

The VI International GUIDE Conference

*The Global Economic Crisis and its impact on national educational systems:
Can online education help to overcome the crisis?*

Theme 3: Higher Education in a time of economic crisis

OER and MOOCs in a Time of Economic Crisis

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Abstract

The 2009 UNESCO World Conference identified new dynamics in the evolution of Higher Education, some of them linked to the growing role of ICTs. Properly used, technology can achieve, simultaneously, wider access, high quality and lower cost. This is revolutionary.

At first the main aim of Open and Distance Learning (ODL) was widening access. Today there is a new emphasis on extending the open content available for learning to match steadily changing contemporary needs for acquiring skills and knowledge.

We shall explore the implications of these developments, in particular Open Educational Resources (content that can be freely shared and adapted) and Massive Open Online Courses (MOOCs) offered, usually not for credit, to worldwide audiences of thousands.

Introduction

Stamenka Uvalić-Trumbić

It is a pleasure for us to contribute to this conference on a very timely subject. Of the four sub-themes proposed we have chosen the third, *Higher Education in a time of economic crisis*. The title of our contribution to this sub-theme is *OER and MOOCs in a Time of Economic Crisis*. We consider that the worst aspect of the economic crisis is the lack of work for young people. This is devastating the lives of millions.

Earlier this year *The Economist* newspaper devoted a major article to this topic. Its conclusion was: “Policymakers know what to do to diminish the problem – ignite growth, break down cartels and build bridges between education and work. New technology gives them powerful tools too.”

We shall focus on two parts of this advice: building bridges between education and work; and exploring two of the tools that technology provides, Open Educational Resources (OERs) and Massive Open Online Courses (MOOCs).

Our presentation will be in five short sections and we shall alternate in presenting them.

First, I shall present some global and regional figures on the impact of the crisis on young people. Then I shall recall trends that emerged at the 2009 UNESCO World Conference on Higher Education. This conference convened just as the current global economic crisis began, although few realised just how deep and long the crisis would be.

In the second section Sir John Daniel will look at how the crisis is affecting public universities in the US. If the strong US higher education system is struggling, the situation in many other countries must be bleak indeed.

In the third part of the talk I shall open the discussion of technology and ask how Open Educational Resources can improve the situation by enabling students to take more responsibility for their own learning.

In section four, Sir John will look at MOOCs – a remarkable development from Open Educational Resources that burst into the consciousness of global higher education last year.

Finally, I will ask how we can ensure the quality and relevance of these recent developments in higher education: new curricula, new types of awards and new delivery systems.

Some figures

First: some figures. This chart from *The Economist* shows the number of millions of youth who are neither employed nor in education or training. The world total is nearly 300 million – or one quarter of the world's youth. The situation is bad in Europe but, even in percentage terms, South Asia, the Middle East and North Africa fare much worse.

This chart confirms what you already know. The countries around the Mediterranean, notably Greece, Italy and Spain, have some of the highest rates of joblessness in the rich world. You note that only Germany has reduced the number of youth not in employment, education or training in the last five years.

Yet at the same time employers complain that they cannot find graduates with the right skills and competences. There is a serious gap between education and the job market.

What is higher education doing – and what should it be doing – about this huge problem?

The 2009 World Conference on Higher Education

UNESCO organizes world conferences on higher education every ten years. The last one was held in 2009 and I had the privilege of being its Executive Secretary. The conference participants identified the key dynamics impacting on higher education.

The predominant trend is increasing demand, much of it unmet, especially in the developing world.

To address the challenge the range of providers is diversifying. They range from so-called 'world-class' universities in an elite tradition focused on research to vibrant new

and different providers more focused on developing skills and competencies. The private for-profit sector is playing an increasing role and nearly all providers are making use of ICTs and eLearning, some of them to teach across borders. At the same time we see the emergence of what we shall call 'post-traditional' higher education. New curricula and shorter qualifications attempt to address the crisis in the relationship between higher education and the labour market.

