

EdCW 2020

International Scientific and Practical Conference Education in a Changing World: Global Challenges and National Priorities

**EXPORT OF EDUCATIONAL SERVICES UNDER CONDITIONS
OF CHANGING REALITY**

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Abstract

In the present article, the authors demonstrate that the development of the world economy, globalization, internationalization have contributed to the development of the export of educational services. The role of this sector is undoubtedly important, since, on the one hand, the development of the modern economy is based on knowledge and the training of highly qualified personnel is required, on the other hand, the export of educational services is a profitable part of the budgets of many states. However, the new conditions, and above all, the global pandemic, along with global competition, the development of Industry 4.0 and a number of others, have a significant impact on the educational sphere. Therefore, consideration of the impact of the current situation on the export of educational services is of scientific interest. The authors analyzed the problems faced by both countries, providing services and receiving them: how to provide education services, how to complete the learning process under conditions of total isolation of people. The authors have concluded that the global network, a generation of young people who have quickly adapted to distance learning, helps in solving these problems. People have gotten the opportunity to receive education services while being isolated in their own country or in another country, as well as to receive other education remotely. According to the authors, it is important to study promising directions of the export of educational services offered by international organizations, large corporations, and leading universities.

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Keywords: Globalization, export of educational services, global pandemic



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1. Introduction

World trends in economic development, expressed in the processes of globalization and internationalization of educational services of national economies, have led to the effectiveness of the most promising form of providing these services – to their export. In the current circumstances, the direction of strategic development and approaches to the place and role of the higher education system are changing dramatically (Forstorp & Mellström, 2018). The redistribution of educational resources is becoming increasingly common in the world. Developed and developing countries have been faced with the question of the importance of supplying educational services to foreign countries, attracting foreign students, and of the degree of investment in national universities.

In the current circumstances, the export of educational services is faced with global problems caused by the global pandemic. The new reality arising from international competition and the forecasted crisis in the context of the pandemic changes the systemic and institutional approaches to obtaining higher education, to the requirements of the modern global labor market and, accordingly, leads to changes in the export market for educational services.

The growing importance of the educational sphere is largely highlighted by the fact that the modern economy is increasingly characterized as an economy based on knowledge and innovation. However, in the current context, the export of educational services has been faced with problems caused by the global pandemic. Considering the perspective of the changing reality in the export of educational services associated with the current situation is of scientific interest.

2. Problem Statement

At present, a number of economic and political preconditions have formed the global economy, the structures of which have become increasingly interconnected. In the world community, professional, financial, and academic factors and incentives have arisen for the increased interest of foreign students in prestigious universities abroad. Today's ambitious youth find such priorities important that will further open for them the way to a better future, so they strive to study in international programs at foreign universities with high ratings, and to obtain academic degrees in the context of rapidly developing advanced technologies at the world level. Therefore, it is important to consider the issue of the export of educational services.

The theoretical aspects of the export of educational services are considered in the works of foreign and domestic authors (Bakumenko, 2020; Ermakova & Nikulina, 2019; Kasatkin et al., 2019; Okulicz-Kozaryn, 2019; Shields, 2016; Vögtle & Windzio, 2021 and others). Thus, M. Polak examines the models of export activities, in which the researcher considers three stages of the internationalization process: a centralized stage, a development stage, and a decentralization stage (as cited in Makhotayeva et al., 2019).

The economic theory defines the market for higher education as an intellectually designed space where the needs of students and their parents ("buyers") in higher education are met by higher education institutions ("sellers") offering admissions. The export of educational services is considered in the context

of the development of border regions (Shinkovsky M. Yu., Petrov M. B., Kuchits I. O., Morozova T. V., Kozyreva G.V. et al.) (as cited in Ermakova & Nikulina, 2019).

With regard to exploring the impact of epidemics on economic development, foreign and domestic works can be studied (COVID-19's staggering impact on global education, 2020; Global Education Coalition, 2020; Tishchenko, 2020; Ways COVID-19..., 2020). In foreign practice, researchers have developed an epidemic preparedness index (EPI) (Bahn, 2020). The issues of the impact of pandemics are highlighted in the works of the World Bank institutions, the World Health Organization, and a number of others.

