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# GLOBALISATION AND HIGHER EDUCATION POLICY CHANGES

#### 1. INTRODUCTION

Virtually, all institutions of higher education almost everywhere in the world have been influenced by the concept of globalisation. The resulting policy changes in each nation state have, of course, reflected the degree of the impact of globalisation on the country, hence the changes in higher education. This chapter critically examines policy changes in higher education based on the effects of globalisation. It is divided into four major areas viz: (a) key elements and analysis of neo-liberal ideas about globalisation; (b) purpose of higher education prior to the late 1970s onwards; (c) policy changes in higher education and its impact on students, demands for private universities, funding and the issue of quality; (d) future trends and recommendations. The research on which this chapter is based was conducted partially in West Africa in 2000-2001 and partially in the USA in the 2002-2003 academic year. The chapter is not country specific; rather examples, where appropriate, are drawn from all over the world.

# 2. GLOBALISATION

In the late 1970s and early 1980s, the state's role in guidance and governance was gradually replaced by a range of new academic, social and philosophical perspectives whose central common assumptions most often referred to as "neo-liberalism" (Burchell 1996, Olssen 2001, and Rose 1996); "economic rationalism" (Codd 1990, Marginson 1993); neo-conservativism/ the "New Right;" monetarism/ Thatcherism (in UK); and Reaganism (in the U.S). The central defining characteristic of this new brand of liberalism includes:

- a) Free market economics; the best way to allocate resources and opportunities is through the market. The market is seen as an efficient mechanism to create and distribute wealth.
- b) "Laissez-Faire": because the free market is a self-regulating order, it regulates itself better than the government or any other outside forces.

- c) Free Trade: involving the abolition of tariffs or subsidies, or any form of stateimposed protection or support and open economies.
- d) "Invisible hand theory": a view that the uncoordinated self-interest of individuals correlates with the interests and harmony of the whole society.
- e) The self-interested individual: a view of individuals as economically self-interested subjects. In this regard the individual is represented as a rational optimizer and the best judge of his/her own interests and needs. (Olssen, 2001)

The pervasiveness of globalisation is not only in education but every aspect of human endeavours. Jones (1998) refers to the various agendas of globalisation, which by nature are mutually reinforcing and increasingly leave participants who refuse to participate isolated, and at a comparative disadvantage. A precise version of Jones (1998, p. 145-146) organised patterns of globalisation are:

#### Political Globalisation

- An absence of state sovereignty and multiple centres of power at global, local and intermediate levels.
- 2. Local issues discussed and situated in relation to a global community.
- 3. Powerful international organisations predominant over national organisations.
- 4. Fluid and multicentric international relations.
- 5. A weakening of value attached to the nation-state.
- 6. A strengthening of common and global political values. *Economic Globalisation*
- 1. Freedom of exchange between localities.
- Production activity in a locality determined by its physical and geographical advantages.
- 3. Minimal direct foreign investment.
- 4. Flexible responsiveness of organisations to global markets.
- 5. Decentralised and "stateless" financial markets.
- 6. Free movement of labour and services.
  - Cultural Globalisation
- 1. A deterritorialised religious mosaic.
- 2. A deterritorialised cosmopolitanism and diversity.
- 3. Widespread consumption of simulations and representations.
- 4. Global distribution of images and information.
- 5. Universal tourism and the "end of tourism" as we know it.

Moreover, he posits that the multiplier effect of globalisation on the processes which promote it—communication, information technology (IT), and mobility, will intensify and become more dominant aspects of societies for the foreseeable future.

The common language of globalisation emphasises concepts such as "outputs," "outcomes," "quality," "accountability," "purchase," "ownership," "value for money," "contracts," "efficiency," "customers," "managers," etc. Central to such approaches is an emphasis on contract which ostensibly replaces central regulation by a new system of public administration which introduces such concepts as clarification of purpose, role clarification, task specification, reliable reporting procedures and the freedom to manage.

Whereas classical liberalism represents a negative conception of state power in that the individual was taken as an object to be freed from the interventions of the state, neo-liberalism has come to represent a positive conception of the state's role in creating the appropriate market by providing the conditions, laws and institutions necessary for its operation. In classical liberalism, the individual is characterised as having an autonomous human nature and can practice freedom. In neo-liberalism, the state seeks to create an individual who is an enterprising and competitive entrepreneur.

Dynamic competition is essential to understanding globalisation because it is the process that links globalisation to knowledge production. In many developing countries, higher education institutions are still the primary, sometimes the only, knowledge producing institutions, so they are natural participants in the process of dynamic competition. They are natural participants in the sense that since they have taken on the mantle of research, higher education institutions have had to work with the imperatives of dynamic competition. Different research programs (mainly in developed countries), for example, often represent fundamentally different ways to attack a problem. Competition arises because different groups of researchers are trying to determine which paradigm, model or approach will be the most fruitful in terms of future research opportunities.

