

## **CHAPTER TWO**

### **THE ROLE OF EDUCATION IN DEVELOPMENT**

#### **Introduction**

The popularisation of the view that education has a central role to play in national development was stated in the previous chapter. In particular, the belief that it has a part to play in the social and economic evolution of developing nations was recognised. It was also noted that developed countries have been heavily involved in the provision of education for developing countries. This involves, among other things, the provision of programs for students from developing nations within institutions in developed countries. This, in turn, can include standard formal courses at traditional education and training institutions, such as schools, colleges and universities, as well as at private organisations. In addition, the relatively new phenomenon of developed countries providing short, specially tailored, fee-for-service courses for overseas students is becoming increasingly popular. The Australian TAFE sector has been centrally involved in all of this activity, particularly over the last fourteen years.

Chapter One also outlined the decision to focus in this dissertation on developing an understanding of the background to overseas students studying at TAFE colleges in Western Australia (TAFE WA), the functions of TAFE WA in providing for them, and the concerns of TAFE WA personnel who have had responsibilities relating to providing technical and further education and training

for this student cohort. This chapter will now consider some important issues by way of background to this focus. First, it will review the role of education as a major component in the process of national development. Then it will consider the particular role of technical and vocational education and training in fostering national development. The significant part played by developed countries and the impact of development assistance agencies in encouraging education in developing nations will then be reviewed. The chapter will conclude with an overview of the part played by Australia in providing educational services for developing nations. In the course of this overview, the particular role of Australia in providing opportunities for overseas students to study at Australian educational institutions will be outlined.

### **Education as a Central Component in National Development**

A significant amount of research in both developed and developing countries has led to the argument that education has had, and continues to hold, a central position in national development (Rwomire, 1992: 230; Thomas, 1992: 17; Hallak, 1990: 1; Fagerlind and Saha, 1989: 40). However, the actual concept of 'development' has evolved and changed during the last fifty years. Today, what is emphasised is no longer restricted narrowly to economic development, although there is still an expectation that economic development will be one of a number of outcomes that will ensue. Nowadays, the concept of development has broadened to include a focus on improving economic, social, political and financial structures in countries.

Before World War II, economists paid little attention to the process of what came to be called 'national development' (Coombs, 1985: 14). Rather, the concept of 'development' arose principally in the industrially advanced countries, whose paths of development were marked by an emphasis on industrialisation in the period of reconstruction after World War II (Singh, 1988: 1). In these countries, governments had pledged to provide educational opportunities for all as an essential step toward improving quality of life for their peoples (Coombs, 1985: 1). New forms of economic planning and co-operation among countries, reinforced by large amounts of capital, technology, and management practices provided by the United States of America under the Marshall Plan, helped restore previously developed nations who had suffered badly in the War (Coombs, 1985: 14). This infusion of such assistance after World War II also launched the newly revitalised developed nations into an era of technological progress and economic growth.

Following the example of strategies used for post-World War II national development in Western Europe and Japan, many Western economists and political leaders subsequently assumed that a similar formula would be applicable to developing countries (Coombs, 1985: 15). There was a presumption among development agents that large capital infusions, plus the transfer of modern technology from the West's industrialised nations to newly independent agrarian nations of Asia and Africa and to the older independent nations of Latin America, would enable those countries' struggling economies to 'take off' into a self-sustaining process of economic development and modernisation. It was also assumed that this would take place at a far faster pace than in the industrialised nations of the West because of the experience gained in these nations

(Coombs, 1985: 15). However, Coombs (1985: 15) also contends that it soon became evident that while the war-torn European countries and Japan needed mainly to replace their devastated infrastructure and to update their managerial and research-and-development capacities, they had still retained a strong economic and administrative infrastructure, abundant industrial know-how, and a well-educated modern labour force. In comparison, developing countries lacked these advantages, which invalidated many of the aforementioned assumptions as to how to help developing nations.

Fagerlind and Saha (1988: 39) maintain that post-World War II development in Japan is generally regarded as the classic example of education being deliberately used as a contributing factor to rapid industrialisation and economic and social development. In 1872, a universal and unified education system was introduced in Japan and schooling was regarded as essential for economic growth. Also, Fagerlind and Saha (1988: 39) argue, when Japan decided to industrialise in the late 19th century, the desired level of skilled personnel required for modernisation was already high and the country had a model to follow, for the technology of the West was already known there. The example of Japan is considered unique when compared to the gradual pace of industrialisation in the West and represents perhaps the first commitment to the belief and practice that education can make a direct contribution to economic growth and advancement (Suzuki, 1990). Unlike Japan, however, the developing countries in the period immediately after World War II lacked essential prerequisites for rapid economic growth, and consequently, the development of education alone did not lead to rapid industrialisation there.