3. Research Questions

Research questions to be investigated:

- 3.1. What are the current trends in the export of educational services?
- 3.2. How is the educational services market distributed in the world and which countries are dominant?
- 3.3. What is the role of the countries of the Asia-Pacific region and the Russian Federation on the educational services market?
- 3.4. What factors influenced the changes in the export of educational services?
- 3.5. What are the problems of exporting educational services in the world economy, as well as in individual countries in modern conditions?
- 3.6. What are the prospects for the development of the export of educational services?

4. Purpose of the Study

The main purpose of the study is to analyze the development trends of the export of educational services, to identify the problems of their development and future prospects in current conditions.

5. Research Methods

In this article, such general-logic research methods as analysis and synthesis were applied, and certain elements of the statistical method were also used in the analysis of data on the volumes of the export of educational services.

A content analysis of Internet resources was carried out, as a result of which the authors identified meaning units, for example, "export of educational services", "global pandemic". Further, the collection of materials concerning the given directions, the frequency of their use were studied, and it was revealed that, at the current stage, the problem of the impact of the pandemic on the export of educational services has not yet been fully investigated.

Studying the databases of international organizations makes it possible to analyze the proposed directions of development in the field of the export of educational services.

6. Findings

The export of educational services as a definition is found in the works of domestic and foreign authors. In a general sense, the export of services includes the export of intangible products of the service sector, including commercial, professional, and consumer services: services of banks, financial and insurance companies, provided to foreign clients; freight services; foreign sales of patent licenses, copyrights, know-how, software products, engineering and consulting services; performances abroad by artists, teachers; visits of foreign tourists and admissions of foreign students; services of copyright, know-how, software products, consulting services, etc. (Okulicz-Kozaryn, 2019).

It is important to note that the export of education is viewed as a “global business” which is, on the one hand, aimed at providing educational services to students and attendees from other countries, expanding cultural and economic ties, and on the other, at making a profit (Indicator B6, 2019).

By the end of the 20th century, the mobility of foreign students was mainly carried out from Europe, the USA, Australia, Canada, New Zealand, and other Oceanian countries on short-term student exchange programs abroad. As the international market for educational services gained strength and became more and more competitive, the economic feasibility and meaning of the mobility of foreign students for these states and their national and institutional structures, in particular educational centers, consisted in stimulating and promoting the policy of states to devise a strategic course for developing higher education system and increasing its prestige and curriculum in accordance with the demand and requirements of the modern labor market, as well as stimulating funding for universities (Belavina & Bhandari, 2012).

UNESCO estimates that the number of foreign students in the world by 2025 may exceed 7 million people, and the volume of the international market for educational services will amount to billions of dollars.

Today, due to the growing globalization of the market for educational services of higher education, foreign students get more opportunities to study at foreign ranking universities in connection with the increased motivation of the students themselves and the high quality of services provided. Over the past decades, new ideas and trends in the development of the educational services market have diversified its image. This market is becoming more and more exclusive, consisting of a variety of competencies and meeting the requirements and conditions of the global labor market.

The main reasons for the development of the export of educational services are the high profitability of the industry, and, accordingly, significant financial resources from the implementation of educational services. For example, the latest NAFSA analysis shows that international students attending US colleges and universities contributed \$ 41 billion and 458,290 jobs to the US economy during the 2018–2019 academic year (NAFSA International Student Economic Value Tool, 2019). Another reason is associated with the spread of “soft power” of foreign states through the opening of branches of educational institutions, the making of grants for studying. There are reasons associated with attracting highly talented students not only from the national economy but also from foreign countries. A Polish student at the University of Arizona created a documentary, and her film was nominated for a Rocky Mountain Emmy Award in 2015.

The share of foreign students in the total number of students is an indicator of the efficiency of the university's functioning (Bakumenko, 2020; Kondakci et al., 2017; Shields, 2016; Vögtle & Windzio, 2016, 2021).

