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**State Secretary**  
**in the Federal Ministry for Economic Cooperation and Development**  
**"The Role of higher education institutions in development policy"**  
**DAAD/HRK/GTZ Conference: "Achieving the Millennium Development Goals:**  
**A Challenge for Global Higher Education"**  
**Berlin, 3 November 2004**

Professor Berchem (*President, DAAD*),

Professor Gaethgens (*President, HRK*),

Dr Eisenblätter (*Managing Director, GTZ*),

Dear colleagues, some of whom have traveled a long way to join us today!

**I Institutions of higher education and global poverty reduction**

- I would like to extend a warm **welcome** to you all **together**, to this important, hopeful mix of people – welcome to Berlin! It is your ideas and your experience that count today and tomorrow – and at least until 2015.
- We have a shared goal, we want to fight poverty in our world. You will be taking stock of the specific tasks of higher education in this context.
- I am grateful to **DAAD, HRK and GTZ** for jointly organizing this meeting. Based on differing profiles, we view poverty reduction as a shared responsibility.
- For forty years now, **support for higher education** has been an integrated element of German development policy. And its importance is growing, not diminishing!
- Only through **higher education** can our partner countries benefit from the opportunities offered by globalization and get involved in actively shaping globalization.
- **Today, the institutions of higher education are the primary schools of globalization.**
- Whoever wants to fight poverty in a sustainable way must use the long lever of higher education. More than one billion people struggle to survive day by day. They have not even a dollar a day to live on – this is the technical definition of "extreme" poverty.
- **Poor people want the same thing as each and every one of us: a life in peace and security.**

- All people want to be able to live their cultural identity, they want a basis for hope, and the freedom to be able to support themselves.
- Parents want prospects for their children. Workers want respect.
- Women want to be protected from violence – in the streets and at home.
- All this is not asking for much – and yet it is denied to the poor.
- **Peace and security – in rich countries today, this means** barriers and checkpoints, camps and helicopters. The security of the rich has become a task for the police and military.
- **Security and peace for poor people** is quite a different matter. What matters to them is to escape from poverty. To the poor, peace means education and training. Security comes when poverty is left behind.
- If we **want to attain peace and security for the rich and poor together** we must work for **more education and less poverty on a global scale.**
- This cannot be achieved without institutions of higher education. Development requires research that facilitates good medical services. Development requires institutions of higher education that educate people in such a way that they are able to assume political and economic responsibility and pass on their knowledge.
- These are complex tasks. But we can solve them – with good ideas, good partnerships, good colleges and universities! It is for good reason that we are providing support, via GTZ and InWEnt, to **quality management at institutions of higher education** in Latin America or Southern Africa (SADC region).
- If the *Arab Human Development Report 2003* notes great deficits in this regard in the Arab world, we should not ignore that.
- **It is not the clash of civilizations that is our vision but a civilization of cooperation!** One of many highly visible signals for that is the cooperation between the **Department of Economics and Social Science at the University of Potsdam** with the **Sadat Academy for Management Sciences in Cairo** in fields such as economics, administration and environmental management.
- **The causal chain is obvious.** If we want to make sure that no child grows up without primary education after 2015, we need to train teachers and we need to support education planning and pedagogical research in poor countries. But we also need to fight AIDS.
- Both the private sector and administrations benefit from well-educated, healthy pupils.
- Such comprehensive poverty reduction cannot be had for free – but it is for certain that it would be even far less effective to try to achieve education, peace and security by other means than development policy.

- [In our **Program of Action 2015** we included a chapter that points out the important role of academic systems for poverty reduction.]
- What benefits poor countries is also good for us. Without poverty reduction, **demographic developments** are going to pose a threat to peace and security on a global scale.
- 40 million higher education students in poor countries all too often attended schools where teachers were poorly trained, poorly paid, and poorly motivated.
- If these students then end up attending poor-quality universities, they will be ill-equipped to assume responsibility later – as policymakers or businesspeople, medical personnel or educators.
- Within one generation, our global population will have grown from six to **eight billion** people. Of the two billion that will be added over that period, 97% will receive their education in poor countries.
- These young people will know that there is a better life – but not for them. These young people will emigrate or protest – if nothing changes. We are here to change that!
- It is in the interest of the rich countries to ask: What are our institutions of higher education doing for poverty reduction? After all, **terrorism can take root** in those places where a lack of prospects, poor education and unresolved conflicts provide food for fundamentalist fantasies.
- Those who tell poor countries that basic education is enough are really preventing them from becoming self-reliant, assertive partners in the process of globalization. If we really want poor countries to assume responsibility for their own fate we need to support them in that!
- Only those who **stand up for the added value of higher education are true supporters of a global partnership.**
- **Can we afford** what we reasonably need to do in order to halve poverty by 2015? The World Bank has made calculations:
- In order for all children worldwide to complete primary school by the year 2015, we would have to spend 1,200 US dollars for each class of forty children. That would pay for teachers, books and classrooms.
- This is **30 euros a year** for each child not yet in school.
- To say that we cannot afford 30 euros per year and child will not be credible as long as the world spends **150 US dollars on armaments for each person on earth each year.**
- If we want peace and security in our world, it is right and proper to invest less in armaments and more in education!

