

# Understanding Higher Education Reform in Papua New Guinea: A Political Economy Perspective

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Special areas of interest: international security, geopolitics, energy security, policy  
governance and management.

# Abstract

- ▶ Higher education reform was fully implemented in 2021 based on a government's decision in 1995. But why has it taken more than two decades to fully implement such a policy decision?
- ▶ In order to answer this question, a political economy analytical framework based on power based theory was used to examine the interaction between politics, government and the economy by paying more attention to interests, ideologies and institutions in the higher education sector.
- ▶ Based on the political economy analytical framework, it is generally observed that competing interests coupled with inconsistency in policy ideology and absence of quality policy regime (policy and legislative arrangements) had influenced the implementation of the higher education policy reform.
- ▶ These observations strongly suggest that a political economy approach is one of the best policy approaches for policy analysts and managers to critically examine the underlying factors affecting policy reforms in order to strategically manage risks and avoid policy reversals.

# Purpose

- ▶ The purpose of this analysis is to explore and understand how politics affect higher education reform so that future policy reforms can be strategically managed.

# Analytical Framework: Politics of Development

- ▶ Power based theory to explain interactions between politics, government and economy - it is commonly applied by international development agencies to help them improve design, implement and strategically manage aid programs.
- ▶ Politics influence policy outcomes
- ▶ Focus on three key factors:
  - ❖ Interests;
  - ❖ Ideologies; and
  - ❖ Institutions.

# Higher Education Governing System

- ▶ A Westminster political system adopted from Britain.
- ▶ Has a democratic constitutional parliamentary.
- ▶ A Multi-party system.
- ▶ Three arms of government: Executive, Legislative, Judiciary.
- ▶ Higher education policy is framed within the political system and structure.
- ▶ Unified policy and regulatory system under DHERST.



# Higher Education Policy Reform

- ▶ 1995 Government decision (NEC Decision) to reform the higher education system.
- ▶ NEC decision to transfer all post-secondary institutions from different ministries to OHE.
- ▶ 2014 Another government decision to effect the 1995 decision.
- ▶ 2014 Higher Education (General Provisions) 2014 (HEGPA) effected the 1995 decision that saw OHE transformed into a Department. OHE and Commission for Higher Education (CHE) were abolished.
- ▶ Research Science and Technology Council was established as a statutory agency providing chief policy advice to government on science and technology.
- ▶ However, the 2014 Higher Education Act didn't effect the transfer of all post-secondary institutions from different ministries to DHERST.



Prime Minister  
Hon. James Marape  
Officiating the transfer  
Of all post-secondary  
functions

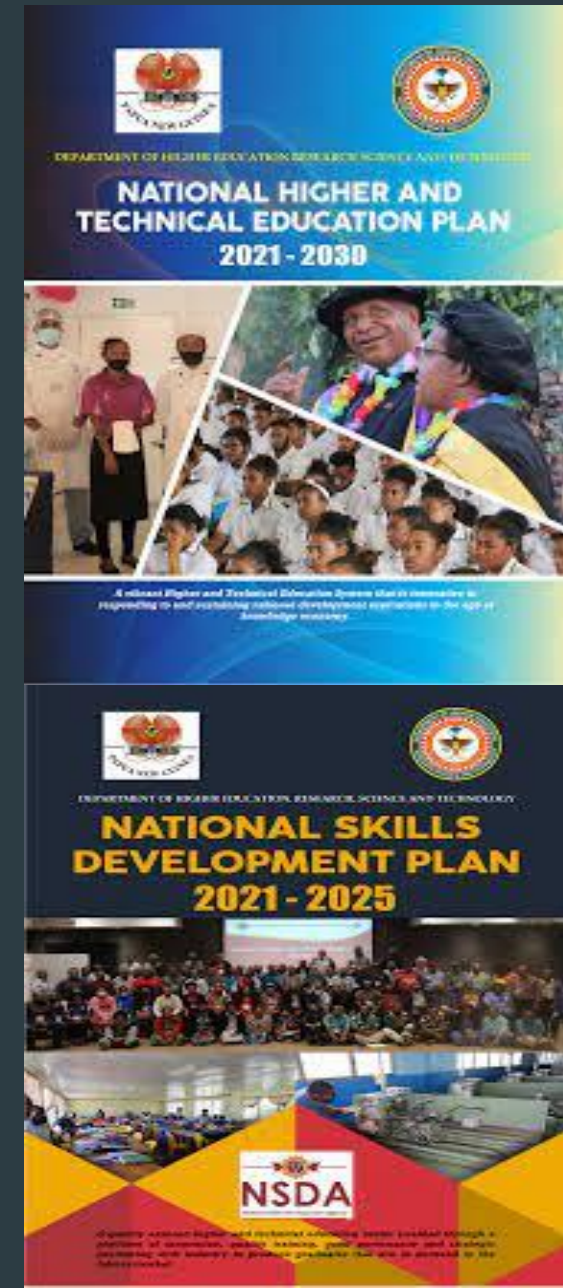
Form different ministries  
to DHERST

## Cont....

- ▶ 2017 HEGPA was amended to effect transfer of all post secondary institutions from different ministries to DHERST, however, that did not take effect until 2021.
- ▶ In 2021, a Gazettal Notice effected the transfer of all post-secondary institutions under different ministries to DHERST.
- ▶ The policy intent of reforming, transforming and unifying the higher education that was fragmented since 1995 is now unified under a single agency.
- ▶ DHERST now provides overall policy and regulatory oversight to higher education.

