



## **VIEW POINT -7**

By The Pathfinder Foundation

### **Higher Education: A Call for Pragmatism and Forward Thinking**

*Defending the Right of 100,000 (83%) of A/L Qualified Students.*

#### **Political Consensus – Luckily at Last**

Both the main political parties, the SLFP and UNP, support private participation in the provision of tertiary education. Yet attempts to establish private universities have so far been stymied by a fierce resistance from those who hold a minority perspective. They have been given ammunition for this by vested interests in educational policy making. This has constrained an expansion of tertiary education; an improvement in its quality; and an increase in choice for the students. The prevalence of tuition classes and off-shore universities indicate that there is no anti – private education sentiment in this country. The status quo, which involves inadequate public resources to meet current demand; the production of graduates who cannot find productive employment; a mushrooming of unregulated institutions of varying quality; and increasing recourse to expensive foreign tertiary education, is clearly undesirable.

This View Point seeks to address issues related to the unmet demand; the financial constraints and poor quality of state-provided university education; the factors pushing students/parents to seek foreign education at great financial and social cost; the economic and social implications of foreign education; and the need for policy-making based on pragmatism rather than out-dated thinking or a desire to protect vested interests and comfort zones.

#### **Unmet Demand and Demand – Supply Mismatch.**

In 2010 125,284 students obtained the necessary A/L grades to qualify for university education. Yet only 21,547 (17.20%) were able to gain entrance to the local universities. In other words, 83% of our qualified students numbering over 100,000 are left out by the State run university system. The current reality is that public funds are too constrained to provide placements for all the students who qualify to pursue higher studies. At the same time, the university system is

producing significant numbers of graduates who have great difficulty in finding productive employment. While this is partly due to the economy not being able to create a sufficient number of jobs, it is also a fact that the current system is not well aligned to the labour market and the country's dynamic comparative advantage. As a result, successive Governments have had to employ graduates in non-productive employment. This constitutes a waste of both financial and human resources. Scarce public resources are being used unproductively both to educate and then to employ graduates. In addition, human capital is being wasted by employing educated young people into "non jobs" in the public sector. The costs to the economy are substantial and the returns are very low.

It is noteworthy that while Governments have been compelled to provide unproductive employment, some of the fastest growing sectors in the country (eg: the ICT sector) are not able to find an adequate supply of trained employees. The current system is neither generating sufficient placements nor is its output well aligned with the needs of the labour market. In addition, there is a challenge in attracting and retaining high quality tertiary/research faculty. These are long-standing issues which the present system of largely monopolistic public provision has not been able to address effectively.

### **Constraints to Capacity Expansion.**

The public provision of university education has been increased significantly. Despite this, there is considerable unmet demand. The expansion of the current system has led to a spreading of scarce resources, both financial and human, even more thinly. Business as usual will not address the key twin-challenges in tertiary education: (1) increasing supply to satisfy the unmet demand; and (2) improving quality to enable Sri Lanka to generate the skills and expertise required to prosper in a highly competitive global economy. These problems cannot be overcome effectively without increased private participation in tertiary education provision. The current trend of increasing numbers of unregulated institutions at home and greater recourse to study abroad is clearly sub-optimal. It is noteworthy that with increasing per capita incomes, more and more people are able to afford private education, as indicated by the increasing number of students attending private tertiary educational institutions already offering degrees in Sri Lanka and foreign universities. In spite of legal impediments to establish private universities, there are currently over 40 degree granting private 'universities' operating with affiliations to foreign institutions in Sri Lanka. According to a recent survey in year 2010/2011 they have produced approximately 8,000 graduates. .

### **Throwing Children to Unchartered Territories for Education.**

The combination of the lack of sufficient places and poor quality is driving an increasing number of students to foreign universities or to local private institutions granting degrees in collaboration with foreign universities. Some students are also compelled to go abroad as the courses they wish to pursue are not available in Sri Lanka. It is also ironical that local students are attending tertiary

institutions in countries and environments that have less advanced education systems than Sri Lanka e.g. Bangladesh, Nepal, Pakistan and even parts of India. Others are learning foreign languages such as Russian & Chinese, to study subjects like medicine, engineering, business studies and agriculture, which can be easily provided locally. The costs and time involved impose greater burdens on students/families than are necessary.

### **The Economic and Social Costs of Studying Abroad**

At present, it is not only the affluent who are supporting their children in foreign tertiary education. Even middle and lower-middle-income families are selling assets and incurring debts to improve the life chances of their children. This casts an enormous burden on these families. However, this is a burden that can be reduced significantly if foreign universities are allowed to operate in Sri Lanka.

There are also foreign exchange outflows for the payment of fees and the securing of subsistence abroad. Greater opportunities at home would not only save foreign exchange but would also create the capacity to earn incremental foreign exchange by attracting foreign students to local institutions. Malaysia, Thailand, India and Nepal have had success in this regard. Attracting well recognised foreign universities, which have the capacity to attract high quality teaching and research, is also well aligned with the Mahinda Chintana objective of developing Sri Lanka as a “Knowledge Hub”. Opening private universities can increase the capacity to retain high quality academics in the country. They will have the capacity to generate multiplier effects throughout the economy. In addition, their expertise can be drawn upon for the benefit of the wider society.

Economic losses are not confined to the leakage of foreign exchange. Education abroad also encourages the brain drain. Though tightened immigration laws have made it more difficult for foreign students to secure employment, particularly in the West, these countries still have no difficulty in absorbing the best and brightest. This constitutes a loss to Sri Lanka.

There are also important social ramifications when young people go abroad for tertiary education. The social capital that has bound families together is eroded when children settle abroad. The support networks, particularly for the elderly, are disrupted. Even among those who return there are instances of young people losing their values and cultural moorings. This raises friction with their parents/families and also makes it more difficult for them to fit into the local social milieu. In other words parents of various social strata (rich, middle-class, socialists academics and other professionals) are compelled to ‘sacrifice’ their children to foreign values and cultures due to non-availability of higher education opportunities in Sri Lanka. Some of the parents continue to repent throughout their life due to children being disoriented or dislocated from local values.

### **Conclusion**

Tertiary education is too important to be driven by dogma and ossified thinking. It should be driven by the twin objectives of meeting the aspirations of those who qualify for further studies and the needs of a dynamic economy that is internationally competitive. Increased private provision has the capacity to address both the “quality” and “quantity” issues that have plagued tertiary education in this country for many years. Opportunities for affordable quality university education should be extended to those with lesser means. Increasing private provision in this country would benefit these groups more than the wealthy who find it easier to afford sending their children abroad for study.

It is important, however, to emphasize the fact that promoting foreign and local private higher education in Sri Lanka will not and should not have any impact on state expenditures and subsidies for state run universities or the students. Instead the Government can consider granting more freedom for these establishments to set-up joint ventures or partnerships with reputed foreign universities, attracting higher calibre academic staff and changing curricula to be competitive in a liberalized environment.

***This is the Seventh in the series of View Point articles published by the Pathfinder Foundation.  
Readers' comments are welcome at [pm@pathfinderfoundation.org](mailto:pm@pathfinderfoundation.org)***