- What we definitely cannot afford is cutting back expenditure on higher education which benefits schools and administrations, the private and medical sectors.

## II Higher education and justice in globalization

- Unless higher education is strengthened, unless networks are created among institutions of higher education, unless our universities and colleges become more interested in development policy, we will not be able to vanquish global poverty.
- Whenever German institutions of higher education cooperate with those in developing countries, it benefits all parties. We have good examples that can encourage others.
- [Since 1990, GTZ has been conducting, on behalf of BMZ, a **sector project** on "Higher Education Cooperation in Postgraduate Teaching and Research."]
- Dortmund University coordinates the GTZ- and DAAD-sponsored **SPRING network**, which has done much-noticed work in the field of **regional development** for 20 years now.
- One special example of good cooperation in the higher education sector has finally been honored: **Wangari Maathai**, the Kenyan environmentalist and DAAD alumna, was awarded the Nobel Peace Prize for linking **environmental development and democracy**. We were all delighted by that.<sup>1</sup>
- The Green Belt Movement not only fostered people's ecological but also their political awareness: **we cannot separate environment, democracy and peace**.
- One of the many milestones in **Wangari Maathai's** life was a BMZ-sponsored project between the universities of Gießen and Nairobi.
- Each *day*, we witness that globalization has massive repercussions on workers' lives and rights in *all* countries and that it undermines unions' chances to enforce these rights.
- So should it not be a matter of course for future business executives at the departments of economics to learn, not only about business finance and the marketing of consumer goods, but also about global labor market policies, ways of achieving justice in globalization, or the links between environment and development?
- What we are sadly *not* witnessing each day is academic and practice-related analysis of these phenomena.
- Less than four weeks ago, our Minister took part in the opening of a new International Master Program. It is called "**Labor Policies and Globalization**."

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<sup>1</sup> Vermutlich wird Prof. Berchem (DAAD) das ausführlich in seinem Grußwort vor Ihnen thematisieren.

- This is the first education program worldwide that makes such a point of studying the social aspects of globalization. I am glad that DAAD is going to support this project, thus fostering the international development and networking of curricula between South Africa, Malaysia, and Brazil.
- [The **ILO** core labor standards – no forced labor, no child labor, elimination of discrimination in the workplace, and freedom of association – are a concrete and indispensable element of a fair world economy.]
- I expect higher education to provide specialist and executive staff from developing countries with the requisite qualifications for engaging in dialogue with, for example, international financial organizations, with the World Trade Organization, and with multinational enterprises.
- Higher education policy must contribute to the incorporation of **stakeholders' interests** in poverty reduction strategies and must help people speak out for the environment, democracy, and fair working conditions!
- The work of InWEnt, GTZ and DAAD helps foster the growth, development, and networking of such knowledge.
- The **DAAD scholarship program "Development-related postgraduate courses in Germany"** has been in existence for 17 years now. The program currently provides support to more than 750 specialist and executive personnel in 33 master programs and three doctoral programs.
- This type of further education is in high demand – both among our foreign partners and among German institutions of higher education. More than half of the foreign participants return to positions of responsibility in their home countries immediately after they have completed the program.
- We need an even **greater number of university departments that are open for development policy issues**, where students learn what is needed to achieve justice in globalization, what it takes to communicate in the intercultural dialogue, and what are viable approaches for the future in economic, political and social terms.
- Many of you are able to tell us about fascinating **best practices**.
- I would like to ask you not just to do good but also to **share these good examples with others** so that the world outside Leibniz Hall here at the *Berlin-Brandenburgische Akademie der Wissenschaften* may hear about them.
- We need to jointly advocate a development policy that endows institutions of higher education with a distinctive role in poverty reduction, a role that cannot be delegated.