The export of educational services is an important direction of the state policy of the USA, Great Britain, Canada, Europe, and the Asia-Pacific region countries. According to the statistics from the Organisation for Economic Co-operation and Development (OECD) and UNESCO, more than 50 percent of foreigners from the total number of students at universities are studying in the United States, Australia, France, Germany, Great Britain, and New Zealand. The largest percentage of such university students in these countries are students from Japan, South Korea, Turkey, China, and India. Thus, in the United States in 2019, the total number of foreign students was 1,095,299, which is 0.05 percent more than last year. International students make up 5.5 percent of the total US population with higher education (Price, 2019).

China remained the leading source of international students in the United States in 2018–2019, when 369548 students were trained in bachelors, masters, and optional practical study programs, representing a 1.7% growth compared with 2017–2018. India (202014 +2.9%), South Korea (52250 – 4.2%), Saudi Arabia (37 080 –16.5%), and Canada (26 122+0.8%) round out the top five. Emerging-market countries posted some of the highest annual growth rates, especially Bangladesh (+10.0%), Brazil (+9.8%), Nigeria (+5.8%), and Pakistan (+5.6%) (Price, 2019).

The main prerequisites for this process are increased demands on the quality of the provision of educational services which, on the one hand, constitute one of the most profitable export items, and, on the other hand, contribute to the realization of geopolitical and economic interests of a country. Governments and private investors of the leading countries exporting educational services provide targeted and serious support to national universities while stimulating the process of attracting foreign students. The export of educational services of universities in foreign countries is carried out through bachelors, masters, and doctoral programs, as well as qualification courses at universities. Among the main specialties chosen by foreigners to study are MBA programs: technical and engineering sciences, economy, social sciences, mathematics, and programming.

As mentioned above, along with developed countries that are leaders in the export of educational services of higher education institutions, universities in the Asia-Pacific region (APR) have recently been gaining momentum in this industry. The Asian integration of the higher education system is growing with rapid progress. The huge flow of foreign students increases every year in the leading universities of the Asia-Pacific region countries, providing potentially important social ties between these states. The most attractive universities in the Asia-Pacific region, in which the mobility of foreign students is increasing, are China, South Korea, and Hong Kong universities. Cross-border education is actively developing in countries today, taking the form of franchising, distance education, and branch network.

The market of educational services of universities in China is of particular interest to analysts of the Asia-Pacific region. China is the main supplier of students for training at foreign universities in the world. Over the past two years, 620,000 Chinese have chosen to study abroad, with a preference for studying in the US, UK, and Canada. China has become one of the largest suppliers of international

students to Western universities, and this category of students is viewed by higher education institutions as a new source of income.

However, China is also an active provider of educational services of national universities to foreign students from other countries. Recently, hundreds of Chinese universities have been competing for international student mobility with the support of the Chinese Ministry of Education. To date, China has concluded agreements on the mutual recognition of educational qualifications and academic degrees with 54 countries around the world. Undergraduate and graduate students from 200 countries of the world study in China (China has forged agreements, 2020).

For Russia, the export of education is of strategic importance, since through the training of foreign students, Russia, using “soft power”, is gradually integrating into the international space (Bakumenko, 2020; Ermakova & Nikulina, 2019; Makhotayeva et al., 2019).

Russia attracts 6 percent of the global total of foreign students, ranking eighth after the United States, the United Kingdom, Australia, China, Canada, Germany, and France. Also, Russia exports more education than imports – the number of students from abroad training in Russia is more than the number of Russian students getting education abroad. Moreover, the share of foreign students over the past year has grown by 5.7 percent and over ten years – by 10 percent.

Thus, at present, there are three main markets for educational services (Table 01).

Table 1. Major suppliers of international students to global higher education markets

Market	Suppliers
the US market	China, India, Malaysia, Japan
Australia, New Zealand, Japan	Singapore, the Near East, Africa
the European market	EU member states, including Russia

Considering the problems that arise in the export of educational services, it should be noted that one of these problems is the high level of competition for attracting students. Universities of leading world countries, such as the United States of America, Germany, Great Britain, where more than 80% of all students are concentrated, offer various relevant programs, for example, programs related to business organization, orient training towards practical aspects. However, in actual practice, upon completion of the training, students from other states cannot find a job in the country and, having paid significant amounts of tuition fees, return to their home countries.

