

# **Perspectives on Current Trends and Future Directions of Higher Education Development in Lao PDR**

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## **Education and Socio-economic Background of Laos**

Laos or Lao PDR is called as a “Landlocked and Least Developed Country” (LLDC) and as such is considered by the international community to be one of the poorest countries in the world. The estimated population is about 6.5 million, with the majority of the population, more than 70% living in rural and remote areas with very limited access to basic infrastructure and services (UN-Lao, 2007). The national development priorities of the government are to lift the country from the ranks of least developed nations by the year 2020. Since 1986, the government has implemented a comprehensive economic reform program called the “*New Economic Mechanism*” (NEM) it was to shift from the centrally planned economy to the market oriented economy. The economic growth rates were strong throughout the 1990s, despite the Asian financial crisis. However, the financing of socio-economic development has continually and has been heavily dependent on foreign investment savings through loans, grant and private investment. The dominant sector of the Lao economy is still agriculture, this is overwhelmingly important to the Lao economy as a source of income.

Education system, the formal education in Laos includes five levels: primary school (five years), lower secondary school (three years), upper secondary school (four years), post-secondary education (one to two years) and tertiary education (three to seven years). Specialization starts in upper secondary where three programs are offered such as general/ academic, vocational and teacher training, and increases at tertiary level. The education system is administered by the Ministry of Education (MOE) through a number of departments. Management of functional responsibilities is left to the provincial education services (PES), district education bureaus (DEB), and schools. At the village level, communities participate in school development through school management committees and school principals. The main vehicles of financing education are the central and provincial authorities. In general the education sector in

Laos suffers a lack of fund for salaries of teachers, schooling facilities and resources, it is also recognized that a lack of qualified personnel and sort of issues mentioned above are viewed as a big challenge to the country. Regarding this, it is addressed in the country's National Poverty Eradication Program Strategy (NPEPS) that the government is committed to increasing the resources available for the education system, in recognition that improved education is fundamental to eradicating poverty. As mentioned the Lao government's goals are to elevate the country from being one of the least developed countries in the world by keeping the rate of its economic growth at a moderate and stable speed. It is important to note that close attention is paid to education in order to develop human resources in the country. In the government's strategy on educational development it is mainly focusing on quality improvement for developing national human resources to meet the needs of the country's socio-economic development.

The 7<sup>th</sup> Party Congress in March 2001 defined the following guidelines for poverty eradication and sustainable economic development that the socio-economic development of the country must be balanced between economic growth, socio-cultural development and environmental preservation. There are the three pillars of the Lao PDR's development policy. Socio-economic development must be harmoniously distributed between sector and regional development, and between urban and rural development so as to fully and efficiently utilize human and natural resources. Socio-economic development must be balanced on sound macro-economic management and institutional strengthening in order to enhance national solidarity and cohesiveness and to promote democracy within society. The national development potential and strengths must be combined with regional and global opportunities in order to enable the Lao PDR to participate in regional and international integration. Socio-economic development must be closely linked with national security and stability.

To attain these objectives, the Government of the Lao PDR has outlined the following strategic priorities: Maintain an appropriate level of economic growth for the medium and long-term period in response to demographic trends. Enhance human resource development through education including higher education, particularly basic education including formal and informal sector. Develop and modernize social and

economic infrastructure in order to facilitate economic development in each region of the country and to accelerate the Lao PDR's regional and international integration. Facilitate access to electricity for people in all areas and regions of the country in order to foster integrated economic development. Promote industries utilizing domestic natural resources, and actively promote small and medium-sized enterprises (SMEs) and handicraft production. Develop and promote all economic sectors, particularly the private sector, including foreign direct investment (FDI) in order to expand business opportunities, placing emphasis on export-oriented sectors that have a comparative advantage. Enhance market linkages and trade facilitation and strengthen existing legal and regulatory frameworks. Create favorable conditions and mechanisms for improving financial institutions and further capital market development. Promote economic co-operation with all partners and countries.