The 'education development' strategy that evolved at the end of the Second World War and from the early 1950s grew to become the most important vehicle for the 'take-off' into industrialisation by less-developed countries. Also, it became central to strategies for the transition of the already developed countries to post-industrial stages (Fagerlind and Saha, 1989: 40; Coombs, 1985: 15). Hence, the notion of a causal relationship between education and development became accepted by many academics and policy-makers in the late 1950s and early 1960s. Supported by the publications and funding programs of the Organisation for Economic Co-operation and Development (OECD) and the United Nations Educational, Scientific and Cultural Organisation (UNESCO), education came to be viewed as an important, and indeed 'crucial' agent for the rapid development of nations (Ayyar 1996: 348). According to Singh (1989: 5), it should be recognised that in this thinking, education was equated to formal schooling and development was equated to economic growth.

Coombs (1985: 15) has argued that in the 1950s and 1960s, economic growth theories and models were created that described the process of speedy modernisation in developing countries. These theories and models also provided the intellectual basis of new national development strategies and new bilateral and multilateral aid policies and programs designed to support them. Coombs has judged that under these theories, development came to be defined as 'economic growth', measured statistically by increases in a nation's Gross National Product.

According to Coombs (1985: 16), the single-minded emphasis on modernising and industrialising the urban centres of developing countries was based on the theory

that once the new modern sector in the cities began to grow, its effects and influences would spread across the countryside, where most of the population and labour force lived and worked. On this, he concluded as follows:

Here it would trigger a spontaneous, self-sustaining process of rural development (perceived mainly as increased commercial agricultural production for urban and export markets), thus steadily narrowing the urban-rural gap (Coombs, 1985: 15).

The vehicle for this GNP-centred scheme of national development soon became the educational development strategy that evolved in the 1950s (Fagerlind and Saha, 1988: 40; Singh, 1988: 5).

Education and training fitted neatly into the notion of a GNP-focused national development theory and strategy. Economists generally agreed that the rapid expansion of the modern sector would require, in addition to a large infusion of physical capital and modern technologies, a greatly increased supply of an educated labour force and modern skills (Psacharopoulos and Woodhall, 1985: 3). These, however, were in exceedingly short supply in the developing countries at the time and hence created a serious hindrance to economic growth there (Coombs, 1985: 15). The obvious solution, according to Coombs (1985: 15), was to import and rapidly expand the modern educational and training models that had proved their worth in the industrially advanced countries. Following this line of reasoning, many development economists argued strongly for increased education budgets as a high-yielding investment in economic development (Rwomire, 1992: 230). Educational leaders in many developing nations welcomed this strategically important support of the economists in their quest for steadily expanding educational budgets (Coombs, 1985: 16).

Lewin (1991: 95) has noted that national goals for education stated in formal development plans of poorer countries in the 1950s and 1960s, frequently stressed the importance of educational development to satisfy labour needs. This thinking indicated the belief that developing nations had in the ability of education to act as a catalyst for national development. Such thinking also was consistent with the dominant view of economic development during this period, which stressed the importance of 'human capital' investment as a vehicle to overcome hindrances in increasing production and productivity that could not be achieved through added investment of physical assets. The rationale was that high rates of economic growth were possible in industrialised countries because of improvements in the educational level of the working population.

Thomas (1992) also recounted the role of education in national development plans of a varied selection of nations - large and small, capitalist and socialist, industrialised and agrarian, eastern and western, northern and southern. In particular, he summarised the view of education's role in national development schemes as outlined in these plans under eight broad headings. These are: basic communication skills; health, safety and nutrition practices; knowledge of the physical and social world; national unity and allegiance to the government; cultural identity; moral/social values; creativity, initiative, decision-making, self-reliance; and preparation of the work force (Thomas, 1992: 19).

Seven years earlier, Lewin (1985) had also studied national development goals. In an examination of 29 plans from 16 countries, spanning the period 1966 to 1985, he identified five main types of purpose used to justify educational investment.

These purposes were: development of work-related skills and abilities; social equity; nation building; improving educational quality; and improving educational efficiency. In a later work, Lewin (1991: 97), claimed that a number of trends among countries became apparent when considered under these five headings. For example, manpower planning became less marked as a cogent justification for investment in education, indicating a shift towards more broadly conceived purposes for educational provision. Moreover, where manpower goals did appear in later plans these specifically stressed scientific and technological needs. There was also a tendency to emphasise work-related needs in relation to secondary and tertiary education and to define primary school goals largely in terms of acquiring basic skills, such as literacy and numeracy.

A second trend noted by Lewin (1991: 97) was that in some developing countries education was seen as a major instrument for reducing inequality and occupational discrimination between groups. This occurred as people learned more about the nature of their own and other cultures and became better equipped to judge which aspects of their indigenous culture they wished to retain and which aspects of other cultures they wished to adopt. This role for education in developing countries was seen as an attempt by them to reduce or limit the previous influence on their society and culture of developing countries that often began in former colonial times.