Part of globalisation has been the shift towards a capitalist political economy. The values, institutions and modes of organisation of a capitalist economy seem to be everywhere. Dunn (2000) claims for example, if the belief in the efficacy of centralised forms of control continues to erode, then governments, in one country after another, will have little choice but to put in place, the institutions which give expression to the belief; that is, the institutions of a market economy. This trend is seen even in what used to be Soviet dominated countries of Eastern Europe and China. In several regions of the world, this process is already well advanced (Southeast Asia). The result is a gradual but nonetheless systematic shift in the context of political thinking. It is becoming less and less likely that the familiar centralised institutional forms will resume the control over economic development that they once enjoyed. These changes set the context in which not only trade but also the universities will have to operate and, within which higher education institutions will have to work out their strategies for survival.

In this chapter, globalisation is taken to be the result of the processes of imitation, adaptation and diffusion of "solutions" to problems of many different kinds—whether they are new technologies or organisational forms or modes of working. It is because these "solutions" are both more numerous and also that they may arise from any quarter that globalisation intensifies competition between organisations. Expressed in another form, globalisation describes the spread, internationally, of more or less continuous waves of innovation. This intensification of the innovation process can also be expressed in terms of the intensification of competition between organisations. Intensified competition and innovation are respectively the stimulus and the response to globalisation. The spur to innovation is perceived to be a matter of survival. Since the competitiveness of a nation's organisations is closely correlated with its economic development, maintaining competitiveness amounts to an imperative. The loosening up of markets for capital

and labour and the intensification of communication that accompanies globalisation means that a competitive threat can now arise from many different sources. Higher education is not immune from this globalisation competition. The centrality of knowledge to the innovation process now underpins the connection between globalisation and the emergence of a knowledge economy, hence the importance of the institution from which traditionally such knowledge emanates has been deemed "institutions of higher education."

Higher Education's role has shifted more to supporting an economy that is knowledge intensive at a global level. In the globalisation economy higher education has featured on the WTO agenda not for its contribution to development but more as a service to trade in or a commodity for boosting income for countries that have the ability to trade in this area and export their higher education programs. Higher education has become a multi-billion dollar market as the quantity of education is increasing rapidly. It is reported that the export of higher education service has contributed significantly to the economy of the U.S. In 1999, it is estimated that the U.S., being the largest provider of educational services, earned \$8.5 billion of the \$30 billion market from this trade alone.

We will now examine the "original" purpose of higher education in order to understand the radical changes that have taken place because of globalisation. This transformation is crucial for our understanding of the changing purposes of higher education—because modern higher education systems were established within the framework of a modern, urban, industrial, secular and scientific society. If such a society no longer exists (or is being eroded), it follows that the purposes of higher education must then change. They must allow themselves to be shaped by the new kind of society that is emerging.

# 3. HIGHER EDUCATION PURPOSES PRIOR TO 1970S

In this section, we shall briefly examine earlier higher education purposes in Europe, U.S. and sub-Saharan Africa.

# 3.1 Europe

The European university tradition is often said to be divided into three strands: 1) a strand in which "scientific education" is emphasised – in essence, the Humboldtian tradition of the German University (and, by extension, the tradition of *Bildung*); 2) a strand in which "professional education" is emphasised, epitomised by France's grandes écoles; and 3) a strand that values "liberal education" (Gellert ,1993, Rothblatt, 1993, and Liedman, 1993). However, there are commonalities shared by all higher education systems, which have always been as important as their differences. For example, apart from Oxbridge on the one hand and on the other, the new 'red brick' universities founded in the 1960s– Sussex and Essex, York and Lancaster – most English universities have much more down-to-earth origins – very similar, in fact, to those of land-grant universities in the United States. Their jobs

were, and continue to be, to train schoolteachers, doctors, engineers, lawyers, designers, etc.

# 3.2 U.S.A.

Higher education institutions were treated with unusual deference by their state sponsors, who were often content to "leave the money on the stump" with few questions asked (Trow, 1993). Elected officials were frequently perplexed and even intimidated by the "learned men" of academe and by their claims of a special need for autonomy and academic freedom. When political leaders concerned themselves with anything having to do with higher education, it was mostly with rather traditional political matters around the allocation of enrolments, tuition rates, location of campuses and the size of capital budgets. Even the federal government historically paid little attention to higher education – with the notable exception of the Morrill Act land grants to the states in 1862 – until World War II and its aftermath. Even in the Morrill Act case, the federal government did nothing much to control how the grants were used. The federal government post-World War II forays into large-scale research funding and student aid, imposed few conditions on the institutions for a long time (Trow, 1993).

