

Does International Education Help International Development?

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Basic Education is Crucial for Poverty Alleviation

- Human rights
- Accelerates economic growth
- Increases personal incomes
- Gender effects for households
- Irreversible investment

Tertiary Education Matters too, but

- Social returns are probably still lower than primary
- unit costs are 20 to 50 times those at primary level
- mainly used by the rich
- can be financed by credit

Public resources should prioritise primary education, but

- Balance required
- SSA: a step too far
- International education as a **response** to poverty

Changing Nature of Student Flows

- Globalisation: cross-border integration of production and distribution; accelerated flows of goods and of people
- Skilled/unskilled contrasts
- 3 million studying abroad
- Increasing at 6% p.a.
- 18% of UK tertiary enrolments

Changing Nature of Tertiary Funding

- Public funding in decline
- Aggressive international recruitment
- Shift from aid to profit-seeking

Results:

- 2/3 of students self-financed
- Students increasingly from richer countries
- And from richer families in all countries

Implications for poverty in low-income countries

A Those who Return

Benefits:

- incomes and career opportunities
- social benefits – economic growth, competition, innovation,
- encourages multilateralism

Costs:

- Relevance
- Cultural impact
- Expectations
- Domestic universities affected

Likely balance: positive

Implications for poverty in low income countries

B Those who do not Return

Costs:

- Loss of historical public education subsidies
- Brain drain (less growth, leadership)
- Regressive transfers
- Household social costs

Benefits:

- Remittances

Likely balance: negative

New Developments

- Diaspora for large sending-states
- Circulating migration
- New wave of returnees to China, Taiwan and India

But

- Different policies of receiving states
- Intentions of students
- Economic growth at home important for returnees
- Few net-benefits for the poorest states

Ways Forward

Policies:

- Scholarships
- overseas tertiary-level investment
- compensation for historic and opportunity costs
- Barriers to entry
- Constraints on aggressive recruitment