



# North–South Cooperation in Higher Education: Revisiting International Aid Flows

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The absence of higher education from the debates around the international development agenda may hide the relative importance that the sector has for international development aid, and no longer reflect developing countries' policy priorities. Traditionally, international aid has played a vital role in financing development initiatives in countries facing structural constraints. Foreign aid, particularly in the form of official development assistance (ODA), has been used by wealthy countries to assist least developed ones by stimulating economic growth, improving living standards, and even building more robust institutions. But not much is known about the actual flows supporting higher education and their relative importance.

## Missing Higher Education in the International Development Agenda

Over the past decades, a consensus has developed about prioritizing universal basic education and, increasingly, preschool education. Such a consensus emerges from the international community's commitment to enforcing the right to education, and draws on the evidence of universal basic education's role in development. This primary emphasis has relegated higher education to the margins of the international policy debates about development.

However, data shows that higher education is the education subsector that benefits the most from international aid, well beyond basic and secondary education. In 2019, one-third of all official development aid for education went to postsecondary education. This fact may look surprising at first glance, given that international debates focus mostly on basic education and, yet, it is an indication of several facts converging.

On the one hand, in low-income countries, the proportion of each cohort that gets access to higher education yearly ranges from 9 percent in Sub-Saharan Africa to 52 percent in Latin America and the Caribbean, according to UNESCO data on target 4.3 of Sustainable Development Goal (SDG) 4 for 2018. These figures are indicative of the transition from elite to mass higher education. Fifty percent gross enrollment is taken to indicate a country entering the so-called universal higher education stage—considered by UNESCO a dimension of the right to education and lifelong learning opportunities.

On the other hand, recent evidence suggests that the return of the investment in higher education is relatively high not only for the individual, but also for society and the economy at large, with some researchers claiming that private and public returns are equivalent in size. Public investment in higher education creates well-documented externalities that, among other things, contribute to socioeconomic development through health and civic outcomes, not to mention their direct effect on the labor market and, as a result, contributing to an environment fostering more knowledge-oriented economies.

Yet, these economic analyses do not show the complete picture. No other education subsector has more potential than higher education to contribute to each SDG, mainly through the combined three missions that universities pursue: teaching, research, and contribution to social and economic development. Further, low-income countries need to enlarge their professional and scientific capacities, both in the public and private sectors, to generate and manage their avenues to socioeconomic development; again, no other subsector is better positioned to do this than higher education. How well is this reflected in the current flows of international aid?

## Abstract

This article provides an exploratory overview of international aid devoted to higher education, including its relative importance compared to other types of aid, its main characteristics and geographical distribution patterns, as well as a list of main donors, recipients, and channels. It sets a common and global baseline that may contribute to a global, evidence-based reflection and debate around this topic including all stakeholders, and to changes in the current paradigm.

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### The Current Flows of International Aid for Higher Education

ODA targeting higher education (HED) represented 2.7 percent of total ODA flows in 2019; this is USD 5.2 billion, as highlighted in a recent [report](#) by the [UNESCO International Institute for Higher Education](#) launched at the Third World Higher Education Conference (Barcelona, May 2022). The analysis draws on data from the OECD and other sources to estimate the amount and types of aid flowing between donor and recipient countries.

Over the past years, international aid flows have been heavily skewed toward universities, leaving marginal financial aid to tertiary technical programs, in spite of the particularly important role played by technical and vocational education and training (TVET) in developing economies. Such a trend brings forward discussions on the degree to which the design of international aid balances local recipient needs within global environments.

Flows follow a strong pattern from Global North to Global South, with Germany and France as the main donors. An overview of the main recipients of HED ODA reveals that upper-middle-income countries capture most of the funding, despite their ability to raise domestic resources. China (as a country) and Asia and the Pacific (as a region) top the list. In other words, middle-income countries received about 70 percent of that aid in 2019, far more than the share going to the lowest-income nations (12 percent). China alone received 8 percent of tertiary aid, even though it is also becoming a substantial donor itself.

Just under three-quarters of the disbursed ODA for HED was dedicated to scholarships and imputed student costs. This emphasis on scholarships can help achieve SDG target 4.b, which calls for increasing the volume of ODA flows given as HED scholarships, particularly to least developed countries, small islands, and African nations. More specifically, the proportion of ODA for tertiary education going to Africa was lower than a fifth (18 percent) in 2019, down from 31 percent in 2002. The declining share of ODA directed toward Africa, which has the lowest human development indicators and is also likely to become home to the world's largest number of youth in 2050, reflects the urgency for the international community to enhance its evidence-based collaboration mechanisms to better target those left behind.

Reliance on these types of aid, which are closely related to international mobility, may raise questions regarding their impact on the development of recipient HED systems, since those resources are reinvested within donor countries. In other words, much of that financial aid is spent in donor countries. This paradox opens an important space for debate on shared purposes, commitments, norms, and standards established in the way in which aid is given, bringing to light the importance of providing access for those populations whose realization of the universal right to education is most at risk.

### Implications

Although evidence on HED-related outcomes is quite limited, there is enough data to state that the efficiency of HED ODA allocation, and thus its impact, can be enhanced. An efficient and impactful international aid flow to HED represents an opportunity for higher education institutions in the Global South to increase student access and attainment, enhance the quality and relevance of their education, offer their graduates international education experiences, or improve their research processes and outcomes. However, this cannot be fully achieved only by unilaterally transferring funds with a top-down approach, as this can perpetuate dependency and global hierarchies that prevent mutually beneficial international cooperation in HED.

The pandemic will for sure have a negative impact on international aid for education development, and the resulting context may make it even more difficult than before to rethink whether higher education should be a priority in debates and resulting strategies—at least, at first glance. A more thoughtful approach, yet, would consider the potential effects of not embedding higher education in the international development agenda, not only for economic recovery and development but also for equity in post-pandemic higher education. ▲