Global Trends and the Future of Higher Education

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UTECE PURDUE POLYTECHNIC SUMMIT
Returns to schooling

Montenegro & Patrinos (2013). Returns to schooling around the World. The World Bank
Social returns to tertiary education are high
Background: Basic education
44%  Reading  53%  Math
What does low quality learning feel like?

This is how most 3rd-grade kids in low-income countries read, at best

This is how most 3rd-grade kids in rich countries read

With thanks to Luis Crouch, RTI International for allowing us to share his idea.
% of primary school students that DON’T reach a minimum proficiency level
Schooling is not learning
Tertiary education
Booming higher education enrollments

Tertiary Gross Enrollment Ratio
Percentage

- Upper middle income countries
- Lower middle income countries
- Low income countries
Are students learning in ALL institutions?

Accredited public universities

3 million students

32 million students
Four critical issues in higher education

1. Equity
2. Flexibility
3. Governance
4. Innovation
Equity
Sharp rise in access among the poor

Higher education students in the bottom 40% of income (%)
Tertiary education remains a privilege

Percentage of 25-29 years old who have completed at least 4 years of tertiary education, by wealth

Senegal: Richest 8% Poorest 0%

India: Richest 40% Poorest 5%

France: Richest 65% Poorest 30%
Balance equality of opportunities with high academic standards
Flexibility
Is the university the only path to success?
Net returns in Peru

Average net return per field

- Business management
- Health
- Sciences, engineering & manuf.
- Total

Vocational or technical
University
Different disciplines

Certificates

Polytechnic degree

Technical degree

Vocational

B.A.

PhD
3 Governance
Is regulation needed?

Asymmetric information

Limited computational capacity

Quality is observed with a lag

Social cost of market clearing is too high
Autonomy vs. regulation

Autonomy:
- What to teach
- What experience is given to the student
- What curriculum
- What modes of delivery

Regulation:
- To assure minimum standards
- To assure equity of access
- To allocate public financial subsidies adequately
Innovation
Top 10 skills in 2020

- Complex Problem Solving
- Critical Thinking
- Creativity
- People Management
- Coordination with Others
- Emotional Intelligence
- Judgement and Decision Making
- Service Orientation
- Negotiation
- Cognitive Flexibly

How do we build these skills? Latin America needs a shift

Technical and professional skills

General and socio-emotional skills and citizenship
The classroom at the firm
The classroom in the neighborhood
The classroom in your dorm
The classroom in the classroom
Universities/Technical institutions are unique spaces for innovation.

- Partnership university-industry
- Commercial spinoff of university endeavor
- Government sponsored public-private linkage

Solutions that change lives
Thank you!