

Higher Education Towards a Borderless Community



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Introduction

It is a great pleasure to be back in Malaysia again for the second time this year and I thank you for the honour of addressing you. At your suggestion I am taking as my title *Higher Education: Towards a Borderless Community*. It is a special pleasure to address this topic in Malaysia because your country is a world leader in the adaptation of higher education to the 21st century.

First, you have decided in a very resolute way to expand participation in higher education. When I was here in January I heard the announcement that you were going to increase the number of higher education students in Malaysia from 600,000 to 1,600,000 in only four years, a 166% increase. This will bring your age participation rate to the level that you consider to be the threshold of what is necessary for a country to call itself developed. I admire your determination and foresight.

Second, Malaysia was one of the first countries to realise that with all the demands on the public purse, the State could not expand higher education alone. It had to make use of the creativity, the energy and the resources of the private sector. Some countries fear the private sector in higher education, some tolerate it, but Malaysia has embraced it.

I am particularly pleased to see that Malaysia now has a private open university, through the Wawasan Foundation, that is using the skills of my distinguished Malaysian predecessor as President of the Commonwealth of Learning, Professor Raj Dhanarajan.

This makes you a pacesetter. Later I shall suggest that you should do even more to integrate the public and private sectors in the way the Ministry organises higher education but, for the moment, let me simply congratulate you on your far-sightedness.

Third, Malaysia has long been a player in international education. I spent 17 years as a university president and I well remember, when I was president of Laurentian University in the 1980s, having many Malaysian students on my campus. It gives me special pleasure when I visit Malaysia to see those former students, particularly the women, twenty years older and holding down important jobs across the economy, including in the universities. You were once a big exporter of students and now you seek to become a net importer, so you know the world of cross-border education well.

Fourth, you have created an Open University for the 21st century. Under Tan Sri Anuwar Ali's leadership the Open University of Malaysia is one of the most dynamic and vibrant institutions that it has been my pleasure to visit since I joined the Commonwealth of Learning. In the way you set up OUM you have solved brilliantly a problem that has defeated everyone else, which is how to create a feeling of ownership of OUM across the whole university system, whilst at the same time giving OUM the autonomy that it must have to manage itself effectively.

Your solution reflects your very open and businesslike attitude. Your universities do actually own OUM as shareholders and receive dividends from it, giving them a direct interest in the success of OU and discouraging them from hindering its progress with battles over turf.

I am delighted to say that Professor Asha Kanwar, who took office in her new role as Vice-President of COL, will be giving a talk on Challenges and Innovations in Open and Distance Learning at OUM on Friday of this week.

For all these reasons I believe that Malaysia will have a leadership role in the borderless community that higher education will become rather quickly in this century.

Malaysia clearly intends to be a serious player in cross border higher education. Along with New Zealand, Australia, Taiwan and the United States, you have made a pluri-lateral request, under the GATS, the General Agreement on Trade in Services, to 22 countries to open up their higher education markets to private providers.

I imagine that Malaysia may be a rather special player in cross-border education in being both an exporter and an importer. This is appropriate for a country that is in rapid transition between being a developing country and a developed country. This could make you a rather influential force because most other countries probably see themselves as either an importer or an exporter.

In this seminar I shall focus on cross-border higher education and the developing world. Here is my outline.

A borderless higher education community implies that education will take place across borders. So I shall begin by asking what cross-border higher education is. What role does it play in the diversifying scene of higher education?

Our key question is how cross-border higher education can help developing countries provide higher education for their citizens. The challenge can be summarised in four 'A's: accessibility, availability, affordability and accreditation.

First, we shall outline this challenge by recalling the Declaration of the UNESCO 1998 World Conference on Higher Education and its sequel in 2003. This will set the scene for looking at the reality of cross-border HE on three continents and in three very different developing countries: India, Jamaica and Sierra Leone.

We shall conclude that to judge from these cases, cross-border HE is today making a negligible contribution to the provision of higher education that is accessible, available and affordable in those and most other developing countries.

How might this unfortunate situation change for the better? The work of C.K. Prahalad, summarised in his book, *The Fortune at the Bottom of the Pyramid*, provides some pointers. They challenge cross-border education radically to change its cost structures and logistical capabilities in order to serve millions of people who are now deprived of higher education.

How might such radical changes occur? The electronic delivery of services is changing business models dramatically. Electronic delivery could transform cross-border HE - provided that it exploits the breakthrough of open source software in the management of learning and the use of learning objects.

Finally, assuming that cross-border providers can rise to the challenge, governments will have to create quality assurance and accreditation frameworks for some potentially very large providers. We shall point to recent work by UNESCO and the OECD to show how they could do this.