### **Higher Education in Laos in the Past Decades**

After the independence of the country in 1975, Lao education system has been changed from the old system which was influenced by the colonial rule which had been lasting for a long time. Laos had been a French colony from 1893 to 1955, then from 1956 to 1975 was affected by the Indo-China war. The government of Lao PDR, after foundation, gave priority to primary education as the illiteracy of the population was very high then, and higher education was less of priority and it remained strictly limited until the early 1990s. The lack of attention to tertiary education was that opportunity given to many students to study in Soviet Bloc countries. The main reason for this was that there were only a few tertiary educational institutions in Laos and the country faced the severe lack of funds, resources and qualified personnel equipped for training in its higher education institutions. It is noted that there was no fully-fledged university level education provided at that time, the existing institutions operated were college level rather than fully-fledged university training. During the time of one and half decades after 1975, more than 10,000 Lao students were sent for training abroad.

Before 1991, the number of students graduating from training abroad was slightly higher than the number of those graduating from institutions in the country. During this period, most students were sent to study in former socialist countries as mentioned such

as Vietnam, the Soviet Union, Poland, Hungary, Bulgaria, East Germany, etc. After the collapse of the Soviet Union (1991), Lao students have been sent to some Asian countries, i.e., Vietnam, China, Thailand, India, the Philippines, Malaysia, Singapore, Japan, and Australia. The main reason for this is that there was a cut, almost 100%, in funding provided for higher education training for Lao students that Lao government used to receive from those socialist countries, especially former Soviet Union. After the cut, the Lao government sought for bilateral cooperation and aids in tertiary education training from the countries in the region which are called as to have better quality of education training. As Laos still suffers from funding imitations and scarce human resources in terms of both quantity and quality, this training aid is considered an important contribution to the human resource development for the country. Back in the time, during the period of 1976 to 1991, the percentage of students sent abroad covered 40-65% of total students. Then, since 1991, the percentage has been decreasing, and the number of students studying in the country has gradually increased. In the period of 1996-1999, the number of students studying at NUOL has doubled compared to the period of 1991-1995, 14,533 and 7,640, respectively. In contrast, the number of students sent to foreign countries only slightly increased, during the same period.

*Table: Number of students sent (studying) domestic and abroad (1976-1999)*

	<b>1976-1980</b>	<b>1981-1985</b>	<b>1986-1990</b>	<b>1991-1995</b>	<b>1996-1999</b>	<b>Total</b>
Lao PDR	2,159	6,362	5,618	7,640	14,533	<b>36,312</b>
Abroad	2,444	3,466	3,919	995	1,101	<b>11,925</b>
<b>Total</b>	<b>4,603</b>	<b>9,828</b>	<b>9,537</b>	<b>8,635</b>	<b>15,634</b>	<b>48,237</b>

*Source: Committee for Planning and Cooperation - LAO/02/P05, 2002*

The types of tertiary education in Laos before 1995 were divided into two main levels of studies called post secondary technical education and university-level post secondary education.

Postsecondary technical education includes two types of institutions, technical colleges and higher technical colleges that were open to students who have completed upper secondary education. Institutions included in this group prepare middle and higher-level technicians. These institutions were under the control of various government's departments and ministries such as Ministry of Education, Ministry of Public Health, Ministry of Communication, Post and Construction, Ministry of Agriculture and Forestry and Ministry of Justice.

University-level post secondary education, in this type 3 institutions which were considered to provide university-level programs namely the University Pedagogical Institute (founded in 1964), the National Polytechnic Institute (founded in 1984), and the University of Health Sciences (founded in 1969). Each of these institutions provided specialized professional training of at least 4 years duration that was open to graduates of upper secondary schools. There was no national university providing programs in the arts and sciences. Admission to these institutions was based on a provincial quota system determined by the Ministry of Education. These institutions were also under the control and management of different ministries such as Ministry of Education, Ministry of Public Health, Ministry of Communication, Post and Construction, Ministry of Agriculture and Forestry and Ministry of Justice.