Lewin (1991: 97) also identified a third trend justifying investment in education, namely, nation building. Here the notion was that the populace should understand the history of their country and its people, the nation's ideals, the duties and rights



of citizens, allegiance to the government, and the need for national unity, especially in countries with large ethnic minorities. Another trend noted by Lewin was that vocational and pre-vocational education had become fashionable responses to national economic aims to improve the quality and relevance of the education sector. Finally, the fifth major trend Lewin identified was a concern to improve quality at the primary school level, especially in light of financial constraints on the amount of resources available for education generally in developing countries. This meant, for example, that more attention needed to be paid to methods of increasing efficiency through more intensive use of buildings, effective inventory control and bulk ordering, and a greater emphasis on managerial efficiency in monitoring and controlling resources.

Even though the concept of development continued to change markedly in the 1990s so that economic and social security, economic and political co-operation, and the conditions of a civil society became highly valued and most earnestly sought by many nations, the view of education's role in development remained central. In the report *Development Co-operation in the 1990s*, the chairman of the Development Assistance Committee of the OECD wrote:

Education is a major public policy and resource management issue. The crucial importance for economic development of high quality education and technical and vocational training accessible to masses of young people has been demonstrated by the experience of the successful developing countries (Wheeler, 1989: 101).

In similar vein, the *World Education Report 1993* (UNESCO, 1993: 16) declared that:

In the new vision of world development that continues to emerge in the 1990s, knowledge, human ingenuity, imagination and goodwill are the only resources that finally matter. No lasting progress, it is

realised, can be made towards peace and respect for human rights and fundamental freedoms without them. The role of education in developing them is recognized as crucial.

The Report went on to observe that national policy-makers were looking more closely at their education systems and at the ability of these systems to respond to the new imperatives considered indispensable to successful development (UNESCO, 1993: 17). While looking at themselves, nations were also peering outwards and demanding better international information about education, on matters such as how it was organised in different countries and what were the ‘best practices’. As the then Director-General of UNESCO observed in a speech in 1993 (Mayor, 1993: 4):

As long as the privileged 20% of the world’s population, who enjoy 80% of the resources of all kinds it has to offer, are not prepared to share them and reduce the existing inequalities and imbalances, all the strategies for the future will remain empty rhetoric. Human development is not meant just for some of us, as opposed to others, but for all of us.

A later UNESCO report (UNESCO, 1995a: 9) continued this theme in confirming that education and training were the key to personal development and to the economic, social and cultural development of societies.

About this time also, the *Economist* magazine (*Economist*, 1995: 13) pointed to modern-day goals for education in affirming that investing in people remained a popular political goal in both rich and poor countries alike. While rich-country politicians spoke of ‘skills deficits’ and the need to improve training, the emphasis in poorer countries was on better health and general education. However, in both cases the goal was to improve what economists call ‘human capital’ in the form of the health, education and skills of the workforce.

One reason for this view appears to have been the belief that improvement in the quality of 'human capital' was important as capital investment for the economic development of a nation. Furthermore, this opinion did not just apply to the economically least privileged countries only, for it was also argued (*Economist*, 1995: 13) that the concepts and principles involved applied as much to the rich countries as to the poor. There was not, of course, anything new about this line of reasoning. The linkage between more and better education for people and the ability of a nation to grow economically has been the subject of numerous studies in the literature, for example, Lewin, (1994), Lockheed and Verspoor (1990), and Psacharopoulos and Woodhall (1985).

Most of the relatively recent empirical work on the relationship between education and productivity is based on human capital theory (Fagerlind and Saha, 1988: 47). This theory argues that appropriate education and training can raise the productivity of an individual, primarily by increasing the individual's cognitive skills. It also argues that, in so far as other inputs necessary for production are available in sufficient quantities, appropriate education and training can also increase production and productivity and thereby accelerate economic development. It is also a theory that has had considerable influence over policies concerning education and development strategies in international organisations such as the World Bank, OECD and UNESCO (Lewin, 1998: 82; Burnett and Patrinos, 1996: 275). According to Singh (1988: 5), the theory gave credibility to economic planners in allocating financial resources to education. However, it is also arguable that it offered few guidelines to policy-makers about precisely what type of education was of most worth for economic development, especially in

developing nations. In other words, there remained a significant degree of uncertainty about the precise causal link between education and progress in national development.

It is also noteworthy that questioning of the role of education in the development of developing countries arose in the light of the world recession that began in the late 1970s and continued into the 1980s (Fagerlind and Saha, 1988: 56). This recession had wide repercussions for education and human resource development in developing countries. While there were considerable differences in the consequences of the recession upon individual countries, certain common problems and trends emerged throughout Africa, Latin America and, to a lesser extent, Asia. For example, there was the issue of ‘over-education’, that is, the surplus production of graduates for too few jobs. Thus, despite the large quantitative expansions in institutions of formal education, there was growing unemployment among the educated, while poverty and enormous disparities of wealth and opportunities persisted (Psacharopolous and Woodhall, 1985: 4). ‘Wastage’ in the form of high drop-out and repetition rates occurred, accompanied by increases in the teacher to student ratio that, in turn, led to overcrowded and over-stretched physical facilities (Rwomire, 1992: 231).

