

Sponsored Overseas Human Capital Development In Pacific Emerging Economies; Program Design Limitations And Complexities

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Abstract— Growth and development are goals of many economies including emerging economies in the Pacific. Aggregate sustained economic growth and development require various factors of production being collectively engaged in a complex process. One of the main economic development strategies undertaken by various developing countries and emerging economies in the Pacific is the investment into overseas human capital development, predominantly in developed nations. However, the program design characteristics and employability complexities tend to restrict the real economic value that these practices return to these economies.

Keywords—Curriculum, Economic Development, Emerging, Graduates, Human Capital, Overseas, Pacific.

I. INTRODUCTION

Historically, it has been impossible to become a developed nation without creating an industrial sector or an advanced service sector the same way no country has become rich without explicit government interventions through industrial policies (Felipe, Kumar, and Aenerlyn 2010). The development of industries and the manufacturing sector is directly dependent on the development of human capital. Thus, one of the known foundations and drivers for economic development is the development of education, the educational structures, and the development of the required environment under which the educational sector plans can be achieved. Across the Pacific region, the majority of the population has received limited education and training. In the Solomon Islands and Kiribati, an estimated one-third of the population has only been educated to primary school level with less than four percent receiving tertiary level education (ILO 2022). Boti Phiri, M.J. (2022) and others suggest ways of addressing youth unemployment including, but not limited to the following: access to capital for the youth, agri-business, promotion of information communication technology skills, and long-term investment in an education system that promotes entrepreneurship and job creation. This and other factors enforce the need for government action and economic development strategies focusing on education.

Most economies including the emerging Pacific Islands nowadays have education sector development plans and strategies aimed at developing all levels of education. Improving the quality of labour through education will directly affect the levels of productivity. In order to facilitate the development of many economies, especially within the emerging economies in the Pacific,

Governments have therefore been involved with the education development within emerging economies in the Pacific with the aim of improving the quality of goods and services produced within the economies. The government's involvement has also included financial support and various scholarship programs for various levels of education including tertiary education are being routinely awarded to many citizens for local, national, and international study. international scholarship programs are known to be funded by governments worldwide or other development aid donors (Pema et al 2014). These are intended to indirectly contribute to the economic growth of the economies through improving the quality of education and subsequently the quality of the labour force. This is from the underlying understanding that economic growth is the gradual build-up in capabilities, which raises the economy-wide real income (Felipe, Kumar, and Aenerlyn 2010).

Academic research and literature are replete with studies on the reasons why some countries achieve sustained growth while many others can not or seem not to be able to progress. Other research has also focused on the benefits of education as a driver for economic growth, however, these can only be realized when the fundamental intentions behind the scholarships are realized. Funding the scholarship without having the trained citizens return to provide a long-term contribution to their sending economy will not lead to the economic development contribution intended. With regards to the research already conducted, very little focus has been made on the suitability of international education for the development of the country that is exploring overseas human capital development as a pathway for economic development, the real economic improvement that overseas study is having on emerging Pacific economies and developing countries in the light of the losses of their investments. This report questions the routine of heavy investment into education tourism by developing economies that are sending the citizens overseas and the importance of matching their economic environment and the course designs to their countries.

II. THE CURRICULUM DEVELOPMENT, EDUCATION SYSTEMS, AND FORMATION

Almost every economy in the civilized world now subscribes to the United Nations(UN) and for their economic development, observes what has now come to be known as the UN Sustainable Development Goals. The UN's Sustainable Development Goal Four(SDG 4) relates to education and aims to ensure inclusive and equitable quality education that promotes lifelong learning opportunities for all(UNESCO 2016). In order to implement the UN SDG goals, strategies and policies are normally embedded in the country-wide development plans and subsequently through the government ministries who provide varying educational level curriculum through the educational institutions.

A properly designed Curriculum plays an essential role in enabling quality learning and in articulating and supporting education that is relevant to holistic effective and efficient economic development(Mbogo 2018). Effective curriculum development and a successful education system require the contribution of various stakeholders including teachers in the development process. This will reflect the philosophy, goals, objectives, learning experiences, instructional resources, and assessments. The Curriculum provides the bridge between education and development and it is the competencies associated with lifelong learning and aligned with development needs, in the broadest, holistic sense of the term, that span that bridge. Curriculum development needs, after all, to take into account where any country is in terms of the current breadth and depth of curriculum; attainment levels; the quality of teachers; the range and effectiveness of teaching, learning, and assessment practices; the quality of the infrastructure at local education authority level and at national level; and the like(UNESCO 2016).