## 3.3 Sub-Saharan Africa.

For most of the countries on the continent, higher education is a development of the twentieth century, unrelated to the Islamic centres of learning of the past. The exceptions, in time only, are Sierra Leone and Liberia, both products of colonisation from the Western world. Higher education institutions in these two countries were established in the nineteenth century. In Liberia, there were Liberia College at Monrovia, formally opened in January 1862, and Cuttington College in Harper, Cape Palmas, opened in 1889. For Sierra Leone, it was the seminary founded earlier by the Church Missionary Society, which was established in 1827 at Fourah Bay for the training of ministers and catechists, that in 1876 introduced courses in higher education and became affiliated with Durham University.

After the Second World War and the resulting post-war global situation, the African colonies began making a strong push for freedom from Europe's yoke of colonialism. The ensuing developments in these colonies plus the growing urge for higher education that had sent numbers of African students to Europe to pursue studies in higher education institutions there, and the resulting fervour of nationalism and other concerns that developed there, propelled the efforts for the establishment of higher education institutions on the continent (Ashby, 1966). The higher education institutions that emerged were diverse, each patterned after the European nation of which its country was either a colony or to which it had special ties. For example, in French speaking Africa, the university system that developed assured the "unity of the French nation in Europe and overseas" as decided at the meeting held in 1944 in Brazzaville at the instance of the Provisional French Government to determine what status French Africa should have when peace came

(Ashby 1966). The model was based on the French colonial policy of political and cultural assimilation. Accordingly, the universities that were subsequently established in French Africa were modelled after and linked to universities in France, most of them becoming a part of the French university system. They began as institutes or centres for higher studies, serving a training period in the French system, under French direction, and with assistance in money and personnel from France. For example, an Institute for Higher Studies was established in Tunis in 1945 and another one in Dakar in 1950, the latter supervised by faculties in the Universities of Paris and Bordeaux. These Institutes emerged to university status as of 1957, beginning with those at Dakar and Rabat, followed by Tunis in 1960. Studies in these universities were practically identical to studies offered by universities in France. These institutions had as their objective the meeting of the intellectual, moral and religious needs of their respective countries. They were, however, in the Western tradition, with studies rooted in the classics and theology. There were no offerings related to the social and cultural or the physical environment of these respective countries.

The year 1960 was a watershed in African higher education. That year 17 African countries gained independence and 13 others were to become independent states a few years later. The sudden collapse of the edifice of colonialism and emergence of the "Political Kingdom" triggered even greater expectations and demands not only for the total elimination of the vestiges of foreign rule from the rest of the continent, but also for the liberation of the masses of people from disease, poverty and ignorance. Many of the formal governing documents designated heads of State as chancellors or presidents of universities on the assumption that the prestige and power of the top national office would take education to the forefront of nation building. Several heads of State demonstrated confidence in university education as a driving force in nationalism. For example, Tanzania's Julius Nyerere (1967, p. 82) referred to academics as the "torch bearers of our society and the protectors of the flame." African universities were portrayed as the main instruments of national progress, the chief guardians of the people's heritage, and the voice of the people in international councils of scholarship. Additionally, African universities were expected to serve national policy and public welfare in "direct, immediate and practical ways" (Count 1980, p. 5).

The African university is a product of the modern world, yet the environment which inherited it is largely traditional, preindustrial, and agrarian. It is an environment caught in change from external forces – centuries of economic exploitation, colonialism, intellectual and cultural dominance. The small modern sector resulting from these forces has expanded over time but compared with the traditional sector it remains exceedingly small and does not integrate with it. A product of the Western world, the African university was born a stranger to its own environment, and its main links were with institutions that were strangers to this environment and with the countries to which those universities belong. Thus the African university became heir to a dual setting – the traditional African environment in which it was to be rooted, and the modern Western sector from which it received its orientation.

By the time of the founding of the Association of African Universities at Rabat, Morocco, in 1967, there were thirty-four universities on the continent. They were in as well as outside the various colonial traditions. Staffed mainly by foreigners, they were isolated from one another by tradition and geography as a result of the forces of colonialism, which had dominated the continent for almost a century – an isolation that would prove intractable. The diversity they reflected was born from strength, which the institutions engendered as a result of responding to the environments that they were to serve.

