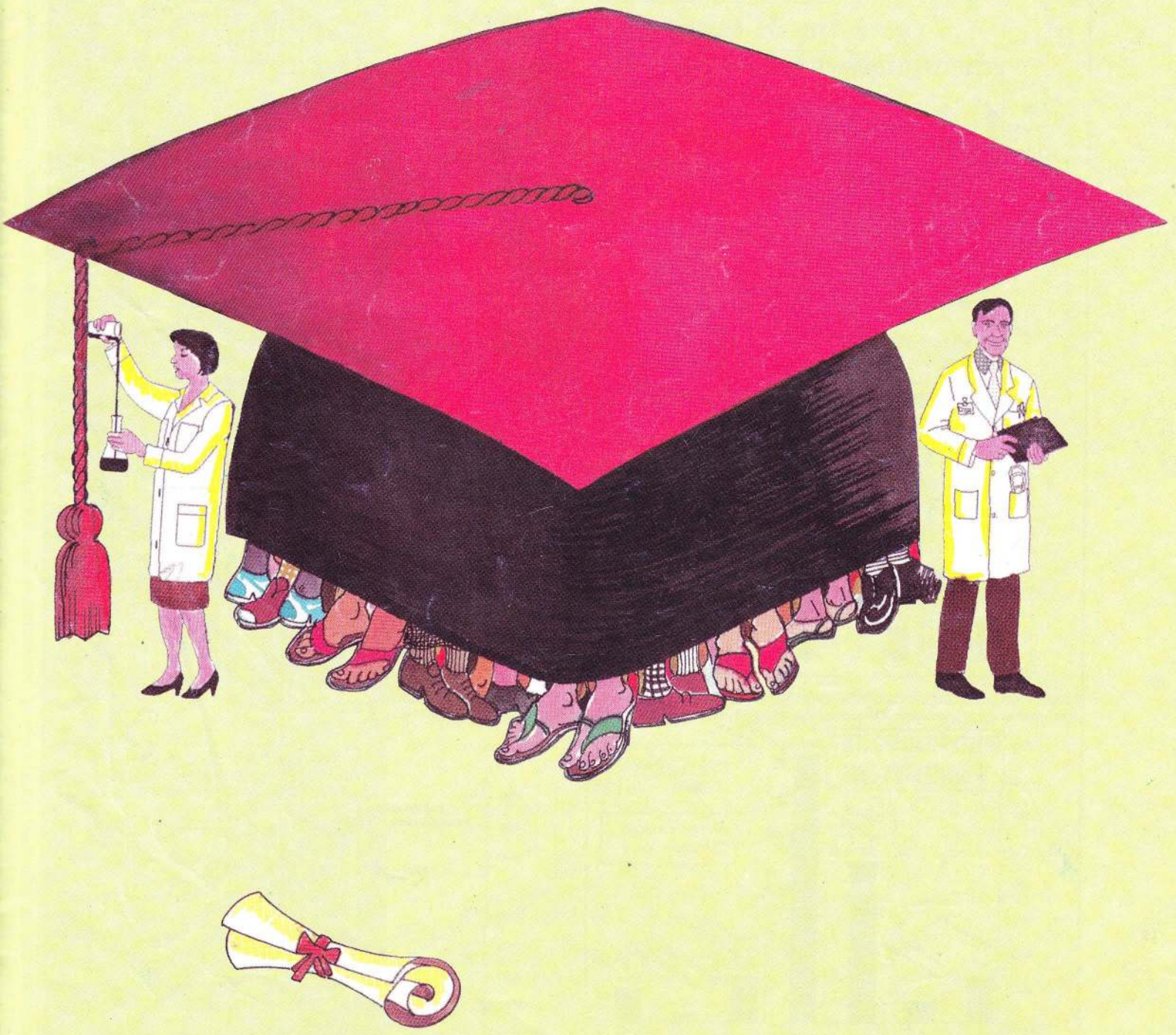
ECONOMIC REVIEW

January 1997

HIGHER EDUCATION AND DEVELOPMENT



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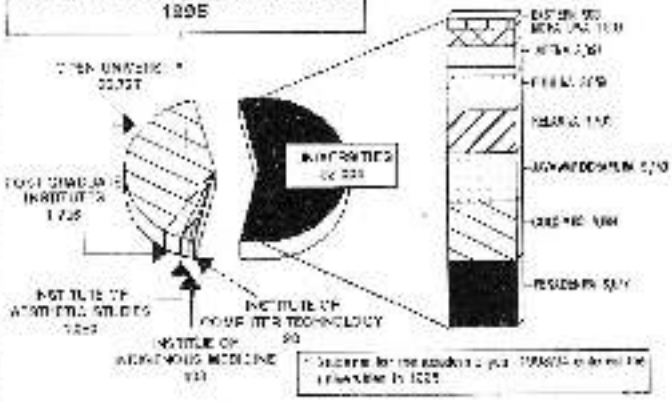
HIGHER EDUCATION AT A GLANCE

ENROLMENT IN HIGHER EDUCATIONAL INSTITUTES 1995



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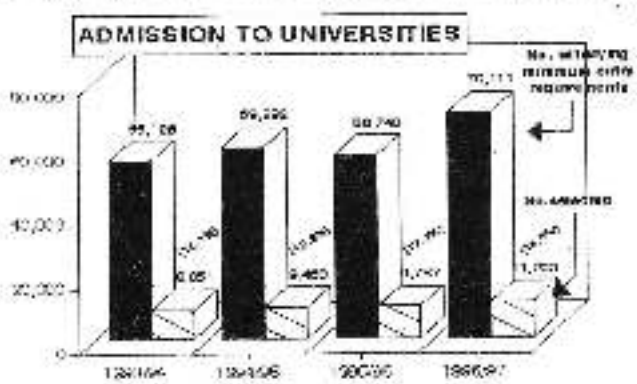

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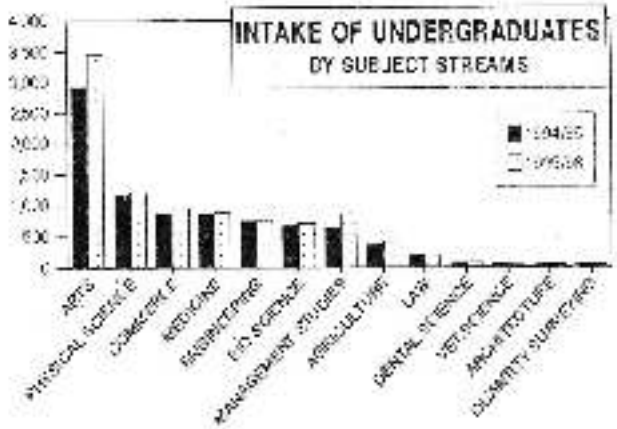

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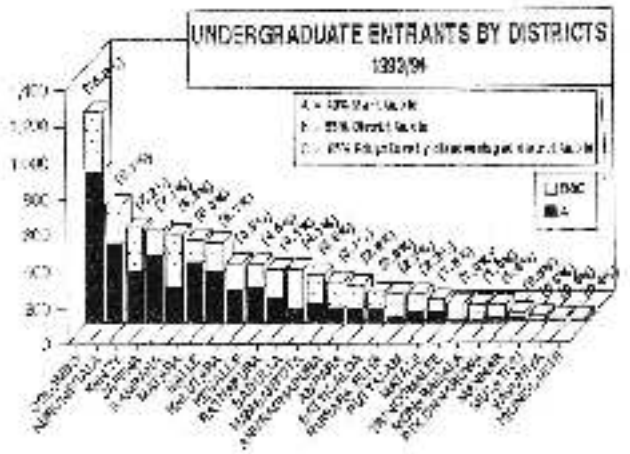

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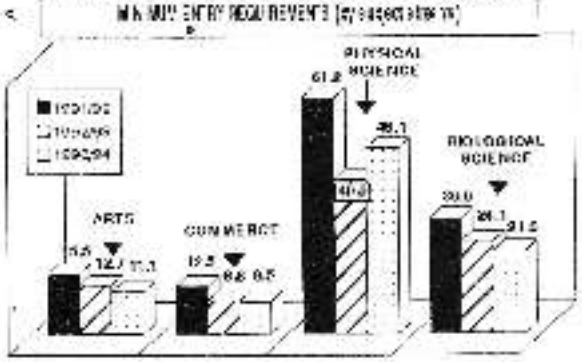

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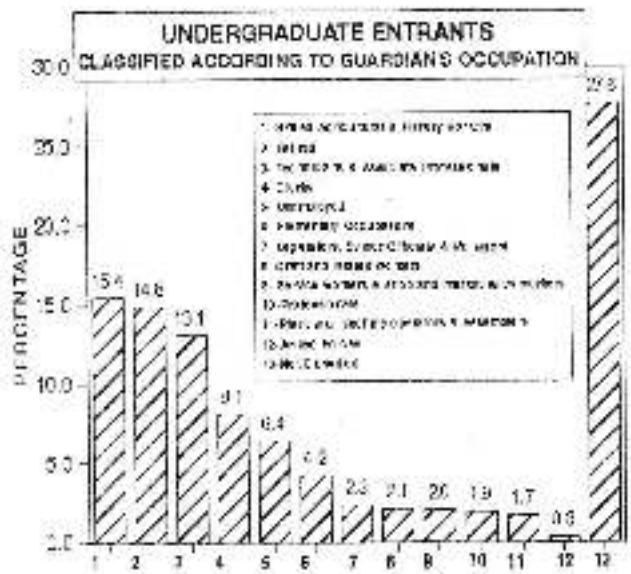

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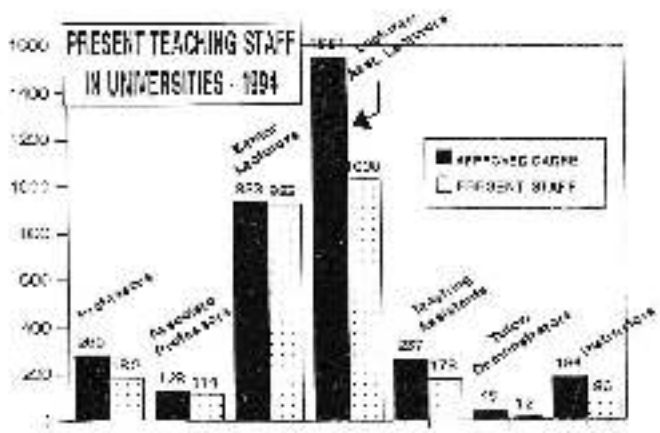

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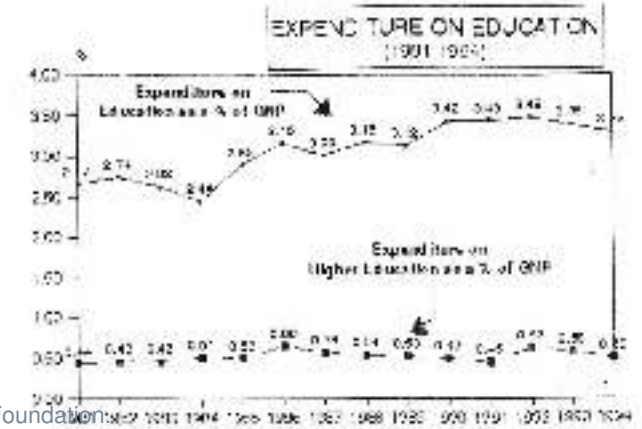

Source: University Grant Commission

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Overview

Higher Education in Sri Lanka - Need for Reform

A prominent feature of the higher education system in Sri Lanka is that relating to admission to the university education. Many students in schools expect to secure admission to study in the university. But this can be realised only by a few. In addition to those who give up school education due to various reasons including financial difficulties a very large number drop out due to their failure to overcome the final hurdle - i.e. the Advanced Level examination. At present around 125,000 students sit the Advanced Level examination annually. Although about 50 per cent of them pass the exam, only around 10,000 of them are selected for university education.

In this system of education the aim of which is admission to the university those who fail to realise their aim join the society as a frustrated lot, unable to secure any employment due to lack of vocational skills. This is the main reason for unemployment among the educated youth in the country and for the wastage of prime labour force who can contribute to the development of the country. This is also a cause of youth unrest arising from this unemployment situation.

Those who are priviledged to pursue higher education in Sri Lanka are a minority when compared with the other countries. In some developed countries a fairly large proportion of youth population between 20-24 years (UK 81%, France 50%, Korea 48%) pursue higher education while in the developing countries like Thailand, Philippines this percentage is around 19% and 26% respectively. However, in Sri Lanka opportunity to pursue university ednication is available only to 6% . Although this is not a satisfactory feature it is difficult to extend higher education facilities to all due to limited resource available in Sri Lanka. Besides, expansion of facilities for university education without planning for socio-economic development cannot be a rational solution to the problem.

Accordingly, in designing the higher education policies in Sri Lanka a few basic matters have to be considered.

Firstly, the secondary education systems should ensure that school leavers have acquired vocational skills from their education which will enhance their employment opportunities. It is important to devise training courses which will enable students to secure employment, if they fail to obtain admission to pursue higher education.

Secondly, an acceptable and reasonable university entrance policy should be formulated to govern selection of the small number of students qualified for admission from very large numbers of those who seek admission. The most controversial issue in the history of Sri Lanka Higher Education has been this University Entrance Policy.

Historically, the majority who entered the universities initially were from well to do section of the population but gradually this was changed by opening these opportunities to other levels of the society. However, it cannot be claimed that there is at present an equitable distribution of higher education facilities. For example, still the majority of students selected for Medical, Engineering or Architecture courses came from urban and economically strong families whereas a majority of students from rural families get selected for Arts courses.

Unequal distribution of educational facilities among various districts also inhibits the evolution of a reasonable university entrance policy. This was adequately demonstrated when the entrance criteria were based only on merit. This resulted in a few students being admitted from populous districts with less educational facilities and a large number of students being admitted from less populations districts with more educational facilities. In order to remedy this, a system of standardisation was introduced to give more chances to the students coming from less priviledged areas but this again tended to affect the opportunities of certain other students. For example in certain situations a student with less marks from a certain district many get admission while another who has scored considerably high marks from another district may not gain admission. Therefore, it is important to strike a balance between merit and those under priviledged in designing fair university entrance policy.

The other major fault in the higher education system in Sri Lanka has been its inability to match requirements of the country. Although the annual number of graduates coming out from universities may be around 10,000 a considerable number has failed to secure employment while a fair number of others are under employed. It is clear that there is a lack of compatability between the labour requirements and the educational qualifications. Due to the changes in the economic systems in the recent past the responsibility of the state as the main provider of employment has changed and now more employment opportunities are available in the private sector but since the qualifications of job seekers are not suit most gradnates are still unemployed and this has aggravated the unemployment problems among the graduates.

One can argue that their universities need not provide vocation based education. But a developing country like Sri Lanka idealistic views cannot over-ride the national requirements. As a result the subjects such as taxation, valuation and estate management have been included in the university curriculum and more vocation - based courses have been introduced in Sabaragamuwa and Rajarata Universities. At the same time there are allegations about the deterioration in the quality of education in universities. In the recent past the number of admissions has gone up but there has been no substantial increase in the appropriation of public funds. The present budgetary allocation for universities is around 1 per cent of total public expenditure. Due to this inadequate funding,

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Dichotomy in Higher Education and Development

If we were talking of development a quarter century ago, we would have been convinced that it was nothing more than economic growth. Per capita income, Gross National Product (GNP), income distribution and inflation were the important factors in it. This was an era in which economics dominated development thinking or an era which believed that economic factors were at the core of development. But it has now been realised that it is not possible to achieve sustainable socio-economic development through promotion of growth of economic factors alone. There are also some non-economic social factors which contribute to economic development. The most important among such factors is education.

A strategy for wholesome development of a country, should ensure that education development proceeds pari passu with its economic development. The new concept known as "Human Resource Development" (HRD) has been developed to fulfil this requirement which focusses on the development of appropriate system of education and imparting of training to match the needs of employment.

Old and New System of Education

The system of formal education has a very long history in Sri Lanka. It tended to foster respect for the "educated man". This was not because a literate person could read and explain religious texts but also because such a person could aspire to become a government functionary. The system of temple education in a "Pirivena" which was the oldest educational institution in Sri Lanka included in addition to religious education, pali, sanscrit and the mother language - Sinhala - was available to both monks and laymen. The Pirivena education curriculums enabled students to gain skills in astrology, occult science, ayurveda etc. It is important to note that parallel 'craft' systems of instruction also continued side by side with temple education. Technical skills in spheres such as engineering and hydraulics needed to construct reservoirs and canals were transmitted from generation to generation by instruction from father to son or acquired by craft apprenticeship. This system of education prevailed in Sri Lanka since the Anuradhapura period in 3rd century B.C. The first such educational institution in Sri Lanka has been identified as Abhaya Giriya and Mahavihara during excavations by the Archaeological Department of Sri Lanka under Cultural Triangle Project.

After Sri Lanka became a British Colony in 1815 this local higher education system was marginalised or weakened, while the British missionary education system became more popular. The latter system was designed mainly to produce man power appropriate for white collar jobs needed by the colonial administration. In this education system which still prevails education at the university degree level is recognised as the higher level. In Sri Lanka university education leading to the award of a degree is regulated and funded by the government since 1921 when its first University College was established in Colombo.

The current structure of Sri Lanka University educational institutions are comprised of main faculties namely, arts, law, medical, management and science, engineering, agriculture, veterinary medicine, animal science, indigenous medicine, humanities and architecture. In addition there are facilities for post-graduate studies provided in some of the universities.

