

OPENING REMARKS

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MEETING OF OECD MINISTERS OF EDUCATION

HIGHER EDUCATION: QUALITY, EQUITY. EFFICIENCY

Athens, Greece 27-28 June 2006

Introduction and Welcome

Minister Giannakou, Ministers, ladies and gentlemen, welcome to this meeting. I would like to express the thanks of the OECD to the Greek government for hosting this meeting. Athens is an especially fitting location. Not far from here, in an olive grove, the philosopher Plato founded the Academy, widely understood as the first centre of advanced learning in Western civilization.

We gather now, however, to discuss the *modern* academy, which is vastly different in size, scope, and economic significance from its ancient predecessor. Today, tens of millions, not just a select few, study in higher education – the *modern* academy. When I say higher education, I mean the more than 17 000 institutions in which those students learn. They include institutes of technology, colleges, polytechnics, and open universities, as well as the traditional universities. For some of you, this is known as “*post-secondary*” or ‘*tertiary*’ education, but for the purposes of the next two days, let us agree on this broad definition of higher education.

We will be addressing the issues of quality, efficiency and equity in higher education. We all agree that these are appropriate objectives for our education systems. However, how to achieve them is a hotly debated issue, including in our host country today. I hope that this meeting will help us advance in our thinking.

Economic Importance

The economic significance of higher education is great, and it is growing. Throughout the world, it is now understood that a high-quality system of higher education is central to the ability of nations to participate successfully in the global knowledge economy. This common conviction is well-founded.

In the past three decades, the proportion of young people enrolled in higher education has risen from 20% of the population to just over 50% on average in the OECD. This is a remarkable expansion and worthy of praise. But, as you know, expansion poses some very serious challenges, including how to pay for expanding enrolments and intensified research activity. Perhaps more important – and more challenging – is the problem of shifting our focus from making systems of higher education *bigger* to making them *better*. And I want to share a few ideas with you about how we at the OECD might help you do that.

Role of the OECD

But first, let me share a little of my own perspective. I have been in post for less than four weeks. I came to the OECD because I believe that countries can learn from one another, and can work together for common ends. This is my first OECD Ministerial meeting as Secretary General, and I am delighted that it concerns such an important topic. And actually, my very first day in office was spent with some of you at the G-8 Ministerial Meeting on Education in Moscow.

This task of working together sounds simple, but it involves imagination and vision, as well as painstaking negotiation and diplomacy. Whether we can peaceably

share this small planet depends upon our capacity to work together in alleviating poverty, widening access to adequate health care, and coping with the effects of global migration. It also rests on our ability to provide quality education to all, since education plays a critical role in shaping modern economies and in what we might call global citizenship.

A generation ago there might have been less interest in international meetings to discuss higher education. That has changed for several reasons.

Economics

First, consider the economic importance of higher education. As we all know, knowledge and innovation – the bread and butter of higher education – play a pivotal role in modern economies. In our work at the OECD, we are focusing on the link between education, investment and growth. For example, the Education Directorate’s review of tertiary education, now underway in 24 nations, pays close attention to whether national policies help higher education institutions generate research that contributes to innovation.

Policy

Second, new international policy instruments bearing on higher education are emerging. These include negotiations in the GATS covering trade in educational services; the European Bologna process; and in a more modest way, the OECD/ UNESCO guidelines on quality provision in cross-border higher education.

Migration

The third factor is growing migration. Increasingly, students and researchers are studying and working outside their home country. We can no longer take it for granted that the job of a country's higher education system is to provide skills solely for its own nationals, for its own labour market. In recent OECD work, we have called on countries to address this by co-ordinating their policies at the national level on matters like student visas, student finance and language of instruction. And one particular concern is that developing countries may lose some of their most highly-skilled people to developed countries.

All these issues go well beyond the boundaries of the 30 OECD member countries. As I have already emphasized in public statements, our links with countries outside the OECD "family" have become increasingly important. I am therefore particularly pleased to welcome to this meeting the ministers and representatives from Chile, Estonia, Israel, Russia, Slovenia and South Africa.