Not long ago we used to joke about Hamburger University, the McDonald's training centre that has campuses in seven countries. These have prepared generations of McDonald's managers since 1977 and now offer accredited degrees. Margaret Thatcher shocked the other UK universities when she gave it her seal of approval with a visit in 1989. But today, in partnership with Manchester Metropolitan University, McDonalds is training dozens of staff in a custom-designed foundation degree in managing business operations, building on already recognised courses. This is just one example of the growing links between business and education.

At last year's conference of the European Association for International Education, Allan Pall, then president of the European Students Union, talked about the death of long degree courses. The foundation degree is a good example of a shorter qualification. We shall return to this later.

Meanwhile I hand you over to Sir John to give you some figures from the US to illustrate the crisis in relation to universities.

Higher Education in an Economic Crisis: the example of the United States

Sir John Daniel

We shall describe the impact of the economic crisis on public universities in the United States. This great national system faces serious challenges.

We summarise them in 13 points. This compilation is from our colleagues at Academic Partnerships, a company that helps universities go online to increase the scale and quality of their programmes.

- 1: Enrolment declined last year for the first time in 15 years – down by 2.3%. That means a quarter of a million fewer students.
- 2: Tuition fees have increased at more than five times the inflation rate for 30 years. This has been an accelerating process.
- 3: Adjusted for inflation, the average middle-class family earns \$400 less than it did in 1988. But:
- 4: In 2012 universities raised fees by a record 8.3% making a 46% increase over the last ten years. Of course, one reason for this is that:

5: State funding declined a record 9% in 2012, down 30% per student since 2000. For that reason:

6: Tuition fees as a share of total public university revenue rose 62% over the last decade. Increasing fees is the easy way to try to balance the books.

7: In June 2013, the total of discounts given for tuition fees exceeded the total amount paid by parents. This is a 50% reduction from posted rates. Nevertheless:

8: Student debt has doubled since 2007. This is a now huge factor in the US economy because:

9: Student loans have topped one trillion dollars, more than all the credit card debt, total car loans or total household debt in America. Furthermore:

10: This year default rates on student loans reached a high of 17%. In the US a student loan is one form of debt that you cannot wipe out by declaring bankruptcy. Some students will drag this debt to their graves. Because:

11: A record percentage of recent college graduates are unemployed, 53.6%. Therefore to save money:

12: 45% of recent college graduates are now living at home with their parents. For graduates aged 18 to 34 the numbers living at home have grown from 13% to 21% in the last decade. And to cap it all:

13: 46% of U.S. college students do not graduate, although the extra income you get by having a degree is higher in the US than in almost any other country.

In summary, these are turbulent times, not only for US public universities but also for much of higher education globally. Stamenka will now suggest how online education may help.

OERs

Stamenka Uvalić-Trumbić

Our focus is on the impact of the crisis on students. Higher education can respond by giving them more flexibility, cutting the cost of study, and giving them access to useful knowledge and skills for the labour market.

I shall look at two aspects of flexibility. The first is the idea that students can do more to design their own courses and programmes. The second is the open content movement.

Letting students do more to design their own curricula is not just a liberal idea. New technology is unleashing a storm of 'disruptive innovation' that forces many workplaces to redesign jobs constantly. Higher education cannot adapt fast enough. Students alert to the changing world around them may be better at seeing opportunities and identifying the skills they need to take advantage of them. In the last ten years, thanks to the open

content movement, the tools available to students for doing this have expanded dramatically.

MIT launched the open content movement in the late 1990s when it started putting its lecturers' course notes on the Web. UNESCO held a forum in 2002 to explore the implications of MIT's initiative. The Forum coined the term Open Educational Resources (OER) for educational materials that may be freely accessed, re-used, modified and shared.

