Written evidence submitted by the Open University

Executive Summary

This submission uses the context of tertiary education in developing nations to illustrate the necessity for coherence in policies that affect development, the impact of the UK’s non-aid policies on developing countries and the value of DFID’s underlying role in facilitating UK organisations to assist developing countries.

In summary:

- For many years a non-aid policy for tertiary education was based on a single evidence base that has since been heavily criticised. More recent research demonstrates that supporting tertiary education in developing nations leads to economic growth.
- Policies around the provision of aid for primary education and lack of aid for tertiary education over the MDG period have not been coherent, for example:
  - quality of primary education will not improve without appropriate tertiary education of managers and leaders in education, as well as teachers;
  - increasing numbers in primary education will inevitably boost demand for secondary and tertiary education;
  - students wanting to enter tertiary education must have studied appropriate prerequisites, including academic skills of enquiry, at primary and secondary stages.
- DFID has played a unique role in staging and facilitating consultation among wide-ranging stakeholders, from both UK education and tertiary education across developing nations, to explore all the contributing issues around the post-MDG proposition for aid to tertiary education.
- This DFID approach suggests that many valuable lessons from the previous challenges and omissions around aid policy for education are being implemented.

About The Open University

1. The Open University (OU) has been widely hailed as one of the most important innovations in Higher Education in the last 50 years. Since its foundation in 1969 it has become one of the largest universities in Europe, currently teaching over 200,000 people a year and expanding its activities in key areas worldwide.
2. There is a wealth of institutional knowledge in assessing and meeting the complex needs of a diverse body of learners with context-specific solutions, particularly through the use of Open and Distance Learning (ODL). The pedagogical approach in which the OU specialises lends itself to situations where educational needs cannot be met by traditional means, and where it is necessary to communicate learning on a mass scale.
3. The scale and capability of the OU means that it can readily draw on the experience, expertise and skills of academics, project managers and technical staff to provide theoretical and technical input and advice to support the development and implementation of educational policy and practice in a range of different contexts.
4. The OU’s International Development Office creates and delivers scalable

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2 www.open.ac.uk/ido
development programmes and teaching and research initiatives, working with local
governments and in-country partners, to impact the lives of millions of people across
sub-Saharan Africa and South Asia.

Commentary relating to:

- The coherence of policies which affect development
- The impact of the UK’s non-aid policies on developing countries
- The role of DFID in facilitating other UK Government departments and other UK
  organisations to assist developing countries

Context: Tertiary Education in Developing Nations

5. In the post-independence era of the 1960s/70s, Human Capital Theory positioned
Tertiary Education (TE) as yielding a financial return to individuals balanced against a
social return based on higher worker productivity and spending. However in the late
1980s and early 1990s a series of rate-of-return analyses from the World Bank
suggested that the private returns on TE in developing nations were significantly higher
than the social returns. Investment in tertiary education was consequently considered
to be regressive, perpetuating existing social and economic inequalities.

6. The same studies indicated that investment in primary education returned double the
social capital of investment in TE, resulting in a global prioritisation of funding to
primary education, solidified as explicit policy in 1990 and subsequently reflected in
Millennium Development Goal 2: Achieve universal primary education.

7. In the early 2000s a number of studies posed an important and high profile challenge
to the World Bank position on return on investment in TE, arguing that the Bank’s focus
on earnings provided far too narrow a picture that omitted a significant number of
equally relevant variables.

8. In 2008 the Organisation for Economic Co-operation and Development\(^3\) reported that
TE contributes globally to social and economic development (a critical omission from
the MDGs) through four major missions:

   I. The formation of human capital (primarily through teaching)
   II. The building of knowledge bases (primarily through research and knowledge
development)
   III. The dissemination and use of knowledge (primarily through interactions with
       knowledge users)
   IV. The maintenance of knowledge (inter-generational storage and transmission of
       knowledge)

9. Prevailing debate draws on a much wider analysis of the returns on investment in TE
than that posed by the World Bank, with rapidly increasing interest in addressing the
gaps arising from policy formed around the previous locus.\(^4\)

10. In 2014, developing countries face a wide range of challenges relating to the
sustainable expansion of access to tertiary education. The preceding lack of aid
combined with the effects of structural adjustment policies on public spending means
that TE institutions (TEIs) have been unable to support the staff needed to address
rising student numbers. Many of the most qualified academics have emigrated to
universities in Europe and North America, leaving institutions with deteriorating

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infrastructure and very low numbers of qualified faculty members to teach and/or conduct or access research. These circumstances are further compounded by increasingly inefficient and in some cases corrupt governance within TEIs.

11. In addition to the requirement for academic quality in teaching and research, the literature is in wide agreement that TE can only be successful if it is scaffolded by the prerequisite for access to adequate, appropriate primary and secondary education, and that nations must ensure equity of access to TE regardless of wealth, race, gender, (dis)ability and other social signifiers – a huge challenge for coordination of provision.

12. Other domestic challenges include the mission creep of organisations such as polytechnics and secondary colleges leading to a lack of central coordination for graduate competencies, for example resulting in national surplus of humanities graduates and critical deficiency of engineers.