The Challenges

Now I want to turn to some ideas on how higher education might face up to some new challenges.

Who Should Pay?

Expanding higher education and improving its quality costs a lot of money. Who should pay these costs? Students? Parents? Employers? All taxpayers?

One model that surely doesn't work is the one which quite a few countries are saddled with, particularly in Europe. In these countries, higher education is publicly financed for the most part, but it is inadequately resourced to meet the costs of expansion. That forces an unacceptable choice between rationing places to an elite or acquiescing to a decline in quality.

We at the OECD believe that the countries trapped in this dilemma need to pursue reforms urgently, and we think that contributions from graduates to the costs of study can be an efficient way of increasing resources. But this should not occur at the expense of equity: students who can't afford to pay should receive financial help through grants or subsidised loans for example. I look forward to Bill Rammell's observations – and some lively debate – in tomorrow morning's thematic session on who should pay for higher education.

Measuring Quality

We will also be looking tomorrow morning at how to measure quality. Quality is critical in higher education, but it is poorly understood and poorly rewarded. I would dare suggest that we do not value good teaching enough. Too often, the practitioners are largely untrained as teachers. Too often, bad teaching goes unnoticed and good teaching goes unrewarded.

We have to do better than that. We at the OECD have been very successful in measuring learning outcomes in secondary education through our Programme for Institutional Student Assessment survey (known as PISA), which focuses on 15 year-

olds. We should now also undertake a comparable survey of the skills and abilities of graduates that might measure learning outcomes in higher education, and help families, businesses, and governments develop an evidence-based understanding of where and how higher education systems are meeting their expectations of quality, and where they are not. We stand ready to do so if you give us a mandate. We have developed the expertise and the methodology; we know how to gather the relevant information. If, as a conclusion to this meeting, you decide that we should embark on a “PISA for Higher Education”, we will follow-up on this.

Governance

Shifting the focus of higher education from bigger to better has also to do with you or, more precisely, with the relationship between governments and higher education institutions. In our experience, high-performing systems of higher education recognise the need for diversity and performance-based accountability.

All *systems* of higher education have a range of responsibilities – from responding to the need for lifelong learning to conducting world-class basic research. Only the most exceptional *institutions* of higher education can perform all of these well. The great majority of institutions will have to focus on defining their mission and their strengths in an increasingly competitive market.

If higher education institutions are to perform to a high standard – whatever their responsibilities – they need to be accountable for achieving results, while having sufficient autonomy to determine how best to accomplish these results.

No Escaping Change

Changing a nation's system of higher education in ways that increase resources, strengthen evidence of quality, and widen diversity and performance-based accountability may be painful and controversial.

But in higher education, there is no escaping change. Global competition for high-level skills and research is intensifying. If OECD countries want to remain successful economies, they need to put themselves in the driver's seat for the changes to come. Action is needed on all of these fronts.

Determination for Change

In fact, I see now, in governments and higher education institutions – and indeed in your decision as member countries to hold this meeting on this important topic – a determination to make the needed changes.

Indeed, we need look no further than to the leadership of Greece in this respect. Last month's annual OECD Ministerial Council Meeting focused on reforms necessary for delivering economic prosperity. There, Prime Minister Kostas Karamanlis, in his capacity as the Chair, stressed the importance of improving education and its contribution to economic growth. And, in choosing to host this meeting our hosts have signalled their engagement in a wider global dialogue of change.

Conclusion

I hope this meeting will help you to reflect on what changes are needed, and how to introduce them. My job is to put at your disposal the expertise of the OECD, the organisation I have the privilege of leading, to assist you in development of your policies.

I believe we have a good record of success, and we stand ready to help member countries build on decades of achievement in expanding higher education by developing higher education systems which are models of quality, equity and efficiency.

Thank you.