# 4. POLICY CHANGES SINCE EARLY 1980S

Today, public universities and colleges face external demands that are in many ways unprecedented. The halcyon days of academic autonomy are long gone as higher education has grown in social and economic importance and dramatically in budget since World War II. From the late 1980s, the initial phases of a historically significant sharp increment in the degree of government involvement in academic matters started. In the name of greater accountability to the taxpayers and their representatives, public higher education is being asked not only to provide more data about their operations and the results achieved from them ("outcomes" in the current jargon), but also in an increasing number of countries are finding some of their appropriations linked to their measured performance on the country's priorities (Burke & Serban, 1997). Significantly, these national priorities are no longer limited to how many students are enrolled or even how much tuition is increased, but range well into the traditional realm of academic decision making about matters such as which programs are expendable, how teaching is done and the allocation of resources between teaching and research. In some cases, countries (USA and UK) have mandated "efficiency" or performance goals such as improving student graduation rates, increasing faculty time in teaching undergraduates, and even showing improvements in graduates' scores on standardised measures of learning.

There has always been scrutiny of institutions of higher education, however, since the 1980s, there has been a significant increase in this scrutiny. One of the main reasons for this questioning lies in economics. The economic pressures brought about by rapid technological change and globalisation have led to extensive corporate downsizing and closer business attention to costs, both in their own enterprises and in those supported by their taxes throughout the public sector. Extreme financial pressures on states during the economic slowdown of the late 1970s (the oil shock) and the early 1990s were followed closely by the tax revolt and right-wing electoral ascendancy in the U.S. of the mid-decade years. The consistent squeeze on public spending these events produced has led many countries' policymakers to look especially closely at higher education.

Thus, in virtually every country in the world, higher education has been aligned to meet the new demands of globalisation. The push to a global market is not only state mandated but also international institutions (World Bank, IMF, regional development banks and donor agencies) have all joined the bandwagon of the globalisation of higher education. The main elements of this move are that education

shares the main characteristics of other commodities in the marketplace and as such is a private rather than a public good. In structuring tertiary education according to a market model, it is claimed that this would provide incentives and sanctions necessary to increase efficiency and effectiveness of tertiary education institutions. Other reasons advocated include student-centred funding, contestability in research, reduced state funding of student places, increased user-charges and a system of bank loans. It is claimed that a market model would enable each institution to operate autonomously, which would improve performance. In addition, such a model would provide incentives enabling institutions to attract greater student numbers. As funding in this model would be by government subsidies to students, rather than via bulk grants, higher education institutions that failed to meet market demands (high-quality and appropriately priced courses) would fail to attract students and hence would not attract funding.

We will next examine some of the globalisation policy changes that impact higher education.

# 4.1 Increased user-charges.

Within the neoliberal era of minimum state regulations and the triumph of a global market by free trade, many people believe that a higher education qualification – possessed by those with a larger repertoire of skills and a greater capacity for learning – offers a means of gaining unprecedented fulfilment in the job market. Aronowitz and Giroux (2000, p. 333) assert that "colleges and universities are perceived – and perceive themselves – as training grounds for corporate berths." In keeping with the current vogue among developed countries and international development agencies to put greater stress on the marketplace, there has been a recent upsurge of interest in the implementing schemes of "cost recovery" and "user cost changes" in the social services. Higher education is one such area. As the population ages and the social demand for education continues to be buoyant, charging user fees for higher education has become necessary.

User fees take two forms: a) the direct charging of fees for tuition, books, accommodation, and foods; and b) a system of student loans which covers living expenses and at least some proportion of direct teaching cost (Banya, 1995). The arguments in favour of increasing student contributions are based on a series of efficiency and equity considerations. The main argument of equity considerations is that higher education leads to substantially higher earnings, and therefore, ought to be financed by those who gain. Even before their higher education programs, these students have enjoyed large amounts of public subsidy, for example, a free secondary education. Given the large differentials in earnings between college graduates and other workers, the high cost of this level of education as well as the obvious excess demand for it in most countries, makes it difficult, on the basis of economic theory, to find strong arguments against the substitution of grants by loans.

A policy of charging students tuition and/or living expenses would increase the incentives for students to make a more careful consideration of their educational

options. Essentially, it is argued that the labour market transmits signals of shortages and surpluses through wages and levels and periods of employment and unemployment to which students would be more likely to give consideration if their own level of investment in education were higher (Elu, 2000). The implication is that higher education needs to produce individuals who can take responsibility for their own success and who can contribute towards shaping a democratic society. In other words, higher education needs to produce autonomous individuals who are responsible for their own actions and as individuals contribute towards enhancing economic growth and shaping a democratic citizenry. This view is part of the wellknown globalised conditions that accentuate firstly the concern to develop human capital, that is, to develop the thinking and intellectual capacities of the society which is considered to be the key to economic, social, cultural and political stability. It is taken as axiomatic that the development of human capital articulated by a demand for a more skilled and educated populace, is central to a country's capacity to purposefully, energetically and creatively establish a democracy. This line of thought is very much attuned to the logic of globalisation which insists on investing in human capital that provides a basis for a stable society (Avis, 1999, p. 186) and "important structural support for democracy" (Hyug Baeg, 1999, p. 282).