In Sri Lanka, the system of university education is generally not job oriented. However, students who study and complete the final examination in the medical faculties are recognised as medical doctors and are absorbed by the government to serve as medical officers. Students qualifying from the other faculties, except arts and science from which the majority pass out do not find much difficulty in finding employment. According to 1995 statistics the number of students who qualify from the arts and science faculties was around 65% of 31,948 under-graduate students.

Institutional Framework

The University system which is governed by the provisions of the University Act No. 16 of 1978 consists of the following network of institutions:

- 12 national Universities (Colombo, Eastern, Jaffna, Kelaniya, Peradeniya, Moratuwa, Rajarata, Ruhuna, Sabaragamuwa, South Eastern, Sri Jayawardenapura and Open University);
- 6 post-graduate institutes (Agriculture, Archaeology, Management, Medicine, Pali and Buddhist Studies and Science);
- 5 other higher educational institutes (Aesthetic Studies, Computer Technology, Gampaha Wickramarachchi Ayurveda, Indigenous Medicine and Workers Education);
- 4 Affiliated University Colleges (at Matara, Samanthurai, Trincomalee and Vauniya); and
- The University Grants Commission (UGC) which is the apex body that allocates funds, determines admissions and supervises and monitors the overall working of the University system.

Altogether there are 45 faculties and 280 departments of study in the University system.

It may be noted that there are also a number of degree awarding institutions which operate outside the Universities Act and hence do not come within the supervision of the UGC. These are Pali and Buddhist University; National Institute of Education; Kotalawala Defence Academy and National Institute of Social Development which have been established under separate Acts of Parliament. UGC has also recognised two degree awarding institutes; namely Institute of Computer Technology (for computer studies) and Institute of Survey and Mapping (for surveying science).

University Admission

Admission of students to universities is governed by policy formulated by the University Grants Commission with the concurrence of the government. Admission is determined on the basis of aggregate marks obtained by a candidate at the GCE (Advanced Level) examination of the relevant year. For example the minimum requirement for admission to engineering courses (including quantity surveying and surveying science) is passes in four approved subjects at the Advanced Level (AL) examination with not less than an aggregate of 200 marks. The minimum requirement for all other courses is passes in three subjects but not less than 25 per cent in the fourth approved subject with an aggregate of not less than 180 marks.

Selection of students on AL aggregate marks was made on a dual criteria, namely (a) all island merit and (b) merit on a district basis. The rationale for the adopting a district basis is the considerable disparities that exist between districts in regard to educational facilities. The dual criteria sought to combine merit with equity and fairness in determining admissions:

*In the case of arts subjects (where inter-district disparities in educational facilities are considered as relatively low), admissions were determined on an all island merit basis, that is, in order of marks compiled for the country as a whole. However, it was ensured that the total number admitted from any district was not less than that in the academic year 1993/94.

*In the case of all other courses of study (that is, other than Arts), 40 per cent of the admissions was made on an all island merit basis and the balance 60 per cent on a district basis as indicated below:

(a) 55 per cent of the admissions for each course of study was allocated to the 25 districts in proportion to the population in each district (the ratio of district population to the national population).

(b) 5 per cent of the admission was allocated to 13 districts which were considered as educationally disadvantaged districts on the basis of population (the ratio of the district population to the total population of the 13 districts). These districts were: Nuwara Eliya, Ampara, Badulla, Hambantota, Anuradhapura, Polonnaruwa, Mannar, Moneragala, Trincomalee, Kilinochchi, Mullaitivu, Jaffna and Vavuniya.

Given the limited number of places available in the Universities of Sri Lanka, admission to universities is highly competitive. Large numbers who have satisfied the minimum entry requirements have failed to gain admission. As seen by the statistics given in Table 1, for the academic years 1993/94 to 1996/97, the numbers admitted were only 16-17 per cent of those having the minimum entry qualifications. However, the total number has increased by about 2,350 or 26 per cent during this four year period.(Table 1)

Two of the main criticisms levelled against the above admission policy are: (a) the failure to recognize intra-district disparities, that is differences in facilities available in schools within a district, and (b) the failure to test the aptitude of the candidates, the selection being based solely on the aggregate marks.

A small number of candidates, i.e. not more than 1.5 per cent of the total, is admitted on special considerations, namely

(a) personnel of security forces, (b) those who have excelled in activities such as sports and arts, and (c) those who have studied overseas and obtained foreign qualifications.

Finance

The government budget funded about 95 per cent of the total expenditure of the university system during 1995-96. The provision in the Consolidated Fund for 1996 and 1997 is given below:

	1996	1997
	(Rs Million	
Recurrent	1,900	2,250
Capital	1,100	1,100
Total	3,000	3,350

In relation to Gross Domestic Product (GDP) of the country, the above finances amount to about 0.4 per cent.

Table 1 **University Admission 1993/94-1996/97**

(1) Academic Year	(2) No.satisfying Minimum Entry Requirements	(3) No.Selected	(4) No.Selected as % of (2)
1993/94	55,126	8,851	16.1
1994/95	59,292	9,460	15.9
1995/96	56,740	9,787	17.2
1996/97	70,111	11,200	16.0

Source: Sri Lankan University Year Book-1996

University Community

The composition of the University "community" in Sri Lanka is as follows:

*32,000 full-time undergraduate students.

*3,600 teachers (including instructors, tutors and demonstrators and temporary academic staff).

*A total of about 7,000 non-academic staff (made up of about 400 administrative staff and about 6,600 other non-academic employees). (See Table 2)

Table 2

The breakdown of the undergraduate population by subject areas

Social Sciences and Humanities	9,529	-	30%
Commerce and Management Studies	5,450	-	17%
Science (Bio and Physical)	5,525	-	17.3%
Medicine (includes Dental & Vet.)	4,861	-	15%
Engineering	3,031	-	9.5%
Agriculture	1,323	-	4%
Aesthetic Studies	1,049	-	3.3%
Law	821	-	2.6%
Indigenous Medicine	359	-	1%
TOTAL	31,948	-	100%

Source: National Workshop on Higher Education Policy - Statement by Prof. S Thilakaratna, Chairman, University Grants Commission.

The intake of University students in Sri Lanka is not decided upon manpower requirements. The first deciding factor of intake is the available facilities in the university. Therefore, only a very small percentage of the students who sit the prescribed university entrance examination the GCE (A/L), is selected for university education.

University education in Sri Lanka is not designed to match the job needs and therefore not job oriented. According to the Report of University Grants Commission on Corporate Plan for University Education 1984-1988, the aim of university education has been defined as follows:

> "No definition of the aims of university education will gain universal acceptance, and the one we set out below is not likely to be an exception to this. A university education, we feel, should concentrate on equipping a student with a critical awareness of self and the society in which the student lives and works. We should aim at one all-important end, to interest a student in the pursuit of truth. If at the same time the student becomes a socially useful individual, and economically productive at the end of his stay at the University, the student, the university and the society at large will have reasons for deep satisfaction".

While the university would naturally regard it as one of its principal functions to make students economically productive, that is to say to prepare them for employment, this is, in a sense, subordinate to the function of training their minds, and nurturing understanding and appreciation of the values of their own, and other societies. Given the complexities of the modern world,and the multiple changes that confront young people as they set forth to meet the challenges of life outside the university, the importance of the cultivated and critical mind becomes self-evident.

Inadequacy of Higher Education

It is a well known fact that the entry into a university today is one of the most difficult aims to realise. It is a race. After winning this race, except a few, the other students achieve the aim by finishing their 3 or 4 year academic period. The students come out as graduates with certificates which have no sufficient weight to build up their future. Therefore, the parents of these graduates have to look after them until they find jobs some day. Although the aim of the University is mainly focused on making students to face challenges of life outside the university, they come back home without an assurance to secure a way of life or job in spite of the degree certificate they become helpless. This is evident in the mass university students participation in two youth insurrections that erupted in Sri Lanka in 1971 and 1988_89

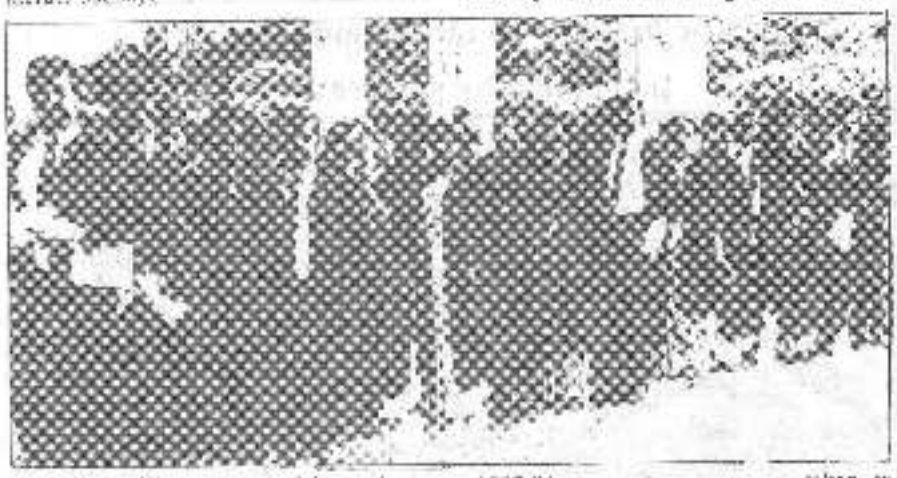
This situation emerges because the subjects which the students learn in the university do not directly provide appropriate qualifications to match specific needs of employment. Few of these graduates who are able to gain access to or opportunity to lobby Ministers, or high functionaries manage to find some jobs. The others who constitute the majority swell the ranks of the unemployed graduates. This problem is not one which emerged in recent times but has been with us for over several decades.

The pressing need, therefore, is for a substantial revision in the curriculum of arts or social sciences, humanities and science education in our universities. The present curriculum in the social sciences and humanities are inadequate to provide appropriate education and experience to match the demand in the job market or possess the skill needed for the economic development. Specially over the last two decade the system of development and production has undergone major change from state monopoly to one of private competitive market economy. The traditional disciplines like geography, history, philosophy, sociology, religious and cultural studies, political science, anthropology, and aesthetics produce human resources to match the demand, for the required skills of the market. or not going par with the demand of the current job market. Here the country faces a dilemma. On the one hand, thousands of young men and women seek university admission in Arts and Humanities streams every year to receive education which has no direct relevance to available opportunities for their future employment. Given the nature of the secondary school education their higher education options are limited. On the other hand changes in the humanities and social science

curriculum to suit the employment market will drastically alter the liberal arts foundations of the existing university education. This is where the philosophical and pedagogical foundations of the university education and the compulsions of macro economic realities come into conflict. Education policy makers in Sri Lanka may find no respite in future if this dilemma is not constructively resolved.

There are yet other constituent components of the dilemma. The social science humanities and even with the natural science education in the universities is confronted with a unique problem, as far as the end result education is concerned. It relates to the absence of an immediate carrier goals for students, other faculties - medicine, law, agriculture, engineering, science and management - direct students towards well defined career objectives. But what would be the carrier goals of students studying in the social sciences, arts and humanities disciplines. Although this is not a problem specific to Sri Lanka, it has a certain distinctive character due to its sociological dimensions. The vast majority of students in the arts and humanities faculties come from rural lower middle class or poor backgrounds with tremendous social aspirations for upward mobility, yet without clearly defined career goals. Probably in many instances these students may represent the first generation in the entire history of the family of scholars to receive post- secondary education outside the village environment. The aspiration of the entire family for upward social mobility as well as for social emancipation may depend on the young student who has succeeded in entering the university after crossing a series of highly competitive barriers. But the existing mis-match between university education and employment -- an issue about which Youth Commission Report so eloquently speaks -- will be further intensified under the on going process of macro economic reforms that privilege the private sector of the economy as the engine of growth. Therefore, an important requirement is to design new courses that integrate a professional training component parallel with the Arts or Science education. This could be designed to give specific training in the areas like journalism, social work, computer studies, business management, personal management, administration, advertising, communication and import/export procedures etc. While concentrating on main stream disciplines the provision of post-graduate training or professional education in a selected area will enable the student to acquire parallel job training in addition to his main stream education.

Higher learning in the social sciences, humanities and natural science at a very basic level would ensure that students are exposed to ideas, thoughts, concepts, theories and methodologies of a variety of disciplines in order to acquire general as well as specialised knowledge in all aspects of society. This will refine the knowledge of the student to meet any challenge in his life as a citizen in a literate society.



The other salient weakness of the graduate which inhibits his entry to the employment market is the inadequate literacy in English which is very vital specially for those who seek employment in the private sector. Not much attention is being given to remedy this weakness. The students who receive their preliminary and secondary education in swabasha (Sinhala and Tamil) have hardly a good level of literacy in English when they enter the university. This weakness has been a barrier not only to find good employment but even to acquire wide knowledge which can be acquired by reading the text books most of which are available only in English Language.

Other Institutions for Higher Education

The Open University of Sri Lanka was avowedly modelled on the very successful one in Britain. It was stable in May 1980 an autonomous national university designed to enable those over 18 years to pursue courses leading to a first or post-graduate degree, or a diploma or a certificate or to other awards mainly in their own time and in their own home. The technical education is another education system that is under the Ministry of Higher Education. There are about 27 institutions of this category in the Island. A wide range of job oriented courses are conducted in these institutions.

Backlog Clearance

Interruptions of the university calendars as a result of the political disturbances of 1987-89, led to a considerable delay in the admission of new students to universities. The time-lag between the release of A/L examination results and entry to universities, which was generally about one year, increased to as much as two and half to three years resulting in wastage of years of students in the prime of youth selected to enter the universities and causing frustration among them. During 1995/96, concrete steps were taken to reduce the delay in admissions by the provision of resources to universities to admit two batches of students in a year. The UGC provided extra resources to universities to hire academic staff on a temporary basis, to construct additional classrooms and provide other facilities to admit two batches. As at September 1996, the Universities of Moratuwa, Sri Jayawardenapura and Kelaniya (except Medicine) had cleared the backlog in admissions, and the other universities had taken steps to clear the backlog by the end of 1996/early 1997. This would mean that restoration of normalcy in the admission to universities could be achieved by 1997.

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W.G.S.

University Education Reform

Professor Visva Warnapala

Deputy Minister of Higher Education - Edited Text of Inaugural Address to the Technical Committees

I will explain to you the main strategies of the reforms in University education which we hope to undertake in the next two years, with a view to changing the country's educational structure to suit the needs of an expanding economy, and thereby to equip the younger generation to meet the challenges of 21st century. The National Education Commission was requested to formulate proposals for an overall restructuring of our education system. The Government has realised that educational reform is a necessary concomitant of accelerated economic and social development, and therefore appointed two Presidential Task Forces in order to provide the required impetus to the entire process of educational reforms, including their implementation. By recognising the need for reform of the educational system as a whole the Government has rejected the strategy of ad hoc reform which influenced the thinking in the past.

Educational changes in the past, though made on an ad hoc basis, yet served a social purpose. The achievements of these changes when examined from the point of view of the social and political impact of the free education scheme, though remarkable are yet insufficient to meet the imminent challenges in the first half of the 21st century, and the emerging new world order. The new educational structure which we are planning to develop apart from making a fundamental contribution to human resource development, can also make a vital contribution to the process of economic development.

Guided by these objectives the Government appointed a Task Force on university education reforms which, at its first meeting held on 9th April, 1997, identified nine areas where immediate reforms are necessary. The Vice Chancellors and other distinguished academics who constituted the Task Force identified these areas on the basis of certain priorities. The nine areas chosen for reform, in my view, embrace the fundamental areas of university development in this country. Nine Technical Committees consisting of distinguished academics and others inducted from the private sector, are expected to study the report to enable us to make use of the expert views to formulate the final report on the changes.

Expansion of university education, for which a Technical Committee has been appointed, is the first subject in our agenda for reform. Expansion of university education will not be confined to physical expansion of the existing universities. It is our view that certain Universities have reached the optimum level of development; the new universities were created with a new emphasis, and it is up to those Universities to break away from the traditional mould, by which I mean the colonial mould.

The second area of investigation is the diversification of university courses and curricular reforms which are necessary to project a new vision for the universities to modernise the curricular with a view to adjusting them to the changing needs of the economy. There is a school of thought in this country, which emphasises the point that universities should produce employable graduates. In other words, the concept of employability should guide the universities. I attach only partial importance to this view; I do not agree with the view that Universities should become glorified technical colleges. What I want emphasis is that curricular reform should not interfere, with the traditional concept of the Universities which must remain centres of learning. The centres for higher learning, Oxford and Cambridge, in the early 1980's argued the case for their place in society. They asked the question, "Should a University promote knowledge for its own sake, acting as its perpetual guardian" or is its primary role to serve society, represented by the State, through training its citizen to meet it perceived needs. In my view, it is this principle which we need to take into consideration in reforming our universities - how can they be converted as institutions which can serve the society better.

The other areas, in which we propose to bring about reforms include

1. University industry and private sector linkage;
2. Graduate placement and career guidance;
3. Management;
4. Staff development;
5. Financing;
6. Welfare and student issues;
7. Post-graduate education and training.

In these areas, there was not much reform in the past though several institutional changes were made in the form of crisis management strategies.