That is the plan. Let me now go back to the beginning.

What is cross-border higher education?

First, what is cross-border higher education? COL and UNESCO will shortly publish a simple guide to this area, entitled Higher Education Crossing Borders: A Guide to the Implications of GATS for Crossborder Education. COL also helped bring a distance education perspective when UNESCO and the OECD prepared their Guidelines for Quality Provision in Cross-Border Higher Education, which state that:

'Cross-border higher education includes higher education that takes place when students follow a course or programme of study that has been produced, and is continuing to be maintained, in a country different from the one in which they are residing. Cross-border higher education may include higher education by private and/or for-profit providers.'

Clearly the term 'cross-border' implies an acceptance of national borders that might have seemed strange to the Chinese scholars who went to ancient India and the academic nomads of medieval Europe. Accepting borders implies recognition of the roles and responsibilities of national governments within their jurisdictions, not simply for deciding whom to let into their country but also for overseeing the national HE system. The border is also a symbol for the special political, social and cultural identity found within the national space.

National sovereignty over higher education has been reinforced by the General Agreement on Trade in Services (GATS) of the World Trade Organisation. Seeing trade ministers make offers to trade higher education services has alarmed some academics and heightened awareness - and also fear - of cross-border HE, which is clearly a spin-off of globalisation. Some worry that cross-border higher education, like other manifestations of globalisation, will have greater impact, notably a greater harmful impact, on developing countries

Cross-border higher education can originate from various sources, not just from conventional or open universities, but also from media companies, multinational companies, corporate universities, networks of universities, professional organizations, and IT companies.

The GATS, the General Agreement on Trade in Services, recognises four modes of trade. First there is *consumption abroad*, where students travel to another country to study, as I did myself, as have many Malaysians. Second, there is the *presence of natural persons*, which in academic terms means visiting scholars or teachers. Although people cross borders in both cases, I shall not focus on these traditional forms of academic exchange, but on the other two forms of trade, defined by the GATS as *cross-border supply* and *commercial presence*, but better known to us as distance education and the establishment of branch campuses. These are the forms of cross-border higher education that have created a polarised debate by raising fears of cultural imperialism and loss of sovereignty.

I doubt that such fears exist in Malaysia, because you have been active all forms of cross-border higher education for many years, but in some countries these fears are very real.

Are such fears justified? Could it not be that cross-border education might help developing countries to address the huge challenge of expanding higher education? At a time when age participation rates in HE in the industrialised world approach 50% or more, APRs in many developing countries are still in single figures. Cross-border higher education could, in theory, help to increase access and keep in the country some young people who might otherwise migrate abroad to study and stay there.

What is the reality? First, what are the priorities of developing countries for higher education? Second, what does the evidence tell us about the contribution of cross-border HE to these priorities?

Priorities for Higher Education in the Developing World

The most comprehensive statement about the priorities for HE in the developing world came from UNESCO's 1998 World Conference which attracted 4,000 people - including 130 ministers - from 182 countries.

The Conference adopted a *World Declaration on Higher Education for the Twenty-first Century* and a *Framework for Priority Action for Change and Development in Higher Education*. For the developing world the challenge begins, as it usually does, with demography. Forecasts indicate a population of 7 - 8 billion people in the developing countries in 2025 - more than half of them young people.

We have already crossed the threshold of 100 million students worldwide, and seem likely to reach 125 million well before 2020. But this forecast may be too modest. China has recently doubled enrolments in higher education in a short period and now has the world's largest higher education system.

The challenge of absolute numbers is made worse by the great discrepancy between the proportions of people in developing and developed countries who have access to higher education. 40-50% age participation rates are becoming the norm in developed countries, whereas in some developing countries, especially in sub-Saharan Africa, APRs remain below 5%. Yet people in developing countries want higher education.

Can Cross-Border HE help?

Which brings us to the key question: can cross-border higher education help meet the challenge of rising demand? Or will cross-border higher education, like the failed expectations of the dotcom frenzy, become a casualty of too much hype and too little innovation, creativity and performance?

History is instructive. In the 1980's many low-end American universities established branch campuses in Japan, but because of lack of interest from the locals they 'quietly folded their tents... and melted away'. South Africa was likewise an attractive destination for foreign providers in the mid 1990's. But of the 38 foreign providers who moved in, only two survive today's strict accreditation procedures.

Let us look at the cases of three other countries, on three continents that are positioned at various points on the development spectrum: India, Jamaica and Sierra Leone

Despite having the third largest HE system in the world, India can only provide access to 7% of the 18-23 age group. For India to catch up with its neighbours like yourselves, Thailand, and Singapore that have APRs of XX% 20% and 34% respectively, it has to find cost-effective mechanisms for expanding access.