This argument completely ignores the various other functions higher education could perform. For example, the threat that corporate values pose to education lies not in the services they can perform but in the values they represent. The values of justice, freedom, equality, and the rights of citizens as equal and free human beings are central to higher education's role in educating students for the demands of leadership, social citizenship, and democratic public sphere.

Indeed, the World Bank (the largest lender in education) has recently changed its view of higher education to include the social and cultural roles higher education plays. As part of the recent policy changes at the Bank in 1997, in collaboration with UNESCO, a Task Force on Higher Education and Society was convened. After extensive deliberations, the Task Force report, *Higher Education and Developing Countries: Peril and Promise* was published in March 2000. It is worth noting in particular, the report's condemnation of earlier efforts to restrict higher education as indicated:

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... As a result, higher education systems in developing countries are under great strain. They are chronically under-funded, but face escalating demand... (p. 12).

# The Task Force report continues:

During the past two or three decades, however, attention has focused on primary education, especially for girls. This has led to neglect of secondary and tertiary education, with higher education in a perilous state in many, if not most, developing countries. With a few notable exceptions, it is under-funded by governments and donors. As a result, quality is low and often deteriorating, while access remains limited. The focus on primary education is important, but an approach that pursues primary

education alone will leave societies dangerously unprepared for survival in tomorrow's world. (p. 19)

#### The same Task Force acknowledges that:

Demographic change, income growth, urbanisation, and the growing economic importance of knowledge and skills, have combined to ensure that, in most developing countries, higher education is no longer a small cultural enterprise for the elite. Rather, it has become vital to nearly every nation's plans for development. (p. 34)

A recent (2002) World Bank's development strategy lists three areas that higher education can contribute to economic growth:

The first argument is that higher education can contribute to economic growth by supplying the necessary human resources for a knowledge driven economy, by generating knowledge, and by promoting access and use of knowledge. Secondly, higher education has the potential of increasing access to education and in turn increasing the employability of those who have the skills for a knowledge driven economy. Finally, higher education could play a role in supporting basic and secondary education by supplying those sub-sectors with trained personnel and contributing to the development of the curriculum. (p. xi)

#### 5. DEMANDS FOR STUDENTS

In the past, tradition dictated that who should or should not study at a particular institution was the business of the university's academic staff, exercising their judgment in a framework provided by academic criteria (mainly the results of the school-leaving examinations) and expectations about the qualities which make for the successful higher education student. These latter qualities are more difficult to measure in any demonstrably objective way and have generally been judged through an evaluation of the non-academic information revealed in a student's application and interviews, and more recently, portfolios. The exercise of judgment over the admission of students has been, and remains an important expression of the legal autonomy enjoyed by universities, and within each institution, of the academic autonomy claimed and jealously guarded by the various faculties and departments.

As stated earlier, one of the key features of globalisation is increased competition. Competition has become a driving force for innovation and entrepreneurship. Competition in higher education has increased in the past ten years. Countries of the North with their competitive advantage compete with countries from the South for best students, faculty, administrators and researchers. With the impact of globalisation, universities have been encouraged to recruit students beyond their borders. Recruitment of international students provides extensive revenue for the institutions and is therefore vital in helping to sustain the viability of the institutions. The promotion of internationalisation for many academics is also a consequence of the recognition of the need to equip students to operate in a global market, which transcends national boundaries. The basis of this kind of motivation is therefore, linked to economic imperatives.

Many of the students are coming from former colonial regions and "countries in transition" of former Eastern Europe. In 1990, according to UNESCO, 1.5 million

students studied outside their country of origin. The largest share of these students comes to the United States and Western Europe. Indeed, the influx of students from various part of the world to institutions of higher education also is not limited to Western Europe or North America or Australia. According to the Kaunda (2001), case study of the University of Cape Town (UCT), about 12 percent of the total number of students were international students from 76 different countries, with the majority of students coming from the Southern African Development Community (SADC) countries. UCT has hosted exchange students from various countries and signed agreements with international universities aimed at promoting research, accessing international expertise, and facilitating student exchanges. He continued that because of escalating exchange rates, political and economic instability in many African countries and the resultant collapse of educational systems, has led to a shift to the South, making South Africa a sought after destination and provider of educational and other opportunities.

One consequence of higher education globalisation is that the intellectual resource from the South has been drained in the process. Sources of high-level skilled labour for the thriving global economy have been mainly in the developing countries and Russia during its transition to a capitalist economy (*The Chronicle*, September 8, 2000). Articles in *The Chronicle of Higher Education* have reported the concerns over the brain drain in developing countries including Africa. It is estimated that Africa has lost 100,000 people with specialised skill to the West. The loss is estimated at about 23,000 qualified academic professionals each year for Africa. The countries reported to lose the most academics are Egypt, Ghana, Kenya, Nigeria and South Africa. Russia reports a loss of 30,000 researchers (*The Chronicle*, September 8, 2000). Brain drain is reported to be the greatest obstacle to development (Buckley, 2001).

