## Meeting Summary

### Thursday 22 October 2009

<table>
<thead>
<tr>
<th>Time</th>
<th>Session Description</th>
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<tr>
<td>08:30 – 09:00</td>
<td><strong>Registration</strong></td>
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<td>09:00 – 09:30</td>
<td><strong>Opening Ceremony</strong>&lt;br&gt;Opening Address, Gwang-jo Kim, Director of UNESCO Bangkok</td>
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<td>The purpose of this meeting is to build a network of researchers to engage policy</td>
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<td>thinkers in evident-based policy making. Higher Education is particular relevant to</td>
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<td>APAC members as the economic downtown has direct impact on education access, quality</td>
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<td>and investment.</td>
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<td>UNESCO hopes to learn how the higher education landscape has been affected by the</td>
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<td>economic crisis. As every country reacts differently in prioritizing education in</td>
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<td>time of downturns, UNESCO like to facilitate dialogues with member states on how</td>
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<td>to approach the issues facing higher education under different governments. Despite</td>
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<td>countries suffering from the economic crisis of different degrees, there require a</td>
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<td>solid analytical framework to review the situation in the education sector. The</td>
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<td>common framework can then be used to conduct basic country specific analysis.</td>
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<td>09:30 – 10:00</td>
<td><strong>Coffee Break</strong></td>
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<td>10:00 – 12:30</td>
<td>**Discussion on Establishing a Network of Education Research Institutes in the Asia-</td>
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<td>Pacific region, group discussion**</td>
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<td>Agreed features of building a sustainable network include:</td>
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<td>1. <strong>Membership</strong>: Include individuals as well as institutions within Asia Pacific,</td>
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<td>Start with current participants, and include other members after the first round of</td>
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<td>research has been completed</td>
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<td>2. <strong>Research focus</strong>: Current focus on country situational analysis of economic</td>
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<td>impact on higher education. However, as the economic situation remains volatile and</td>
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<td>differs from countries, future research topics will be discussed according to changing</td>
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<td>needs</td>
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<td>3. <strong>Steering committee</strong>: Start with a small core group of researchers identified by</td>
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<td>UNESCO</td>
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<td>4. <strong>Methodology</strong>: Use a common methodology</td>
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<td>5. <strong>Funding</strong>: The network will not act as a funding agency but will secure seed</td>
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<td>money to facilitate the operation of the network</td>
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<td>6. <strong>Purpose</strong>: Act as a forum to hold dialogues and generate research directions on</td>
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<td>higher education to encourage evident-based policy making in higher</td>
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education. Main audience is therefore policy makers

7. **Knowledge dissemination:** Website for low cost and high visibility. No newsletter will be published to reduce burden of secretariat

Action items: Decide on name of the network. Create a one page document to communicate the objectives of the network.

Discussed possible future research topics: public private partnership, student mobility, role of state, internationalization of higher education, relevance of higher education in globalized world, higher education and development. Student environment in learning

| 12:30 – 13:30 | Lunch |

**Briefing on the Economic Crisis and its Impact on Higher Education,**

*Molly Lee*

The financial crisis has spread from developed countries to developing countries. UNESCO is concerned on how the economy crisis is impacting the provision of higher education. Three separate scenarios are:

1. countries where domestic revenue is marginally affected but has no impact on education expenditure,
2. countries where domestic revenue is affected yet governments continue to spend through borrowing and other resources, and
3. countries where domestic revenue is affected and budgets are cut

Some of the economic impacts on education might be too early to tell, research on past crises showed higher enrolment in public and lower enrolment in private schools, delayed retirement of academics, reduced funding from government, employer and the private sector. There could also be opportunities in time of crisis such as more students enrolling in higher education due to job shortage, leading to governments having a greater pool of talent to inject in emerging fields such as alternative energy. UNESCO hopes that research can shed light in understanding how the crisis has affected higher education financially, students and institutions alike and also the positive and negative impacts the crisis has brought to higher education.

| 13:30 – 15:30 | Presentation on the Current Economic Conditions and Impacts and its Impact on Higher Education, each participant |

**Unesco’s Findings So Far**

*Mr. Gwang-Chol Chang, Section of Education Policy Analysis and Strategies Division for Education Strategies and Capacity Building, UNESCO*

UNESCO’s role is to monitor the impact of the crisis and to advocate the protection of education. The monitoring process consists of conducting surveys on public education in 50 countries. Findings show that there are no evidence of wide spread budget cuts in education. Reasons proposed for this occurrence could be that the crisis is too early to assess, governments respond better due to lessons learnt from previous crisis, budgets for next year for some countries have not been released.

