

# The Role of Higher Education in a Globalising World: Challenges and Opportunities

---

Lawrence J. Lau, Ph. D.

President and Ralph and Claire Landau Professor of Economics  
The Chinese University of Hong Kong

and

Kwoh-Ting Li Professor in Economic Development, Emeritus, Stanford University

Asia University Leaders Program (AULP)  
United Board for Christian Higher Education in Asia  
Hong Kong, 2 February 2009

Phone: (852) 2609-8600; Fax: (852) 2603-5230

Email: [LAWRENCELAU@CUHK.EDU.HK](mailto:LAWRENCELAU@CUHK.EDU.HK); WebPages: [HTTP://WWW.CUHK.EDU.HK/VC](http://www.cuhk.edu.hk/vc)

# Introduction

---

- ◆ The Goals of Undergraduate Education
- ◆ The Challenges of Globalisation
- ◆ The Opportunities

# The Goals of Undergraduate Education

---

- ◆ What is the minimum that a University graduate should know, in this 21<sup>st</sup> Century, besides his or her own major specialization?
- ◆ What are the qualities that a University graduate must possess today?
- ◆ The education of the whole person—not just knowledge and skills—but a well-rounded person
- ◆ The development of an individual to his or her fullest potential
- ◆ The preparation of an individual for life and work in a globalised world

# The Goals of Undergraduate Education

---

- ◆ Language ability—expressiveness and communication skills
- ◆ Breadth of knowledge, interest, horizon and perspective
- ◆ Socialization—accepting and co-existing and working with people that are different and that one does not necessarily like
- ◆ Professionalism—doing and completing tasks that one does not like to do
- ◆ Leadership capability
- ◆ Ethics, morals and values— compassion, honesty, integrity, loyalty, perseverance, and individual and social responsibility
- ◆ Critical and independent thinking
- ◆ Physical health—participation in exercises and sports

# Breadth of Knowledge, Interest, Horizon and Perspective

---

- ◆ One should make sure that science, engineering and medical students take some humanities and social sciences courses and vice versa
- ◆ World civilizations and civics—national education
- ◆ International and inter-cultural exposure
- ◆ Contact with different strata of society
- ◆ Students should be taught to be knowledgeable, appreciative, sensitive to and tolerant of people from other cultures—people different from them.

# The Challenges of Globalisation

---

- ◆ The Impact of Globalisation
- ◆ The Impact of Technological Change
- ◆ The Impact of Demographic Changes
- ◆ The Changing Role of Higher Education

# The Impact of Globalisation

---

- ◆ Global competition for faculty, students, resources by leading universities
- ◆ Global employment opportunities and labour mobility—this presents both competition as well as opportunities
- ◆ Global consolidation of industries--expertise and know-how are more industry-specific than geography-specific, especially in manufacturing. For example, shoe manufacturers in Taiwan would rather move to mainland China than to shift to manufacturing computers in Taiwan; Cemex of Mexico invests in cement plants around the world; hotel chains now operate globally. (In some service sectors, e.g., the professions, there can be unique local knowledge requirements (e.g., law) or licensing requirements (e.g., law and medicine).)

# The Impact of Globalisation

---

- ◆ New ideas flow around the globe and across national borders almost instantaneously via the internet and other vehicles.
- ◆ Obsolescence of knowledge has been greatly accelerated. What is taught and learnt at colleges and universities becomes obsolete in less than a decade, and sometimes even faster in some fields.
- ◆ Increasingly it is necessary for peoples of different cultures and backgrounds to interact and collaborate with one another. The ability to communicate and mutual tolerance and respect have become more important.

# The Impact of Globalisation

---

- ◆ Communication is essential. The use of English is increasingly widespread. This is known as the network externality—it is advantageous to learn a second language that is spoken by the largest number of people. There is also a lock-in effect that is not easily overcome. For example, the qwerty keyboard versus the dvorak keyboard, Linux versus Windows.
- ◆ Overseas exchange experience has become a must—Harvard University requires all of its undergraduates to spend one year at an educational institution abroad. At the Chinese University of Hong Kong, our goal is to assure that every student who wishes to spend a semester or a year outside of Hong Kong will be able to do so.

# The Impact of Technological Change on the Delivery of Education

---

- ◆ Technological change affects the system for the delivery of education, and in particular, undergraduate education.
- ◆ The emergence of the “star” system—each lecture course will be dominated by a few great teachers of worldwide reputation—with the lectures being available through the internet, cable television or simply down-loading. For example, Introductory Physics by Richard Feynman and Introductory Economics by Paul Samuelson or Milton Friedman (a similar phenomenon to that of the “electronic” church).
- ◆ The Massachusetts Institute of Technology has already made available all of its course material on the Internet.

# The Impact of Technological Change on the Delivery of Education

---

- ◆ The use of technology and distance learning—For example, the University of Phoenix, with an enrolment of over 250,000 students
- ◆ Since every student, no matter where he or she is enrolled, will have access to the same lectures, leading universities must differentiate their products from the more ordinary ones in order to compete effectively.
- ◆ What can they offer?