Until 1995, in order to harmonize and rationalize the higher education system the Lao government decided to form a National University by first consolidating the above three post-secondary institutions and then merging the existing public colleges and institutions into the structure of the National University of Laos. By mid-1998, 10 tertiary institutions had been merged, and the new intake was started in September 1996. This was called as the landmark of higher education reform in Laos. In the rationale for establishing the National University of Laos (NUOL), from 1975 to 1986, many higher education institutions had been established in order to meet the needs of the society. However, these institutions were under the control and management of different ministries. Thus, the institutions faced many problems such as poor coordination and management, as well as inadequate and low relevance of the programs. In order to solve these problems, the government of Laos decided to merge those existing higher educational institutions to form the National University of Laos (NUOL) in 1995, the

university then consisted of 8 faculties and one school. Since its establishment, the National University of Laos is regarded as the country's biggest and most important higher education institution, and it plays the central and significant roles in higher educational development in the country.

### **Human Capital for Socio-economic Development**

Investment in human capital increases labour productivity and returns to labour, in turn which results in better socio-economic development, poverty reduction and higher levels of human development. Human capital thus is an important vehicle to transit a society away from people deriving livelihood through extractive processes, to a stage where value addition through human effort assumes an important position. Lao PDR requires such a transition.

Despite the fact that Lao PDR is a sparsely populated country (density of 24 persons per square km), there is visible unemployment in urban areas and perceived underemployment in rural areas. With the population growth above two percent in the 1980's and 1990's, and still in the range of two percent, new additions to the workforce are high and are expected to be high in the years to come. Un- and under-employment is an issue often put forth. In fact it is contemplated that unemployment among the educated might become a serious problem as educated youth here, as elsewhere in the world, are increasingly loath to working in agriculture and at times even in village settings. The human capital paradigm requires that society's welfare is maximized and education is an important means to achieve this end.

The Sixth National Socio-Economic Development Plan (NESDP) 2006-2010 plays a crucial role in achieving the overall targets outlined in the Ten Year Socio-Economic Development Plan including transforming the multi-sector economy from uneven performance of fast and stable development within the market mechanism guided by the State. The indicators and targets for the Plan coincide with most of those for the Millennium Goals and the Brussels Program of Action for the Least Developed Countries (2001-2010). One of the main goals of the education policy formulated in the Sixth NESDP is the development of quality human resources to meet the needs of the socio-economic development of the nation and thus contribute to poverty reduction. In

order to improve the education of the whole population, it is necessary to demonstrate an equitable access, quality, relevance of the education system.

The education system will need to be strengthened becoming the cornerstone of a human resources development strategy focus on increasing labour productivity. The Government of Lao PDR will implement the principle of compulsory primary education and the development of education at all levels including higher education.

The Education Vision Strategic Development Strategy by 2001-2020 issued by the Ministry of Education in 2000, links education to the broader socio-economic development, as well as to the immediate local situation. It recognizes the need for lifelong education opportunities to ensure that all persons can continue to upgrade their level of education as circumstances change during their lifetimes. The vision document aims incorporate international trend and standards into Lao education system and to develop all education level systematically and continuously, including strengthening the role of private sector in the provision of education.

In general, the strategic vision document emphasizes education as a core component in overall human resources development or the development of the Lao PDR. The Sixth Five Year Development Plan, like its predecessor identifies three pillars of education in Lao PDR: (i) improving the equitable access, (ii) improving quality and relevance, and (iii) improving administration and management.

Education is considered as the main focus for human resource development. Reform of the national system is urgently required for the improvement of educational quality and standards. The aims of a reform of national education system are that it will be educating the Lao people to be good citizens, to be knowledgeable, to be creative and enthusiastic and to contribute to the development of both the country and themselves. Through education people will gain employment, will learn to protect their health and the integrity necessary to meet the demands of the socio-economic development of the country and its growing towards globalization.

The national education reform strategy consists of six directives as following:

- The national education system reform strategy aims to develop human resources that are applicable to the strategic development of the country's economic components as well as the need to link the country with international goals;
- Education reform should emphasize the national education structure. If change is to become a reality, then the attitudes and perceptions in society about the educational structural reforms need to be widely understood;
- The national education system reform strategy should be implemented with the participation of society to ensure that education will continue to grow and develop;
- The national education system reform strategy should expand the intellectual life, preserve culture of the traditions and culture of the nation and inspire a spirit of solidarity amongst the population throughout the country;
- The national education system reform strategy should expand access to education, promote the capabilities of people, improve their living conditions and link with regional and international situations; and
- The national education system should enhance the status of teacher's importance of their roles and positions.