Other findings include that certain countries have launched countercyclical packages but it is uncertain how long it would sustain. Some countries have reduced their education budgets which are expected to be even lower next year. However, stimulus packages introduced by governments often benefit higher education.
Low income countries typically experience little impact on revenues, therefore have little impact on their budgets. Middle to high income countries have greater impact on their revenues, but are able to maintain budgets using domestic resources, increasing foreign grants or foreign borrowing. Countries that have cut budgets usually do so through freezing salaries and delaying investments.

Impact of education provisions can be seen in lower public school quality and low income families facing difficulties meeting school costs.

UNESCO concluded that countries are taking measures to protect education budgets and that countercyclical measures provide favourable environments for budget protection. It is speculated that social impacts will produce severe effects on education participation at the later stage. Monitoring will continue and UNESCO will urge governments to not curb public spending on social services including education.

Comments:
4. It is important to differentiate the decrease in expenditure due to regular fluctuation from actual cut as a result of economic downturn
5. Cause and effect are difficult to determine with one year of observation
6. Findings could be the result of decisions made previous to the crisis as some countries e.g. Korea, are still working on the budget for next year

Respond:
2. Findings also include dialogues with governments
3. The study did not see education being impacted more than other sectors

Impact on Thailand
Prof. Paitoon Sinlarat, Vice President for Research Affairs
Dhurakij Pundit University, Thailand

Education budget was reduced. It is likely that many education programs which previously received government funding will no longer be funded. Some of the impacts the crisis has on education are:
- students choosing institutions closer to their home to cut costs
- institutions in large cities experience growing enrolment, while smaller private universities experience a decrease in the number of students
- more students are taking out student loans
- more students failed to return student loans
- more graduates are unable to find jobs

Impact on Korea
Dr. Hyunsook Yu, Senior Research Fellow
Korean Educational Development Institute

Some of the issues facing higher education in Korea include:
1. population of university age is foreseen to drop after 2010
2. heavy reliance on private expenditures – low % paid by public sector

Previous research titled The Economic Crisis and its Impact on Korean Higher
Education, suggested that the features of that crisis included high unemployment, reduction and inequalities in income and decreased expenditure on education. Relevant impacts of the crisis on education included:

1. decline in government expense on education
2. financial difficulties of private university due to tuition payment delay, dropouts, decrease of foreign students

Institutions overcame the crisis through restructuring, tuition freeze, expansion of scholarship programs, provision of re-education opportunities for unemployed individuals. The study concluded that institution downsizing and university re-evaluation of responsibilities were opportunities brought upon by the crisis that resulted in higher quality. Recommendations include:

1. higher education require longer term financial stability provided by the government
2. systematic apparatus need to be developed so that university can be smoothly disbanded
3. there is a need to diversification the function and roles of higher education

Salient impacts of current crisis and responses include:

1. certain private universities have marginal difficulties in recruiting students
2. the employment rate of graduates has slightly declined by .3% from 08 to 09.
3. government (ministry of strategy and finance) introduced a stimulus package that included public spending and tax cut
4. MoE integrates major higher education subsidy schemes and new student loan schemes
5. universities are undergoing restructuring through government implementation

**Impact on India**

**Prof. Jandhyala B G Tilak**

**Professor & Head: Educational Finance**

**National University of Educational Planning and Administration**

Recently, Indian government emphasizes on building/expanding their higher education sector with several initiatives in education reform, setting up of advisory committees and increasing allocation of financial resources.

Significant effects of the economic crisis have yet to be seen, but it is speculated that expansion plans will likely to be put off or scaled down. Resources previously pledged will be redistributed and the quality of education will be compromised. Higher education might require the help of private sector in order to expand in time of crisis. Cost of education will likely to increase and create financial pressure on families. Demand of education will shift from private to public, international to domestic and the disciplines of study will change depending on the skills that the changing job market requires.

Since the length of the crisis is unclear, it is difficult to determine how it could implicate the future of higher education in India.
Impact on Australia
Prof. Lynn Meek, Foundation Director, L.H. Martin Institute
Melbourne Graduate School of Education
University of Melbourne
Australia has been impacted but has not entered recession. Unemployment is lower than expectation. The economic crisis brought positive and negative impacts. Australian education expenditure has been decreasing over the years resulting in institutions to rely heavily on full fee paying international students.

New government pledged education reform, including increasing higher education access to lower SES populations. However, the reform has been delayed. One of the short term impacts of the crisis is universities losing large endowments but most are recovering slowly. A positive impact is increased enrolment of domestic students. Impending challenge in the higher education landscape is teacher shortage when the sector expands.