Commercialisation is rife with the attendant worries about academic quality. Less-developed countries are bedevilled by an influx of academically second-rate foreign degree programs.

International education has become big business. Former education secretary Richard W. Riley reported in 2000 that foreign students contributed \$9 billion a year to the U.S. economy (Riley, 2000). The Institute for International Education estimates that international students spend more than \$11 billion annually in the United States. Nor has the increased economic importance of international higher education escaped the notice of other world institutions. The Group of Eight (G-8) highly industrialised countries has set a goal of doubling exchanges in the next decade (Riley, 2000). The World Trade Organization (WTO) is considering guidelines proposed by the U.S. Department of Commerce that would ease the entry of commercial educational ventures into all member countries.

It is precisely because higher education has become such a big business, that the recruitment of students has taken on new meanings. In a competitive atmosphere each institution wants to recruit as many students as possible. Thus to achieve this goal institutions are appointing a number of specialist professional officers to manage the various stages of the "recruitment cycle" of which selection and admission are only parts, albeit the most important ones. Recruitment officers are given the task of visiting schools to talk to potential applicants and to ensure that

schools are fully aware of the opportunities offered by their institution. Although initially viewed with some suspicion, recruitment officers began to address the need of ensuring that an individual institution's image, advertising and publications were working as effectively as possible in communicating with, and attracting, potential applicants.

Changes in funding arrangements, which meant that overseas students could be charged fees intended to cover the full cost of their education, led to the widespread effort to recruit students from key overseas markets such as Malaysia, Hong Kong, Taiwan, and Singapore. Indeed, it is often in the area of overseas recruitment where the financial incentives led to moves to what might be called the "professionalisation" of admissions. Operating in fiercely competitive markets, recruiters have to ensure that the marketing is effective, the decision processes rapid, and the information accessible to the potential students with whom they are dealing. At times, these pressures could threaten even the right of academic departments to make decisions about individual students, because international recruitment often demand that decisions are made far faster than can be the case when applications are being routed through individual departmental admissions committees.

# 5.1 Distance Education.

Face-to-face delivery of lectures is no longer the only means of obtaining higher education. As part of policy changes in a globalised market, foreign institutions have entered strongly in the traditional higher education market with virtual instruction and alternative delivery. An influx of nontraditional providers is currently changing the face of post-secondary education. According to Adelman (1999) "over 1.6 million individuals worldwide earned approximately 2.4 million information technology certifications by early 2000," and "three corporations administered over 3 million examinations in 140 countries in 1999." This is the face of the new higher education. A growing number of for-profit agencies and organisations are looking at the traditional and adult populations as a lucrative potential market for postsecondary provision. The advent of Internet-based instruction, for-profit providers, and a growing network of international institutions have created a competitive market that is having an impact on higher education worldwide. The growth of distance education programs, offered over the Internet, has exacerbated this tendency and made it more difficult for educators and students to assess the quality of such programs and the degrees they offer (Jones Education Company, 2000). As higher education becomes a new "widget" in the global economy, some institutions will be forced out. As U.S. and other developed countries' institutions are aggressively setting their sights on foreign markets, foreign institutions will aggressively market to U.S. audiences. Only those institutions able to adapt quickly and creatively to this competitive situation will prosper in the new economy. For example, India and China expect a wireless Internet to provide an opportunity to leapfrog the developed world in access and opportunity. Wired technologies have long been a barrier for developing nations, and the creation of a wireless

infrastructure is already having an immediate and sizable impact in many parts of the developing world.

# 6. THE GROWTH OF PRIVATE UNIVERSITIES

One of the major changes in higher education policy in the past twenty years is the proliferation of institutions of advanced studies. Prior to the 1980s, private universities and other higher education institutions were not a major phenomenon in many parts of the world, except in developed countries such as U.S.A., France, Australia, Spain, etc. The so-called Ivy League universities in the U.S. are private institutions with a long history. In the developing world, only Latin and South America had a long history of private higher education institutions that were often affiliated with religious establishments. As indicated earlier, in Africa, only Liberia College, founded in 1862, was a truly independent institution with no affiliation with either the church or with an imperial power (Sherman, 1990). With globalisation, institutions of higher education proliferated all over the world.

