Those costs are going down steadily on the distribution side. Information technology and networks are spreading very rapidly in all your countries, even if you may never achieve the target that Singapore has set itself of broadband in all homes - 100%.

The growth and improvement of IT networks means that the cost of distributing materials and interacting with students is going down. Student support will still be a significant cost item but good connectivity will make it both less costly and more effective. The big cost that I shall focus on is the cost of course and programme development. This represents at least half and possibly three-quarters of your costs. How can you reduce them?
The answer is to stop reinventing the wheel, to share costs and to take advantage of the rich and fast-growing pool of learning resources that are generally available. I am talking about open educational resources.

Open Educational Resources

Teachers and institutions around the world are creating and sharing learning materials and courses, known as open educational resources, for use on eLearning platforms. The combination of expanding connectivity with the growing reservoir of open educational resources is potentially revolutionary.

Long ago, of course, people had the idea of sharing learning materials between institutions so that everyone didn't have to re-invent the wheel. But that was difficult so long as those materials were in physical formats, such as print on paper. If you use materials developed elsewhere you always want to adapt them to your particular needs. With the old formats that meant starting the printing process or the TV recording process all over again.

The revolution of open educational resources is that sharing and adaptation are now easy because everything is held electronically. It also helps that the World Wide Web and miraculous tools like Google have made it psychologically OK to share materials. We used to be suspicious of what was not invented here, but today we are grateful for the wonderful intellectual resources that the Web allows us to share.

To simplify considerably, we can distinguish three phases - or generations - in the development of open educational resources (OERs). All of them have been supported by the William and Flora Hewlett Foundation, which has shown a strong and consistent commitment to creating a global intellectual commons in this way.

In 2001 MIT the Massachusetts Institute of Technology (MIT) caused a stir by making the course notes of its faculty available on the web for all to see. This launched the OER movement with all the prestige of MIT, although the material on display is information on course curricula rather than self-learning materials.

In two weeks' time, first in London and then at COL's 4th Pan-Commonwealth Forum on Open Learning in Jamaica, the UK Open University will announce the second generation of OERs when it launches its open content initiative, OpenLearn. This will make educational resources freely available on the Internet, with state of the art learning support and collaboration tools to connect students and educators. These collaboration tools are often called social software.

If the MIT initiative shared information and the UKOU project will share learning, the third phase will share course development.

This is what COL and its 25 country partners are doing through the Virtual University for Small States of the Commonwealth. Of the 53 countries of the Commonwealth 32 are small states with small populations, small land area, or both. People and institutions from 25 of these states are working collaboratively to prepare learning materials to assist the professional development of people in the many small states of the Commonwealth. The materials they produce will need to be adapted and fine tuned for each country but that is a simple matter when the open educational resource of the basic course is truly open.
The Open Educational Resources movement has clearly come a long way in five years and holds enormous promise, with the proviso I just made, that open content is genuinely open. This is where I come to the final and more complex part of these remarks. Please bear with me because this basic question of openness is important and not widely understood.

**What kind of Creative Commons licence?**

Conventional copyrighting is clearly inappropriate for open educational resources but so is leaving the field for copying completely open. One solution, invented by the American academic Larry Lessig, is the Creative Commons license, which is designed to promote and protect the freedoms of creative works within the educational commons. This license does not negate the property rights of the creator; it simply regulates the use of the creator's efforts.

So far, so good, but things then get more complicated because a range of "protections" can be applied to the Creative Commons license. One is attribution (BY), which simply means acknowledging the source of the OER. Another is share-alike (SA) which means that if you adapt my OER you must share your adaptation with me in a reciprocal manner. These two restrictions do not pose problems.

The difficulty arises with the non-commercial (NC) restriction which is intended to restrict use to non-commercial activities. Intuitively this non-commercial restriction seems like a sensible condition to put on the use of OERs developed in the public sector. There is an understandable fear that commercial interests could monopolise and consume the well-intended efforts of open content creators. Unfortunately, however, the non-commercial restriction can have the effect of closing open educational resources to just the type of use that the originators would like to see, especially in developing countries. It does this in two main ways.

First, you may prevent the distribution of free content to people who need it most. The non-commercial restriction would not, for example, legally permit a local community institution to package a print version of your online OER for resale on a cost recovery basis for printing, packaging and overheads.

