

The Diploma Market

Not all postsecondary education systems are created equal.



EDUCATION forms the bedrock of society's development. Strong correlations exist between education and everything from global health to economic prosperity to gender equality. The more investment in human capital, the greater leaps a society can make.

Protests erupted in Chile, Turkey, Britain and Québec in 2011 and 2012 over rising tuition and the accessibility and quality of post-secondary education. These uprisings also pointed to a deep discontent with higher education's slide towards privatization.

A key demand from Québec's students, for example, was that the provincial Liberals redirect funding for research activities that benefit private enterprise towards free tuition and better teaching instead. The protests, which pre-empted tuition hikes and eventually toppled the government, called for a restructuring of finances rather than an increase in funding, thereby reducing student debt and making education more of a social priority.

While tuition costs certainly affect potential enrolment and postgraduation options, factors such as socio-political circumstance, private sector influence and government reforms must also be considered. Practicality plays a role, too. A study released earlier this year showed that British graduates are 10 per cent more likely to work in a low-skilled job than they were a decade ago.

How does the cost of tuition impact the quality of education and employment options for students? Well, the answer is at least as complicated as third-year particle physics.

With this data map in hand, contribute to the discussion at alternativesjournal.ca/386.

United States

With a cumulative debt burden of more than \$1-trillion, the US student loan market is heavily influenced by private banks, posing a long-term problem. Students pay for school long after graduation, which affects household budgets, real estate markets and the broader economy. Despite the resulting nation-wide controversy, the country has some of the planet's most lauded institutions, including seven of the top 10 universities.

United Kingdom

With many government-funded private institutions and public postsecondary schools, the UK's unique higher education system is still a world leader – for now. But as a result of controversial reforms to public funding in 2010, tuition has tripled and the number of university applicants has dropped by nearly 10 per cent. Major student protests in London have since demanded lower tuition and more teaching subsidies.

Chile

Privatization and decentralization since the Pinochet regime have limited access to higher education and led to extreme inequality between public and private institutions. Proportionally, Chilean tuition fees are among the planet's highest, and some describe the current system as "educational apartheid." Since August 2011, student protestors – often numbering more than 100,000 – have been demanding more equality and affordability, and less private sector influence.

Senegal

Cultural and societal factors cannot be overlooked in Senegal's French-style education system. Large inequities and inefficiencies prevent access to postsecondary school for many would-be students. Major problems include overenrolment in the country's main public university, a growing number of elite private institutions, limited opportunities for women and generally poor academic performance. Child abuse in religious institutions and child labour in the job market are also pervasive challenges.

Norway

Often touted as a paragon of education policy, Norway's system boasts stable state regulation, high enrolment and low tuition fees with plenty of public support. Most graduates are employed quickly in relatively high-skilled work, and their debt burden is small due to funding that rewards enrolment. More than a third of working Norwegians have some form of postsecondary education, a high figure by international standards.

Turkey










With a burgeoning young population, Turkey's challenge is providing its workforce with opportunities for needed skills development. Enrolment rates and access to education are low by international standards. In March, the government introduced a bill aimed at increasing attendance at Islamic schools, which led to widespread protests against the rise of political Islam in the education system.

Fiji

Even with just three self-accrediting universities and an ethnically divided population, Fiji manages a healthy higher education system. One enviable aspect is its decentralized nature: communities and local groups have more ownership of educational institutions, which ensures reinvestment into the local economy. Because 70 per cent of the labour force does agricultural work, the government is trying to support more vocational training within the farming sector.

Australia

Higher education is subsidized by the government's interest-free student loan programs, wherein generous payback provisions have led to high enrolment. However, equality and access for students from rural areas and different socio-economic backgrounds remains a challenge. Significant reforms are in the works, which commit even more government funding to a higher education system that is exemplary, according to the OECD.

	 Canada	 USA	 Chile	 UK	 Norway	 Turkey	 Senegal	 Australia	 Fiji
Accessibility									
Human Development Index*	0.908 (6 th)	0.910 (4 th)	0.805 (44 th)	0.863 (28 th)	0.943 (1 st)	0.699 (92 nd)	0.459 (155 th)	0.929 (2 nd)	0.688 (100 th)
Gross Domestic Product per capita	\$45,100 (11 th)	\$46,760 (2 nd)	\$10,695 (53 rd)	\$42,935 (12 th)	\$95,190 (3 rd)	\$10,298 (63 rd)	\$1,136 (141 st)	\$49,379 (17 th)	\$4,255 (89 th)
Public expenditure per postsecondary student**	54.00%	21.10%	12.10%	22.20%	45.90%	26.90%	159.90%	19.80%	62.8% (2004)
18- to 25-year-olds enrolled in postsecondary education	60% (2002)	85%	55%	57%	73%	40%	8%	72%	16% (2005)
Average cost of postsecondary tuition per year	\$3,943	\$6,594	\$6752 - \$11039	\$5,057	\$0	\$74 - \$625	data n/a	\$4,325	\$2,136
Post-graduation									
Graduation rate	36% (2006)	36%	15%	40%	46%	19%	30% (2002)	57%	9% (2004)
Average debt at time of graduation	\$26,568	\$24,238	\$61,633	\$19,199	\$27,845	data n/a	data n/a	\$17,519	data n/a
Employment among postsecondary graduates, ages 20 to 64	82%	81%	78%	84.50%	90.23%	74%	data n/a	84.26%	data n/a
Unemployment rate (World average: 9.1%)	7.5%	9%	6.6%	8.1%	3.3%	9.8%	48% (2007)	5.1%	7.6% (1999)

*Human Development Index is a composite measurement of average achievement in three key dimensions of human development – health and longevity, knowledge acquisition and standard of living. The world average, out of 187 countries, is 0.682 out of 1.

**Public expenditure per postsecondary student is the current government spending on education (public and private institutions, administration and subsidies), divided by the total number of postsecondary students, expressed as a percentage of GDP per capita. In other words, it's the government money spent on each student, expressed as a proportion of the average income per citizen.

All figures in US\$. Unemployment figures and the Human Development Index calculations are from 2011. Average cost of postsecondary education per year and average debt at time of graduation have been converted to US\$ and adjusted for inflation to 2011. Unless the year is specifically noted in brackets beside the figures above, most of the numbers come from 2008, the most recent year that comparable data was available for all countries. Special thanks to Andrew Wong for verifying and enhancing the research data in this table.