In the past, the private sector had not shown much interest in the activities of the Universities. In the present context, a change in this attitude is inevitable and we would welcome its involvement in the development of the Universities. The private sector must now realize that 'higher education is an essential ingredient of economic success'. Lord Robbinson expressed this view in 1961 when he undertook the reforms of the universities in Britain. This was more than 30 years back. Since ours is a comparatively a new system, we are still not late in making the changes.

I do not have the time to refer to all the key areas which we propose to reform. It is my personal view that the proposed changes constitute a comprehensive package. If they can be implemented with both care and skill, I am sure, we can create a University System that will serve a better social purpose by producing a graduate who can serve the society better.

In conclusion, I would like to refer to the need to adopt a bi-partisan approach to educational reform. This is a stage in the history of this country where certain national issues demand a bi-partisan national consensus. Educational changes, if they are to remain stable over a considerable length of time, need a bi-partisan national consensus.

I therefore, think that the success of this important exercise depends on our ability to adopt a bi-partisan approach. The Technical-Committees consist of the leading intellectuals of the country, and they, as the elite of our academic community, have both the ability and understanding to provide us with a set of reforms which will enable us to give a new direction to the Universities of this country.

Evolution of the University System of Sri Lanka and its Current Status

by
Professor S. Tilakaratna
Chairman, University Grants Commission

The first autonomous degree awarding university in Sri Lanka, namely the University of Ceylon, was established in July 1942. Its establishment was the outcome of a campaign for a local university carried out by the Western educated elite for about four decades and marked the culmination of a series of developments that took place in relation to higher education since about the late 19th century. Those developments are briefly described below.

In 1859, the Colombo Academy, the leading secondary school in the country, was affiliated to the University of Calcutta. Renamed Royal College it became the first 'College' to provide some form of higher education in so far as it prepared students for external examinations, conducted by the University of London.

In 1870 the Ceylon Medical School was established; it was elevated to the status of a College in 1880 and in 1889 the Licentiate in Medicine and Surgery (LMS) offered by this College was recognized by the General Medical Council of UK.

In 1906 the Ceylon University Association was formed under the leadership of Ponnambalam Arunachalam to campaign for the establishment of a national university; this campaign was supported by the Ceylon Social Reform League and came to be known as 'the university movement'. Ananda Coomaraswamy was also associated with this movement.

In 1912 the sub-committee of the Legislative Council which was appointed to examine and report on issue of university education recommended the setting up of a University College, which was endorsed by the government. But the implementation of the proposal got delayed by about nine years because of the outbreak of the First World War, lack of priority for this item in the agenda of the government and indecision regarding the nature and location of the College.

Establishment of the University College

In 1921 the Ceylon University College was established in Colombo as an affiliated institution of the University of London and it prepared students for examinations of that University. Robert Marrs of the University of Oxford assumed duties as the first Principal of the University College.

The period 1922 - 1930 was marked by preparatory attempts to transform the University College into a full - fledged national university. By 1925 syllabuses and other aspects of an academic programme of the proposed university had been completed and a draft university ordinance had been finalised. At first the proposal was that it be located in Bullers Road in Colombo but later it had been proposed that it be located in the Dumbara Valley in Kandy district. The government appointed a Commission headed by Sir Walter Buchanan Riddel to work out the details of the proposed new university. The report of this Commission (published Sessional Paper IV of 1929) covered all aspects of the problem including a draft constitution for the proposed university. A Bill based on this report was read a second time in 1930 but proceeded no further because of the intervention of larger national issues, namely the introduction of constitutional reforms of 1931, onset of the Great Depression and outbreak of the malaria epidemic. The University question had to be postponed indefinitely.

In February 1937 the State Council accepted a motion that a university be immediately established in Kandy but the exact location was still to be determined and the 'battle for sites' continued. Eventually, it was decided to abandon the site in the Dumbara valley in favour of a larger and a salubrious one at Peradeniya and the State Council agreed in 1938 to purchase a site in Peradeniya.

Establishment of the University of Ceylon

In March 1942, C.W.W. Kannangara the Minister of Education introduced the University of Ceylon Bill to the State Council which sought to establish a university which was 'unitary, residential and autonomous'. This bill was passed into law as the Ceylon University Ordinance No. 20 of 1942 and was brought into operation on 1 July, 1942. The new university absorbed the two higher educational institutions that were in operation namely the Ceylon Medical College and the Ceylon University College and Sir Ivor Jennings (who was the Principal of the University College) became the first Vice - Chancellor. The seat of the new university was to be at Peradeniya but the shift to the new location was a gradual process that lasted for more than two decades because of the delay in construction of buildings and other facilities. The Faculties of Arts and Oriental Studies

shifted in 1952 while Faculties of Science, Medicine and Engineering commenced operations in Peradeniya only in the early 1960's.

Those who planned the establishment of the University of Ceylon did not think in term of large numbers of students. The admission policy was restricted one: the student body of not more than about 1000 was envisaged: the medium of instruction was English.

The university was meant to be fully residential one. However, the introduction of the free education system had led an expansion of schools preparing students for university admission and this necessarily meant an increased pressure on admissions. The total student enrolment doubled during 1946/47 - 1956/57 when it increased from 1,294 to 2,471.

A Decade of Expansion: 1956 - 65

Since about the mid - 1950's, particularly after the change of government at the general elections in 1956, pressures had built up for an expansion of the university system in order to accommodate large numbers, particularly those who had studied in Sinhala and Tamil at school. Instruction in schools had switched over to Sinhala and Tamil from 1947 onwards and it was expected that the university too would follow suit and adopt these languages for instruction. In the mid-1950's, the University of Ceylon faced the pressure from the government in regard to both these issues, namely increased intake of students and the medium of instruction. But the university seemed unenthusiastic to initiate changes desired by the government and was in any case slow to make responses.

The government of the day, regarded these problems as too urgent to await a solution through negotiations with the university.

Instead it was decided to grant university status to two traditional Buddhist centres of higher learning namely Vidyodaya and Vidyalankara Pirivenas. This was done by Act of Parliament No. 45 of 1958 and was effective from January 1959.

What had hitherto been informal influences and pressures by the government to change the medium of instruction and to increase the student intake, had by the late 1960's turned into formal government control over the university system.

With the establishment of these two new universities, the University of Ceylon lost its monopoly over university education which it enjoyed since 1942. Three universities were in operation during 1959-67.

The establishment of two new universities did not relieve the University of Ceylon of social pressure of change the admission policy to take in larger numbers and to carry out instruction in Sinhala and Tamil. In 1960, the first batch of students of Sinhala/Tamil medium was admitted: in 1961, the intake to Arts students was doubled (to about 1,600) and about half of them non - residential students with only a right to attend lectures and use library facilities thereby marking the first breach in the residential system. In 1963, a separate unit was established in Colombo Rasa Course to accommodate the increased intake into the Arts Faculty in Sinhala medium. This process gave birth to a second Arts Faculty in Colombo and by 1966 the Colombo section of the University of Ceylon had grown (in student numbers) to almost to the size of the campus at Peradeniya.

It may be noted that the expansion of the university system during 1960-65 was primarily in the field of Arts; there was a four-fold increase in the intake of Arts students to the University of Ceylon during this period.

A Decade of State Control: 1966 - 1977

What had hitherto been informal influences and pressures by the government to change the medium of instruction and to increase the student intake, had by the late 1960's turned into formal government control over the university system. The government introduced the Higher Education Act No. 20 of 1966 which replaced the Acts of 1942 and 1958 (which established the three existing universities) and introduced instead a common administrative structure for all universities with greater governmental control. The key feature of the new structure was the establishment of the National Council of Higher Education (NCHE) which had a range of functions and supervisory power over the universities. The NCHE consisted of nine nominees of the government who had voting rights and the Vice-Chancellors who had no voting rights. It appointed the governing bounds ('board of regents') of universities; the deans of faculties were ex-officio members of these boards but without voting rights. A central admission bureau was set up under the NCHE to co-ordinate admissions to universities on the basis of a common examination, and uniformity was introduced in regard to recruitment to university posts. The new legislation also provided for the Minister of Education to give general directives to the NCHE and also to appoint a Competent Authority to administer a university that is in crisis. Vice-Chancellor of a university was also appointed by the Minister out of a panel of three names recommended by the NCHE. The university system expanded further under the NCHE:

- the Colombo Campus of the University of Ceylon was converted into a separate university namely the University of Colombo in 1967; as a result, the number of universities in the country increased to four.
- College of Advanced Technology was set up at Katubedda in Moratuwa which became the nucleus of a technological university.

- Vidyodaya and Vidyalankara universities became full-fledged universities with the removal of the restriction on the admission of female students and by making provision for a lay Vice-Chancellor.

There had been much criticism of the higher education reforms of 1966, particularly the erosion of university autonomy as a result of greater government control. The new government which came into power in 1970 pledged to reverse the process and restore university autonomy. There were great hopes that a more harmonious relationship would emerge between the government and the universities. These hopes were short-lived; what in fact happened between 1972-77 was a consolidation of government control over the university system. This change in government policy was largely influenced by the experience of youth insurgency of 1971. It was found that universities had been hot beds of insurgency and that university authorities had failed to take adequate preventive measures. The charge was that the university authorities had watched indifferently or helplessly while the campuses had become a threat to the security of the state.

Following the insurgency of 1971, the government's thinking on the universities moved increasingly toward centralisation, that is the idea of a single university or a monolithic structure with existing universities functioning as campuses under a central governing authority. The Osmund Jayaratna Committee appointed to report on higher education rationalised the above thinking arguing that there would be considerable administrative economies, optimum utilization of resources both in terms of finance and personnel, and prevention of unnecessary duplication of courses of study, as result of the establishment of a single university and rationalization of departments of study and courses. This report was accepted by the government and most of its recommendations were incorporated in the University of Ceylon Act No. 1 of 1972 which became law in February 1972.

This Act converted all existing universities into Campuses of a single university called the University of Sri Lanka which was headed by a Vice-Chancellor while the campuses were headed by Campus Presidents. It was envisaged that this massive exercise of re-organisation would take at least two years to complete and during that transitional period an appointed Vice-Chancellor would have complete authority in the direction of university affairs. The governing authority of the university as well as the various academic bodies (e.g. Senate, Faculty Boards etc.) would function in an advisory capacity. What happened in practice was that the expected transition did not take place within the two years and the period of transition had to be extended from time to time for a total of nearly seven years. The outcome was that the University Act of 1972 was never implemented in full and for seven years the campuses were governed under the transitional provisions of the Act rather the main provisions.

Moreover, the declared objectives of a single university, such as administrative economies and better utilization of resources were hardly achieved. There was for example a substantial increase of personnel at the centre namely the Senate House, without any corresponding reduction of administrative positions in the campuses. The outcome was a substantially higher administrative expenditure as well as an over-centralization of decision making. There was considerable dissatisfaction within the university community about the way affairs were managed under the monolithic university structure.

The university system expanded further during 19700-77; a new campus was established in 1974 in the north of the country, namely the Jaffna Campus and also the College of Technology was upgraded into a Campus, namely the Katubedda Campus which concentrated on Engineering studies. It may also be noted that during 1966-77, university admissions were co-ordinated centrally and the annual intake into Arts Faculties stagnated if not declined marginally in sharp contrast to the experience of the early 1960's when there was an explosion in the intake. On the other hand, there was a conscious attempt to increase the intake into Science-based courses (including medicine and engineering); the annual intake had increased by about 80 per cent during 1966-77.

University Act of 1978 and the Restoration of Independent Status for Universities under Central Co-ordination

The new government which came into power at the general election of July 1977, initiated action to draft a new university law to convert the Campuses into independent universities which would operate under an overall co-ordinating body. The Universities Act No. 16 of 1978 represented an attempt at partial restoration of the autonomy that universities had lost over the years; independent status was restored within the framework of overall co-ordination and resource allocation carried out by a central regulatory body, namely the University Grants Commission. The 1978 Act, which came into operation in January 1979, provided for, inter alia, (a) the establishment of the University Grants Commission (UGC); (b) restoration of the six campuses to the status of independent universities; (c) creation of new higher education institutions in the form of colleges, campuses and institutes. Under the new Act, the Minister in charge of higher education continues to enjoy the power to give general directives in pursuance of national policy pertaining to finance, medium of instruction and university places, and to appoint a competent authority to administer a university in a time of crisis. While the 1978 Act specified that a Vice-Chancellor would be appointed by the University Court, an amendment to the Act passed in 1985 made President the appointing authority subject to the condition that the appointment is made from a panel of three names submitted by the Council of university concerned.

The objects of the UGC as the apex body in the university system, include the following:

- the planning and co-ordination of the university education to conform to national policy
- the allocation of funds to higher educational institutions (HEIs)
- the maintenance of academic standards of HEIs
- the regulation of the administration of HEIs
- the regulation of the admission of students to each HEI.

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University Education in Sri Lanka: Some Problems and Required Changes

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The system of university education in Sri Lanka dates back to the 1870s when the current Faculty of Medicine of the University of Colombo was established as the Colombo Medical School. But a fully-fledged university - the University of Ceylon was established in the 1940s. Beginning with a single university, the university system has now grown to comprise of 13 universities operating under the primary legislative enactment, the Universities Act, No. 16 of 1978. The rate of expansion in the number of universities and also the number of university students in the country can be considered very rapid by any known standard. It was a supply-driven expansion with the government creating new universities and expanding the existing ones in response to the increase in the number of students seeking, through their performance in the GCE Advanced Level examination, admission to universities.

The educational system in the country has undergone many changes over time, particularly the introduction of a general education curriculum for the GCE O-Level in the 1970s. In spite of such change, it would be correct to argue that school education still remains highly academic, with a great value placed on the acquisition of scholastic abilities, and aiming predominantly at the admission to a university. The system does not provide any significant outlet into vocational and other streams during the school life of a child. It stands as a steep pyramid in which, out of any given 100 students entering the primary school in a given year, only 1 or 2 would achieve the final aim of university admission as the result of a high drop-out rate at different stages in school education. The percentage referred to above is rather low as compared to around 50 per cent in countries like the United States and Japan and around 10 - 20 per cent in Western European countries as well as some of the so called Newly Industrialising Countries in Asia. The prevailing system of education in the country has spawned a high degree of frustration among the youth who fail to achieve the desired objective of university admission.

The university education in Sri Lanka rests on a few fundamental premises. These are presented below as a series of value premises with no indication as to the author's own ideological position in regard to them. The focus in this presentation, it must be noted, is *undergraduate education* in universities.

(i) University education must be a state sector activity. The strength of this premise was put to test by the North Colombo Medical College (NCMC) episode of the 1980s. The manner in which the NCMC issue was eventually resolved led to a reiteration of this premise with renewed vigor. This public sector monopoly of university education has, however, been eroded over the recent past in an indirect way in respect of educational institutions training students for degrees offered by local (external degrees) and foreign universities. No institution yet exists in the private sector, however, which trains them for its own degrees, although one hears of intentions and plans to set up such institutions in the near future in some.

(ii) University education up to the first degree level must be free of tuition fees and those qualifying to enter universities for such degree programmes must also be provided with living allowances in the form of scholarships and bursaries. The registration, examination and such other fees charged and, when hostel facilities are provided, the rent charged for such facilities, are at nominal, highly subsidised levels. The current university student population, those awaiting to obtain that opportunity and the bulk of the country's electorate consider "free education" as defined as one of their inalienable fundamental rights.

(iii) Admission to universities must be centrally controlled on the basis of a set of transparent and objective criteria in which 'merit' as determined by the results of the Advanced Level examination, weighted according to differential education facilities available in different districts, would play the major role. Perhaps because of the desire of the Advanced Level students and their parents to keep limited available opportunities reserved for themselves, multiple entry points have not developed into undergraduate education in universities.

(iv) Inter-university uniformity must be ensured through a central control in respect of salaries and other benefits offered to the academic and other personnel of universities, their recruitment and promotion schemes, subsidies offered to students and such other matters. Though, theoretically, the degrees offered by different existing universities are considered for official purposes, as the same, it is a well known fact that they are different in quality and are considered so by many who are called upon to make such an evaluation.

The above fundamental premises, on which the structure of Sri Lankan

university undergraduate education is built up, have significant implications for the quantity and quality of resources placed at their disposal as well as the quality of their services. They also have important implications for the practices and systems of management of these institutions. Eventually these premises, working through matters pertaining to resource availability and management issues, impact upon the quality of the human products coming out of the university system.

When the state monopoly of university education is accepted as an inviolable and sacrosanct principle, private capital is obviously excluded from entering the field. Setting up of private foundations, and establishment of private endowments within universities, remain as practices yet undeveloped in Sri Lanka. As a result, there is very little infusion of private funds into the university system even for purposes of social prestige of private donors or on philanthropic intentions of such persons. Then the survival and growth of universities would depend primarily on resources which the state can afford to allocate for them. Resources the state is able to provide to universities would depend on (a) the degree of prosperity and the rate of economic growth of the country which would eventually determine the level and expansion of government revenues, and (b) the structure of priorities which guide the allocation of available government revenues.

On both counts, the financial resources allocation by governments for university education have remained low as a percentage of GNP and in real terms, they have perhaps declined over the years.

The percentage of GNP spent on education about two decades ago (1978) was 3.5 per cent and it remained more or less at that level in the 1980s (3.4 per cent in 1990 and 1994). The proportion of GNP spent on university education alone remains less than 0.5 per cent.