The education reform will taken place in two phases:

The first phase is from 2006 to 2010 will be undertaken in two steps. The first step will be concentrated to work on the education decrees, nomination of sub-committee and administration of education, open the comments and discussion in details concerning education reform, to write the contents of its curriculum at the secondary school, strengthen the capacity building of the staff and teachers from 2006-2008. The second step will be concentrated on the projects priorities decided by the government on the education reform.

The second phase will be continued to implement. Educational development is placed as central tasks for human resources development aiming for a better quality of



education in order to contribute to the transfer to industrialization and modernity by gradually building the basic fundamentals to sustain socio-economic development.

Educational development should encourage behavior and attitudes within the nation that takes as foundation the scientific approach, friendliness towards others and practice of modernity in order to gradually move towards regional and international education standards, as well as to be relevant to the actual situation of the country. Lao People should obtain full educational development including: being good citizens, educated, knowledgeable, employed, capable, innovative, creative, and enthusiastic about the development of the country in terms of their personal development, having a good health, living with integrity and maintaining the revolutionary ideals of living a proper and upright life in order to respond to the requirements of the development of the country in the new millennium.

### **Current Trends of Higher Education**

The development of the education, training and qualification system in terms of quality, efficiency, access and equity is to be done in a relatively difficult context. High demographic growth, ethnic cultural and linguistic diversity: scattered habitat, economic and financial constraints and low institutional capacity constitute a big challenge to the country.

To achieve the Government's goals of graduating from the Least Developed Countries status by 2020 and to prepare for the country's regional and international integration, the Government initiated higher education reforms covering both public and private higher education institutions with the Prime Minister's Decree on the Establishment of NUOL in 1995, and subsequent decrees on private higher education in 1995, and higher education curriculum profile in 2001. The decree establishing NUOL began to address the issue of a fragmented higher education system by combining 10 HEIs under a unified structure of NUOL in order to share facilities and resources. Due to the regional needs, the other two regional universities were later established to broaden access to higher education: the Champasak University in the southern region and the Souphanouvong University in the northern region of Lao PDR in 2003. Meanwhile, the Decree on Private Education defined a framework for the establishment

and operation of private HEIs, and triggered the growth of private HEIs. In 2007, the Prime Minister's Decree on the Adoption and Implementation of the National Education System Reform Strategy 2006-2015 was issued. The Decree called for strengthened to move the higher education system towards regional and international standards and contribute to socio-economic development of the country. In 2009 the new decrees on the National University of Laos, Champasak University and Souphanouvong University respectively were promulgated to promote administrative authority. Due to the needs of the province, one more new university was established in 2009 in central Savannakhet Province.

The immediate education policy is to develop quality human resources and to strengthen the education system as a cornerstone of human resources to meet the needs of the socio-economic development of the nation.

Higher Education is an important integral part of the education system and contributes to the socio-economic development plan and to orientate to the industrialization and modernization of the country. The main directives of higher education are as following:

- To train students for all socio-economic sectors;
- To improve efficiency and quality of management and teaching activity of higher education;
- Develop higher education in a pyramid shape;
- Improve access to higher education;
- Linking higher education to the production and research;
- Promote and establish the cost sharing, cost recovery and income generating.

At present, higher education in Lao PDR comprises of the following institutions namely National University of Laos, University of Health Sciences, University of Champasak University of Souphanouvong and Savannakhet University which are administered by the Ministry of Education and the Ministry of Public Health, including 5 teacher training colleges and a number of private higher education institutions. In 2008 about 5.3 % of the tertiary education age cohort was enrolled at the mentioned higher education institutions. Though there is increase in enrollment in higher education

the quality of higher education in Lao PDR is a preliminary concern. The concept of quality embraces many factors such as the governance\ management, teachers, students, teaching and learning programs, research, financial resources, institutional materials and equipment including the optimizing use of information and communication technologies and institutional environment. To facilitate the smooth functioning of quality assurance activities the university needs to develop and formalize a quality assurance system.

In order to ensure the quality of higher education, the Ministry of Education had undertaken the following measures which leads to the education status and credentials at variance with generally acceptable norms for education levels:

- Improving the admission system to the higher education by setting the system of entrance examination through the non-quota-system. The quota and non-quota students will be judged by using the three decision criteria: (i) equity, (ii) merit based on school-based academic performance and (iii) financial need.