Every university is located in countries that have developed and created the courses/programs and degrees to meet primarily the need within their job markets, skills shortages, and almost certainly not for the countries that send their citizens for training in these countries. Very rarely are courses formed to aid the educational development of another economy. Over the years, Australia has become a very popular destination for overseas students and human capital development. The population of enrolled international students in higher education in Australia has steadily increased from 226,000 students in 2009 to over 686.1 thousand In 2020 (Hughes 2022). Overseas students at many Australian universities make up about 40 percent of the total student population, the majority from Asia in 2018 and 2019. Comparatively, tertiary education for the Australian is supported through government subsidies and a payment deferral scheme. For overseas students, the cost of their human capital development in Australia can be over AUD 20,000 per year and contributes greatly significantly to the Australian economy(Nguyen and Balakrishnan 2020).

Statistically, The US receives the most international students(with 976,853 international students), followed by Australia (509,160 students), and the UK (489,019 students). Statistics compiled by the U.S. Department of Education and published by Erudera recorded "the overall number of students from Oceania pursuing higher education in the United States during the 2021 academic

year at 7,473. “The number of Samoans studying in the United States increased by 55 percent over the last decade, jumping from 49 students in 2010-2011 to 76 students in the 2019-2020 academic year” (Erudera 2022). For the same period, the U.S. experienced a similar increase in the number of students coming from Tonga, Samoa’s neighbouring country, up from 103 students in 2010-2011 to 161 students in 2019-2020, marking a 56 percent increase (Erudera 2022)”.

Cook Islanders and many of the emerging economies in the Pacific have the benefit of acquiring AusAid and NZAid-funded scholarships after Year 13. Many scholarships are funded for study at the University of the South Pacific(USP) in Fiji or Vanuatu or elsewhere in the Pacific. A few scholarships are directed to New Zealand or Australia which may be for some restricted subjects. Most universities have scholarships waiting to be given out to students who qualify by their grades. USP has 14 campuses and centers across 12 Pacific member countries(USP 2022). USP is a public research university owned by the governments of 12 member nations: The Cook Islands, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu. With a student population of 22,000, USP attracts students from the South Pacific, Asia, and Europe, bringing a unique international perspective to USP.

Previous research suggests that curriculum development is influenced by labour market demands and society at large(Kawser 2017). Less is known about the real value that is added to emerging economies in the Pacific or developing countries in the face of losses that occur from their strategy to improve their economies through funded overseas tertiary education. The quality of labour market characteristics that serve as the variable that influences the curriculum development is largely the labour market of the country in which the educational centers are. Very rarely will another country design a curriculum for the benefit of a foreign country. Much of the educational facilities that receive students from emerging economies in the Pacific for human capital development are normally not at the same economic level as the emerging economies in the Pacific. Implicitly, unless the emerging economies in the Pacific that send their citizens for training are able to create a similar environment for the returning graduates, the enhanced training may be difficult to apply or benefit their economies. Alternatively, the ability to apply what has been learned in another domain may also be an important skill to make their valuable skills transferred into a different environment. In very extreme cases, the resources, programs, and scenarios or cases applicable and used in the training in another country may be totally remote to the economies where that sent the learners for the human development program.

III. THE ECONOMIC VALUE OF OVERSEAS HUMAN CAPITAL INVESTMENTS; NAVIGATING THE THREATS TO RETENTION AND EMPLOYABILITY COMPLEXITIES

The characteristics and nature of their labour markets, demand, and supply of human resources may be very different from what the graduates may have trained in, meaning some of the skills, knowledge, and expertise required in the emerging economies in the Pacific may not be considered a relevant ingredient in the curriculum design and development. What may be relevant where the course was designed may be other factors that may not be applicable to the emerging economies in the Pacific. The graduates of the human capital investment who are able to return to their originating countries are deemed to possess improved ideas, technologies and information that makes them more valuable in these societies. The economies that provide their training gain from the investment allocated to the training for their studies, regardless of whether they return to their country or origin or not. In terms of people's perceptions, technology transfer, and in their ability to bring benefits to their universities, the literature suggests that most foreign-trained graduates are worth more and paid more. Being trained internationally, generally places the trained graduates into the formal labour sector of the economies whilst their skills are in greater demand within society, especially within the domestic market.