The problem of exporting educational services lies in the difference in goals and career preferences: if, for example, Russian students prefer such Russian companies as Gazprom, Gazprom Neft, Rosneft, Rosatom, Lukoil, Transneft, then in the USA, these are such high-tech companies as SpaceX, TeslaInk, Google, Boeing, NASA (Kasatkin et al., 2019).

Another problem is that universities do not have programs for integrating foreign students into a new environment, there are no so-called acculturation or separation strategies, which in general make it difficult to understand and be susceptible to mastering an educational program. So, for example, the problems of foreign students in Russia are difficulties in organizing everyday life, free time; everyday challenges. There are problems associated with the reorganization of the personality in the initial phase of

adaptation and “entry” into a new environment, with a difference in educational programs, in the organization of the educational process, with the lack of adapted educational materials, etc.

A new problem has arisen in the provision of educational services in connection with the current situation with COVID-19. Thus, foreign universities refused to pay insurance to foreign students, which made it impossible to continue further education. Its consequence was the problem of threats to the life and safety of foreign students who faced a difficult life situation in the absence of parental support.

The outbreak of COVID-19 has been having a devastating impact on global education. According to the latest data released by UNESCO as of March 23, 2020, about 1.5 billion students worldwide were unable to attend schools or universities (Global Education Coalition, 2020). In this regard, universities began to transfer students to distance learning, but at the same time, a problem arose associated with the lack of necessary equipment, the lack of a place where the student could study in isolation. There was also the problem of time difference, and distance learning reduced the quality of the services provided compared to traditional training in direct contact with the teacher.

7. Conclusion

Despite a number of problems, the prospects for the development of the export of educational services are associated with an increase in the number of foreign students, which is due to the processes of globalization, integration, as well as the high profitability of this economic sector.

The COVID-19 pandemic has led to changes in the interaction between universities and students, with educational institutions around the world using a set of available technology tools to create distance learning content for learners in all sectors. Teachers throughout the world are experiencing new opportunities to work in different ways and with greater flexibility, which leads to the potential benefits of education accessibility for students around the world. These are new ways of learning that have previously been largely untapped (Student Mobility, 2020).

UNESCO is developing a number of global projects aimed at developing education and opportunities for accessing education for young people around the world. Thus, the project “Global Education Coalition for COVID-19” unites more than 80 public and private partners. The project is a multi-sectoral partnership to ensure proper distance learning for all students. It is to provide opportunities for inclusive education for children and youth in this period of sudden and unprecedented educational disruption. Investment in distance learning should both mitigate the direct disruption caused by COVID-19 and devise approaches to develop more open and flexible education systems in the future.

The UNESCO CodeTheCurve global hackathon aims at supporting young innovators, scientists, and designers around the world in developing digital solutions to combat the COVID-19 pandemic. The project development is built on UNESCO's experience in digital skills development and professional development for young people, with a focus on young women software developers and designers.

In the near future, universities should move from an educational and research institution to a source of innovation and innovative businesses, become a so-called university of entrepreneurship and a center for scientific production. In other words, a university should be one of the components of the technological platform as “a tool for combining the efforts of various parties – government, business, science – in identifying innovative challenges, developing a strategic research program, and defining

ways to implement it". The main tasks of such platforms are considered to support the development and implementation of technologies that are of key importance for solving the most important economic and social problems, the formation of a common vision and strategic plans for the development and application of these technologies, as well as a significant increase in business investment in research work (due to closer approximation of the research area of a university (intellectual capital) to industries, production, and business) and improvement of market conditions for innovative products.

Recently, the higher education system has acquired the features of an educational product with its use value, which is sold and bought in the domestic and foreign markets and is managed in accordance with market methods and mechanisms. In modern conditions, the funding of universities depends on the degree of involvement and participation of their intellectual resources in research activities, on the degree of the preparation of a graduate for a professional career, on the assessment factor of their employment in the ranking of the university as a whole, on the number of publications with a citation index, on the presence of scientific schools at the university, material financial conditions for training, on the level of laboratory and technical equipment, on the competitiveness of the university, the effectiveness of the implementation of the international activities of the university in the provision of educational services, etc.

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