Even if one includes all other resources moving in to the university system through small amounts of registration and other fees paid by undergraduates, somewhat higher fees paid by students enrolling in new postgraduate programmes, the few small endowments, research grants received outside of state funds channelled through the UGC etc., the proportion of GNP available for universities may still be less than 1 per cent. The corresponding proportions for developing countries in the world which have registered respectable growth rates on a sustainable basis are significantly higher than that of Sri Lanka. Though financial resources allocated for university education have remained low, the number of universities in the country increased over the last 50 years from 1 until the 1960s to 13 as at November 1996.

The number of Faculties and Departments in these universities and the undergraduate population there increased several fold. This was also a period when tertiary level educational technology advanced in leaps and bounds. Thus compared to an average university in a country of even medium level development, even the best equipped university in our country would appear under-funded, under-equipped and under-resourced.

The government grant to the universities are adequate for personal emoluments at inadequate scales, to pay bursaries and scholarships to students, to meet day to day running needs and to support a bare minimum of capital works.

Our universities remain poorly equipped in terms of necessary buildings and teaching equipment. They are handicapped by inadequate facilities to train human resources in their service.

At a time of rapid globalisation, the severely under-funded university system in the country is encountering serious problems of retention of the best quality talent within the system as a result of the brain drain. The major problem here can be diagnosed as arising from the poor remuneration package offered to academics. This is not only due to inadequacy of financial resources committed to university education by the state, although it is no doubt a major causal factor. Even if the state can change its expenditure priorities and commit more resources to university education, the problem cannot be fully resolved, as the university remuneration packages cannot go too far out of line with the rest of the public sector - an obvious implication arising out of the first fundamental premise of the country's university system.

The solution to this problem, as worked out by authorities in the recent past, was to bring in privatisation from the back door - allowing university academics to take on private consultancy and paid research assignments. While partially solving the "retention" problem, it created another by reducing the time commitment of the academics for their direct teaching-related responsibilities for which they are recruited, trained retained and remunerated by the universities. It is true that the above observations are not valid and relevant for all academics. It is only the more capable of them who operate in a global market and can also competitively reach out to earning opportunities outside the university system locally. Yet when the more talented academics migrate for better earnings abroad or when they reduce their commitment of time and energy in university work in order to win and fulfil extra-university contracts, it will have undesirable ripple effects in the system. Such more capable and more respected academics are really the ones who should be giving the leadership to others. When they are not in fact doing so to their fullest capacity, inertia sets in and the whole system suffers.

The resource limitation problem and the various institutional constraints which lead to a systematic quality drop in our universities are aggravated by the non-selectivity in the application of the free education principle and by various systems that have been developed in our university system to meet certain political imperatives - e.g. the university admissions rules and criteria. The overall unit cost of producing a graduate (according to 1991 conditions) has been estimated at Rs. 34,420 in respect of conventional universities (i.e. excluding the Open University with

the unit cost estimate of Rs. 6,070. Affiliated University Colleges with the unit cost estimate at Rs. 25,780 and Institutes with the unit cost estimate at Rs. 34,860). In conventional universities this unit cost was estimated to vary between Rs. 14,700 for Arts based Faculties and Rs. 32,700 for Science based Faculties.' Almost the totality of expenditure comes from the above offers. Though these may appear to be high unit costs, the experience shows that they are not enough to provide a university education of adequately high quality."

Yet everyone who gets qualified to enter a university is given the chance to receive his/her university education free, irrespective of parental incomes and assets. I personally endorse the principle fully that everyone who qualifies for university education must get that chance, whatever parental economic position, whatever social class he/she belongs to and whatever region he/she comes from. This principle must be combined with the requirement that the university education an undergraduate receives must be one of high quality. If any limitation of resources pulls down the quality of the degree, it is not the youth from rich and urban families obtaining that degree who will suffer most but those from poor and rural families. As ourselves being the products of free education most of us, like the present day undergraduates, would respect it as a sacred social institution in Sri Lanka. But the combination of free university education with degrees considered by society as of poor quality is a recipe for disaster. It does not serve the very people - the poor and the vulnerable in society - whose interests free university education is expected to serve.

That this is exactly what is happening today is seen from even a cursory glance at the character of the phenomenon of graduate unemployment today. A major requirement for improvement of the quality of the the degree offered by our universities is substantial enhancement of resources channelled into university education. If the government cannot achieve this through its budgetary allocations different possible funding formulae must be discussed openly and politically acceptable alternatives adopted. The "free education" + "poor quality degree" combination is clearly not acceptable to any part of the society.

The university admission rules and criteria and the system of centrally administered admissions have given rise to a system of university education from which all elements of inter-university competition have been eliminated. The university education has become completely supply-driven with almost no consideration for the demand side of the problem. Parents push their children towards university education and about 1 per cent of those who join school at Year 1 at any particular time, manage, after 13 hard years of school education, to get into universities, making the present day undergraduate population, intellectually, the cream of the society. The UGC allocates them to existing universities according to accepted rules and criteria and places available in existing universities.[2] On the part of the universities, whatever they do with the students allocated to them, they face no problem of having to lose their students. On the part of the students, they have no option locally but to join the university given to them. This supply driven characteristic militates against improvement of academic efficiency in our universities. The inadequacy of efficiency, dynamism and creativity in universities is aggravated by the generally prevalent concept of 'permanent' employment, safeguarded by the existing labour legislation. This produces, for the university teacher, an environment of "job security, whatever the performance" - the ideal ground to breed lethargy and inertia. Personnel with these characteristics are indeed not rare within the academia. The best evidence for this, perhaps, is sometimes the complete absence of innovation, or often the snail pace of change in respect of curricula, teaching and evaluation methods.

The classical objective of a university is to offer a complete education which can build up and develop the character and personality of its students from an overall point of view. This requires the development of facilities for various extra-curricula activities - sports, social, cultural and aesthetic activities etc, - in addition to those for acquisition and pursuit of knowledge. The inadequacy of funding affects these activities as adversely as the academic/training activities of our universities today. Training, research and service to community are highlighted as the roles of a modern university. The legal instruments governing Sri Lankan universities provide for this multiple role. What is and is that adequate resources are not made available to universities to effectively perform that role.

I have focused so far, except in the foregoing paragraph, on certain problem areas directly affecting the academic work of universities. The multiple academic role of universities requires, for its effective implementation, various support services. The main component of these support services is the non-academic staff of the universities. Due to various reasons:

- the general pattern observed in Sri Lanka over the past of trying to use public sector institutions to meet the politically sensitive problem of unemployment
- the authorities giving in to pressures from university sector trade unions, and
- perhaps the composition of the centre-determining institutions,

the support services of universities have expanded very rapidly over the recent past. The spread of modern technology in office management, and the spread of the practice of large institutions getting their peripheral (e.g. janitorial, security and such services) activities performed by specialized outside agencies for a fee, have not affected the bloated non-academic cadres of universities. The increase in the numbers in administrative officer grades has been most pronounced. Student numbers have no doubt, increased, raising the volume of support activities expected of non-academic personnel in universities but the nature and character of support activities expected of these personnel has not undergone any significant change. Yet a given university may have 2-3 times more administrative officers to manage these activities than say 20-30 years ago. What has happened is to break up the same set of activities into a larger number of categories to provide space for increasing numbers of administrative officers. Another significant problem in university management revolves round the quality and commitment of these non-academic cadres. This is true for administrative

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Admission Policy and its Relation to background of Students entering Universities

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The university of Ceylon established in 1942 was the first unitary, residential and autonomous university. The university conducted an entrance examination in English medium to select students since the medium in the University was English. Hence admission was restricted to children educated in English medium in a few fee levying prestigeous private schools. The students sat the entrance examination conducted by the university. Academic Performance or "merit" was the only criterion for selection.

The adoption of universal free education in Sri Lanka and the establishment of Central Schools with university entrance classes in 1945 resulted in a social revolution. Higher education which was hitherto restricted to students of affluent families was now open to the poor. The change in the medium of instruction in schools from English to mother tongue (Sinhala/ Tamil) increased the numbers seeking access to University education. Hence in 1958, *Vidyodaya and Vidyalankara pirivenas* which were centres of excellence for traditional Buddhist learning were raised to university status by the *Vidyodaya and Vidyalankara Act No. 45 of 1958*. These two universities conducted their own entrance examinations and admission was on merit only as in the University of Ceylon.

The National Council of Higher Education (NCHE) was established in 1966 and co-ordinated admission to the three universities through a common entrance examination. In 1965 performance at the University Entrance examination was replaced by performance at the GCE A Level Examination conducted by the Department of Examinations as the determinant of university admission. The selection was only on merit.

Up to the late 1970s selection of students was according to their merit only. For a few years the marks were standardized subject-wise and media-wise but within subjects and media the students were admitted on merit.

District Quotas (1974)

In 1974 the government introduced a district quota system where the number of places available for each district was determined according to the population of the district. The standardized marks were ranked in relation to the district from which the student sat the examination. District ranks were used to determine the admission of students based on merit. The admission of students was done exclusively according to district.

Underprivileged Quotas (1976 and 1977)

In 1976, the government decided to admit students on a combination of Merit and District basis, following the 1971-73 procedure for merit and the 1974-75 procedure for districts. The marks were standardized as in the past and 70% was allocated according to All Island Merit while the balance 30% was allocated among districts according to their population. Out of this district quota, the government wanted 50% to be allocated to "educationally underprivileged districts". There were ten such districts, namely, Ampara, Anuradhapura, Badulla, Hambantota, Mannar, Moneragala, Nuwara Eliya, Polonnaruwa, Trincomalee and Vavuniya. This practice was followed in 1976 and 1977.

Raw Marks - Abolition of Standardization

The United National Party government which came into power in 1977 abolished the standardization of marks in accordance with one of its election pledges. In 1978 the government decided to use raw marks instead of standardized marks as in the beginning when university admission was entirely on the basis of merit. However, measures were also taken to ensure that a student who would have gained admission on the basis of standardization should not be deprived of admission under the present system. Hence, raw marks as well as standardized marks were used for university admission. Special consideration was given to the "educationally underprivileged districts" and, with the inclusion of Batticaloa, the number was increased to 11. This was only an interim measure until the formulation of a new admission policy.

Admission Policy of the government after 1977

The procedure adopted in 1978 was an interim measure due to the limited time available to the new government. The new government appointed a committee in February 1978 to formulate a university admission policy. The policy formulated by the committee was studied by a cabinet sub-committee which recommended the following formula to be adopted in 1979:

(a) 30% on merit
(b) 55% on district basis
(c) 15% for underprivileged districts.

The newly demarcated Mullaitivu district was classified as an underprivileged district bringing the total number of educationally underprivileged districts to 12.

In 1980, the same policy as in 1979 was adopted with the addition of Puttalam district. This brought the total number to underprivileged districts to 13. They were Ampara, Anuradhapura, Badulla, Batticaloa, Hambantota, Mannar, Moneragala, Mullaitivu, Nuwara Eliya, Polonnaruwa, Puttalam, Trincomalee and Vauniya.

Increase in the District Quota

A Committee was appointed by the University Grants Committee (UGC) in 1984 to review the existing admission Policy. This committee made the following recommendations which were implemented from the academic year 1985/86. They were:

(1) Reduce the number of educationally underprivileged districts from 18 to 5 (Ampara, Badulla, Hambantota, Mannar and Mullaitivu
(2) Increase the District Quota to 65%
(3) Reduce the Underprivileged Quota to 5%
(4) Maintain the Merit Quota at 30%

In 1987, the UGC again appointed a committee to review the admission policy. The changes suggested by the committee were:-

(1) Increase the Merit Quota annually by 10% from 30% in 1988/88 to 100% in 1994/95
(2) Abolish the District Quota
(3) Increase the minimum mark for university admission to 200 from the present 180.

These changes were not accepted by the government in 1988.

The admission policy was revised again for admission in the academic year 1990/91. The Merit Quota was increased to 40% and the number of underprivileged districts was increased from five to twelve. The new districts included were Anuradhapura, Kilinochchi, Moneragala, Nuwara Eliya, Polonnaruwa, Trincomalee and Vauniya. Admissions to the Arts faculties were made on Merit from 1990/91. Jaffna was added as an underprivileged district in 1994/95.

The article will look at the principles of admission to universities in Sri Lanka in an attempt to answer the following questions:-

1. Has the adoption of 'Universal Free Education in Sri Lanka' increased the access of students from less affluent families to university ?
2. Does parental income influence the choice of courses of study at the university ?
3. Do district quotas benefit rural students ?
4. Do graduates/professionals children enter the university ?

Free Education

Table 1

Percentage of Students entering Universities from different Social Classes

	1950		*1977*	*1980*	*1993*
Socio Economic Class	Male	Female			
Upper Class*	55.9	69.5	9.8	6.1	4.1
Middle Class	26.9**	14.8**	25.1+	35.3+	40.4+
Working Class	17.5	11.6	65.3	60.6	55.5
Total	100.0	100.0	100.0	100.0	100.0

* Includes Professionals/Proprietors/ Managers
** Includes Teachers (Non-university), Clerical workers
* Includes Teachers, Technical & Supervisory and Clerical grades
\+ Includes Professionals, Technicians and Associate Professionals, Clerks

Table 1 indicates that the majority of students entering university came from upper class families in 1950. However, in 1977 and thereafter the proportion of students entering from upper class families declined drastically and the majority came from working class families. Thus the introduction of free education in 1945 may have a contributory factor which has favoured the entry of students from less affluent families to university.

Family Income

Table 2

Percentages of Students in different academic streams whose annual family income is less than Rs. 24,000

Academic Stream	*1991/92*	*1992/93*	*1993/94*
Arts	75.03	67.72	70.78
Management Studies	53.97	56.67	46.49
Commerce	65.87	63.42	52.16
Law	39.90	42.69	42.59
Biological Science	40.17	35.91	28.09
Physical Science	37.05	31.45	31.03
Medicine	29.06	23.68	19.15
Dental Science	44.44	38.00	29.31
Vet. Medicine	34.78	29.03	28.67
Agriculture	42.45	35.11	31.07
Engineering	37.04	27.20	24.89
Architecture	4.76	19.05	13.04
Quantity Surveying	33.33	31.43	28.67

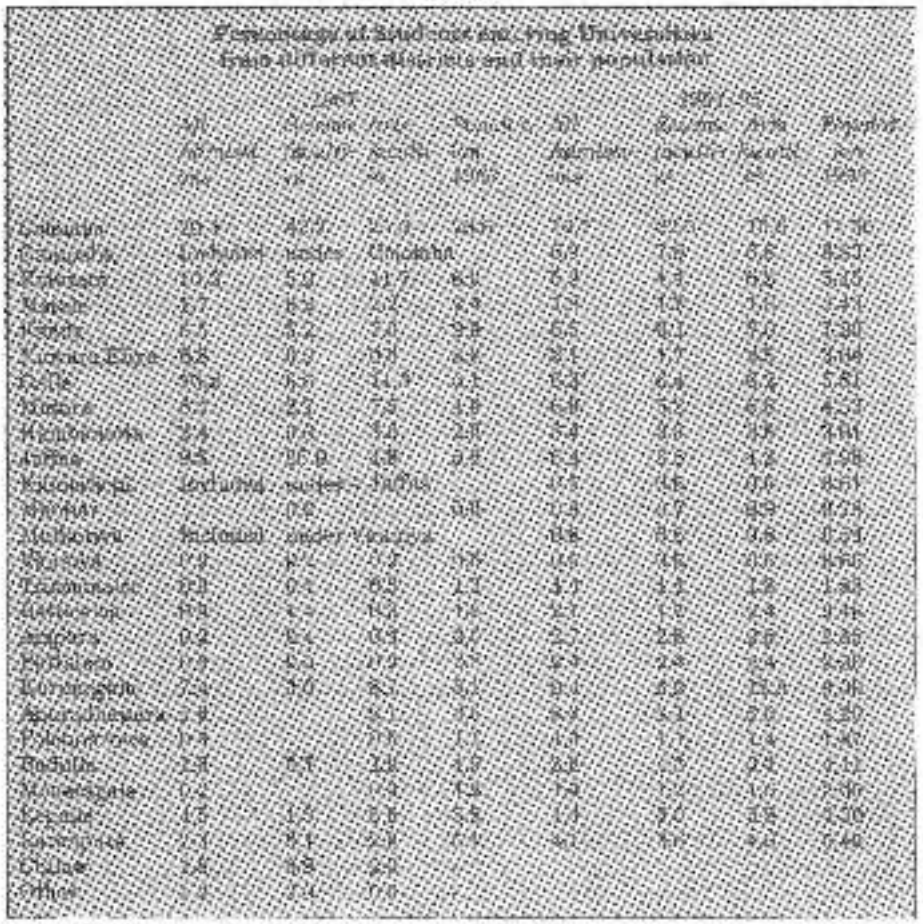
Table 2 indicates that the majority of the students following arts-based courses came from low income groups. Very few low income group students gained entry for professional courses such as Architecture, Medicine and Engineering. These figures indicate that the benefits of 'universal free education have not been passed equally to all the people.

District Quotas

The percentage of students selected to universities from different districts in 1966/67 and 1994/95 are given in Table 3. In the same Table percentage of students selected for Arts and Science based courses is also given. Law has been considered as an Arts-based course since most of the students selected are Arts students even though admission is open to students from all four subject stream (Arts, Commerce, Biological Science and Physical Science) with few restrictions.