- Quota students: Assignment by the Ministry of Education through the authority of the provinces, the local provincial educational service, also called the entrance by quota. The students are selected by scrutinizing of their transcripts of the studies at secondary school and the results of the leaving examination.

Non quota students: selection by entrance examination. The students who are assigned by the above procedure can apply to the National Entrance Examination, which is organized at Vientiane Capital and all provincial examination centers at the same date and same time.

Besides the quota and non-quota system, there is also special course or called fee paying system organized in the public universities with the aims to promote the entrance to the public higher education institutions and to generate income for the institutions. It is to be noted that the private schools and colleges organized themselves the entrance examination with respect to the regulations of the Ministry of Education.

- Great efforts in formulating legislation and framework have been to ensure the standards and objectives of the higher education system. There is a potential of proliferation of courses, program which stated in the promulgated decree on the

profile of curriculum of July 2001 to meet the requirements of quality of higher education. It is to be noted that the curriculum have been to keep up date with the needs of labour market.

- Employers' studies and career guidance counseling should be introduced to improve the relevance of the programs and meet the requirement of employers, the community and the labour market.

The Ministry of Education has the right to recognize the academic degrees or award certificates granted by an institution of higher education or external agency (state/professional body, etc.). According the education law, the universities have the right to confer the academic degrees and award certificate as accredited or approved by the Ministry of Education.

The Ministry of Education has signed the bilateral cooperation agreement with some countries on staff and students exchange. In term of recognition of degrees, with reference to the signing bilateral agreement number scholarships have been provided for Lao students who have been or will be automatically recruited to the institutions of the receiving countries.

The validation process has been recognized by the sending country after the completion of the study of the students. The recognition and validation of higher diplomas and degrees have been evaluated by the Ministry of Education referring to the consensus of the committee for validation of the diplomas, degree. The Government of Lao PDR has signed the regional convention of qualifications in 1983 and ratified in 2003.

The practices on the recognition of qualifications in higher education are needed for public and private higher education institutions because of the complexity of different education systems and the particularity and the specification of the country. The Ministry of Education has broad oversight of all educational development in Lao PDR, and the Department of Higher Education provides overall policy guidance to public universities, undertakes planning and coordination with other line ministries and

agencies for developing higher education system and cooperates with development partners in support of higher education.

Educational development has not yet been implemented on a national strategy which is linked to a strategy development and economic structure. The short term and long term educational development plan is targeted mainly on the quality of education, create favorable condition for a practical change in education at all levels from the kindergarten to university and has to be done in a systematically way in order to guarantee the quality and sustainability at all levels of both public and private education.

The Government places strong emphasis on strengthening the higher education system to create a pool of qualified and skilled personnel needed to support the country's graduation from least-developed status. The Project responds to policy priorities in the National Education System Reform Strategy, 2006–2015, approved by the Prime Minister, and is in line with the Education Sector Development Framework (ESDF), prepared as a collaborative effort by the Government and development partners. The higher education system needs a clear vision, coherent policies and strategies, an appropriate regulatory framework to promote autonomy and accountability, and a road map to reach regional and international standards in access, quality, relevance, attractiveness, and competitiveness.

Although there is a qualitative and quantitative development in higher education some problems and issues need to be addressed as following:

### **Administration and Management**

It lacks of overall planning and management and monitoring with the higher education system, and lack of coordination mechanism between the agencies concerned with higher education. In addition the higher education sector does not currently have a standardized system for the coordinated collection, dissemination and utilization of up-to-date data and information to support policy development, planning, administration and management of higher education. It lacks of legislation framework to govern public

and private higher education and lack of strategy and master plan for development of higher education. The investment in higher education is not sufficient due to the budget constraints. The allocated budget from the Government is not referring to the unit costs. The percentage of recurrent expenditure is almost 90% of the total higher education budget, while the capital investment is 10%. Despite the extremely high proportion of budgetary funds allocated for salaries and student stipends, it is still insufficient to provide adequate salaries and other financial incentives to teaching staff in universities, and the lack of management information system and the number of students is not systematically recorded.