Many parts of the education systems in developing countries were also subject to fierce political competition for scarce resources. One consequence of this, at the secondary school level in particular, was an over-concentration on the academic aspects of the curriculum and a neglect of technical and vocational courses, because of the investment in buildings and equipment required for them

(Watson, 1988). At the end of the 1980s, dangers of stagnation and decline faced policy makers and practitioners, including educators, in many developing countries. Nevertheless, national policy makers continued to look at the overall education sector to see what it could offer as the most effective and efficient contribution to each nation's economic and social development.

One facet of education that became an important strategy in education for development of both developing and developed countries was technical and vocational education and training (Tabbron and Yang, 1997: 323). In the 1990s, technical and vocational education and training arrangements for 16-19-year-olds came to be seen as important components of education systems (Jallade, 1994: 6694). This occurred as these systems sought to respond to economic and labour-force considerations stressing new, emerging skills resulting from changes in technology and work organisation. New technical and vocational education and training curricula emerged that were concerned not only with the technological and occupational aspects of training, but also with 'general' skills, including problem solving, creative thinking and communication competencies. These general skills were seen as crucial in the new patterns of organising the work place; patterns that involved personnel working as members of interdisciplinary teams with authority and responsibility devolved from the executive level to the team, greater reliance on the use of technology for processing information, and strategic planning and marketing to ensure closer links between production and sales. Also, international communication became increasingly important as social systems and work cultures came closer to one another and as new alliances, such as the Asia-Pacific Economic Co-operation Forum, were formed in 1989.

Furthermore, the focus of technical and vocational education and training was widening to include continuing education and training for mature adults, including re-entrants to the workforce, as a response to shorter-term employment needs and demographic change, such as an increasingly aging population (Tabbron and Yang, 1997: 331). In addition to playing a central part in industrial restructuring, technical and vocational education and training was also seen as contributing to societal development in other ways. On this, a UNESCO expert on technical and vocational education and training, M.A. Quereshi (1993: 6), argued as follows:

TVET [technical and vocational education and training] is considered essential for development nowadays because on one hand it is centrally linked to training, on the other to employment – the major problem every society is striving to tackle. The vital challenge for TVET is to keep pace with the rapidly changing demands of the workplace and introduction of new technologies that are changing the very nature of work in industry, agriculture and business.....In order to enhance national development, collaboration is growing between TVET and industry in the design and delivery of programs, curricula, equipment and facilities. In Australia and New Zealand, for example, there is increasing emphasis on multi-skilling in the workforce, on-the-job experience, credit transfers, competency-based training, and promoting re-trainability.

Despite this, as a source of making productive skills available, formal modes of technical and vocational education and training attracted considerable criticism over the years for their high cost and frequent failure to achieve training goals (Lewin, 1993; Borus, 1977). This criticism resulted in efforts to reduce the cost of developing skills through formal technical and vocational education and training programs, while attempting to maintain a satisfactory level of effectiveness. Even further, it saw efforts to increase the effectiveness of formal technical and vocational education and training offerings, while maintaining or even reducing their cost. Alongside these efforts related to efficiency in the production of

technical and vocational education and training, other steps were taken to make formal modes of technical and vocational education and training more responsive to market forces in determining which skills were produced and in what quantities. These efforts may be summarised as being concerned with improving the internal and external efficiency of technical and vocational education and training (Adams and Schwartz, 1988: 1).

In connection with moves to increase the effectiveness of technical and vocational education and training, Middleton (1993) maintained that whether or not it could be a cost-effective means of increasing a country's productivity and economic growth was conditioned by that country's economic context. He considered (Middleton, 1993: 11) that the rate and nature of economic change shaped the patterns of employment and skills needed in society, and thus determined the incentives to individuals and employers to invest in the improvement of human skills necessary for development. Tabbron and Yang (1997: 328) agreed that "TVET is deeply embedded in a particular country's social and economic structure and TVET systems in different countries possess different features". However, all countries are affected by the international economic environment, which has seen economic markets shift from operating in a local to a global arena in the latter part of the twentieth century. This has meant that countries that want to grow and survive in the global competition of the 1990s are facing tremendous pressure to employ and improve the quality of their whole workforce. In turn, this has had a strong impact on education in general and technical and vocational education and training in particular. Accordingly, in the last decade of the twentieth century,

technical and vocational education and training is being reformed to suit contemporary social and economic demands (Tabbron and Yang, 1997: 323).

These demands, however, are different in the case of each individual nation. Tabbron and Yang (1997: 328) consider that different nations' economies demand different types of skilled personnel. These types must be determined by the traditions, requirements and capabilities of each country. To meet their needs for skilled personnel, developing countries have looked to technical and vocational education and training to play an important role in their education and training strategies (Adams, Middleton and Ziderman, 1992: 127). The expansion of the technical and vocational education and training systems has, however, often been accompanied by only a poor quality of training, and unemployment has remained high (Psacharopoulos and Patrinos, 1993: 230; Wilson, 1993: 280; Adams and Schwartz, 1988: 1).