Table 3 shows that when students were selected only on merit at the university entrance examination which was the selection criterion in 1966/67, 79.6% of the students had entered from the relatively urban districts of Co-

Table 3



Note:- Signifies nil, .. Signifies insignificant

Table 4

Level of education of fathers of Ceylon University entrants : 1950

	Males %	*Females* %
Less than 3rd Standard	5.6	-
3rd to 7th standard	22.4	11.6
Junior Cambridge	24.6	21.7
Senior Cambridge	16.0	37.6
Senior Cambridge and Non-university Technical of professional training some	16.8	37.7
University Study	3.5	4.4
University Degree	11.9	8.7

Source: Straus 1950.

lombo, Jaffna, Galle, Matara, Kalutara, Kandy and Kurunegala where the population was 61.4% of the whole. The percentage declined to 63.4% in 1994/95 when the population of these districts was 56.81%.

The disparities were more marked in science based courses where 67.2% of the students entered in 1966/67 from Colombo and Jaffna which had a population of 26.4%. The disparities among the districts declined in 1994/95, 31.1 entered from these two districts which had a population of 16.49%.

Educational Level of Father/ Mother

The amount of formal schooling received by parents is closely related to the parents' income discussed in an earlier section.

Tables 4 & 5 indicate that the proportion of students whose farther/ mother had some university or any other tertiary level education is not large. Only 15.4% of the fathers of male students and 13.1% of the female students had done so in 1950. Figures declined slightly in the recent past being 11.3%, 9.6% and 11.40% in 1989/ 90, 1990/91 and 1993/94 respectively. Educational level of parents varies among those studying arts and science-based courses.

The changes in the admission policy from a merit only criterion to a selection process based on all island merit and district quotas according to population helped the access of students from rural areas too. However the admission of these students with low marks under the district quota resulted in an academically heterogenous population. Few examples are given below.

In 1994/95, the student with the highest aggregate marks to enter the medical faculty was from Colombo with an aggregate of 349 while the lowest was from Nuwara Eliya with 216 marks. A student with marks from Colombo could not gain entry to the Medical Faculty.

Table 5

Educational Level of Father/Mother of All University Entrants

	1989/90		*1990/92*		*1993/94*	
	Fat.	*Mot.*	*Fat.*	*Mot.*	*Fat.*	*Mot.*
Not gone to School	2.0	2.9	10.1	11.8	1.1	1.3
Up to Grade 5	13.8	13.8	10.9	11.8	7.8	8.1
Up to Grade 8					18.3	15.4
GCE O Level	69.0	73.3	59.4	61.2	52.9	58.4
GCE A Level	4.9	4.5	10.0	10.0	8.6	8.9
Degree/Professional	11.3	5.5	9.6	5.2	11.4	8.9
Total	100.0	100.0	100.0	100.0	100.1	100.0

Fat. - Father, Mot. - Mother

In the same year, the student with the highest aggregate marks to enter the Engineering Faculty was from Jaffna with an aggregate of 374 while the lowest was from Moneragala with 182 marks. A student with 287 marks from Jaffna could not gain entry to the Engineering Faculty.

The changes in the admissions policy coupled with the educational opportunities provided by the government helped entry of students from low income families to university. However, most of them gained entry to arts-based courses and not for economically advantageous professional courses such as Medicine, Engineering & Architecture.

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Cont'd from page 13

officer cadres as well for workers in clerical and minor grades. When the quality of the former declines, that of the latter would normally follow suit. The work efficiency and decision making abilities or in other words the overall quality of an administrative officer in the universities today, on average, is much less than that of such an officer, say during the single university days. I must hasten to add that, this should not be taken as casting an aspersion on the few high quality administrators found in the university system even today but they are unfortunately an exception. Complex, no doubt, are the reasons for this decline in quality of the average university administrator, but the practice of reserving half of available vacancies to promotees from lower grades could be considered a major factor behind this state of affairs.

The university education in this country has been for some time, and continues to be, in a crisis. One could focus on various aspects of this crisis. This multi-faceted crisis has arisen also out of multi-faceted reasons. I have focused - though selectively - on merely one part of the problem, namely that of resource limitations and problems of management. These are no doubt, two major subject areas, causing difficulties in achieving effectiveness and efficiency in the system of university education. If problems and weaknesses in these subject areas are successfully tackled, the other elements of the current university crisis will gradually be resolved. The real solutions to the problems discussed are long-term, and they should emerge from stronger growth performance of the economy, enabling resource build-up in the centre and political will to grapple with some basic structural weaknesses. One cannot wait inactively, however, until this long-term comes - as the well known adage goes all of us will be dead in the long-term. The effective search for short and medium-term solutions will have to begin taking the basic premises I have referred to at the beginning as given.

As the society and the economy develop and change, these so called "basic" premises too many undergo gradual change. Until that happens the stakeholders in the country's univeristy system - teachers. university administrators, other university employees, students and their parents, relevant government institutions, planners of secondary school curriculum, private sector employers of graduates, etc. etc. - are well advised to work within these premises and attempt to improve conditions within that framework. To the extent that these are ingrained in the national ethos, suggestions for drastic and radical action to change them overnight will not be practicable and any attempt to implement such a suggestion will collapse in the severity of the possible political backlash against it.

Notes:

1. Data are from World Bank's *Sri Lanka: Education and Training Sector Strategy Review* (1994), p. 192.
2. The following comparable figures for higher education as a whole and not for university education alone are from the World Bank's same *Sri Lanka: Education and Training Sector Strategy Review* (1994). The figures are unit cost estimates for higher education in general as per cent of GDP per capita, the period for which data are applicable is some year in the 1980s for other countries and 1990 for Sri Lanka (p. 190): Percentages. Sri Lanka: 85; Bangladesh: 245; China 243; India: 231; Indonesia: 91; Korea: 71; Malaysia: 190; Nepal: 249; Philippines: 30; Thailand: 40.
3. When the pressure of those who have obtained minimum qualifications to enter but are left out for lack of space in existing universities becomes intense the central authorities would set up new universities, as was done in 1995-6. The problems affecting the existing universities will obviously be felt several fold more acutely in such new institutions.

Higher Education Objectives in a National Perspective

"Paper presented at national workshop on Higher Education Policy - 1995"

by
A. S. Jayawardana
Governor, Central Bank of Sri Lanka

I was taken aback by comments in one or two papers to the references to lack of clarity of the broad national economic policies of the government except for phrases like Open Economy with a human face' and 'the private sector is the engine of growth'. I must correct this. I do not think in the last 40 years any government has set out its policies in detail as this government has done. They are found in the document starting with the 'policy statement of 13th September 1994 and the policy statement of 6th January 1995 and the two budget speeches where policies including education policy has been spelt out in detail.

The purpose of this exercise was to formulate a consensus among the government group and also to be a preamble to the formation of the National Development Council which the present government has decided to set up with academics, trade union and private sector representatives. Your conclusions in this seminar will be very useful as input for the educational field.

This will be the beginning of a dialogue between this central advisory council along with universities, intellectuals and the private sector representatives. So the policy is there. To quote from the September statement: 'The government is committed to building a strong National Economy within a market framework. The principal engine of growth is the private sector both domestic and foreign. The role of the state is to provide the institutional framework that is wholly supportive of rapid private sector development. In order to do this effectively the government will pursue market friendly policies which support rather than supplant the markets. Accordingly government intervention will be limited to areas where markets fail to function effectively and therefore need to be strengthened or supplemented so that they serve for the welfare of the people.

It would be abundantly clear from this paragraph which I quoted from the September 13th statement what this policy is. It will basically promote economic activity in the private sector, but it does not mean government will be a passive player, but it will actively involve in areas where markets do not function properly. If I am permitted to digress a little on the concept where markets fail - if a market produces a product which can be packaged and sold at a price which means you have to prevent it being given to persons who do not pay the market price; that is a place where the market does not function. Markets function better if there is a large number of people unlike in a monopolistic situation.

There are some goods which do not function well in a market, the classic example is a light house where you cannot prevent its use by other sailors. Similarly roads and bridges were considered non-marketable, but today the use of roads can be made marketable. So there are lot of things which are marketable. Airports are marketable. But there are instances of market failure. One classic example is education. Why education cannot be treated as a market phenomenon is that when you bring up children they become useful to the community as well. You can internalise the personal benefit from the job you do as a doctor, engineer or teacher; but there are other benefits, which the whole society derives and which is not captured by the calculus of the market. An intelligent child in the neighbourhood will help other children. These externalities are beneficial to the society. Education produces law abiding citizens, good agricultural practices will lead to higher productivity. These benefits are externalities deriving from education. Markets fail to capture these externalities. In such areas the government benevolently intervenes and provides a basic service and helps the economy to grow.

How does the government intervene. In Sri Lanka the government spends a large sum from the national revenue on education. In the late fifties and sixties government expenditure on education amounted to 4% of the gross domestic product; in the seventies it had come down to 2.5% and today it is again a little over 3% and there is a commitment to increase this allocation for the entire system. For Higher Education the present allocation is approximately 0.6% of the GDP. I like to raise the question: "Whereas market failure is a justification for providing universal general education as it makes people more productive, does it become throughout the system a case of market failures? Cannot markets function at certain higher levels?" I like to raise this as my theme statement. There is a strong school of thought that when markets fail the governments must intelligently intervene, invariably they do not. There is now reference to government failure. Why do governments fail ? This is normally not discussed except in a forum like here. It is not done by bureaucrats where perpetuation of the bureaucracies become an end in itself.

The most knowledgeable people are not running bureaucracies. This is a universal phenomenon. Secondly, in government there is this theory of uniformity. Whatever we do must be uniformly applied across the board which is an attempt to make unequals equal. If there is a brilliant professor of history and a mediocre one with the same years of service both have to be paid the same salary because the government is incapable of paying according to the quality of work.

The employment opportunities in

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What Employers look for in University Graduates

by
Chandra Gunawardena

Universities constitute very important institutions in any society and particularly in the Third World countries due to the important functions that they are envisaged to perform. Not only are universities expected to train an intellectual elite and provide the basis for a technological society, they are also considered to be most important institutions with a widespread impact on culture, politics and ideology. They are expected to assist in the creation, and especially in the dissemination, of knowledge.

Recent decades, however, have witnessed a sense of increasing disillusionment with the ability of the universities to perform the above tasks. The tremendous expansion of secondary education that had led to an increased enrolment in universities it is shown, that this had occurred without a proper study. At the point of exit most of the university graduates could no longer hope for a job with high remuneration or high prestige. Even though the spectre of unemployed university graduates is a result of a constricted labour market in stagnant or sluggish economies the phenomenon has stirred societies to reflect on the quality of the products of the university system.

Developments in University Education in Sri Lanka up to early 1970s

The expansion of secondary education and the change in the medium of construction at university level in Sri Lanka triggered an increasing demand for higher education in the 1960s. The authorities succumbed to the pressure for more university places by establishing new universities and new campuses and by increasing the intake. In the five years between 1960 and 1965, the university enrolment increased more than three-fold from 4,127 to 14, 260. In the latter half of the 1960s, however, the objective of providing higher education to all who desired it, seemed to have given way to a reduction of admissions. Thus university enrolment started to decline from 14,422 in 1966 to 12,050 in 1973. The reduction had been caused more by the inadequacy of facilities than by the perception of the grim prospects of graduate unemployment. Thus the Committees of Inquiry which looked into the affairs of the universities between 1966 and 1968 drew attention to the danger of admitting large numbers to the universities without adequate facilities. As one of them categorically stated, "The solution to the problem of providing higher education to those who are qualified to receive it cannot lie in a lowering of efficiency'. (SP VIII of 1968)

The growth in university enrolments had been accompanied by on imbalance in distribution of students by faculties of study also. Thus the percentage of students enrolled in arts-oriented studies and law increased from 43.6 in 1942 to 57.5 in 1959 and to 76.1 in 1966. This imbalance led to two important consequences. In universities, the lack of minimum essential facilities and unsatisfactory staff-student ratios gave rise to frequent student unrest. The government also found it difficult to absorb the arts-educated graduates into public-sector employment, as it had done so far. As a result, the admissions policy since 1966 came to be marked by the feature of favouring science-oriented courses and the percentages admitted for Arts declined gradually from 78 in 1966 to 60 in 1975.

At the same time, university entrance was veritably a bottleneck which allowed only a small proportion of the eligible to proceed to higher education. Thus the percentage of G.C.E. (A/L) qualified applicants gaining admission to the university declined from 24.1 per cent in 1953 to 11.6 per cent in 1966. The failed insurrection of 1971 is considered as the culmination of discontent among the secondary school leavers who had no further options before them and graduates (estimated to be around 9,000 in 1971) who were facing indefinite periods of unemployment.

Efforts at Matching Higher Education to Employment Opportunities

During early 1970s, 'vocationalism in education' was very evident and the Seers Report (1971) and the Committee on the Reorganization of Higher Education (Jayaratne Committee, 1971) argued for a closer relationship between education and employment. The latter made the radical recommendation of introducing job-oriented courses at university level. In 1972, a number of job-oriented courses such as estate management and valuation, public finance and taxation, mass communication media and Teachers' Diploma in Social Sciences (later to be upgraded to a Bachelor of Education) were commenced, and existing similar courses such as public and business administration expanded.

The extent to which the introduction of job-oriented courses had been successful in reducing graduate unemployment could be gauged by a study conducted in 1978 (Gunawardane, 1980) two years after the first batch of students who followed these courses had graduated. Table I indicates the employed status of students who had followed different course of study.

It is noteworthy that in the above table among the courses of study with a large enrolment, the Bachelor of

Table I

Classification of Graduates according to Course of Study and Employed Status

Course of Study	*Employed %*	*Unemployed %*	*Total (No.)*
Bachelor of Education	100.0	00.0	171
Estate Management and Valuation	69.4	30.6	36
Public Finance & Taxation	43.8	56.3	80
Mass Communication Media	50.0	50.0	16
Librarianship	100.0	00.0	01
Commerce	60.0	40.0	05
Business Administration	88.9	11.1	18
Public Administration	90.0	10.0	10
Humanities (Special)	71.4	28.6	21
Humanities (General)	45.7	54.4	35
Social Sciences (Special)	52.6	47.4	57
Social Sciences (General)	29.7	70.3	37
Total	72.7	27.3	440

Source: Gunawardena, GIC (1990) 'Socio - economic effectiveness of Higher Education in Sri Lanka : A Study of a Cohort of Arts Graduates', Unpublished doctoral dissertation, La Trobe University, Melbourne, Australia.

Education graduates stand out, in that the entire group had secured employment (as graduate teachers). This group, however, had been given teaching appointments and they had not experienced the travails of job hunting.

Table II gives a summary of the employment patterns of the graduates.

Overall, the study indicated that the introduction of job-oriented courses had not achieved the expected objective. In the years that followed, the universities themselves, gradually decreased the intake for these courses.

Employer Expectations from University Education

Increasing interest has been focussed in recent years in using the views of stakeholders to assess the quality of higher education in relation to the needs of the employment market. In the case of university education, the stakeholders are the employers, the students and the teachers. Of these, employers are considered a significant group who perform a critical role in assessing the quality of graduates in recruiting them for employment.

Table II

Classification of Graduates according to Type of Course and Employment Status

Course of Study (No.)	Employed %	Unemployed %	Total
Job-oriented Courses	[illegible]	14.3	[illegible]
Job-oriented Courses excluding Bachelor of Education	[illegible]	34.5	[illegible]
Academic Courses	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	440

Source: Gunawardena, GIC (Op. Cit.)

On the whole, the graduates of job-oriented courses (even when the B. Ed. graduates were excluded) were seen to be in a better position to secure employment than those who had followed purely academic courses, but even the former had not succeeded in securing full employment. Further analyses indicated that of those who had followed job-oriented courses (excluding Education) the majority (57.7 per cent) were in non-graduate jobs as compared to 52.1 per cent of those who had followed academic courses of study.

Most of the UK studies report that more than specialized knowledge, other types of skills are being valued by employers. Thus CIHE (1987) argued that British Industry and Commerce needs "versatile and adaptable" graduates if it is to develop and remain competitive into the next century. There is also emphasis on transferable skills such as communication skills and team working (Coldstream, 1991). Stobbart (1991) stated 'we recognize that we need graduates with more broad-based skills of analysis and creativity, numeracy and literacy, adaptability, motivation and leadership'. In a recent HMI (1991b) study of 52 companies, good communication skills were also viewed as an essential attribute of graduates by 90 per cent of the respondents. While effective communication skills were at the top of the list of qualities, use of information technology was seen as relatively unimportant. Harvey et al (1992), in the QHE study found interpersonal skills (communication, team work), problem-solving, adaptability, (self-confidence, self-management), decision making and independent judgement rated higher than the knowledge and skills that characterise the traditional approach to higher education, that is, specialist subject knowledge, imagination and creativity, enquiry and research skills and the ability to relate into a wider context. Other qualities employers liked to see in graduates included humility, integrity, loyalty, dependability, tact, sensitivity, cooperation, passion, enthusiasm, stamina, determination, tenacity, persistence, consideration for others, innovation, leadership potential, and organization skills, time management, negotiation skills, commercial awareness, practical experience, desire to achieve and personality.

Let us now consider the findings of a similar study carried out in Sri Lanka, bearing what has emerged from the above British studies. Gunawardena et al (1991) for their study of education-employment linkages, interviewed a representative sample of 93 employers from government, semi-government and private sectors. The employers were queried as to what abilities and personality traits they look for in selecting graduate level employees. A systematic listing of the specified abilities and skills produced a long list of 52. A further reduction was attempted by placing related abilities together

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but taking care not to drop any of the individual abilities. The final list comprised 29 such abilities and skills (Table III).