A majority of the economies in emerging economies in the Pacific already face material resource limitations and other material pressing needs. This means that many of the internationally trained graduates return to the economies that may not have created new job opportunities to employ the skills, knowledge, and attitude gained. Without a real increase in the aggregate number of jobs in the economy, the graduates return to the same labour market that now has a lot more supply of labour but with a materially unchanged number of jobs. The valuation of their services and their value to the market will thus be impacted by the market forces. For real value to be added to emerging economies in the Pacific from this type of investment, the sending economies are to create the right job environments that employ upgraded skills, knowledge, and attitudes. With a few exceptions, the public sector employment exceeds the private sector in Pacific labour markets which is also characteristically small, youthful, and largely unskilled(ILO 2022).

Unemployment and underemployment patterns within the emerging economies in the Pacific is quite diverse whilst comparative data shortage and differences in labour employment definitions make their analysis and comparisons difficult. For example, the labour force participation rate in the Cook Islands is around 70 percent of men and 60 percent of women aged 15 and above although unemployment in southern Pa Enua was 15 percent (UNFPA 2015). The unemployment rate is estimated to be 31 percent in the Republic of Marshall Islands, 49.8 percent in Kiribati for the youth and females (ILO 2022). Youth unemployment and underemployment is three times higher than for the general population and chronic in Papua New Guinea, with a limited capacity of the formal economy that could absorb an estimated 5 percent of 80,000 school leavers.

Labour market discrimination between females and male employment exists in countries like the Republic of Marshall Islands, Papua New Guinea, Samoa, Solomon Islands, Fiji (ILO 2022). The dispersion of the employment and unemployment of such graduates may be affected by their location when they return back to their nations. Statistically, there are a lot more employment opportunities in the urban villages and towns. The Cook Islands employment figures record significant differences in the labour force participation between urban and rural areas (UNFPA 2015).

Having received an upgrade in skills, knowledge, and attitude from a more economically developed country, one of the foremost concerns becomes the number of graduates who end up staying overseas or returning to live overseas. In 2007, Australia introduced the 485 visa sub-class which facilitates the transition from student-to-worker for overseas graduates from Australian higher education institutions, with the aim to significantly retain them in the country (Rowe F., Corcoran J., & Faggian A., 2013). At the same time, local governments have introduced various policies designed to attract and retain human capital in rural areas to address the shortfall of highly skilled individuals. Literature on this subject suggests that the propensity of overseas graduates to move between Australia's regions has increased substantially. Furthermore, there has been an increasing proportion of overseas graduates moving to major cities despite rural development policy efforts to attract human capital to rural areas. What such statistics and literature show is that all those who benefit from overseas human capital development stand the chance of ending up living and working in the countries in which they trained. What may be on offer in the country of training most often will be better employment opportunities, a higher standard of living, better opportunities for their immediate family members, and various other socio-economic benefits that come with living in a developed country. When these are presented to the students who may have to choose between going back to their country of origin and the country in which they trained in, a majority of them will end up choosing to stay in the developed countries. Consequently, the very best intellectually who may have been the recipients of the scholarship and chosen for such opportunities end up being lost to the more developed economies. Thus the developing country stays in the cycle of attempting to develop.

One of the main considerations of any developing economy that may be considering the option of sending their citizens overseas for their training should also consider other factors like the ones mentioned above. The course may be designed and suited for the country in which the course is offered. The course may therefore not be suitable or applicable to another country. The level and quality of its application may then become the deciding factor. Where developing countries regularly receive educated citizens who do not have skills that are largely applicable to the local economy will mean a slower economic development. There is a need for a review in economic development through education policies to ensure that a lot more benefit comes from overseas studies.

IV. CONCLUSION

Education is one of the United Nations Sustainable Development Goals that almost all civilized economies are attempting to implement in their nations including emerging economies in the Pacific. Although quite a number of the nations may subscribe to the development of their human capital, the economic resource limitations of the local educational facilities mean the training has to be conducted overseas. As such many emerging economies in the Pacific and developing countries are heavily investing in overseas human capital development which invariably has its benefits. With the realization that many of these developed countries which most times serve as the training grounds can also retain the human resources against the intentions of their countries, it may be necessary for the practice of pursuing overseas human capital development to ensure that the intended purpose of embarking on such an investment is realized.

There may be a need for emerging economies in the Pacific to start reviewing their needs and the applicability of the human capital development training to their economies. An adjustment to their investments and the obligations they place on the recipients of their sponsorships may also be necessary. Engaging in other policies and steps that ensure that their graduates do not

end up becoming victims of the overseas graduates' retention drive by other countries may also be useful. The regular scholarship is received yearly in many emerging economies in the Pacific countries and therefore ongoing reviews in the areas of the destinations of their graduates who have been trained overseas and the systems being followed to grant the awards may be necessary.

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