

Executive Summary

The global economy has become increasingly complex and competitive. Many countries have turned to knowledge-based growth to transition from labor-intensive sectors to new and emerging economic activities that require higher skills and intellectual capital. In Thailand, higher education increasingly plays an essential role in enabling greater opportunities for economic growth and attractiveness to foreign investment. This Social Monitor provides a snapshot of the current state of the higher education sector in Thailand by examining its key characteristics, latest developments, strengths, and weaknesses. It also focuses on the extremely important relationships between higher education, research and development, innovation policies, and the private sector.

Chapter 1 addresses the question of why higher education matters in general and explores the fundamental link between gains in higher education and overall returns to society, including higher wages, enhanced productivity, and social mobility. International evidence suggests that mature higher education systems provide an enabling environment to promote the skills and capacities that enhance labor productivity and foster research and technological innovation. Human capital accumulation as it translates into technology development is recognized as a key pathway for economic expansion. In order to generate technological changes, a country must invest in preparing highly creative and skilled individuals as well as in providing the resources and adequate environment to foster technological developments. There is also evidence that Thailand has not been able to live up to its full potential in this arena and that there is certainly scope for improvement.

Chapter 2 provides an overview of Thailand's higher education system by examining the different degree streams, types of post-secondary education institutions, university admissions procedures, and the organizational structure and public agencies that govern the system. Thailand has been gradually increasing overall access to higher education, providing some universities with greater autonomy, nurturing excellence within specific academic institutions, facilitating the growth of linkages between industry and universities, and developing its Second 15-Year Long Range Plan for Higher Education that includes innovative reforms.

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Chapter 3 focuses on access to higher education and delves into the issues of student enrollment, equity (e.g., gender, socio-economic distribution, regional, parental education), international students, Thai students overseas, and student academic choices. Access to higher education in Thailand has experienced a positive trend over time, but serious problems remain in terms of equity. Despite real increases in the supply of postsecondary institutions to accommodate the growing demand, enrollment rates by lower-income students remain very low. Men are also significantly under-represented.

Chapter 4 analyzes the quality and relevance of the country's higher education system. How do Thailand's universities rank compared to universities around the world? What do we know about the quality of teaching and learning? What types of quality assurance practices are in place? Do graduates have the skills needed for the labor market? A number of criticisms have been made about the quality of education and relevance of Thai university graduates and their lack of comprehensive knowledge and skills. Universities typically offer narrowly-specified fields of study, equipping students with limited skills and making them unable to adapt or relate their knowledge to broader contexts. It is also clear that Thailand has an oversupply of social science graduates while lacking graduates in the fields of science, engineering, and health sciences, with a significant mismatch between the training provided in higher education institutions and the skills needed in the labor market.

Chapter 5 discusses higher education financing, governance and institutional management with a specific focus on public and private expenditures, financial aid to students (grants, scholarships, loans, income diversification, cost-sharing), and recent efforts to decentralize management and accountability. The current financing structure remains a formidable obstacle toward reforming the structure of the higher education system since the vast majority of public institutions receive about 80 percent of their budgets from the central Government. Also, public university employees are currently civil servants, which impose higher costs and less flexibility in terms of hiring high-performance staff and firing under-performing employees. The current administrative structure of the majority of public and private institutions in Thailand is highly centralized with the Commission on Higher Education either directly supervising or regulating nearly all universities. The reality is that the overwhelming major-

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ity of Thai universities are not autonomous. Increased autonomy for universities across the Thai higher education landscape is imperative for generating academic environments that are responsive and effective both for student education and building high-quality research capabilities.

Chapter 6 summarizes key findings, reemphasizes ongoing challenges discussed in previous chapters, and offers some policy orientations. No country can afford to be complacent in today's global economy and Thailand is no exception. Weaknesses in its education system, especially in higher education, are contributing to growing challenges at the macro level as evidenced by recent statistics. Several insights for moving forward and addressing the challenges include: acquiring a sense of urgency, especially in the context of Thailand's competitive neighbors; improving the quality and relevance of universities with a focus on strengthening linkages to the private sector; learning from how other countries are reforming their higher education systems, learning from Thailand's own strengths and experiences; and strengthening the overall innovation system in which higher education occupies a central role.

In short, Thailand can rightfully point to major achievements in the development of its higher education system, including the establishment of autonomous universities and increasing access through innovative open universities such as Rajabhat and Rajamangala. However, the higher education system faces many challenges in the areas of governance, financing, quality, access, and its relationship to the private sector. Without significant changes in both policies and attitudes in these areas, Thailand's future vision as a knowledge-based economy relying on highly skilled labor and technological advances to drive growth and productivity will be extremely difficult to achieve.