Comment:
1. EFA vs higher education
2. Motivation of increasing higher education access to lower SES
3. Benefits of cross border education

Response:
1. Stimulus plan for education mostly benefit building infrastructures such as schools and not higher education
2. The main driver to increase higher education access to lower SES is to improve the standard of the work force
3. Cross border education is benefitting Australia and it is cheaper than other western countries

Impact on Indonesia
Prof. Dr. Nadjadji Anwar
Head of Research Center for Policy and Innovation in Education
BALITBANG DIKNAS
Kompleks Departemen Pendidikan Nasional
Impacts from the crisis are deflated demand, unemployment and lower income. The government responded by introducing a stimulus package in 2009 including block-grant funding to higher education and provide scholarships to students. Related research is done by the Center for Educational Policy Research and Innovation.

Impact on the Philippines
Dr. Jean C. Tayag
Director, Office of Policy, Planning, Research and Information
Philippine Commission on Higher Education, University of the Philippines
Government budget for education has been increasing over the years.
crisis, there is an enrolment decrease in healthcare but increase in other disciplines. It is unclear if this occurrence is connected to the crisis. There is also continuous migration from private to public institutions. The number of international students remains stable though their nationalities differ from before the crisis.

Government respond to the crisis by introducing a stimulus plan but unpredictable natural catastrophes could divert government spending from education to disaster relief.

As the job market shifts rapidly due to the economic condition, higher education can take this opportunity to offer disciplines that have higher market demand.

Impact on China
Prof. Changjun Yue  
Department of Economics of Education and Management Graduate School of Education  
Peking University  
Chinese fiscal revenue has dropped due to the financial crisis. Fiscal funding for higher education in China has been severely insufficient. The government only budgeted 4% of total investments for education and health care combined. Signs of crisis include reduction in endowment and delayed donations. Students face financial difficulties despite tuitions remaining the same. There are fewer jobs available for graduates as enterprises are going through downsizing. However, the demand for higher education continues to increase as the pressure of getting employment persists.

Impact on Singapore
Prof. Victor Der-Thanq Chen  
Deputy Head, Learning Sciences Lab  
National Institute of Education, Singapore  
David Wei Loong Hung  
Head, Education Research Admin & Communications (ERAC)  
National Institute of Education, Singapore  
Singapore education budget increases by 5.5% as part of the stimulus package. However, larger portion of the budget is allocated to K-12 instead of higher education. Government also responded by providing financial aids to students in need and reducing teacher bonuses. The government also uses this opportunity when there is increase unemployment to hire of teachers.

Impact on Hong Kong
Prof. Cheng Kai-ming  
Chair of Education, The University of Hong Kong  
Impacts of economic crisis on education are unclear. The unemployment rate fluctuates between 4-6% and income has declined, but it is difficult to estimate if these are due to the economic crisis.

Government revues have dropped but not significant enough to cut spending.  
- block-grant funding is maintained
- major curriculum reform is continuing
- research funding is increasing substantially

Institutions need to garner private donations for long term survival instead of depending on government funding and tuition. Institutions can create products first to attract donations.

**Impact on Malaysia**

**Prof. Morshidi Sirat**

**Director, National Higher Education Research Institut Universiti Sains Malaysia**

Malaysia is expected to fall behind their vision2020 target. The economic crisis is likely to impact higher education by cutting research university program fundings which will reduce PhD training capacity.

Estimated 20% reduction of allocation from last year will result in
- current programs will continue with less money
- new programs will be put on hold
- renovate old buildings and put on hold of new infrastructure development

Survey shows that if budget cut is inevitable, institutions will
- reduce management functions other than salaries
- reduce the number of contract staff
- reduce waste/utilities
- reduce or maintain enrolment figures at the undergrad level due to lack of capacity/infrastructure.

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**Friday 23 October 2009**

**Introduction of network statement, Prof. Cheng Kai-Ming, The University of Hong Kong**

Use “education” instead of “higher education” in the statement to be more encompassing but the network will only focus on higher education

Members will include the following from institution, university and government:
1. Individual researchers with institutional support
2. Researchers who are institution representatives – to ensure sustainable commitment, and require institutional support for funding.

Clearly state the benefits for institutions to support the network

Discussion:

**Steering committee** member will be left for the secretariat to decide.

**Name** of the network will be determined by the steering committee.
Include “policy” in the name of the network. Agreed keywords for the name are: UNESCO Asia Pacific Network on Education Policy Research. Acronym and formal name will finalize later by the steering committee.
Website needs to be set up asap and the steering committee will decide on the contents.

Individual country/institute representative is responsible for garnering local support and regular budget for their projects.