Open and distance education is a good way of reaching out to large numbers and today 23% of all HE enrolments in India are in distance education; specifically in 13 open universities and 106 dual-mode institutions. The government's target is that by 2010, 40% of all HE participation will be through distance education.

The number of privately managed institutions is also increasing in India, especially in professional disciplines. However, on current trends the target of 14 million students, or a 10% APR by 2007/8, will elude India. Yet the additional market of 5 million students should be tempting for major providers. Could cross-border provision respond to this market?

The number of cross-border providers in India has indeed increased from 27 in 2000 to 114 in 2004. But note that a third of these institutions are not recognised or accredited in their country of origin. An equal number of their Indian collaborators are not part of the formal higher education system either.

Even when the foreign providers are universities, they are not in the premier league and have lowly reputations in their own countries. Neither branch campuses nor franchise agreements have had much success. The only exceptions are 61 twinning and articulation arrangements that allow students to go to the source country in the final year and stay on for employment purposes.

With such figures it is little wonder that cross border HE is a non-issue in India. The enrolments it attracts are negligible in the Indian context. However, the Government of India is now taking a close interest in cross-border provision as more foreign providers target its large population.

In Jamaica the existing tertiary institutions cater to 14.7% of the conventional age group. The average APR for the Caribbean region is 18%. Jamaica has announced plans to double access to tertiary education by 2010 in three ways: by increasing the provision of distance education; by expanding franchised qualifications from the University of the West Indies to local community colleges; and by collaboration with universities outside the Caribbean. Existing unmet demand opens the door for cross-border tertiary education and 31 providers are already in the country.

Sierra Leone, a country recently emerged from conflict, has one university (with four constituent colleges) and six teacher training colleges and polytechnics. As well as these public institutions there are private technical and vocational institutions.

The total number of enrolments at the University of Sierra Leone was 5445 in 2002-3; with 5394 in the six other tertiary education institutions put together. The gross tertiary enrolment rates for Sierra Leone are 2.0%. Comparing this with the 4% enrolment figure for Africa, the National Education Master Plan rightly envisages the need for the 'reorganization and expansion of tertiary education by 2007'. Considerable expansion has already taken place.

Despite limited facilities and an infrastructure wrecked by eleven years of Civil war, Sierra Leone can also be an attractive destination for cross-border providers. Some are already in the country, such as the little-known St Clement's University, an offshore company registered in the Turks and Caicos Islands in the Caribbean, which offers courses in Management, Information Technology and Development Studies. Providers from the UK, USA and Australia advertise distance learning courses in local newspapers.

What common features emerge from these three country summaries? First, huge unsatisfied demand calls for expansion of access. Second, for-profit cross-border providers are active. Third, these providers are of low quality despite the high costs of their offerings. They tend to cater to an elite market and have low numbers of enrolments.

Data regarding enrolments in cross-border provision are hard to find and are usually underestimates. The UK's HE Statistics Agency, HESA, recorded 101,645 enrolments of UK transnational delivery (by franchise, branch campuses, and distance learning) in 191 countries across the world in 2002-3. Even if the absolute numbers have a margin of error, looking at their distribution across the world probably gives a fair picture of where cross-border providers concentrate their efforts.

The highest numbers of cross-border students were living in well-developed countries: as measured by their rankings in UNDP's Human Development Index. The largest UK numbers were found in Hong Kong SAR (26th place in the HDI) followed by Singapore (28th) and Malaysia (58th). These are also the main markets for Australian cross-border providers. By contrast, enrolments were 1203 in India, 777 in Jamaica and less than 100 in 30 African countries taken together (excluding South Africa).

We conclude that cross-border enrolments in countries with low rankings on the Human Development Index are minimal. Indeed, given the unmet demand in those countries, they are practically negligible. The obverse of the coin is that there is now significant and successful cross-border activity among the developed countries. Yet cross-border provision from the developed to the developing world is insignificant.

Our title talks about the prospect of a borderless community of higher education. Whether desirable or not, such a community is still a distance prospect for the less developed countries. What can be done to make cross-border HE more relevant?

Can Cross-Border HE do better?

One encouraging sign is the growing exports from one developing country to another. The University of South Africa, UNISA, seems set to become a major provider across Africa and India's Indira Gandhi National Open University, IGNOU, is already targeting niche markets of the Indian diaspora in the Middle East and elsewhere. Cross-border activities now show a north-south divide; but can they become a global phenomenon?