# Role of Gov't in Economy through Higher Education

- ▶ Government policy direction is to grow the economy in order to sustain social growth in a secured environment.
- ▶ Government pursue a political economy policy approach based on social liberalism or Keynesian social democracy (mixed economy - balance between state and market) - *principles of welfarism, redistribution and social justice; secure full employment, a mixed economy would help government to regulate economic activity, and welfare funded via progressive taxation to narrow rich-poor gap.*
- ▶ Focusing on social reforms and economic reforms (grow the economy and create wealth to sustain social welfare in a secured environment).
- ▶ Educating and skilling up relevant workforce for supporting government policy directions on economy and social development.





# Higher Education Sector

- ▶ Higher education is relatively a growing economies of scale.
- ▶ Public institutions and private institutions regulated by the government through DHERST.
- ▶ 10 universities (6 public universities, 1 private university and 3 church universities), 57 colleges, 113 private training institutions
- ▶ Categorized into typologies: universities, colleges (teacher, health, technical and specialized).
- ▶ Church offer education and training as a public good.
- ▶ private individuals offer training for profit and public good.
- ▶ Colleges operate semi-autonomously.

# Power Relations of Key Players

- ▶ Multiple players with competing interests.
- ▶ Key actors are: political actors, policy actors and economic actors
- ▶ Political parties, ministers, heads of agencies, church, development partners, business organizations or MNCs.
- ▶ State continues to play a dominant role through ruling parties followed by ministers, heads of agencies, development partners, church and Universities. Business or MNCs play a lesser role.

# Key Factors Influencing Implementation of Policy Reform

## General Observations

- ▶ Public policy is an instrument in which interests are pursued because it occurs in a political environment. This is where interest, ideology and institution interact to influence an outcome.
- ▶ Higher education policy reform occurs in a political environment. Its success depends on the interaction of competing interests of various key actors.
- ▶ The success of the higher education reform has been greatly influenced by these three key factors: Interest; Ideology; and Institution.

# Interests

## Some Observations

- ▶ Buying political capital for power - economic outcomes are influenced by politics - election outcomes are often determined by state of the economy. Ruling party's interest to remain in power induced implementation of the 1995 decision. E.g. Political parties, compete for power by promising populace (voters) to increase economic growth, reduce inflation, tackle poverty, etc.
  - ❖ In 2014, O'Neil Government partially implemented the reform by abolishing OHE and CHE and established DHERST. Policy and regulations were established to quality assure institutions and programmes.
  - ❖ 2021, Marape government fully implemented the reform by effecting the 1995 government decision through a Gazettal Notice at the back of a deteriorating economy.
  - ❖ These policy incentives attracted voters.
- ▶ Government Agencies' interest based on financial capacity, job insecurity and historical relationship, therefore, resist change.
- ▶ Colleges attracted by new incentives - accept change despite uncertainty.
- ▶ Business motivated by profit - See policy alignment as an incentive.
- ▶ International development partners motivated by leadership and governance arrangement - supportive of the reform.

# Ideologies

## General Observations

- ▶ Competing ideologies on higher education under a social liberalism framework pursued by the ruling political parties has resulted in inconsistencies in implementing the higher education reform since 1995.
  - ❖ Variants of ideas expressed on party policies during frequent change of government led to inconsistency in policy implementation.
- ▶ Ruling party's policy attracted political capital:
  - ❖ O'Neil Government began prioritizing higher education in 2014 saw partial implementation of the policy reform.
  - ❖ Marape Government prioritization of higher education and introduction of HELP saw the full implementation of 1995 NEC decision in 2021.
  - ❖ Marape Government saw higher education as the key to improving economic condition and social development at the backdrop of a deteriorating economy.

# Institutions

## General Observations

- ▶ Government decision not anchored on law
  - ❖ The policy regime in terms of policy and legislative arrangement commenced in 2014 with partial implementation of 1995 Government decision in reforming higher education. The 2014 Higher Education Act provides for the policy and regulations of higher education. E.g. national standards and PNG National Qualifications Framework. However, this Act did not provide for transfer of all post-secondary institutions from different ministries to DHERST.
  - ❖ In 2017, the 2014 Higher Education Act was amended to provide for the transfer of all post-secondary institutions from different ministries to DHERST.
  - ❖ In 2021, a Gazettal Notice effected the amended legislation.
  - ❖ In sum, the 1995 NEC decision to reform higher education was not fully implemented because there was no legislation to enforce it until 2014 and 2021.

# Theoretical and Policy Implications

- ▶ Helpful in explaining underlying factors influencing change - factors that resist or accept change.
- ▶ Help strategically manage risks and improve policy outcomes.
- ▶ More research using mixed methodologies to better understand and appreciate political dynamics in policy reforms in the public sector.

# Conclusion

- ▶ The success of the policy reform in higher education depends on interactions between interest, ideologies and institutions.
- ▶ Applying political economy approach helps in understanding the underlying factors affecting implementation of reform and strategically manage risks to avoid policy reversal.



# End

▶ Questions