### III Institutions of higher education – elites for development

- Even if there are already quite a few things which we do well – you are assembled here in order to ask: What can we do even better?
- First of all, we should raise objections whenever people try, in the field of poverty reduction, to play primary education and higher education off against each other.
- Whoever speaks in favor of **primary education** must also speak in favor of **secondary education** and must not hold the **tertiary education sector** in contempt.
- **Not only do higher education institutions provide people with an education – they also act as intermediaries between the academic sphere, government, and society. Institutions of higher education are the driving force of transformation.**
- It is not by accident that in many countries, it is precisely the institutions of higher education that provide the initial impetus to more democracy, more participation, and more justice.
- **Democracy requires a strong link between higher education and development cooperation.**
- This is one reason why we are providing 26 million euros this year in support of the work of DAAD, Alexander von Humboldt Foundation, and DFG.
- The funds go towards assistance programs in disciplines that are relevant for development, for instance agricultural science and forestry, engineering, economics, law, health and education.
- In order for valuable contacts to produce **sustainable** effects, we integrate the alumni into international **knowledge networks** on a long-term basis.
- We support **centers of excellence**, that is, academic institutions that play a prominent role in their region and beyond, in educating the next generation of higher education teachers.
- The higher education institutions that we support are to educate elites for the benefit of development. Do not shy away from **debates about the formation of elites** – engage in such debates and enlighten them with development policy!
- To me, an "elite" is what we make it. An elite can be responsible, or irresponsible.
- An elite that is no longer in touch with the grassroots has lost its justification. Those who separate privilege from duty are turning prerogative into abuse. Elite means responsibility – and you are responsible for elites.

- This is why I am glad that many developing countries have universities that draw up development programs specifically for poor population groups and have provided important impetus and ideas.

#### **IV Institutions of higher education and the Post-Washington Consensus**

- It is feasible to eradicate poverty from the face of the earth – the Millennium Development Goals present us with that vision.
- Poverty reduction and higher education go together well if intelligent strategies benefit those who only have one dollar and, simultaneously, those who have many dollars more.
- At this point, there are still too many specific interests of the developing countries that receive insufficient attention from academics and researchers. I am thinking, for instance, of malaria, tuberculosis, or AIDS, I am thinking of the breeding of special agricultural varieties, of irrigation technologies, and efficient communication systems for low-income regions.
- Poverty reduction works if higher education students from rich and poor countries learn from each other and with each other, if they and their teachers engage in a worldwide exchange on their respective subjects. Textbook knowledge and real life must meet.
- Developing countries require **research that is relevant for their contexts**. Only in that way will they be able to form a profile that is also attractive on an international scale. This applies, for instance, to environmental technologies. Or to medical research, if it focuses not on the lifestyle diseases of the North or on ways of promising strength to weak men, but on tuberculosis and malaria.
- I am sure that you are familiar with the model example of economic theory placed directly at the service of poverty reduction: the **Grameen Bank**.
- Professor Yunus has told us that in the lecture halls, he used to present elegant graphs and theories on economics, which unfortunately had nothing to do whatsoever with the reality of poverty in **Bangladesh**.
- He was looking for a credit system that would free poor people from their dependence on ruthless moneylenders, provide them with prospects for their work, and still not negate the logic of the market.
- The success of the Grameen Bank speaks for itself. The repayment rate is 99 percent.
- If we focus our theories and our higher education policy on supporting poor people's own efforts, we can succeed in halving poverty worldwide by 2015!
- We cannot apply the same formulas for poverty reduction all over the world, and certainly not those of structural adjustment and liberalization.

- We know that there are **no blueprints** that can be applied everywhere by the IMF and the World Bank regardless of the local context.
- We need variety and diversity, readiness to experiment, and flexibility in our search for solutions. This is an insight that has induced us to speak of the **Post-Washington Consensus** when we talk about achieving justice in globalization.
- I expect higher education to endow people with knowledge and wisdom – and with the ability to put both to use worldwide for the benefit of the poor.
- In this spirit, I would like to thank DAAD, GTZ and HRK for holding this conference. I would like to ask all of you to let the good examples of your work shine!
- I will be by your side when we try to further increase the support of society and policymakers for a sector as promising for global poverty reduction as higher education.
- In this spirit, I wish **us all** a successful conference.