### **Quality and Relevance**

The quality of higher education is low due to under-qualified academic staff. Few faculty members have post-graduate degrees. There is phenomenon of lack and over supply of teachers and there are no labour surveys or over supply of teachers. It lacks of monitoring system and follow-up of graduates and the teaching and learning environment vary across each campus or higher education institutions. Quality assurance and accreditation systems are about to emerge and are not yet fully functioning due to the lack of expertise. The Quality Assurance Center is relatively new and its capacity needs to be greatly strengthened. The academic research capacity of faculty members is quite limited. International partnerships can be seen through the bilateral cooperation agreement but the implementation is not practical.

### **Equitable Access**

Socio-economic disparities in access still persist, resulting in low representation of women and ethnic students from low income families. The infrastructure is not sufficient to undertaken the number of students leavers of upper secondary education which have been increased from year to year.

### **Future Directions of Higher Education in Laos**

The Government of Lao PDR seeks to achieve economic growth and reduce poverty in order to meet the Millennium Development Goals by 2015 and graduate from the status of Least Developed Countries by 2020. The Sixth Socio-Economic

Development Plan 2006-2010 provides a coherent and cohesive development framework, identifying education as one of the four pillars of its poverty reduction strategy. It recognizes that education is fundamental to socio-economic development since it equips citizens with skills and attitudes required in a rapidly changing society. Continued modernization and the shifts towards a more knowledge and technology based economy places growing pressure on the Lao PDR to expand and improve higher education system and institutions.

Higher education in Lao PDR is at a nascent stage of development. It is clear that the higher education system and institutions need to be further strengthened and upgraded by improving (i) the management and administration including governance of higher education; (ii) quality, efficiency and relevance and (iii) equity and access. Appropriate governance reforms (including clarification of their governance structure and status) represent an essential precondition for the implementation of further higher education reform strategies. Development of a coherent regulatory framework is urgently required to ensure their quality standards and relevance to labour market demand.

In order to achieve the goals of the country to orientate the country to industrialization and to modernization and to exit the status of the least developed country, higher education will play an important role in contributing to human resource development and to socio-economic development. As emphasized in the policy of Government the human resource development should be planned to meet the development strategy and the structure of national economy. In order to resolve the mentioned issues and problems there is a need to develop strategy and Master's Plan for development of higher education.

The vision is to build the higher level cadre and researchers, they acquire the professional knowledge, have good initiatives, good moral and behavior and active for socio-economic and individual development.

Strengthening the existing universities will be the priorities will be the priorities to improve the quality of higher education in Lao PDR.

In the connection with the national education system reform strategy the curriculum for higher education should be reformed since there is an increase of one more year at the upper secondary education and the foundation study will be phased out by 2012. The continuing curriculum, bridging courses and distance education should be reviewed to promote the lifelong learning. The quality and standard of higher education should be endured to prepare for regional and international integration.

At present the Ministry of Education is being in formulating a strategy and a Master Plan for the Development of Higher Education until the year 2020 by following three educational programmes and seven strategic options as following:

- Improving , construction and expansion of higher education institutions;
- Reform of higher education system;
- Training and development of higher education;
- Quality assurance of higher education;
- Promotion of scientific research and technology;
- Development and management of higher education information system; and
- Governance and administration of higher education.

### **Perspectives on Development of Research and Research Management**

The higher education development has to be done systematically in order to guarantee the quality and sustainability at all levels of both public and private education by educating the students with behavioral, moral education at school, at home and in family. The higher education development must follow the international standard and international ranking. The Government of Lao PDR aims to create a technologically advanced nation with a highly skilled workforce which could be realized through higher education. Upgrading the science and technology sector will reduce disparities between Lao PDR and other countries in the region and facilitate economic integration. Importance is given to research in basic sciences for technology development, the exploitation of natural resources and the environment protection. Scientific and



technological research and teaching will be upgraded along with the facilities, laboratories and equipment.

Taking into account of the globalization and the national development agenda and the policy to orientate the country to industrialization and modernization there is a need to plan some action programme for the research and development. Although the national policy research on scientific and technology was promulgated in 2003 some concrete measures and coordination need to be discussed.

The national policy to support the research and research management need to be formulated in order to promote the research for all sectors.