For cross border provision to help the developing world it needs a new approach that addresses the four 'A's' of accessibility, affordability, availability and accreditation.

Accessibility

Access to quality higher education continues to be a major challenge in the developing world. Decreasing public spending and increasing demand have set the stage for a diverse range of providers, including rogue providers. Countries like India with large and well-developed distance education systems will not provide easy and sustainable pickings for overseas providers. For different reasons, neither will countries with inadequate infrastructure and low bandwidth such as Sierra Leone.

That is because access to higher education also requires access to the technology and allied infrastructure through which education is delivered.

Unlike in Malaysia, where on third of the populations are internet users, only 1% of African people are online and 50% of them are in South Africa. Access to technology in Bangladesh is 0.1%. So what success can online provision have in sub-Saharan Africa and South Asia? Despite the great need to throw open access, cross-border education has yet to capture the imagination of the developing world. Today it is peripheral and insignificant.

Affordability

Costs are a major deterrent. Conventional distance education is well developed in Asia and costs much less than traditional education. Foreign providers with higher costs cannot compete with local education provision. To succeed, cross-border providers must devise a business model that can take them beyond the elite to reach out to the masses.

The early history of the African Virtual University illustrates this point. At first it delivered, by satellite, programmes sourced from outside the continent at high cost. This proved not to be viable. Eventually the AVU had to establish itself in Africa and create partnerships with local universities in order to expand its enrolment. The presence of a market does not ensure consumption, because products have to be designed so that needs are converted into sustainable demand.

India has transformed higher education from an elite system to a mass system aimed at the needs of a vibrant democracy. Instead of bucking this trend, overseas providers should flow with the mainstream of national developments. We shall suggest how they might do this in a moment.

Availability

The subjects offered by cross-border providers are limited and liberal education is often a casualty of the demand for more market-driven courses. Programmes are mostly in the areas of Business and Information Technology. Students from different cultures and linguistic backgrounds study the identical courses as in the country of origin, with no recognition of social, cultural and ethnic diversity.

When asked to identify its needs in tertiary education, Samoa listed 'agriculture, health and social development'. St Kitts and Nevis says that its priorities include 'courses built on culture, heritage, health care, teacher training, natural environment and industries'. Cross border education provision will become relevant only when it endeavours to respond to such country priorities.

Responding effectively requires strong partnerships between the overseas provider and local institutions, not just in logistics, but more importantly in determining the content, its relevance and the methods of delivery. For example, the University of West Indies offers a programme in Tourism and Hotel Management, which is a priority area for the region. The cross-border providers do not.

Similarly, a national publicly-funded institution in Sierra Leone offers Peace Studies and Conflict Resolution, not the overseas providers. Unless providers take national priorities into account, they will always be vulnerable to the charge of 'academic dumping'. Cross-border providers could identify niche areas - just as the Tamil Virtual University has done by offering Tamil language courses to the Tamil diaspora from Kuala Lumpur to California.

Cross-border Education at the Bottom of the Pyramid

Cross-border education should learn from the findings of C.K. Prahalad and his colleagues about 'The Fortune at the Bottom of the Pyramid'. Addressing themselves to multi-national corporations, they point out that there are four billion poor people in the world who aspire to better lives. They urge these corporations to look at their globalisation strategies through a new lens of inclusive capitalism since, 'for companies with the resources and persistence to compete at the bottom of the world economic pyramid, the prospective rewards include growth, profits and incalculable contributions to humankind'.

Looking at these four billion people through the lens of tertiary education, we note that if they were to achieve an APR of 35%, which is your own current target in Malaysia, there would 150 million additional students to serve, far more than total current enrolments worldwide. Higher education would, however, face the same challenge as business in serving these people.

It would require 'radical innovations in technology and business models'; changing from the ideal of "bigger is better" to 'an ideal of highly distributed small scale operations married to world-scale capabilities'; and 'helping people improve their lives by producing and distributing products and services in culturally sensitive, environmentally sustainable and economically profitable ways'.

Business has found that it requires multiple partners to operate successfully in this environment. Likewise higher education providers would need partnerships with local government authorities, communities, NGOs and financial institutions.

Fortunately one development is greatly helping both business and education to serve the poor. The growing availability of telephone and Internet connections is uniting the world's rich and poor and transforming the digital divide into a digital dividend. Communication links are altering dramatically the way that poor villages in the developing world function. There is a huge opportunity for HE providers, including cross-border providers, to develop new business models and bring education to millions.

By establishing economies of scope they would be able to reach out to the Bottom of the Pyramid and achieve economies of scale. As Prahalad says 'We have proved to the world that if you build a market for the rich, the poor wouldn't participate. If you build a market for the poor, the rich would participate'.