The existence of private institutions in higher education varies enormously from one country to another. Although the size of the country and its population is a factor in the development of private institutions, the latter are much more the result of internal, social and historical developments. Private universities are a potentially important way of diversifying the financial base of national higher education systems. They offer an alternative for expanding access to higher education without adding significant government costs. In the current context of programs to privatise national economies, higher education has been no exception. Private higher education is growing rapidly in sub-Saharan Africa, reflecting a trend now developing across the rest of the world. Education leaders and other experts in several countries say the new institutions are becoming a force for the revitalisation of higher education in sub-Saharan Africa. At the very least, the establishment of institutions that are not dependent on government support is seen as a welcome change (Irina, 1999).

There are compelling reasons why private universities have blossomed recently in many developing countries. Here is a brief discussion of the reasons for the growth of private universities in sub-Saharan Africa.

## 6.1 Enrollment

The establishment of higher education institutions immediately after Independence was to help develop human capital to meet the needs of the emerging economies. The success of state established higher education has led to the demand for space in the few existing ones. Combined with population growth, demand for university places has overwhelmed the higher education establishment. The popularity and viability of the private universities has led to high expectation on the part of many African policy makers that the institutions can fill the yawning gap between supply and demand in higher education. Thus, private higher education institutions are seen as a way to alleviate the pressure in public ones. It has been

estimated by a leading World Bank education specialist that "most African countries will have to at least double their higher education enrolment over the next decade to simply maintain the current, very low participation rate" (Saint, 1992).

#### 6.2 Ideology

Religious groups, primarily Christian ones, traditionally dominated private education in Africa. That role eventually was extended to higher education, through institutions established at least in part to help train new members of the clergy. A recent trend in religious affiliated higher education is the demand by Muslims for Islamic universities in Africa. This is more so in East Africa than anywhere else on the continent, although Nigeria seems to be moving in the same direction. In addition to other reasons advanced for higher education, the Muslim population feels that they have been marginalised in terms of formal education. With the establishment of new private higher education institutions opening, including some affiliated with organised religion, many Islamic scholars (Kasozi & Adamu, 1999) see them as the only way to insure that Muslims will be able to enjoy the educational opportunities available to others. The model is the Islamic University in Uganda, founded 11 years ago by the Saudi Arabia-based Organization of the Islamic Conference. Now the idea is taking hold in other countries.

#### 6.3 Employment

For a long time, the main role of public universities in many African countries was to train members of a small elite to become civil servants. Many institutions, still saddled with that legacy, struggle to produce graduates who fit into the current labour market. The private institutions, in contrast, say they are training a work force for the 21<sup>st</sup> century, one that has an entrepreneurial streak.

Private universities tend to specialise in few fields that have a greater rate of employability. Many concentrate on four-year undergraduate programs in business administration, commercial design, hotel management and tourism, and secretarial studies. Most private institutions try to find a niche, given their budget limitations and the context in which they work. In the current economic climate of privatisation, private higher education institutions that show immediate employment possibilities for their graduates, attract students even if they have to pay higher tuition fees. As the unemployment rate increases among traditional Arts & Sciences students, private universities that promise quick employment are becoming increasingly important.

# 7. FINANCE

Finance is probably the most ubiquitous policy tool by a state to influence institutional behaviour. This is true as well in higher education for the following four reasons. First, the budget is the only available policy tool that involves both the use

of incentives and explicit prohibitions on particular kinds of institutional action. Second, budget issues are revisited regularly—annually and at least biannually. Third, budget decisions affect all operations of the institution, not just isolated activities or processes. Finally, the budget is tangible and certain. It is much less open to interpretation than statutes, which individual state offices and officials can alter in the rule-making process and can interpret variously in implementation.

The main source of funding of state-run higher education until quite recently was government grants. Typically, each year a university, along with other tertiary institutions such as diploma and certificate awarding colleges, submits its estimates to a Ministry of Education. As indicated by the World Bank/UNESCO Task Force on Higher Education in Developing Countries (2000):

Most public universities are highly dependent on central governments for their financial resources. Tuition fees are often negligible or non-existent, and attempts to increase their level encounter major resistance. Even when tuition fees are collected, the funds often bypass the university and go directly into the coffers of ministries of finance or central revenue departments. Budgets must typically be approved by government officials, who may have little understanding of higher education in general, of the goals and capabilities of a particular university, or of the local context in which it operates. (p. 32)

There has been a drastic change in the funding of higher education all over the world. With the recession of the 1990s state funding of higher education has declined. In time of revenue shortfalls and allocation among state agencies, higher education is likely to absorb larger cuts than other sectors. Public higher education must compete with K-12 schools, welfare, health, prisons, and other services for state funding. Relative to these other services and agencies, colleges and universities are perceived by state policymakers as having more fiscal and programmatic flexibility. For instance, many higher education institutions have separate budgets, revenue streams, and reserves. Universities are also assumed to be able to absorb temporary fiscal adversity by translating budget cuts into payroll cuts, since many campuses are not bound by collective bargaining agreements. Unlike some state agencies whose programs have relatively fixed spending levels (some set in statute), colleges and universities can save money by increasing class sizes and changing course offerings and even by reducing enrolments. Higher education can also shift costs to students and their families by raising tuition fees (Hovey, 1999).

