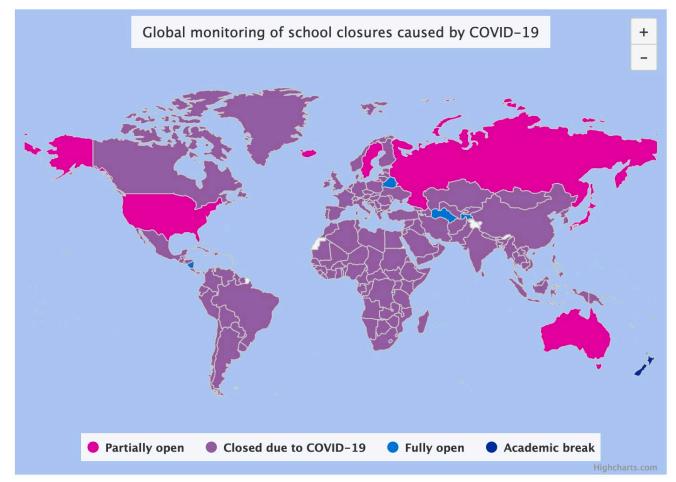
Online Interdisciplinary Conference: Post-Crash Economics in a Post-COVID World University of Dundee 1st - 2nd October

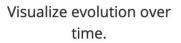
COVID-19 and the Future of Higher Education

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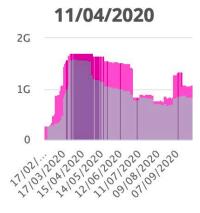


Some 1.6 billion learners around the world were not able to attend school or university as of 11 April 2020









^{1,576,802,705} affected learners 90.1% of total enrolled learners 192 country-wide closures

A paradigm-shifting incidence?

The COVID-19 crisis presents an existential threat to the UK Higher Education sector.

History shows us a paradigm shift in society can occur quickly when unexpected events force us to change our beliefs and practices.

For example, <u>during the Second World War, with men</u> <u>away to serve in the military, women proved that they</u> <u>could work in almost any capacity to meet those</u> <u>economic demands of the war effort.</u>

Indeed, that war changed the United States for women and they never looked back after that. The COVID-19 pandemic is such a paradigm-shifting incidence.



U.S. EMPLOYMENT SERVICE

Black Swan and Marketisation of HE High-consequence, low-probability events overly optimistic about what lies down the road

- One of the key components of Higher Education has been face-to-face teaching.
- Additionally, these universities also pride themselves on their state-of-the-art resources and libraries to enhance student experiences.
- Alternatives to this form of higher education has been in development for some time in the form of online courses commonly known as Massive Online Open Courses (MOOC).
- Bear in mind, producing high quality on-line material is costly. The Open University have for decades developed high quality on-line material. One module that has been in development for 2 years is estimated to have so far cost c.£3/4m





Face to face vs online teaching

What recent online behavioral shifts tell us about tomorrow's learners

Until now face to face teaching with its massive state of art physical infrastructure never faced an existential threat.

The COVID 19 changed it. The higher education sector is now fully operating through remote teaching and online learning which is a testament that online teaching can well substitute the century-old methods of teaching.

It is similar to that historical paradigm shift moment during the Second World War when women proved that they could meet the economic demands of the war effort (used to be delivered by their male counterparts).



Short term and long term influences on student intake

There was increasing discussion that students might decide to take a gap year starting from September 2020.

Any impact on the demand for education can only be a short term phenomena.

The potential number of students remain unchanged in a given period of time (2-3 year).

The only impact can be on the types of education (e.g face to face, online, short courses).



'We were already full': universities face nightmare of exams chaos and Covid-19

Long term impacts

Possible modes of education:

- 1. Online only
- 2. Face to face only
- 3. Hybrid/Blended (face to face and online combined)
- 4. Short courses



Demand for physical infrastructures

The investments made so far for development of physical infrastructures have turned into bad investments, specifically cosmetic ones.

The universities are unlikely to be able to recover those investments and they are better be forgotten.





Demand for human capital and virtual infrastructure

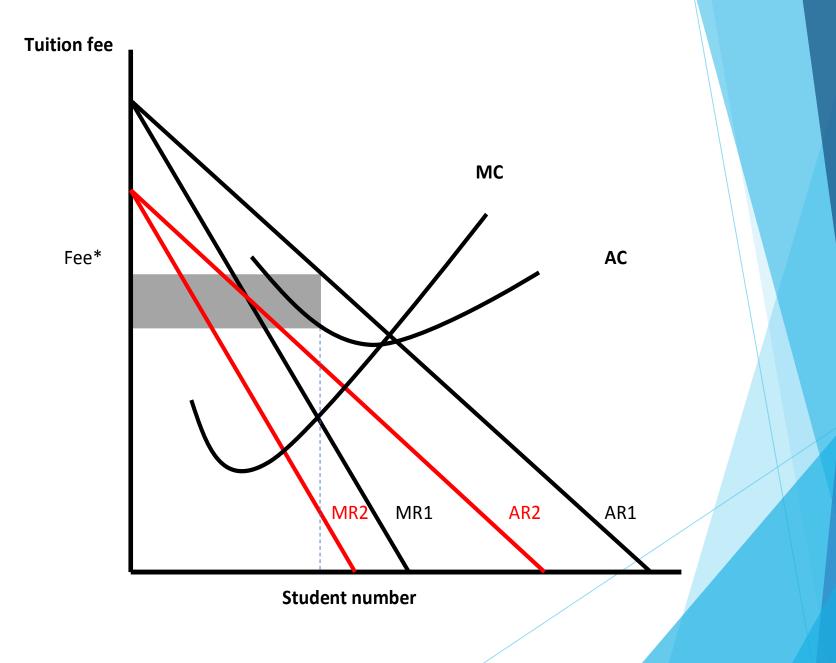
Online deliveries are intensive in human capital and therefore the need to invest in human capital development will go up.

Universities lacking in human capital will struggle to attract students and eventually to survive.

The universities must invest in improving the virtual infrastructure.



A simple microeconomic model of the impact of Covid 19



Possible avenues for reducing the cost of delivery

Reduced investment in physical infrastructures

Reduced overhead expenditure (managerial, administrative, duplicative activities)

Emphasis on the quality of the product, instead of service excellence.

Thank you