Ten years later UNESCO held a World Congress, which approved the Paris Declaration on OER. It recommends the open licensing of educational materials produced with public funds. Some governments are already doing this. For instance, the Canadian province of British Columbia, where Sir John lives, will now offer free, online open textbooks for the 40 most popular postsecondary courses. The rapidly growing pool of freely available academic content makes it easier and cheaper for students to design learning curricula to suit their needs.

A global mechanism to recognise their achievements is now emerging: the Open Education Resource university. This consortium of institutions will help students gain formal academic credit for their study with OERs. The original set of founding partners is steadily growing and giving it an increasingly global coverage. Its launch event will take place in Canada at the end of next month.

Sir John will now talk about MOOCs, another development from OER.

Sir John Daniel

A MOOC is a Massive Open Online Course. As Stamenka said, OER were the long fuse that detonated the MOOCs explosion. Most MOOCs are basically OER with some computerised assessment questions.

The University of Manitoba, Canada, first used the term MOOC for a course *Connectivism and Connective Knowledge* in 2008. Two thousand members of the public took the course free online. But MOOCs really made news last year when elite American universities like Harvard, Stanford and MIT joined in.

I use the first MIT course, *Circuits and Electronics*, as an example. It was massive, attracting over 150,000 learners. It was open, meaning free and without admission requirements. It was online worldwide and attracted learners in 160 countries. You might question whether it was really a 'course' because if you passed the computerised tests you could buy a certificate of completion but you could not receive credit for use to study at MIT.

That was last year. Since then there has been a stampede to join the mooing MOOC herd. This is a copycat phenomenon. Few universities have a clear idea of why they are offering MOOCs. Professor Tony Bates, the respected blogger on

educational technology, predicts a shake out in MOOCs next year as evaluation results come in and financial officers start to ask harder questions about cost and benefit. Meanwhile, with so many providers piling in to offer them, the definition of a MOOC has become much more fuzzy. One joker remarked that every letter in the acronym MOOC is now negotiable.

But in terms of the global economic crisis, this diversification is good. As MOOCs multiply they reinforce some of the helpful trends that Stamenka discussed at the beginning. Many of those taking the first MOOCs already had university degrees, so they provided informal professional development for well-qualified people. Two things are needed to make MOOCs more useful. First, we need MOOCs in employment related topics at all levels. Second, people need credible qualifications for successful study.

Both are happening. The range of topics is diversifying fast and, as Stamenka mentioned, various bodies are giving recognition for MOOCs, even where they did not offer the course themselves.

We call this the ‘unbundling’ of higher education, with different organisations handling different parts of the process. I hand you back to Stamenka to conclude our remarks.

Stamenka Uvalić-Trumbić

We also note a related phenomenon. The qualifications that define the output of higher education are being put into new bottles. Short online courses – six weeks or so – are more successful than longer ones.

New types of awards, such as Open Badges, are emerging. These badges, which are placed on the Web, carry more information about what was studied and how it was assessed than the usual university transcript. They allow learners to get recognition for short-cycle studies on economically relevant topics and to aggregate a series of badges into a conventional qualification such as a degree or a diploma.

A new challenge for higher education is to ensure the quality of these online offerings and any qualifications attached to them. I make two comments about that.

First, Academic Partnerships has published, in English and Chinese as an OER, a Guide to Quality in Online Learning that you have in your delegate bags.

Second, I am the senior advisor on international affairs to the Council for Higher Education Accreditation (CHEA) in the US. To address the quality issue I have helped CHEA to set up an International Quality Group, with membership open to institutions worldwide. One of its first tasks is to explore the creation of a ‘Quality

Platform' for the quality assurance of this 'post-traditional' higher education. These offerings, often online, do not fit easily into our traditional frameworks, either in the way they are offered or the way they are recognised.

The International Quality Group is eager to have more members participating in its work. Please talk to me and take a brochure if your institution is interested.

We shall leave it there. We do not pretend that online education provides universities' only answer to the global economic crisis. Nevertheless, the explosion of online learning is having unexpected and unintended consequences which may prove very helpful in the present circumstances.