Among the skills/abilities listed above, it is significant that as in the QHE study referred to above (conducted one year *after* the Sri Lankan study), communication skills emerged at the top with 34 out of the 93 employers specifying these. The four abilities next ranked highest were appearance grooming manners (29 employers), personality (28), interpersonal skills/ability to work in a team/ concern for others (27) and leadership (25). Special skills for the job ranked as 9th in the list. The rest of the abilities/ skills specified were a close echo of those mentioned in the QHE study. In addition, the employers stressed the need for prospective employees to be competent in English. The percentage of employers who employers who held this view ranged from 66.7 in the government sector to 89.6 in the private sector.

Table III

List of Abilities/Skills/Qualities Specified as desirable by Employers (Frequencies)

No.	*Ability / Skill / Quality*	*Govt. Sector*	*Semi-Govt. Sector*	*Private Sector*	*Ttotal*
01.	Communication Skills/ Ability to express themselves/ Presentation skills	07	07	20	34
02.	Appearance/Grooming Manners	04	--	25	29
03.	Personality	05	08	15	28
04.	Inter - personal relations/ Amicability/Concern for others/ Sociability/Friendliness/ Openness/Politeness/Ability to work in a team	08	08	11	27
05.	Leadership	05	05	15	25
06.	Self - confidence	01	02	10	13
07.	Ability to stand up to new situations/Adaptability/Work under pressure/Power of assimilation/Adjustability	02	05	05	12
08.	Enthusiasm for the job	01	--	10	11
09.	Special skills for the job	02	--	09	11
10.	Creativity/Initiative/Talent Projected vision/Realistic vision	01	05	04	10
11.	General Composure/ Decorum/Discipline/ Pleasantness of manner	03	--	06	09
12.	Decision making ability/ Balanced judgement	01	01	05	07
13.	Organizational ability/ Managerial ability	01	01	05	07
14.	Emotional stability/Maturity	02	03	02	07
15.	Thinking ability/Clear thinking	03	01	02	06
16.	General Knowledge	02	01	03	06
17.	Problem solving	02	01	03	06
18.	Intelligence	--	--	05	05
19.	Financial integrity/Honesty	01	--	04	05
20.	Dedication/Sincerity/ Reliability	02	--	02	04
21.	Sports abilities	01	--	02	03
22.	Accuracy/Attention to detail	--	--	03	03
23.	Resourcefulness	--	--	03	03
24.	Practical skills	--	--	03	03
25.	Efficiency/Ability to get the work done	01	02	--	03
26.	Respect for other disciplines/ General broad - mindedness	--	02	01	03
27.	Perseverance	--	01	01	02
28.	Personal salesmanship/ Drive	--	01	01	02
29.	Alertness/Concentration	--	01	01	02

Source: Gunawardena, Chandra, Gunawardena, H.P.R., Kularatne, W.G. and Seneviratne, H.M. (1991) The Study of Education - Employment Linkages: University and other Forms of Tertiary Education, A Survey of Employers. (Unpublished) World Bank and Marga Institute, Colombo.

The British study had re-affirmed the strong interest that Sri Lankan employers had evinced in recruiting graduates with social and transferable skills. Only in those areas where subject knowledge is regarded as an essential for doing the job was it seen as important. It could be argued that the relatively low rating of subject specific knowledge is due to it being taken for granted by employers. At the same time, it must be remembered that the interviewers being mainly recruitment, officers (out of the 48 private sector employers interviewed, 33 were personnel managers), in distinguishing applicants they might tend to look at what graduates *lack* rather than what they have. Given that most applicants that the employers process are likely to have a relevant degree, they may well focus on what else they have and this approach may have influenced their responses.

Implications of Employers' Expectations

The above findings have several significant implications. Firstly, these studies demand a re-examination of the role of the schools and universities which are at present unduly examination-oriented. While the extra-school tuition has thrived on the students' effort to excel at examinations, depriving them of their right to a childhood, repeatedly, committees in university education have decried the increasing prevalence of 'notetaking' 'cramming and cribbing' and reproduction of lecture notes at examinations. As education becomes more and more examination-dominated, other personal and social skills lose their significance and are given less priority. Social values

and norms, inculcation of which has been accepted as a function of education are neglected to such an extent, that the possession or lack of such values becomes the distinguishing factor. Such an interpretation of the findings calls for an evaluation of the extent to which the goals and objectives of our education are realized.

Secondly, these studies indicate that matching education with employment cannot be considered merely as a need to direct education to more - job - related or vocational skills. One experiment with vocationalisation at university level had failed drastically, so that the authorities themselves unobtrusively decreased the intake for these courses. It is relevant to note that at present the argument is for 'skills training' based upon a broad, general education. A narrow functionalist notion of 'competence' is being replaced by 'skills' under-pinned by a broad basis of transferable and core skills. As Gelpi (1986) explained, the productive process is changing permanently and this means a need for flexibility, mobility, innovations and psychological equilibrium to deal positively with these changes.

Thirdly, what are the implications of these expectations for quality in education in Sri Lanka ? Though one among many additional requirements, the emerging emphasis on English is viewed with hostility and suspicion by the majority youth who find that the marketability of their qualifications is low, because they lack a sufficient knowledge of English. They express righteous indignation as they consider themselves to be doubly disadvantaged in that neither the home environment nor school/university environment has had the facilities to develop their English competency. Further, it is the 'fortunate few' who imbibe the 'social learning' valuable for personal development from their home backgrounds and who easily find their way into those schools where 'total development' is an explicit goal. Traditions and the culture of these schools facilitate the development of qualities associated with leaders and managers. The advantages that the children of the elite accumulate at school level have a multiplier effect at university level.

Stakeholder expectations enable us to identify criteria which are important in judging the quality of education in universities. It should be underscored, however, that these criteria are unlikely to be fixed for all time. As quality is dynamic, the priorities may change in the future. The priorities as indicated by employer expectations in both Britain and Sri Lanka suggest that it is the total student experience of learning that underpins the assessment of quality in university education.

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The UGC is expected to function as a buffer between the universities and the government, interpreting one to the other and a source of advice to the government on university affairs. Apart from the function of financial allocation to universities, there are three other important functions which the UGC has been performing:

(a) to function as the central admission agency to the university system and determine admissions to universities on the basis of criteria decided in consultation with the government.

(b) to ensure standards in the appointment of academic and non-academic personnel to universities by laying down schemes of recruitment,

(c) to foster interaction and achieve a measure of co-ordination among universities through the medium of standing committees or inter-university for a set up for all major academic disciplines with representatives from each university.

In the period 1979-1996, the university system has recorded an expansion in both student numbers and number of institutions. Six new universities have been added to the system and the number of students admitted for a year has increased from about 5,000 in 1979 to nearly 11,500 in 1996 and the total student enrolment has risen from about 15,000 to about 33,000 during the same period. The university system which operates under the 1978 Act consisted of the following network of institutions as at the end of 1996.

- 12 national universities namely Colombo, Eastern, Jaffna, Kelaniya, Peradeniya, Moratuwa, Rajarata, Ruhuna, Sabaragamuwa, South-Eastern, Sri Jayawardenapura and the Open University
- 6 post-graduate institutes (in Agriculture, Archaeology, Management, Medicine, Pali and Buddhist Studies, and Science)
- 5 other higher educational institutes (in Aesthetic studies, Computer Technology and Worker Education and two in indigenous medicine)

Current plans envisage the establishment of two more national universities in North Western ('Wayamba') and Uva provinces which would expand the university network to a total of 14 universities located in different parts of the country. It is also envisaged that the number admitted to national universities would increase from the existing level of about 11,500 to about 15,000 by the beginning of the next century.

Technological Universities : The run up

by
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The *Daily News*[1] in a recent issue carried the convocation picture of a Sri Lankan lady who had obtained a BA Honours degree in Furniture Design from the Middlesex University. The legend further stated that she had won a prestigious scholarship enabling her to obtain a placement with a furniture designer in Sri Lanka. The point of interest here, in the Sri Lankan context, is not so much that a lady has elected to follow a university degree course in Furniture Design as that Furniture Design has found a recognised place in the university curriculum in a country, that, had given us our predominantly academic curriculum. This is to illustrate what the practice should be in our universities as well, on a wide scale.

Turning to graduate unemployment, the Unemployed Graduates' Union maintains that the number of unemployed graduates exceeds 30,000[2]. With around 8,500-10,000 students graduating from universities every year the problems of graduate unemployment and under-employment are bound not only to remain with us but also to worsen with every year that passes.

The Minister of Youth Affairs has stated that each year 5,000 out of every 10,000 graduates could find employment. The other 5,000 were unable to secure employment for the following reasons :

- Lack of social graces
- Lack of a proper knowledge of English
- Lack of technology education
- Lack of experience
- Backward in personality

The Minister has outlined his proposals to tackle these shortcomings[3]. The lack of technology education has been selected for detailed examination here, tracing the development of the concept, outlining the response of interested parties and marking any progress that may have been achieved.

The required and correct type of technological education and research should be on the one hand on industrial development and employment opportunities, on the other should very closely and positively related to the growth phase. Technological education assumes importance not only from the individuals' standpoint as facilitating employment but also from the national standpoint as leading to industrial development and the creation of wealth. Technological education may service the existing industries or may be anticipatory and preparatory leading hopefully to the establishment of new industries according to a preconceived master plan.

Unfortunately, however, even after nearly a half century of political independence educational provision has still not been able to establish and/or maintain a meaningful relationship with developmental needs. The absence of relevant technological courses to service even existing industries is badly felt, let alone industries planned for the future. It has been pointed out by many authorities that subjects like scientific fishing, marine engineering, tourist management and plantation industry had not been included among university degree courses[4].

AUC	*Centre*	*Course of Study*
Western Province (WP)	Pattalagedera	Mathematical Science
Southern Province (SP)	Niyagama	Accountancy and Finance
	Kamburupitiya	Entrepreneurship and Small Business Management
Eastern Province (EP)	Sammanthurai	Accountancy and Finance
Northern Province (NP)	Vavuniya	English, Accountancy and Finance, Mathematical Science
North Western Province	Kuliyapitiya	Home Science and Nutrition
	Makandura	Agriculture
North Central Province (NCP)	Anuradhapura	English
		Accountancy and Finance
		Entrepreneurship and Small Business Management
		Hotel Management
		Tourism and Culture
Central Province (CP)	Polgolla	Science
Sabaragamuwa Province (Sab P)	Belihuloya	English
		Travel and Tourism
		Accountancy and Finance
Uva Province (UP)	Rahangala	Agriculture
		English
Buttala	Buttala	Food Science and Technology
		English
Trincomalee	Trincomalee	Accountancy and Finance
		English

Just one week previously the *Daily News* in an editorial titled Lingering Legacies, referring to underdevelopment and poverty, had made the following observation :

'It is obvious that academic courses, particularly at university level, should be revised and changed to meet our developmental needs. For instance we need more courses in food cultivation and nutrition, sustainable development, community health and the like. Seen from this point of view the new Universities of Rajarata and Sabaragamuwa are bold, timely ventures'[1].

The two universities of Sabaragamuwa and Rajarata referred to above which saw the light of day in the process of the abolition of the Affiliated University Colleges (AUCs) have come to be looked upon as Technological Universities. They are not referred to as such in their titles and it will be necessary to examine the factors leading to their establishment and their curriculum and organisation to determine how far they are technological universities.

Although these two universities popularly perceived to be technological universities came to be established only in 1995 the concept which had a vague existence for quite sometime came to be given a tentative physical form and existence as well as practical functioning in 1991 with the setting up of the AUCs which had only a very brief existence from 1991 to 1995 when the technological universities rose on the ashes of the AUCs. The structure and organisation of AUCs left much room for dissatisfaction and complaint and no doubt, were responsible for their stormy existence. However, at least some opposition which the AUCs encountered may have typified the hostile reaction in Sri Lanka to the very concept of technological universities.

The AUCs were Institutions of Higher Education that were set up in the provinces to provide higher educational opportunities to students who would otherwise have gone without them because of the lack of places in the national universities.

The courses offered by the AUCs were professionally or vocationally oriented and targeted to specific areas of employment. Work experience in related areas was to be encouraged and due credit to be given to such experience wherever relevant. At the end of the first year of successful study students were to be issued a certificate. At this point students could opt to leave for employment or continue their studies for another year and obtain a Diploma. The possibility of obtaining a degree on resumption of studies after one or two years of practical experience was not ruled out. It was envisaged that eventually these AUCs would develop into autonomous national technological universities. Until such time, however, these AUCs were to be affiliated to the national universities which would closely monitor their academic programmes and future development as well as award the qualifications.[2] Thus it is seen that the strategy of affiliation has been followed in making the new university level institutions to co-exist peacefully with universities dominating the field of higher education. The junior universities that functioned in the late 1960's were a similar set of institutions but their technological character was less pronounced. Also they were not associated with the universities in any way.

The original proposal was to confer degrees on AUC students successfully completing a three-year course. However, this proposal had to be abandoned in the face of stiff opposition from students of national universities. The students of national universities saw the establishment of AUCs as an attempt to bring in to the universities through the backdoor a large number of persons who had 'failed" the examination for admission to the universities and therefore did not deserve any type of university education, let alone university degrees. This totally erroneous and unfair position could have been taken only by deliberately confusing 'the minimum mark necessary for university admission' with the 'cut-off point'. However, the authorities gave in and it was decided to limit the AUC offerings to Diploma level.

Even with this huge concession that more or less totally undermined all credibility of, and confidence in, the innovation the hostility of university students and their parents did not recede one bit. They either believed or rationalised that the funds for AUCs would be drawn from the financial provision for the existing universities thereby depleting the resources available for the latter.

In order to convince the doubting university students and everyone else who shared their views the UGC provided a clear exposition in question and answer form addressing all their questions, and offering assurances[3].

Most university dons did not wish to touch the AUCs with a barge pole. At least two universities did not enter the scene at all. Most of the others answered the call of the UGC only grudgingly and with many reservations. Only two universities can be said to have co-operated fully with the UGC in this endeavour. It is not quite certain to what extent the universities and university teachers were propelled by open academic snobbery or other reasons which they sincerely held to be valid and true. It was apparent that they believed that the only institution of higher education which should offer degree courses in recognised fields leading to reflection and contemplation was the university. No vocational or practical studies could be accommodated in a university curriculum.

In addition to the professional and vocational nature of the courses generally proposed to be offered in AUCs what caused the greatest uproar was the inclusion of Beauty Culture as a component in a course on Home Science and Nutrition to be offered at the Kuliyapitiya Centre of the North-Western Province AUC. It was made out by everybody that beauty culture was not a fit subject to be taught at university level. How could one obtain a degree in beauty culture, it was asked. It is here that my initial reference to a degree in Furniture Design can come in as a good example of new types of courses that are being offered by universities overseas.

The political opposition both within Parliament and without was very critical of the new type of higher education institution which it could not quite accept. The members of the opposition were of the opinion that it should either be a full fledged university or a technical college below that, offering technical and vocational courses. The new hybrid institution sought to be established violated all norms of higher education

institutional organisation, they pointed out.

Thus even before the doors of AUCs opened the odds were against the experiment. However, the AUCs were declared open in November 1993 and the first batch of students was admitted in the second half of 1992. Although accordingly to original plans there were to be nine AUCs offering a variety of courses in a large number of centres the final list of courses and centres was a largely reduced one. Later on two new AUCs were established bringing the number of AUCs to eleven. There were no hostels attached to AUCs but the students were provided with Mahapola scholarships, bursaries and concessionary bus travel. A few AUCs provided sports and medical facilities as well. Below is a list of AUCs, centres and the courses that were offered in them.

The moment students were brought in fresh trouble erupted from the AUC students themselves. They complaint regarding the physical organisation, such as lack of residential facilities, inadequate physical facilities etc., they raised the cry that the courses should lead to degrees and not diplomas. After all, they pointed out, they were qualified to be admitted to universities where they could have obtained degrees and they could not comprehend why they were to be fobbed off with only a diploma, however, sugarcoated it was. Therefore from the very inception agitation prevailed within the AUCs centering on the improvement of the physical conditions and the award of a degree.

In 1993, within one year of the commencement of teaching in the AUCs, before even one batch of students had completed any course, the UGC allowed itself to be persuaded to appoint a committee to review and report on the activities of the AUCs with a number of terms of reference[7].

The committee shared with the UGC the ideal that these AUCs should develop into technological universities. It says: "steps should be taken to provide the necessary infrastructure to enable at least one or two of these university colleges to develop into full fledged technological universities within the first five year phase."[8]

However, the Committee did not consider favourably the courses conducted by the AUCs. Some were found to be not quite technological as desired[9]. The Committee recommended that certain AUCs and/or centres should be closed and certain courses discontinued. In addition they made a number of recommendations regarding structure, facilities, staffing, accommodation, management and administration that would lead to the development of AUCs. Strangely enough the report of this Committee was not acted upon.

Another Committee was appointed by the Hon. Minister for Higher Education in 1994 to prepare a short-term plan for the development of AUCs.[10] This Committee recommended that avenues should be made available for AUC students to obtain a degree. However, there should be an intervening period of work experience of at least two years before students proceeded to the final year of the degree programme.

Degree courses offered by AUCs should be job oriented and vocational in contrast to academic degree courses offered by conventional universities.

The committee identified the following additional courses of study as being appropriate to be offered by the AUCs.