# The Impact of Technological Change on the Delivery of Education

---

- ◆ It is back to the system of colleges as practiced by the Universities of Cambridge and Oxford, which emphasizes small classes and seminars, tutorials, the “apprenticeship” system of research training, and generally close personal contact between the faculty and students. This is going to be the way through which leading universities can add value.
- ◆ Research achievements of a university will be the key to attracting faculty, students and external support.
- ◆ The demand for residential education at the leading universities will rise as the importance of personal interactions in learning increases.
- ◆ The networking and socialization functions of universities will gain in relative importance.

# The Impact of Technological Change on Employment

---

- ◆ The fast pace of technological obsolescence, the intense global competition and rising footlooseness of industries imply that no employer can credibly offer lifetime employment (except possibly the government). In fact, even an industry cannot be assured of its continued existence over time. An average person can reasonably expect to change not only employers but also industries at least a couple of times during his or her life.
- ◆ Universities must therefore teach general rather than specific skills; they must teach students the art of learning and self-learning rather than the knowledge itself, which in any case will become obsolete in a matter of years.

# Learning How to Learn

---

- ◆ Learning how to learn by oneself is probably the most important part of an undergraduate education today.
- ◆ It enables life-long learning which is increasingly necessary because of rapid obsolescence of knowledge and skills and unpredictable changes in the global economic environment.
- ◆ No one can be assured that he or she will work in the same occupation, same industry, or the same place for his or her entire working life.

# The Impact of Technological Change on Employment

---

- ◆ As information has become explosively available through the internet, students must also be taught and trained to discriminate—to learn not to believe everything he or she reads or hears.
- ◆ The relative values of different skills will also undergo significant changes—For example, a good memory per se is no longer as valued, but the speed of calculation and processing is. Analytical ability and research aptitude will be greatly sought. The Senior Thesis will return as a vehicle for training in the process of research and problem-solving.
- ◆ Lifelong learning will become the rule rather than the exception.

# The Opportunities

---

- ◆ The Impact of Demographic Changes
- ◆ The Changing Role of the Bachelor Degree
- ◆ The Teaching of Ethics and Social Responsibility
- ◆ Promoting International Dialogue and Collaboration among Scholars

# The Impact of Demographic Changes in Developed Economies

---

- ◆ Demographics in developed economies—declining fertility and birth rates, rising life expectancy
- ◆ Declining enrolment of undergraduates (candidates for bachelor degrees)
- ◆ Expansion of demand for second and higher degrees
- ◆ Expansion of demand for extension or continuing studies
- ◆ The narrowing of the gender gap in terms of enrolment (declining fertility rate has a major impact)
- ◆ The growing demand for manpower to serve the rapidly expanding geriatric segment of society (nursing, retirement communities, home care services)

# The Changing Role of Higher Education

## From the Last Degree to the First Degree

---

- ◆ A college education has become almost universal in the developed countries in the sense that anyone who wishes to have one can always find a way to do so.
- ◆ The bachelor degree has evolved from being a person's last (terminal) degree to being a person's first degree.
- ◆ Various kinds of (earned) second degrees, for example, master degrees, have become quite common.
- ◆ The liberal arts (translated as 通識教育 in China and 教養教育 in Japan) college is likely to become once again the preferred form of undergraduate training—general versus specific knowledge and skills; the postponement of professional training.
- ◆ Education as a filter, as a screening device.
- ◆ Universities will bifurcate into research-oriented and teaching-oriented ones. Non-degree courses may become very common in the latter.

# The Teaching of Ethics and Social Responsibility

---

- ◆ One should begin teaching ethics and social responsibility at a very young age.
- ◆ Nevertheless, one should continue to teach ethics and social responsibility at the university.
- ◆ The best way to teach is not necessarily in the classroom—to teach by example, by exposure, by osmosis, by active participation in volunteer work.
- ◆ Instead of learning and asserting one's rights, one should learn one's social obligations—that in fact, it should be everyone's obligation to respect the rights of others.
- ◆ One should give up the entitlements mentality.

# The Teaching of Ethics and Social Responsibility

---

- ◆ Recognizing the externalities and long-term impact of one's actions on others and on future generations.
- ◆ Understanding and accepting one's social obligations and responsibilities.
- ◆ Promotion of a sense of collective responsibility.

# Promoting International Dialogue and Collaboration among Scholars

---

- ◆ Appreciating and Understanding One Another's Point of View
- ◆ Rational Analysis and Discussions
- ◆ Building Consensus—Seeking Common Ground While Accepting Dissent
- ◆ Crafting Win-Win Solutions
- ◆ Educating the Public

# Addressing Global Challenges through International Dialogue and Collaboration

---

- ◆ Leading Global Issues
  - ◆ Global Warming
  - ◆ International Security
  - ◆ Economic and Financial Stability
  - ◆ Education
  - ◆ Health Care
  - ◆ Ageing of the World Population
  - ◆ Innovation and Intellectual Property Rights
  - ◆ Terrorism

# An Example—Global Warming

---

- ◆ Preventing or retarding global warming is a common goal for all and is everyone's responsibility
- ◆ Exchanging experiences
- ◆ Equitable sharing of responsibility and burden among developed and developing economies
- ◆ Efficiency, technology and life style
- ◆ Seeking consensus on consumption norms for given levels of real GDP per capita