13. An increasing number of private institutions are establishing themselves in the TE market in developing countries, but are seen as at best neutral in impact and at worst creating more problems. For example their fees are often very high, serving a country’s elite and perpetuating intergenerational inequalities, and their enrolments are very small.

14. It is important to note that the lack of aid to TE has had consequences for the quality of primary education provided in addressing the quantitative target of MDG 2. Without adequate TE, there is insufficient capacity to train the teachers, managers and leaders according to an integrated policy to assure a minimum standard for the quality as well as the quantity of education delivered in schools. Furthermore, without integrated primary and secondary education, students are unprepared both in subject matter and in transferable, knowledge-age skills for entry to tertiary education. Without TE policy that is linked to a national human resource development plan, graduates are unemployed, unemployable and highly disenfranchised.

15. The World Bank now stipulates that TE strategy should be driven by governments in order to:
   - Deter abuses of private education
   - Encourage autonomy
   - Ensure coherence and coordination
   - Encourage cooperation and openness
   - Encourage competition
   - Encourage connections to broader economy and society

DIFD Activity Concerning Tertiary Education in Developing Nations

16. DFID is facilitating a consultative, evidence-based approach to addressing current and future aid for TE, drawing on international expertise to evolve a coherent proposition that recognises the highly complex and systemic nature of development.

17. In autumn 2013 DFID, with collaboration from BIS, established a Higher Education Taskforce (HETF). The Taskforce brought together leading higher education experts, including the OU's Vice Chancellor Martin Bean, to assess current and projected trends around HE in low and low to middle income countries and to advise on the best uses of development investment to build higher education capabilities in DFID focus countries, with consideration of targeted, context-specific approaches.

18. In April 2014 DFID launched a comprehensive literature review on The Impact of Tertiary Education on Development. At the same time, the Economist Intelligence Unit

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5 http://www.timeshighereducation.co.uk/news/ghanas-higher-education-sector-seeks-coherent-national-policies/2004320.fullarticle
was awarded funds for HE case studies with a remit of ‘analysis on the dynamics of demand and supply of higher education, as well as the incentives driving the key actors involved in each of the selected countries. This study will help to allow DFID, HMG and other donors to develop an in-depth view of the HE sector in a range of contexts and identify where the investment of resources can provide the greatest impact’.

19. DFID has stated the following objectives that it wants to see ‘mainstreamed throughout interventions’:
   - Supporting HE that is high quality, realisable at scale, sustainable and improves access and equality of experience for underrepresented groups.
   - Exposing key HE actors and individuals to new ideas, new ways of thinking and new partnerships.

20. A DFID Early Market Engagement Event (May 2014) for HE Programmes and Services provided an opportunity to raise wider interest amongst the UK HE sector, who were perhaps under-represented in earlier rounds of consultation. The initial interest and support from BIS has not been visibly sustained.

21. In June 2014, DFID and Pearson co-hosted a retreat workshop on Higher Education and Development: Tackling 21st Century Challenges. Approximately 40 invitation-only delegates included Ministers of Education from Ghana, Tanzania and Ethiopia, the Secretary of State for Education from Kenya and other state officials and high profile leaders of TE from developing nations around the world along with leading experts on education and industry. UK organisations represented included Pearson, The Open University, INASP and PWC.

22. The retreat generated essential and compelling debate and discussion, highlighting the fundamental importance of coherent policies to link access, education and employment. Participants agreed that education needs to be locally owned, relevant and adaptable whilst contributing to the achievement of global goals for development, and that 21st century universities must reach beyond bricks and mortar to enable greater access for a wider group of students, whilst remaining adaptive and affordable. Wealth creation is directly linked to TE, but its achievement depends on complex and interdependent factors.

23. Existing relationships were further enabled and developed by interaction at the retreat and brand new relationships and discussions are translating into practical partnerships and collaborations, both formal and informal. For example, from the OU perspective:
   - The OU has provided institutional support for a consultation process among key stakeholders in Ghanaian TE to develop a workable solution for a meaningful massive step increase in access to TE, resulting (in early June 2014) in a proposal for the ‘Open Universities of Ghana’. The allocation of discussion time at the workshop allowed the Minister of Education and Chief Director of Education to engage with the proposal in more depth and ask questions of senior leaders from the OU in an informal setting.
   - A workshop conversation between leaders from the OU and the National University of Rwanda (NUR) has led to burgeoning email communication between colleagues at NUR and OU about provision and support for ODL access to virtual science laboratories.

24. In many contexts TE has become an international commodity where national interests and social needs are discarded in favour of profit margins, and the purpose and priorities of TE are driven by market forces. In this climate it is difficult to imagine what body other than DFID could or would bring their institutional experience to commission

7 https://www.wiltonpark.org.uk/conference/wp1331/
a comprehensive review of the development evidence and/or provide a fulcrum for transparent and open discussion to a shared agenda with such high profile international stakeholders. Moreover, an organisation focused on trade over aid would be significantly challenged to prioritise equity within any provision or commissioning of services.

25. Allocating and ring-fencing funds for aid through a single entity ensures that focus is maintained on transparency, openness and the coherence and performance of development initiatives that extend to the most vulnerable in any society. It is only through measures such as these, owned and led by one body that provides careful and holistic administration of subsequent interventions, that aid can be truly effective in achieving economic growth and wealth creation for a nation.