To address these and other matters affecting technical and vocational education and training in developing countries, in 1990 an Asia-Pacific regional seminar on technical and vocational education and training was organised by the Asian Development Bank with the collaboration of the World Bank. The purpose of the gathering was to consider the views of a number of nations about their expectations for technical and vocational education and training (Asian Development Bank, 1991: 6). The conference found that most of the participating developing countries intended to strengthen, streamline and, to a certain degree, expand their technical and vocational education and training systems in order to equip a growing population with the knowledge and skills required for gainful



employment or to set up enterprises. Further, these countries recognised the rapid advances in the fields of science and technology that both directly and indirectly influenced technical and vocational education and training, and domestic industrial growth and development. Papers from various countries were presented at the seminar that, in summary, identified a number of specific trends that would guide the thinking of most developing countries in restructuring technical and vocational education and training in the 1990s in order to assist the evolution of technical and vocational education and training systems and enhance the contribution they could make to national development in those countries. The trends identified were:

- (i) the need for more enterprise-based TVET;
- (ii) the expansion of formal and non-formal TVET;
- (iii) a greater role for the private sector in providing TVET;
- (iv) greater emphasis on work-related experiences or vocationalisation of education;
- (v) greater and more extensive use of technologies to improve TVET;
- (vi) greater and closer co-operation and co-ordination between public and private sectors in providing TVET programs;
- (vii) establishment of full-time vocational/technical schools and training institutions in less-developed countries (Asian Development Bank, 1991: 59).

As has occurred with previous attempts to establish and restructure education in developing countries, it is likely that these initiatives will be supported by significant contributions of technical assistance, finance and other forms of development co-operation by developed nations, development banks and

international development assistance agencies. A brief overview of the role of these agencies will now be presented.

### **International Development Assistance for Education**

Educational co-operation between nations has been associated with a genuine recognition of education as a key to national development and self-sustained economic growth. There have been a number of forms of international co-operation and assistance aimed at assisting newly independent governments in the early days of developing their educational systems and institutions. These include high-level expatriate teachers and administrators going from developed countries to work in universities and schools in developing nations (Leach, 1994: 218-219). Education in developing countries has also been assisted by advice from expatriate technical experts, provision of teaching aids and textbooks, educational technology, training and, more recently, policy-planning models and theoretical frameworks for educational change and reform (Buchert, 1994; Lewin, 1994; Wheeler, 1989). Overall, educational co-operation consists of a mass of individual transactions between a large number of developed and developing countries and many donor agencies. These comprise governmental, non-governmental, bilateral and multilateral donor organisations, each with their own sources of finance and individual objectives and practices.

The main source of educational co-operation for development is official aid from governments of developed nations to governments of developing nations. This is termed bilateral aid. Assistance from inter-governmental agencies such as

UNESCO, the World Bank Group, the International Labour Office and from the regional banks, such as the Asian Development Bank, constitutes multilateral aid and forms another vital component of educational co-operation. Also important is assistance provided by non-governmental organisations and philanthropic sources such as the United States-based Ford Foundation.

The bilateral flow of development assistance is the largest source of educational co-operation, which, as far back as 1973, accounted for 60% of the total from all sources internationally (Phillips, 1976: 11). Bilateral assistance may be either constant or occasional support in the form of financial, human and technical resources. The level of this sort of interaction and co-operation between developed and developing countries has increased over the last few decades. With this has come an increase in the total volume and variety of channels of external assistance that, by 1992, included contributions from all the major developed countries of the world (Ishumi, 1992: 265). Although not a major contributor in terms of total dollars provided, Australia is a reliable supporter of developing nations, especially of its nearest neighbours, Indonesia and Papua New Guinea (Downer, 1998b). Also, since 1987 in particular, Australia has assisted educational development in its immediate region by assertively promoting its education system and aggressively encouraging overseas students to study in Australia (Industry Commission, 1991). Furthermore, along with other governments, Australia contributes on an obligatory basis to the international multilateral development assistance organisations, such as the World Bank and the Asian Development Bank, of which it is a member.

International multilateral assistance in 1993 constituted about 27% of total donor support for education in developing countries (Lauglo, 1996: 221). The greater part of this consists of loans and long-term credits from the World Bank Group and the regional banks, such as the Asian Development Bank (Lauglo, 1996: 222). In 1995, the World Bank's share of total multilateral support for education was 62% (Lauglo, 1996: 222). One part of the World Bank that lends to developing nations over extended periods at low rates of interest is called the International Development Association. This and the United Nations Development Program are financed entirely from voluntary contributions by governments. Governments also give support to individual volunteers who wish to serve in developing countries. Australia, for example, through the Overseas Services Bureau, an agency of the Department of Foreign Affairs and Trade sends people overseas to help in this way.

Australia is also a member of the Organisation for Economic Co-operation and Development (OECD), an organisation that deals with development co-operation between nations. It comprises 25 of what may be termed the world's most economically advanced, or 'developed' nations, including the United States of America, the United Kingdom, Germany, France, Japan and Australia (Wheeler, 1989). The OECD is charged with promoting policies, including trade policies, designed to achieve the highest sustainable economic growth, employment and a rising standard of living for its member countries. These policies also are intended to contribute to sound economic expansion in both member and non-member countries in the process of world economic development (Wheeler, 1989: Foreword). In order to achieve its aims, the OECD established The Development

Assistance Committee (DAC), whose members have agreed to expand the amount of resources made available to developing countries and to improve their effectiveness (Wheeler, 1989: Foreword). To this end, members periodically review both the amount and nature of their contributions to bilateral and multilateral aid programs, and consult each other on all relevant aspects of their development assistance policies.

