Scholarships and the aid program (part three): future directions for a scholarship program with impact

Author: Joel Negin
Date: August 20, 2014

In part two of this series, I outlined some very positive findings from our research, funded by the Australian Development Research Awards Scheme (ADRAS), into scholarship alumni in Kenya, Uganda and Mozambique. Findings to date make clear that scholarships have an impact on the individual and their family – though the impact on their organisation and their country’s development is harder to assess. Given this, what role should scholarships play in the overall Australian aid program?

If studying in Australia costs at least $60,000 for one year while a master's degree in Indonesia would be under $10,000, what balance between in-Australia delivery and home-country delivery is appropriate for an aid-effective program – especially given perceived and real differences in quality?

The Australian relationships made and experience gained during in-Australia scholarship programs are a critical part of both the educational experience and the medium to long-term benefit for Australia, in the form of positive linkages and attitudes. More effort needs to be expended to maintain and institutionalise these linkages and the option, for example, of simply paying for Indonesians to study at Indonesian universities (something the aid program currently does not do) wouldn’t meet the aid program’s scholarship objectives.

So what options exist for a value-for-money scholarship program that meets objectives?

In the context of the emphasis on “innovation” that the Foreign Minister has heralded (“innovation will be the watchword”), some options emerge:

Delivery Innovation

One option would be to focus on the delivery of scholarships. As suggested above, DFAT’s challenge is to provide high quality education while maintaining a strong Australian link. This makes it difficult on a broad scale to provide the obviously cheaper option of delivering tertiary level educational programs in-country.

But innovative delivery models allow for in-country delivery with Australian content. In Rwanda for example, an organisation called Kepler is offering this kind of model. Students study in Rwanda using US content provided by Massive Open Online Courses (MOOCs) from Harvard and other American universities. Kepler provides American tutors to work with the students as they follow the online content. A degree is provided by a university in the US that accredits the MOOC material.

Australia could adapt this model. Specifically, a cohort of scholarship awardees could stay in-country, follow course material from an Australian MOOC, meet weekly with their peers and an Australian tutor, and then
get a degree from an Australian university. The program would be clearly Australian branded, students would have interaction with various Australians and the delivery would be enormously cheaper, thus providing an opportunity for potentially thousands more of the awardees’ compatriots to access education. Australian lecturers could deliver some content in-country and the awardees might even be able to spend a few weeks in Australia to enhance the experience.

A related option would be to build-up tertiary education services in a number of partner countries. The aid program has provided support to UPNG and the Fiji School of Medicine in the past, so an extension of this type of support could be explored.

**Reduce the Cost**

Another option would be to reduce the price of scholarship study in Australia. The aid program pays full international student fees to Australian universities, which are upwards of $35,000 per year. But most organisations would insist on a bulk-billing discount if they were to purchase some large number of goods from a provider each year. DFAT could certainly seek to negotiate reduced rates with universities if they were able to guarantee some minimum number of scholars per year. Universities already pay recruitment agents overseas a commission of 10% of tuition fees when a student enrols. Why DFAT is not eligible for that 10% commission is unclear. That would quickly add up to allow DFAT to provide educational opportunities to more students.

DFAT should also require universities to remain more actively engaged with their alumni on an individual and institutional level. Support should be provided (perhaps by allowing universities to keep the 10% commission) so that the links created in Australia are strengthened and maintained. For example, perhaps future ADRAS rounds (should there be any) could give extra application points to submissions that bring together alumni and their lecturers?

Scholarships seem to be a very central part of this government’s aid vision and are therefore likely to retain funding. Given this fact, more analysis and scrutiny of the the way the scholarship program is delivered and of its impact are warranted. There are considerable domestic interests tied to the scholarship program so any reform will be challenging. But overall, the transformative nature of education is undeniable and scholarship efforts need to be continually refined to increase their impact on poverty reduction, sustainable development and our collective global wellbeing.

*This is the third post in a three part series on the effectiveness of scholarships in the Australian aid program, collected [here](#).*

*Joel Negin is a Senior Lecturer in International Public Health at the University of Sydney.*