Higher education, when in financial difficulties, is likely to shift shortfalls to students and their families by raising tuition fees. The steepest tuition increases in the public sector have occurred during recessions as states shift their costs to users, including students and their families. Reference has already been made for the increased use of user fees in higher education. Financial aid strategies that could concentrate public subsidies on those least able to afford college have not been universally successful. Indeed, loans that are supposed to be paid back with interest seem to be the profound way to finance higher education for the poor (Immerwahr, 1997). The clientele bearing the blunt of higher education seems to be the way higher education is obtained; this is in line with the concept of globalisation i.e. the market mechanism.

#### 8. QUALITY ASSURANCE ISSUES

Historically, state government has eschewed direct involvement in most academic issues relating to quality assurance. This is no longer the case. Higher education conventionally has associated academic quality with resource "consumption," that is, with the amount of resources it has been able to attract and spend. In the past, a college or university whose enrolments and budget were growing was thus considered productive. Quality was attested by the addition of prestigious undergraduate and graduate programs such as law and medicine. Accountability was thought of mainly in terms of financial stewardship, by how well and in how much detail an academic institution could document how revenues were spent as functions of, for example, faculty-student ratios, numbers of academic credit hours generated, instructional programs sustained, and total numbers of degrees awarded.

The metaphor for academic accountability most often invoked combined the notion of an institution of higher learning as a production unit, a factory perhaps, together with that of the college or university as a corporate enterprise engaged in retail sales. The school as a business "produces" knowledge, which it then offers for sale. Competing with other sellers in a particular "market," the college or university establishes a "marketing" plan intended to confer a competitive edge for attracting prospective buyers, namely students. For their part, students as tuition-paying "customers" are said to be making an "investment" in the education sought, hoping for an adequate "return" on that investment. (Implied, but not always stated explicitly, is the presumption that in higher education as in any other purchasing transaction, the customer is always right). College and university leaders need to listen more closely, and must respond more fully to what their constituencies profess to want from institutions of higher learning. Recent years have thus witnessed the growing popularity among academic planners of quality assurance systems originally devised for corporate business and industry such as total quality management (TQM) and continuous quality improvement (CQI), systems now proposed for use in colleges and universities. Dedication to servicing clients' needs has become a watchword in certain academic circles as a hallmark of quality, responsiveness, and hence, accountability. Based solely on prescribed accumulations of credits, current academic degrees are increasingly incapable of guaranteeing to society that their conferees have achieved given levels of competence, particularly in areas like communication skills and critical thinking that lie outside the domain of a major. The resulting depreciation of meaning puts both degree-holders and potential employers at a severe disadvantage in the marketplace.

In many developing countries, rising graduate unemployment, inadequate performance on the job, and weak research production combine to bring the relevance of universities to national needs under growing public scrutiny. Relevance is understood to include educational choices within the university that are in tune with the national economy and responsive to the prevailing labour market, appropriate curricula, capacity for critical and innovative thinking on issues of national importance, the transmission of essential professional and cultural values, institutional processes and behaviour that equip graduates for leadership in society,

and adequate regional, gender and ethnic representation in the composition of staff and students. Many private universities have tried to avoid shortcomings of quality by concentrating in the few areas that they can manage. They are not everything to everyone like the state institutions. Since they obtain their funding mainly from student tuition fees, private universities tend to make their programs more relevant and marketable. There is, however, a general perception that the quality of private institutions leaves much to be desired. This perception partly arises from residual teachings from the colonial experience that private involvement exacerbates inequalities in education and is associated with inferiority.

# 9. CONCLUSION

This chapter has briefly outlined some of the policy changes in higher education due to globalisation. Over the past two decades, higher education has undergone significant changes stimulated by the increasing globalisation of universities/ colleges, the rapid growth of the Internet, the massification of higher education and the issue of institutional and instructional quality. New institutions, new players, new pedagogies, and shifts in new paradigms are changing higher education. Although Marxists and critical thinkers have long recognised the integration of higher education into the capitalist economy, there is increased pressure on institutions of higher education to adapt, evolve or desist. The policy environment for higher education is shifting rapidly as it has been outlined in the chapter. There have been policy interests shifting toward a concern about the client needs and services. The focus is no longer on institutions and their needs. As indicated in the chapter, rising tuition and user fee charges, the massification of higher education, the increased enrolment of students, and a shift in political/ social philosophy that sways the paradigm of responsibility away from the public sector toward the individual are trends that may be with us for a while. Some of the repercussions of policy changes have only been casually referred to in this chapter.

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