In 1989, the DAC, in conjunction with the World Bank, the International Monetary Fund and the UNDP, produced a policy statement on the orientation of their development co-operation activities in the 1990s (Wheeler, 1989: i). Part of the policy was a new emphasis on stimulating productive energies through investing in people and through participatory development (Wheeler, 1989: iii). Included among a series of measures to support human resource development as a strategic development manoeuvre was the need for a higher priority for making available, as widely as possible, sustainable and effective education and training. Indeed, according to the then Chairman of the DAC (Wheeler, 1989: 14), “we must hurry to bring education to all of our populations because this is essential to our other objectives”. However, the parties to the policy statement acknowledged that the developing countries themselves were ultimately responsible for their own development and that external assistance could only be subsidiary to their own development efforts (Wheeler, 1989: i).

In the DAC policy statement, a number of interrelated key areas were identified to guide international donors in their joint efforts with recipient developing countries to assist educational development (Wheeler, 1989: 103). The policy statement also

highlighted (Wheeler, 1989: 103) that the most urgently needed target areas considered for external aid were primary and basic education, as well as technical and vocational education and training.

A substantial recent effort to provide assistance for improving technical and vocational education and training in developing nations has been the International Project on Technical and Vocational Education (UNEVOC). This was launched by UNESCO in 1992 and is continuing at the time of writing, 1999. The overall aim of this project was to facilitate a network of policy planners, teacher training and technical institutes, teachers, schools and students throughout the world, in a bid to make technical and vocational education and training more relevant to national education systems (UNESCO, 1995b: 17). To achieve this objective, the Project sought to promote the development of technical and vocational education and training, both as a component of general education and for the preparation of skilled workers and technicians for the world of work, for the re-training of workers and for life-long technical education. UNEVOC also sought to strengthen national research and development capacities, foster international exchange of experiences and strengthen inter-active relations between education and the world of work (UNESCO, 1995b: 17). An international network of technical and vocational education and training institutions was established and several national, sub-regional, regional and international activities were developed, including meetings, training seminars, workshops, publications and studies. For instance, in September 1994, interested groups from the Asia-Pacific region met to discuss the kind of training that would foster entrepreneurial skills for small business and how

assistance could be provided to support this training (International Project on Technical and Vocational Education, 1994).

The strongest influence in shaping technical and vocational education and training policies in many developing countries has been the World Bank's loan conditions and covenants (Asian Development Bank, 1991: 50). Indeed, among all countries and organisations involved in education for development, the World Bank is perhaps the most prominent. In addition, it exerts a strong influence on the direction of assistance from other donors through the research it carries out and publishes about the many socio-economic sub-sectors that form part of every developing nation. For example, the Staff Appraisal Report arising from the Second Professional Human Resource Development Project in Indonesia identified the major issues in developing the professional skills of civil servants in that country (World Bank, 1994).

In shaping and setting the educational agenda in many countries, the World Bank has a very dominant position. This has meant that its major initiatives in reviewing education generally in Africa (1988), and primary education (1990) and technical and vocational education and training (1991) worldwide, have been especially influential in determining the actions of other development assistance agencies (Burnett, 1996: 215).

In 1995 the World Bank produced its first major review of education across all sectors since 1980 (World Bank, 1995). The document, called *Priorities and Strategies for Education*, outlined six key strategies aimed at improving the

world's education provision. Watson (1996: 213) recorded these strategies as follows:

- (i) a higher priority for education by governments;
- (ii) a greater concern for labour market outcomes;
- (iii) concentration of public funding at the primary and basic education levels;
- (iv) a greater concern for equity and access;
- (v) family/community involvement in school governance;
- (vi) more emphasis on institutional autonomy.

These were offered to educational policy makers in developing countries to adopt as strategic directions in their planning if they wished to receive funding from the Bank. Since the Bank accounts for 25% of all the aggregated bilateral and multilateral assistance of education (Watson, 1996: 213), this pronouncement by the Bank was an important source of influence.

However, in a special issue of the *International Journal of Education Development* (Vol. 16, No.3, 1996) a number of authors pointed out weaknesses in the World Bank's document. One area of criticism was that over the previous twenty years, the Bank had been inconsistent in its treatment and dismissal of the provision of specialised vocational education and training at school level. Whereas the provision of such specialised education and training that had been the direction of early Bank policy, the emphasis now favoured such training being delivered on the job in the workplace (Lauglo, 1996: 224). This change of emphasis in the World Bank's policy envisaged the involvement of the private sector in the provision, financing and governance of technical and vocational education and training (Lauglo, 1996: 224). On this, Bennel (1996: 243) concluded as follows:



The review's one line dismissal of the role of government with respect to VET hardly provides a meaningful basis for policy discussion of what is an extremely important and complex area of education provision..