Second, and even more serious, the NC license is incompatible with other free content projects. You cannot mix material with a free content license with material that has a Creative Commons license with the NC restriction. This prevents you getting economies of scale by taking advantage of the explosive growth of free content from other open projects like Wikipedia. If your project uses a NC restriction you cannot use any of the images, sound files or video files of the Wikicommons project which now has more than 600 000 free content resources.

What is the downside of dropping the NC restriction? It is highly unlikely that an entrepreneur will be able to make a substantial profit from an OER, simply because the original version of the OER will remain open. Why would you pay good money for a commercial version of open content, when you can get the original version for nothing? The commercial sector used to have the advantage of better distribution networks, but today large scale distribution can be done by anyone with an Internet connection or a DVD burner.

Even the low risk of commercial exploitation is better addressed by the "share-alike" protection, which means that any published revisions and derivative works must always be released with a share-alike
protection, whilst ensuring the future freedom of the resource by encouraging community participation - since all contributions will remain within the commons.

This all sounds a bit complex but it is very important. If people regularly place non-commercial restrictions on open educational resources the latest miracle of educational technology will not be able to work its wonders in creating a global intellectual commons. Open educational resources will not be open.

My colleagues and I at the Commonwealth of Learning would be pleased to take this matter further with any individual or institution active in the field of OERs. You don't have to use the Creative Commons licence. If you have good lawyers you can develop your own license. The important thing is that it makes the content open and meets your own needs.

Meanwhile, as regards Creative Commons, our very strong advice is that OER creators avoid the non-commercial restriction and use a license that meets the requirements of the free content definition (http://freedomdefined.org/Definition). This is what COL and the 25 participating countries are doing for the course materials produced in the framework of the Virtual University for Small States of the Commonwealth. We are making content available under attribution with a share-alike protection under version 2.5 of the license (i.e. CC-BY-SA-2.5). The secret is to use 'share-alike' rather than 'non-commercial' licenses under the provisions of Creative Commons.

Leadership, Management and Organisation

I said that I would conclude with some comments on leadership, management and organisation. In these changing times we should expect organisational arrangements for distance learning to change too. There are recent examples of that. I have talked about the rise of private institutions. The Open University of Hong Kong has become dual-mode in the reverse direction, by teaching on campus. In the last two years open universities in two Canadian provinces, Quebec and British Columbia, have merged with conventional universities.

COL asked one of the most successful university leaders in Canada in the last decade, the former president of Athabasca University, Professor Dominique Abrioux, to examine these Canadian mergers. He distilled some of his conclusions about ensuring institutional success into the following lessons, which I pass on to you as concluding statement.

Professor Abrioux urged that open universities understand and act on:

- the primordial importance of relationships with governments; never assume that you are safe from political sniping by the large number of conventional institutions that may resent your size and success.
- the importance of relationship building with other institutions, but
- the double-edged-sword nature of inter-institutional collaboration; I talked about the importance of partnerships in cross-border work.
- the importance of cultivating communities of students and alumni; one day you may need their support. Remember that students are voters and you have large numbers of them!
- the need to ensure that governance structures maximize institutional autonomy, credibility, and flexibility; you know what models work for you but the creation of a culture of quality,
and also the development of a good plan, require that all staff in your institutions feel involved.

- the importance of the academic staff for the university's reputation; open universities that rely on a very small academic staff tend to be fragile because they are not seen by other universities as part of the national academic community.
- the importance of increasing market share through product differentiation; but don't overdo this by offering too many uneconomic courses.
- the need to develop and entrench scalable models of programme development and delivery; open universities are about scale but eLearning is about individualisation. Your challenge is to combine the two.
- and the importance of leadership. That has been a great tradition in Asian open universities - make sure that it continues!

I invite you to reflect on this advice remembering that your own context is unique, as are the challenges you face.

Conclusion

It's time to conclude. Several of the issues that I have raised are somewhat outside your day to day preoccupations. But my focus on trends in the external environment has been intentional. The open universities of Asia have already played an impressive role in expanding access to higher education.

Yet in many of your countries the expansion of higher education has hardly begun. Those with age participation rates of 10% or less can expect to see numbers in higher education increase by a factor of three or four over the coming decades. That will transform the pattern of provision. There will be more private, for-profit institutions. Cross-border education will grow - and some of you will be major players. There will be pressure to get costs down. One way of doing this will be to create a global intellectual commons through the development and sharing of open educational resources.

All these trends will help to achieve the purpose for which open universities were created, namely to open higher learning to all who think they can benefit from it. Yours is the most important mission in education and I wish you well. The best is yet to come. Thank you.

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