Just as cheap shampoo sachets and brand names can appeal to the poor constituencies, low-cost, high quality and need-based education can reach out to the millions that live below the poverty line but still aspire to education and training for a better future. Costs are critical in developing economies and cross-border providers must address that challenge.

New Technologies for Cross-Border Education

Fortunately, a series of developments in the ways that technology is used hold the promise of making the dramatic reduction in educational costs that is required.

These developments combine steadily widening access to information and communications technology, which we call connectivity, with new ways of using connectivity in education. We refer not simply to eLearning, but to the blossoming of the Free Open Source Software movement and its application to eLearning.

Institutions wishing to introduce eLearning now have available a range of open source Learning Management Systems, which is the term for software platforms that support eLearning. Even more importantly, teachers and institutions around the world are creating and sharing learning materials and courses for use on these platforms, which are known generically as 'reusable learning objects'.

This combination of expanding connectivity and the growing reservoir of open education resources is a revolution and you can learn more about it on the COL website. (See, for example, www.col.org/lor). Previously the use of technology in developing countries often resulted in a transfer of wealth to the developed world: the rich got richer and the poor became poorer. Those days could soon be over. This is not the place to explore in detail how greater connectivity allied to open education resources could reduce the cost and expand the availability of education.

Suffice it to state our conviction that this is a route that could open up higher education to the billions of people at the bottom of the pyramid. Much of this work will, rightly, be done by local providers. However, such a huge market will most likely spark a massive expansion in cross-border provision. How will governments ensure the quality of such provision on their territories? To this we now turn.

The fourth 'A' needed to create a borderless higher education community is accreditation. This requires a national quality assurance system and international agreements, which already exist, about the recognition of qualifications.

The Future of Quality Assurance in Cross-Border Higher Education

Many developing countries lack quality assurance mechanisms. Where they do exist, as in India, they are not properly equipped to cope with cross-border provision. Distance education and online provision is hard to identify and document. So how does one protect students from dubious deliverers and spurious suppliers?

All regions display an emerging concern for quality assurance that, sadly, is not matched by adequate human, institutional and financial resources. Moreover, the terms quality assurance, accreditation, registration, licensure, and qualifications recognition are often confused.

Nonetheless, developing countries feel that it is urgent to develop a common understanding of terms and to gain better insights into the different models, criteria and procedures for quality assurance. This will enable them to develop policies for inclusion in national reforms and legislation.

Support from government is essential, as is involving the principal stakeholders at the national level, notably higher education institutions, academic staff and students.

The process must also embrace new types of provision of higher education, such as private institutions, distance education, and cross-border operations. Above all, capacity-building must have a long-term perspective.

In all this an overriding prerequisite is to change mentalities by promoting a 'quality culture' that can overcome the traditional resistance to change from the academic community. The continuous involvement of key players and consistent government support are essential for this.

The big challenge for COL, UNESCO and other international organisations is to develop a global response to such diverse regional and national requirements.

This is the context for the joint work of UNESCO and the OECD, with help from COL, on Guidelines for Quality Provision in Cross-Border Higher Education. It arose from UNESCO's on-going work of reviewing the regional conventions on the recognition of traditional qualifications in order to adapt them to new realities.

The Guidelines recognise the importance of national authority and the diversity of higher education systems. They present higher education as a vital means for expressing a country's linguistic and cultural diversity, nurturing its economic development and strengthening social cohesion. The effectiveness of the Guidelines largely depends on strengthening the capacity of national systems to assure the quality of higher education.

Conclusion

It is time to conclude. Is higher education becoming a borderless community? For the less developed countries cross-border higher education is, as yet, insignificant. But for a rapidly developing country like Malaysia the borderless community is a growing reality. The application of the General Agreement on Trade in Services to higher education may be very slow, but the liberalisation of restrictions on crossborder education appears to be an inexorable trend.

What should Malaysia do about it? It seems to me that you are already a model for the way that you have integrated different types of providers, public and for-profit, and different types of provision, distance learning and classroom teaching, into your national higher education framework. My simple advice for you is to take this integration even further. This is just what you are doing in setting up the Malaysian Qualification Agency to implement the unified Malaysian Qualifications Framework.

In this way you will be able to face any future challenge about whether you are treating a foreign provider in the same way as the institutions on Malaysian territory by pointing to a single framework that all must respect. As both an importer and an exporter you will, as I said earlier, be able to play an influential role in the building of the borderless community of higher education. I wish you success as you develop that role and make Malaysia a force in global higher education in the 21st century

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