Presentation on the Framework for Examining the Global Economic and Financial Crisis and Its Impact on Education, Brahm Prakash, Asian Institute of Management

The paper is looking at the impact of the economic crisis in the short term (financial impact) and long term (nexus of development and education). Only the framework is available for sharing as the empirical evidence is still work in progress. Issues of the crisis are look at using:

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<td>Real</td>
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Some of the features in social sector are:
- increase in unemployment, poverty and hunger
- deceleration of growth
- volatility of commodity prices
- reduced level of social services etc

Some of the impacts on education and development nexus are:
- role of education fundamental to knowledge based development model
- skills, info and knowledge management
- institutions continue to earn premium despite increase in supply
- adverse impact on school readiness of students
- severe impact on privatized and market driven education systems
- long term implication through core utilization of HR in globalization

Budgetary and financial are only limited aspects of the total impact – the real issues are:
- unskilled, more pressure on labor utilization
- no smoothening of consumption in education (not easy to leave and return to school again after a few years)

Analyze education expenditure issues by looking at:
- weights of different education expenditure components
- earning capacity thru production functions
- technical and vocational education
- tertiary education
- slowdown in demand for education in general

Demand for quality education will go up, as those who can afford it will invest more in quality. Education will therefore polarize even more due to privatization of education. Analysis should not just look at financial impact and allocation, it will have to look at:
- if differential wage level and competence level threaten the global production imbalance
- changes in utilization, preparation and investment
- changes in education production functions

Comment:
1. UNESCO is looking from a budgetary, short term perspective
2. Are there diversity, cultural differences?
3. Human capital: is it a learning divide instead?
4. Anything we can learn from the 97 crisis?

Response:
1. Diversity is very pertinent, but only looking at framework as of now. Empirical profile will reflect which countries are better prepared than others.
2. Labor market is yet to fully unfold. Financial sector and other industries might return to health but employment might not increase and that would impact education.
3. Avoid talking about the 97 crisis as it was perceived very differently from the current crisis

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<tr>
<td>11:00 – 11:15</td>
<td>Coffee Break</td>
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<td>11:15 – 12:30</td>
<td><strong>Design a research study on the Impact of the Economic Crisis on Higher Education (Part I)</strong></td>
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<td>Identifying major research questions</td>
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<td>Analytical framework cannot be over ambitious due to the time frame. Policy related broad questions:</td>
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<td>1. Impact of crisis on government policies and budget</td>
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<td>2. Impact of crisis on society (employment) and education</td>
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<td>3. Implications for long term planning in the education sector</td>
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<td>- How education can help people/government to cope in future crisis</td>
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<td>Levels of impacts: National (sub-national, institutional, household/individual)</td>
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<td>Analytical concepts: Access, Affordability, Accountability</td>
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<td>12:30 – 14:00</td>
<td>Lunch</td>
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<td>14:00 – 14:30</td>
<td><strong>UNESCO Paris Presentation on Survey of the Economic Crisis Impact on Education</strong></td>
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<td><strong>Mr. Gwang-Chol Chang</strong></td>
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<td><strong>Section of Education Policy Analysis and Strategies</strong></td>
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**Division for Education Strategies and Capacity Building**

**UNESCO**

The survey was separated into 2 parts: financial statistics and analytical sections. The financial statistical data helps to understand the impact on education expenditure in actual figures and the % of education in overall government spend. The analytical part attempts to collect qualitative data on consequences and signs of the economic impact, including how government respond with budgetary changes.

This survey can be used as a starting point to modify for the use of higher education institutions, private institutions as well as for specific countries.

**Design a research study on the Impact of the Economic Crisis on Higher Education** (Part II)

*Designing a research framework*

Use the modified UNESCO Survey

Can refer to the OECD’s definition of higher education to define what the network means by higher education. Steering committee will finalize.

**Introduction to the network on educational planning and management (e-Map), Mr. Gwang-Chol Chang**

Invite individuals to post their profile on the network. E-Map is used by Unesco and other international organizations.

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**Design a research study on the Impact of the Economic Crisis on Higher Education** (Part III)

*Preparing an action plan*

**Next Steps**

**Participant**

Send in suggestions for statement

Feedback on reworked questionnaire

Inform UNESCO on willingness of participation in the network, act as country focal points (by early Nov)

**Steering Committee**

Finalize name of the network

Refine statement (by 1st week of November)

Create website

Refine analytical framework

Rework on questionnaire (by end of Nov)

Define higher education

Set up timeline and milestones

**UNESCO**

Issue invitation letter to participants including network rationale to help members secure funding

**Network members**

Draft of research finding should be submitted by the end of Apr 2010

Seminar will be scheduled for June 2010