In support of what he considered the World Bank's too hasty rejection of technical and vocational education and training in schools, Lauglo (1996: 225) pointed to the worth of other policies that blended broad vocational preparation with general education at the upper secondary school level. It was argued that, rather than dismiss technical and vocational education and training in public institutions, public authorities in developing countries needed to look for ways of supporting the training of manual skills, in line with policies followed in influential OECD countries, one of which was Australia. (Lauglo, 1996: 225).

### **Australia's Part in Education for Development in Indonesia**

Particularly since the mid-1980s, Australia's experience and expertise in devising and implementing policies in the field of technical and vocational education and training have been widely applied in support of the development of the corresponding sector of education in Indonesia. While it is recognised that the study reported in this dissertation is not focused specifically on Indonesia, it is useful to show at this point how Australia has gone about facilitating economic development in the country by assisting educational advancement there. Indonesia is chosen as an exemplar of Australia's contribution because of its importance to Australia as its most populous neighbour, and because, along with Papua New Guinea, it has been one of the top two recipients of Australian aid funding in recent years (Downer, 1998b).

Australia's bilateral co-operation program with Indonesia has been aimed at contributing effectively to Indonesia's development (Djojonegoro, 1994:2). At the same time, however, "Australia's national interest has always been, and will remain, an important part of the program, which represents a mix of motives – both altruistic and self-interested" according to the Australian Minister for Foreign Affairs and Trade, Alexander Downer (Downer, 1997). Accordingly, while the program aims to keep in step with Indonesia's development needs, it also has the specific objectives of contributing to Australia's strategic and commercial interests. In the 1990s, the program has become a more prominent element of the bilateral relationship between Australia and Indonesia as Australia has become more closely involved in regional co-operation (Downer, 1998a).

A key goal of Australia's formal development co-operation program with Indonesia is to promote sustainable economic and social progress through practical co-operation in areas of mutual interest (Downer, 1998b). The Australian program, with its emphasis on education and training, health, environmental management, and agricultural/rural development, and its focus on Eastern Indonesia, has assisted Indonesia with some key development needs (Downer, 1998b). In particular, education and training have been, and will remain, a vital need for the immediate future, as Indonesia seeks the skills required for a globally competitive workforce (Downer, 1998b: 28). In 1995, the Head of the Indonesian Office of Educational and Cultural Research and Development noted that Indonesia had an economically active population of about 90 million people and that each year the majority of the 4.5 million people who leave education join the workforce (Wirjomartono, 1995: 35). He went on to stress that these new entrants

to the workforce need to be equipped with the knowledge and skills to compete for jobs and that appropriate education and training programs were a very high priority. By way of response to this need, in 1998/99, a large part of Australian's expenditure of \$24 million on technical and vocational education and training worldwide supported Indonesia's effort to engage the country's private sector employers to complement public sector effort in developing the necessary workforce skills in Indonesia (Wirjomartono, 1995: 36).

In addition to opportunities for education and training for selected students provided under the formal development co-operation program with Indonesia, thousands of privately funded Indonesian students are currently seeking relevant education and training in Australia. This raises significant issues for the Australian TAFE sector at the end of the 1990s. As the number of Indonesian students studying at TAFE institutions continues to increase, so too do the demands placed on teaching, administrative and support staff in their attempts to adequately assist these students during their studies in Australia. Moreover, institutions feel compelled to retain or increase the number of future students because of the economic advantages they bring to them. Accordingly, Australia's education and training providers have been required to respond to new intellectual models and values. In turn, this has encouraged further experimentation and innovation needed for Australians to benefit from and contribute to the economic and social dynamics of Indonesia.

The study reported in this dissertation set out to provide a particular research-based perspective that would help accelerate this process, not for Indonesia in particular

but for all countries. This was undertaken by addressing three central research questions, namely: What is the background to overseas students studying at TAFE WA; what are the present functions of TAFE WA in providing for these students; and, what are the concerns of TAFE WA personnel who have had responsibilities relating to the provision of technical and vocational education and training for this student cohort? The findings in regard to these questions will be outlined in later chapters.

### **Summary and Conclusion**

This chapter began by providing an overview of education's role in national development in both developed and developing countries. This incorporated a brief summary of the relevance of the human capital theory to theories linking education and national development. Following this, the focus moved to the more specific part technical and vocational education and training has played in national development. The chapter continued with an explanation of the way in which both bilateral and multilateral development assistance agencies have supported education development generally, most strongly in developing nations, including sustained advocacy of the provision of technical and vocational education and training. Finally, Australia was identified as a small but enduring contributor to technical and vocational education and training in developing countries, particularly in regard to its immediate regional neighbours. It was seen that part of Australia's offering was to open its educational doors to students from overseas wanting to study in Australia. The sustained flow of these students continues to figure in plans for the future evolution of Australian educational institutions,

including the TAFE WA system. In view of this, it will be useful for Australian educational leaders and other personnel to turn to the knowledge, skills and understandings that already exist in the area. Pointers to some of this information may be found in the next chapter, which is a review of the literature concerning overseas students studying abroad.