- Marketing Management
- Insurance and Risk Management
- Environmental Studies
- Library and Information Science
- Sports and Physical Education
- Pre-school Education
- Conveyancing and Notarial Work
- Environmental Health
- Medical Technicians' course
- Laboratory Technicians' course
- Pharmacology
- Computing and Information System/Computer Applications
- Gemology and Jewellery Manufacture
- Forestry
- Printing and Publicity
- Fisheries and Aquaculture
- Mass Communications
- Languages
- Journalism
- Fine Arts
- Banking

In addition the Committee made a number of proposals pertaining to infrastructure facilities, staffing and training of staff. However, by the time the committee completed its work the new PA government has come into power and the report was handed over to the new Deputy Minister of Higher Education. Not surprisingly, this report too was not acted upon.

On the other hand, the new Minister of Education and Higher Education appointed a three-member Committee to study the main issues and problems relating to the AUCs and submit to him a fresh report on them."[11]

This Committee did not see any merit whatsoever in the AUCs and was critical of every aspect of AUC organisation and functioning. However, it is gratifying to note that in their antipathy to the AUCs they have taken care to preserve and nourish the concept of 'technological universities' as embodied in the Committee's all important and final recommendation.

"Some of the Affiliated University Colleges which have adequate infrastructure and facilities have the potential for development as Technological Universities'. Six of the eleven AUCs should be incorporated to form two new universities with effect from the commencement of 1998. The AUCs at Rahangala and Buttala should be attached to the AUC at Belihuloya to make it the administrative centre for one of the proposed technological universities. A similar arrangement should be made by incorporating the AUCs at Anuradhapura, Kuliyapitiya and Polgolla. Anuradhapura should be the centre of this university. All other AUCs should eventually be vested in the universities in the respective provinces in which they are located.

The system of Affiliated University Colleges will be abolished with the implementation of the scheme recommended above"[12]. With regard to courses of study the committee states: The courses to be provided should be different from the general and special degree courses conducted in universities presently. They should have multiple components of three categories :

(a) a professionally oriented subject inclusive of a practical training component as the major component;

(b) English and Computer Studies as compulsory subsidiary components; and

(c) two optional subsidiary components selected from a variety of subjects having relevance to an understanding of the contemporary society in a regional and global context.[14]

Care should be taken to avoid the provision of courses presently conducted at universities and other Higher Educational Institutions except in Commerce, Business Studies and other fields for which there is a growing demand[15].

The Minister of Education and Higher Education, of course, accepted the recommendations made in the report in terms of which the two new universities of Sabaragamuwa and Rajarata were established. They are not directly referred to as technological universities but from what has been recommended by the committee as shown above it may safely be inferred that if they have not already been conceived as technological universities it is at least expected that they will develop into technological universities before long.

The Sabaragamuwa university will conduct the following degree courses, at the outset, in the different locations and faculties :

- B.A. Languages
- B.A. Social Sciences
- B.Sc. Business Studies
- B.Sc. Agricultural Sciences
- B.Sc. Applied Science

Belihuloya

Faculty of Business Studies
Department of Business Studies
Department of Accountancy and Finance

Faculty of Social Sciences & Languages
Department of Social Science
Department of Languages

Rahangala

Faculty of Agricultural Sciences
Department of Livestock Production
Department of Export Agriculture
Department of Agro-Business Management

Buttala

Faculty of Applied Sciences
Department of Natural Resources
Department of Physical Sciences

The Rajarata University will offer the degrees:

BBA (Business Management)
B.A. (Social Sciences)
B. Sc. (Agricultural Sciences)
B.Sc. (Applied Sciences)

in its different faculties as follows :

- Faculty of Management Studies (Anuradhapura)
- Faculty of Social Sciences and Humanities (Anuradhapura)
- Faculty of Agricultural Sciences (Makandura)
- Faculty of Applied Sciences I (Kuliyapitiya)
- Faculty of Applied Sciences II (Polgolla)

The univesity offers Courses in the following areas :

- Plantation Management
- Food Science and Technology
- Horticulture
- Home Science and Nutrition
- Mathematical Sciences
- Industrial Management
- Computer Studies
- Business Management
- Accountancy and Finance
- Social Studies
- Humanities
- Biological Sciences
- Physical Sciences

The above information is not very encouraging. Perhaps the new universities will continue to offer a mix of technological courses and conventional courses rather than only technological courses. The words of the Minister are more reassuring :

"The main objective of the government's new educational policy is to shift the emphasis from the theoretical aspect to the practical. Several vocational courses will be started in the newly opened universities to equip students with the knowhow to enter the job market in a technological era. Our educational system still follows the conventional concept. Unless and until we set aside our conventional attitudes towards education we will be left behind in the forward march to prosperity."[16]

The Minister has promised to establish two more universities in 1997, the Wayamba University and the Uva University. It is to be hoped that these two new universities would be more technological if not totally so.

It appears fair to conclude that although the AUCs no more, the principle of technological higher education, which they embodied has taken root in the new universities which have taken their place. It is hoped that these new universities would play a leading role in ushering in appropriate innovations in the sphere of higher education in Sri Lanka.

References:

1. *Daily News*, 1996 August 14, p.8.
2. *Sunday Island, Leisure & Lifestyle*, 1996 August 18, p. 1
3. *Ibid.*
4. *Daily News*, 1996 August 22, p. 4
5. *Daily News*, 1996 August 15, p. 8
6. *Affiliated University Colleges*, UGC, 1991, pp. 1-4
7. *Ibid.*
8. This Committee comprised Professor A.D.V. de S. Indraratne (Convenor/Chairman), Dr. Mrs. Swarna Jayaweera, Mr. Asoka N. Senanayake and Mr. Eric J. de Silva. The report of this Committee, appointed on 09 July 1993 was submitted on 30 November, 1994.
9. *Ibid.*, Section 7, 13-15 p. 98
10. *Ibid.*, Section 7, 6-11 p.97
11. This Committee comprised Mr. W.D. Dondeniya (Chairman), Professor Ariyadasa de Silva and Mr. Tissa Nandasena. The report of this Committee, appointed on 08 January 1994 was submitted in December, 1994.
12. This Committee comprised the Hon. Professor Wiswa Warnapala, MP, Deputy Minister of Higher Education (Chairman), Professor S. Pathmanathan and Mr. Tissa Nandasena. The report of this Committee, appointed on 22 December, 1994, was submitted in April, 1996.
13. *Ibid.*, p. 23
14. *Ibid.*, p. 25
15. *Ibid.*, p. 24
16. *Daily News*, 1996 September 05, p.4

Universities in Developing Countries: Concept and Challenges

by
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Chairman, University Grants Commission*

University education has enduring value in the social, cultural and economic development of a country. The classical view is that universities exist to advance learning and knowledge. Universities seek (through study programmes and research) to increase breadth and depth of understanding of human knowledge, to instil life-long habits of critical thought, and to help expand individual capacity for creative expression. In his speech at the installation of the Chancellor of the University of Sheffield some fifty years ago, that is in June 1946, John Masefield gave the following classical description of a university:

> "There are few earthly things more beautiful than a university. It is a place where those who hate ignorance may strive to know, where those who perceive truth may strive to make others see; where seekers and learners alike, banded together in the search for knowledge, will honour thought in all its finer ways, will welcome thinkers in distress or in exile, will uphold ever the dignity of thought and learning and will exact standards in these things.
>
> There are few things more enduring than a university. Religions may split into sect or heresy; dynasties may perish or be supplanted, but for century after century the university will continue, and the stream of life will pass through it, and the thinker and the seeker will be bound together in the undying cause of bringing thought into the world.
>
> To be a member of one of these great societies must ever be a glad distinction ....'

In recent years, the tendency has been to relate universities to the social and economic development needs of a country and to emphasise their role as providers of advanced knowledge and high level manpower for a wide range of services required by a modern society. As a recent World Bank study on higher education stated:

> 'Higher education is of paramount importance for economic and social development. Institutions of higher education have the main responsibility to equipping individuals with the advanced knowledge and skills required for positions of responsibility in government, business, and the professions. These institutions produce new knowledge through research, serve as conduits for the transfer, adaptation, and dissemination of knowledge generated elsewhere in the world, and support government and business with advice and consultancy services. In most countries, higher education institutions also play important social roles by forging the national identity of the country and offering a forum for pluralistic debate. The development of higher education is correlated with economic development; enrolment ratios in higher education average 31 per cent in the countries that belong to OECD compared with 21 per cent in middle-income countries and 6 per cent in low-income countries. Estimated social rates of return of 10 per cent or more in many developing countries also indicate that investments in higher education contribute to increase in labour productivity and to higher long-term economic growth, which are essential for poverty alleviation.' (World Bank, Higher Education: Lessons of Experience, 1994)

Higher education has certainly moved away from its 'ivory tower image of the early days to relate more closely to the social and economic needs of a country. In this process however one should be careful not to loose sight of the intellectual dimension of higher learning, that is to instil life-long habits of critical thought and also to avoid the narrow concept of a 'vocationalised' higher education - that is 'training for jobs'. The Committee of Vice-Chancellors and Principals (CVCP) of the Universities of U.K. (1995) has elaborated the purposes for higher education in the following terms:

(a) To provide students with a learning experience of their choice which enables them:

- to grow intellectually but also to develop as individuals and achieve a sense of personal fulfilment;
- to grow intellectually but also to develop as individuals and achieve a sense of personal fulfilment
- to prepare for future careers and for the challenges of occupational and social change
- to acquire and update, through life-long learning, the knowledge and skills needed for an effective role in the workplace
- to contribute to national economic prosperity and to improvements in the social and cultural fabric
- to play a full part in a democratic and pluralist society characterised by a diversity of ethic, religious and cultural traditions.

(b) To help foster the development of a learning society:

- by providing leadership in the task

of raising educational aspirations and creating a sound infrastructure for a learning society

(c) **To promote the advancement of research and knowledge** transfer by:

- maintaining a strong capability for basic and other research
- fostering high quality research in arts and social sciences as well as natural sciences, medicine and technology
- training sufficient researchers in a wide range of disciplines to meet the needs of industry and other employers
- providing a resource of expertise, ideas and inventiveness which can aid economic competitiveness, contribute to improvements in social affairs and public policy, and stimulate public debate generally
- developing applied research and consultancy services relevant to a broad range of industrial, social and cultural concerns.

(d) **To serve local and regional communities by extending educational and cultural opportunities and by applying industrially-relevant knowledge and expertise**

(e) **To participate actively in international higher education work (both research and teaching)**

The relative weight given to the purposes listed above, and the way in which they are carried out, will differ greatly between universities in accordance with their distinctive missions and reflecting the diversity that exists within the higher education system.

Despite its clear importance for economic and social development, the higher education sector has experienced serious tensions and is in crisis in many developing countries. This situation has arisen out of several inter-related factors.

Firstly, there is social pressure on the expansion of the university system to admit an increasing number of students. With the development and spread of secondary education, larger numbers qualify for higher education and seek admission to universities. In response to the growing social demand for university education, the enrolments in universities have recorded a rapid increase in most developing countries. Higher education has been the fastest growing segment of the education system in most developing countries with enrolments increasing on average 6-7 per cent year. In Sri Lanka, for example, the total student number selected for admission to universities has doubled in the past 15 years, increasing from about 5,000 in 1980 to about 10,000 in 1995. Yet the existence of a substantial unsatisfied demand continues to be a conspicuous feature of the higher education sector in Sri Lanka. Of those seeking admission, less than 20 per cent succeed in finding places in the universities indicating the existence of heavy social pressure on the university system.

Secondly, financial resources available to universities from the government budget have not expanded in real terms at the same pace as the increase in enrolments, so that per student expenditures have fallen in real terms in many developing countries. In most developing countries, university education heavily dependant on government funding and given widespread fiscal constraints there have been either cuts on funds available to the higher education sector or that such funds have failed to show and expansion. As a result, while enrolments have expanded, there has been a deterioration of infrastructures in the university sector. Many universities operate with overcrowded and deteriorating physical facilities, inadequate staffing, poor library resources, and insufficient scientific equipment and instructional materials. A survey of thirty one Sub-Saharan African countries revealed that the average number of books per student held by university libraries fell from 49 in 1980 to 7 in 1990.

Thirdly, there has been a general deterioration in the academic standards and the quality of the degrees offered which is partly result of expansion of enrolments in a context of financial constraints leading to a deterioration of infrastructures and instructional facilities, and partly a result of continuation of outmoded teaching-learning methodologies such as 'talk and chalk' and dictation of notes' particularly in Arts-based courses. The learning package has been reduced to 'notes' dictated by lecturers and an evaluation system which tests the understanding of 'dictated notes'. Such teaching-learning methods provide little space and minimal opportunities for students to grow intellectually, develop as individuals and achieve a sense of personal fulfilment.

Fourthly, the external efficiency of the university system has declined as reflected in increase of graduate unemployment and reduced research output of universities. Graduate unemployment (largely confined to graduates in Arts and Commerce) reflects sluggish growth of aggregate demand for highly skilled labour (a result of slower economic growth) as well as the diminished role of the public sector as the main employer (a result of structural adjustment policies). 'Economic liberalisation and structural adjustment programmes have led to a slowdown of employment growth in the public sector - traditionally the main outlet for university graduates. It will take time for the private sector to become the main provider of employment. It may also be noted that subsidization of university studies (free tuition and financial assistance for subsistence) has contributed to make university education economically attractive even where jobs are not readily available in the wider economy after graduation.

The important challenge that universities face today is how to expand the system to admit larger student numbers while at the same time enhancing the quality and the relevance of university education to changing needs of the society. The universities are no longer 'elitist' institutions catering to a few chosen students from the upper class; in the context of widespread expansion of secondary education, the demand for university education has grown significantly and university education on a mass scale

has become a reality. In fact, university education has become the fastest growing segment within the education sector. In Sri Lanka, the student intake into universities has doubled in the past 15 years and it is planned to increase the annual intake by a further 50 per cent by 2,000. Even with such expansion, the university student population would be less than 2 per cent of the population in the age group 20 to 24 years. Sri Lanka ranks quite low in the progress made towards expansion of higher education. By higher education is meant universities and all other tertiary level institutions which admit students on the basis of some attainment at the Advanced Level examination. As seen in the table given below, only 6 per cent of the population in the age group 20-24 participate in higher education in Sri Lanka as against 19 per cent in Thailand and Philippines respectively and over 40 per cent in most developed countries.

on political grounds alone without reference to available resources, quality standards and labour market demands. Unless reforms are carried out to improve the quality and performance of the higher education sector, the country will be destined to enter the 21st century insufficiently prepared to meet the challenges of globalisation, economic liberalisation and a market economy. As public sector will no longer be the main employer of university graduates, universities will need to prepare students to take up employment in a market economy which operates in a competitive globalised setting. In such a context, the quality and relevance of university education emerge as issues of paramount importance.

In a context of limited public funding, how could the higher education sector expand to cater to larger student numbers while achieving the twin goals

'Economic liberalisation and structural adjustment programmes have led to a slowdown of employment growth in the public sector - traditionally the main outlet for university graduates. It will take time for the private sector to become the main provider of employment

Percentage of 20-24 year age-group enroled in Higher Education in selected countries : (1983)

1. Vietnam	02	7. Hong Kong	21
2. Nepal	03	8. Japan	30
3. China	04	9. Australia	42
4. Sri Lanka	06	10. S. Korea	48
5. Indonesia	10	11. France	50
6. Thailand	19	12. US	81

Source : World Bank, World Development Report: 1996

Table 7. The term higher education covers all post-secondary educational institutions such as universities, colleges of education, technical colleges and distance education programmes.

While there is a clear need to expand opportunities for higher education in Sri Lanka, the main question is how this could be done without sacrificing quality and within the limited financial resources available from the government budget. It is counter-productive to make commitments to expansionary policies to accommodate the growing demand for higher education

of efficiency and quality ?. There are three important directions for reform that can help countries to achieve the above goals. These are namely promoting a diversity of higher education institutions, diversification of sources of funding, and introducing policies explicitly designed to improve quality.

(i) Promoting a Diversity of Higher Education Institutions:

The monolithic model of higher education where public - funded universities play the central role and students are heavily subsidized, has proven expensive to meet the growing social demand for higher education and inappropriate to meet the multiple demands of economic and social development as well as the learning needs of a more diverse student body. In order to meet the growing social demand and to make the higher education system more responsive to changing labour market needs, there is no alternative to achieving a higher degree of differentiation in higher education, that is to promote non-university institutions as well as private institutions (both university and non-university type) which could cater to diversified needs. The degree of differentiation tends to vary with the degree of socio-economic development of the countries. In low-income countries, public funded universities dominate the higher education sector and higher education is almost synonymous with public-funded subsidized university education. On the other hand, in higher income countries a substantial degree of differentiation can be seen and non-university institutions, distant education and open learning, programmes, and private institutions play a more significant role within higher education.

Non-university institutions have lower programme costs and are also able to respond flexibly to labour market demand. In the engineering education field, for example, 'applied engineers' produced by non-university institutions have proved attractive to industry: Distance education programmes are also usually much less expensive than conventional university programmes and has proved effective in improving access to higher education at modest cost. In Thailand, for example, open universities operate on a self-financing basis account for 62 per cent of higher education enrolments and the per student cost of distance education has been estimated to be only 14 per cent of that in a conventional university. Promoting private institutions is another method of broadening access to higher education without imposing a burden on the government budget. Private institutions also have the flexibility to respond to changing demands of students and changing labour market conditions. A number of Asian countries such as Indonesia, Philippines and South Korea have relied heavily on the private sector to accommodate most of the growing social demand for higher education. In Philippines 86 per cent of the students are enroled in private higher education institutions; in South Korea, the corresponding figure is 75 per cent and in Indonesia it is 60 per cent. It should be noted, however, that there are substantial variations in the quality of education provided by private institutions; hence, the need for a regulatory framework for programme evaluation and accreditation.

(ii) Diversification of Funding in Public Universities:

It could be expected that public institutions will continue to enrol the larger share, if not the majority of the students, in many of the developing countries such as Sri Lanka even if the role of the private sector is strengthened. Public universities are heavily dependant on the government budget but government funds have failed to show significant increases to be able finance larger student numbers without a reduction in quality. Hence the need to carry out reforms in financing in order to mobilise greater non-governmental sources of financing for higher education. There are several ways in which public universities could raise greater private financing; the more important among these are: cost-sharing with students, raising funds from alumni and external sources, and engaging in income-generating activities.

(a) Cost-Sharing with Students:

It is generally the case that students could expect significantly greater lifetime earnings from higher education and also that there are many students who come from families with ability to contribute to costs of higher education. However, the scope available for raising some share of financing from the students themselves varies from country to country depending on the political and social considerations. In Sri Lanka, for example, university education at undergraduate level (that is for the first degree) is available to all students free of any tuition costs and successive governments have committed to this position as an important aspect of the free education policy. It would be difficult to envisage any change in this position in the medium-term. It would however be feasible to charge fees for post-graduate programmes as well as short-term courses, and Sri Lankan universities are already recovering in part or full

the costs of such programmes from students. There is also considerable scope for cost recovery by reducing the subsidization of non-instructional expenditures such as student housing, accommodation and canteens. In many of the Latin American and South East Asian countries, student fees account for a significant proportion of the recurrent expenditures in public universities. South Korea has gone the furthest in this regard, tuition fees accounting for as much as 48 per cent of the recurrent expenditures followed by Chile where it is 36 per cent. In Singapore, where tuition fees account for 20 per cent of the recurrent expenditure, not has an automatic 5-7 per cent annual increases in student fees to keep pace with wage and other cost increases. It may also be noted that China has since 1989 introduced a dual funding system where tuition for regular students has been set at about 9 per cent of unit costs and self-supported students - that is those admitted on a lower entrance examination score than that required for regular subsidized students - pay tuition fees ten times higher than regular students fully covering the instructional costs.

(b) Mobilization of private funds: Another strategy for diversifying the financial base of public universities is mobilization of donations and endowments from alumni and private sources. The contributions can take many forms including cash contributions to a development fund, funding for the construction of new facilities, endowment of professional chairs and donation of equipment and books. Tax incentives are particularly useful in encouraging such donations. India offers the most generous tax concessions on philanthropic contributions to universities; 150 per cent of the individual and corporate contributions are tax deductible.

(c) Income generating activities:

A further strategy is the pursuit of income generating activities such as fee-levying short-term courses, contract research for industry, and consultancy services. Undertaking of such services can provide additional income to the staff as well as to the university in general, and also help promote improved university-industry linkages.

The above sources, namely, cost sharing with students, mobilization of donations and income generating activities, could provide a more diversified funding base and greater measure of flexibility for the operation of public universities by reducing the heavy dependence on the government budget. On the basis of a study of country experiences in the developing world, a World Bank study concludes that: "An indicative target could be for public higher education institutions to generate income covering about 30 per cent of their total recurrent expenditure requirements from non-government sources. This is reasonable, given that several countries have already achieved this percentage within tuition fees alone. The time required to reach this target will vary with country circumstances, however."

(iii) Focussing on Quality:

Improved quality of teaching and learning coupled with increased responsiveness to labour market demands are among the main elements of a strategy to improve the performance of universities. The challenge facing the university system is to produce well-trained, quality graduates who could fit into the new trends in the world of work and the labour market, given the reduced importance of state as a potential employer for graduates and the growing importance of private enterprise, globalisation, information technology and knowledge-based industrial activity. To produce quality graduates with the desired attributes universities must be able to improve their performance by bringing together some minimal inputs such as the following:

- an admission policy to ensure selection of candidates with high quality secondary education
- highly competent and motivated faculty and a supportive professional culture
- facilities with adequate library resources, essential instructional equipment and materials, and an interactive learning environment beyond the classroom
- teaching-learning methodologies which facilitate intellectual growth and help build capacities to develop as individuals.

Staff development, particularly continuous upgrading of skills of the academic staff in teaching and research and to improve teaching-learning methodologies and assessment procedures emerges as a critical need to improve quality in the output of universities.

* The views expressed are those of the author and not necessarily of the UGC.

Exchange Rate and Inflation: Causality Tests for Sri Lanka

by
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The reluctance to move from a fixed exchange system to a flexible exchange system by most developing countries is based on the notion of a vicious circle of currency devaluation and inflation. According to the vicious circle hypothesis, currency devaluation increases the domestic price of imported goods, which leads to higher prices in general and puts pressure on wages and costs. The circle is completed when surging inflation exerts pressure on the exchange rate to depreciate further. Empirical evidence for the existence of the vicious circle is mixed: Rittenberg (1993), Rana and Dowling (1985) could not find any evidence for the presence of a vicious circle, while Kholdy and Ahmad (1990), Falchi and Michelangeli (1977), Kawai (1980) and Sahoo, *et al.* (1993) found evidence for the presence of a vicious circle for some countries. The objective of this paper is to verify the causal relationship between exchange rate and price level to determine the extent which the fears of vicious circle seem warranted. The present study looks at the experience of Sri Lanka after the liberalisation period. Sri Lanka adopted flexible exchange rate policy in late 1977 after the economic reforms, and has pursued the policy more than a decade. The organisation of the paper is as follows: in Section 2 theoretical issues and the methodology adopted for the study are presented; the empirical results are discussed in Section 3; and finally, concluding remarks are given in Section 4.

Theoretical Issues and Methodology

The hypothesis of a vicious circle of devaluation-inflation is centred around the fact that the potential gains from devaluation are eroded by rising costs and inflation in LDCs. Cooper (1971) argued that in LDCs, devaluation increases the domestic price of imported goods, including inputs in the devaluing country. The increase in input prices will drive up the cost of living and this in turn will raise domestic money costs and hence the cost of living, and so on, in a vicious circle, ultimately undercutting the gains from devaluation. He further argued that devaluation will directly raise the production costs of exports if imported inputs play an important role in the production of exports. This view has been supported by Van Wijnbergen (1986), Pinto (1991) and Yeager (1976) on different grounds. On the contrary, Krugman and Taylor (1978) argued that devaluation reduces aggregate demand, due to a contraction in credit. This in turn reduces the inflationary pressures over time.

The present study examines the vicious circle hypothesis of devaluation-inflation for Sri Lanka using the Granger causality framework. The time-series properties of the nominal effective exchange rate and price indices, reveal that the variables are non-stationary at levels and stationary at first difference. The cointegration tests show that the exchange rate index and price indices are not cointegrated. In other words, the result indicates the absence of a long-run relationship between exchange rate and price indices. The results from the study do not support the vicious circle hypothesis for Sri Lanka.

In this paper the causal relationship between nominal exchange rate and price index is examined by using the concepts of causality, cointegration, and error correction models. Basically this involves three steps: testing for unit roots, testing for cointegration[1]; and testing for Granger causality tests. In the first stage, the order of integration of the variables involved is determined by using the DF and ADF test statistics. If variables are found to be integrated of order one, testing for cointegration is carried out using the two-step Granger procedure. Let x_t and y_t be two variables integrated of order one and cointegrated. Engle and Granger (1987) has shown that there exists a dynamic error correcting models given by:

$$\Delta x_t = \alpha_o + \alpha_1 e_{t-1} + \Sigma a_i \Delta y_{t-i} + \Sigma b_i \Delta x_{t-j} + u_t$$

$$\Delta y_t = \beta_o + \beta_1 e_{t-1} + \sum_{i=1}^{m} c_i \Delta x_{t-i} + \sum_{j=1}^{n} d_j \Delta y_{t-j} + v_t$$

where u_t and v_t are white noise and e_t and e^1 are error terms obtained from respective cointegration relationships.

If x_t and y_t are not cointegrated, then the standard Granger causality test may be employed to examine the causal relationship between them using equations 1 and 2 without the error correction term. In this case, uni-directional, bi-directional or no causal relationships between x_t and y_t may be inferred by testing the joint significance of the causal variable in each equation.

Miller and Russek (1990) pointed out that if x_t and y_t are cointegrated a causal link must exist in at least one direction between them. In other words, causality tests in this situation involve not only testing the joint significance of coefficients of causal variables, but also testing the significance of α_1 and β_2.

The selection lag length of equation 1 and 2 (m and n in equation 1 and p and q in equation 2) should be carried

Note: 1. *The concept of unit root and cointergration are discussed in detail in Engle and Granger (1991) and Banerjee et al. (1993). Testing procedures for the presence of unit roots and cointergration can be found in Dickely and Fuller (1979), Engle and Granger (1987) and Engle and Yoo (1987).*

Table 1

Unit Root Tests				
	Without Trend		*With Trend*	
	DF	*ADF*	*DF*	*ADF*
LNEER	- 0.86	- 0.43	- 1.42	- 1.53
LCPI	0.49	0.12	- 1.91	- 1.06
LWPI	- 1.26	- 1.09	- 1.91	- 1.10
DLNEER	- 5.49	- 3.48	- 4.88	- 3.64
DLCPI	- 5.35	- 3.56	- 7.18	6.80
DLWPI	- 6.18	- 3.45	- 6.81	- 5.86

* 95%, critical values for DF and ADF test without trend and with trend are - 2.91 and 2.48 respectively.

Table 2

The Cointegration Tests						
Regression	[illegible]	C.V.	$\bar{R}^2$	DW	DF	ADF
[illegible]	[illegible]	1.20	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	1.72	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-1.58
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Critical values for DF and ADF - 3.46 and - 3.47 respectively at 5 per cent level of significance.

out with care since inferences from causality tests are sensitive to lag selection (Thornton and Batten, 1985). In this paper, Akaike's Final Predication Error (FPE) criterion is used to select the lag length of the equations 1 and 2 (Akaike, 1969).

The FPE criterion trades off bias which arises from under-parameterization of a model against a loss in efficiency which results from over-parameterization of the model. The optimum lag lenghts are determined according to the two-step procedure as given in Hsiao (1981) and McMillan and Packer (1984).

Data and Empirical Results

The methodology described earlier is employed in this section to examine the causality between exchange rate and price level in Sri Lanka.

The data for the Consumer Price Index (CPI), the Wholesale Price Index (WPI) and the Nominal Effective Exchange Rate Index (NEER) have been obtained from various issues of *Annual Reports and Economic Reviews* of the Central Bank of Sri Lanka. Quarterly observations relating to the period from 1979: Q1 to 1993: Q4 are used in this study.

Table 1 reports the DF and ADF test statistics for unit roots of logarithms CPI, WPI and NEER. The test statistics reveal that all the variables in levels for all countries are not stationary. However, in first-differences of the variables, all the test statistics are significant enough to reject the null hypothesis of non stationarity.

Table 2 reports the necessary test statistics of cointegration regression and different tests for cointegration. It is obseved that DF and ADF test statistics are higher than the critical values. Thus the test statistics are not supportive of cointegration between the Price Index, the Consumer Price Index or the Wholesale Price Index, and the Nominal Effective Exchange Rate Index. In other words, these test statistics singal the non-existence of long run relationship between Exchange Rate and Price Indices. Therefore, the dynamic equations used for Granger - causality test should be specified without including an error correction term. The results of the Granger causality tests are given in Table 3. The reported F statistics are not significant for the equations with Price Indices (wholesale and consumer) as causal vairables and Nominal Effective Exchange Rate as a dependant variable. In other words, these results suggest that there is no causality from price level to exchange rate. When the equations are formed with exchange rate as a causal variable, the results are mixed. The results suggest that there is a unidirectional causality from exchange rate to consumer price index. However, there is no causality from exchange rate to wholesale price index. In all cases, there is no support for the vicious circle hypothesis since there is no feed-back from price level to exchange rate.

Conclusions

The present study examines the vicious circle hypothesis of devoluation inflation for Sri Lanka using the Granger causality framework. The time-series properties of the nominal effective exchange rate index and price indices reveal that the variables are non-stationary at levels and stationary at first difference. The cointegration tests show that the exchange rate index and price indices are not cointegrated. In other words, the result indicates the absence of a long-run relationship between exchange rate index and price indices. The Granger tests reveal the absence of causality from price indices to exchange rate. The results for the causality from exchange rate to price indices are mixed. There is an unidirectional causality from exchange rate to consumer price index. However, there is no causality from exchange rate to wholesale price index. The results from this study, therefore, do not support the vicious circle hypothesis for Sri Lanka. ▣

Table 3

Granger Causality Test				
Dependant Variable	*Causal Variable*	*Lag Lengths*	*F-Statistics*	$\bar{R}^2$
LNEER	LCPI	$\bar{m} = 2$ $\bar{n} = 1$	F(1,50) = 3.47	0.20
LNEER	LWPI	$\bar{m} = 1$ $\bar{n} = 2$	F(1,50) = 2.12	0.19
LCPI	LNEER	$\bar{p} = 1$ $\bar{q} = 1$	F(1,52) = 4.09*	0.20
LWPI	LNEER	$\bar{p} = 1$ $\bar{q} = 1$	F(1,52) = 1.12	0.15

* Significant at 5 per cent level.

Cont'd from page 18

the country are in agriculture, industry, services and trade. Are the universities catering to the needs of these sectors. Bureaucracies are generally supply driven and not demand driven. An example is the courses of study in the technical colleges. Many such courses are conducted because the teachers are available, not because there is a demand for people trained in such skills in the country. Students go on taking one course to another thinking that one day they will secure a job. Education should be fashioned to produce people with skills who have a demand in the market. In the past most of the university graduates were absorbed into the public service. Today it is not so. Employment opportunities in the government sector are contracting. Employment prospects have to be looked in the private sector. There should be a dialogue between the universities and the private sector. Attempts to initiate research in CISR relevant to the needs of the private sector have failed.

Today there is also an international dimension. Goods have to be produced to meet the standards of the international market and be competitive. Otherwise no industry can prosper.

Equity has been an important factor in formulating educational policy. Poverty should not be a bar to go for higher education. But should we adopt policies to admit students by lowering admission criteria. It discourages initiative and the will to reach excellence. Today as a result some people sell their properties and send their children abroad for higher studies. This is one instance of failure in government policy.

A closer interaction between the universities and the private sector is an urgent need. Many BOI projects employ foreigners due to lack of qualified local personnel. The petroleum refinery project to be started in the south needs a large number of petro-chemical engineers. They have to be got down from abroad. The Central Bank can employ 50 more economists every year. I have been having regular dialogues with the universities. But it is difficult to get them. Even after having a dialogue the needs are not being met. This is the problem that shows the universities are existing in splendid isolation. It is necessary to bring universities and the economy closer and closer.

This is being done in Germany. In the German system a student who leaves school joins a firm. After working for a few years he joins a university or a technical college for advanced studies. The firm spends for the training. He comes back to the firm works for a few years and again goes for further studies. There is a continuous dialogue between the educational institutes and the firms which employ the graduates. Education is funded by the private sector and is not a burden on the tax-payer. This is a market oriented system. Universities become competitive and the clients can choose the best institution. In the process the universities develop to be centres of excellence.

University education need not be a government monopoly. The direction of Higher Education to produce a marketable product is consistent with government policy. This is better than allowing students to drift aimlessly in a system without any prospects of employment.

Cont'd from page 2

library and laboratory facilities in universities have been reduced and as a result, education is mainly confined now to the classroom. The medium of instruction in 'swabasha' has also contributed to this decline since the students cannot refer to books and journals available only in English. On the other hand due to the reduction of research facilities, able university teachers are reluctant to engage in research work while some of them have turned their attention to projects which yield financial benefits and some have gone abroad in search of greener pastures.

The April 1994 issue of the Economic Review provided a good analysis of the Higher Education Systems in Sri Lanka and it was well received by the intellectuals. In the subsequent period due to the changes in socio-economic field the domain of the higher education has widened and more novel problems have surfaced generating considerable debate. Therefore this Economic Review has selected a timely topic - Higher Education and its discusses the current problems in the prevailing socio-economic background and solutions for them. It has been possible to focus more sharply and in a realistic manner on these aspects due to the participation of a qualified and experienced panel in these discussions.

In this issue Prof. W.D. Lakshman presents a deep analysis of the problems in the fields of university education and administration and stresses the importance of quick solution of these problems.

There are two articles from Prof. Tilakaratne in this issue. The first one explains the history of the university education in Sri Lanka and the other discusses the concept of university education in a developing country.

Prof. (Mrs.) Chandra Gunawardena discussed the current question of the adequacy of university curriculum in satisfying the demand for labour force vis a vis economic development and activities in Sri Lanka.

Prof. Ariyadasa de Silva sees technically oriented universities as a qualitative improvement in the field of higher education in Sri Lanka and explains how the efforts to make higher education technically oriented in the universities in Sri Lanka have failed. He recognises the new universities as an important land mark in this respect.

Finally Mrs. Dhampala Kothabachchi analyses the most controversial university entrance policy in the higher education and tries to explain the social economic identity of the students admitted to universities.

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