The alliance between economists and educationists, centred around the human capital theory and reinforced by broad popular and political support for rapid educational expansion, held together until the early 1970s. However, by this time, the human capital theory as the basis for a viable development strategy had been brought into doubt. No longer was it universally accepted that an increase in educational expenditure and of participation rates was sufficient to improve economic productivity both in industrialised and non-industrialised countries. Criticism of the human capital approach stemmed from its contention that the key to economic growth lies in individual characteristics. It made no reference to aspects of the social structure, and rather than advocating structural change to promote development, it advocated individual change. (Fagerlind and Saha, 1988:49)

Therefore, while there were many bright spots that held hope for the future, a picture emerged of imbalances and inequities of the development process in developing countries. The distribution of benefits was found to be exceedingly lopsided, with the comparatively well-off becoming even better off while the masses of the poor became poorer. There were signs of an emerging ‘world

educational crisis' (Hallak, 1990:25). According to Hallak, (1990:25), these signs included escalation of costs and expenditure, declining quality, doubts about the relevance of the curriculum for emerging social and economic needs, imbalances between supply and demand for educated manpower, leading to further imbalances between educational aspirations and employment opportunities, a growing problem of educated unemployment in many countries and continuing or widening gaps between standards and participation in rural and urban areas. It required time and social stability to solve these problems, and in many developing countries it was impossible to find time or to achieve social stability. In Hallak's view (1990:41, the problems were thus not overcome, but continued throughout the 1970s and into the 1980s, which saw a new crisis developing.

In an attempt to address this impending crisis, a World Conference, bearing the theme, Education for All: Meeting Basic Learning Needs, was held at Jomtien (Thailand) in 1990. This gathering was unusual in several ways. It was very large in the number of participants (1500), countries (155) and governmental and non-governmental agencies (170) represented (Husen and Postlethwaite, 1994:2959). The Conference was an inter-agency endeavour, convened jointly by the executive heads of Unicef, UNDP, UNESCO and the World Bank. It was also supported by 18 governmental and other organisations. Further, it was cross-sectoral, laying heavy emphasis on the need to see education as an activity that informs and enhances developments in, for example, agriculture and health, as well as encompassing the programs of formal school systems. In addition, it was confined to basic education for all children, youth and adults. The Conference was concerned with what tools (for example, literacy or problem-solving skills) and

what content (for example, knowledge, skills and values) human beings need ‘to be able to survive, to develop their full capacities, to live and work in dignity, to participate fully in development, to improve the quality of their lives, to make informed decisions, and to continue learning.’ (Husen and Postlethwaite, 1995:2960).

The Conference agreed on a World Declaration and a Framework for Action that stressed common goals and common strategies. Emphasis was placed on: making access and equity to education universal; broadening the means and scope of basic education; enhancing the environment of learning; and strengthening partnerships, both national and international, and between governments, non-governmental organisations, and the private sector.

Although it sought to be as inclusive of the range of parties interested in education worldwide, there were substantial differences in approach between some of the major players, for example in the emphasis on the improvement of primary education as against better adult access to education and improved community participation in policy-making at all levels. Also, some of the basic assumptions of the Jomtien Conference documents were challenged, particularly for what critics saw as too much reliance on human capital and modernisation theories of development. Other criticisms were that too little attention was paid to informal labour markets and the continued technological dependence of developing countries, and not enough stress put on popular participation at all stages of planning and execution.



Nevertheless, as Mayor (1993:5) notes, the Jomtien Conference represented a shift in emphasis in the approach taken to development, from a short-term view geared to financial return, and the medium to long-term view based on broad-based human resources. Mayor is optimistic that the principles that formed the basis for such a leap appeared to be becoming more firmly established not only in conceptual terms but in their practical application. However, the differences that emerged at the Jomtien Conference revealed that there were substantial differences in approach between some of the major actors, and that

Singh (1989:5) goes on to argue that the manpower theory that followed, and in a way was an elaboration of the human capital theory, lent an overemphasis to secondary and tertiary education at the expense of basic mass education; to institutional vocational training to the neglect of other forms of skills learning; and to a narrow and unbalanced priority for scientific and technological training in preference to other forms of education.

Australia is also a member state that contributes to the budget of another United Nations agency, UNESCO, which is vitally concerned with education for development in developing countries. UNESCO is not a funding agency for educational programs, nor is it a research institution. Its main emphasis is on initiating and monitoring comprehensive programs, and on linking existing national and regional institutions and activities (Chabbot, 1998). By acting as a cooperating agency with, for example, the ILO and the World Bank, as well as through its own regular, small program, UNESCO exercises a major guiding role in education development (Asian Development Bank, 1988:65).

The economies of many developing countries, for example, have been undergoing rapid transformation in the last three decades (REF).

As recognition of the potential value and importance of technical and vocational education and training has grown in developing countries,