



An economist explains how COVID-19 will impact universities



Adnan Draghma, a Palestinian Math Assistant Professor at An-Najah National University, gives an online lecture to his students.

Image:
REUTERS/Raneen
Sawafta

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- The COVID-19 crisis is an opportunity to transition to a better, universal higher education, writes Harvard economist Kenneth Rogoff.
- This can help mitigate inequality and help to make society fairer.

Will COVID-19 finally trigger a long-overdue [technological disruption](#) of higher education? Throughout the world, sudden mid-semester lockdowns aimed at combating the pandemic forced universities to switch to distance learning almost overnight. But while this rapid transition has been tough for faculty and students alike, some good might yet come of it.

Like many businesses, universities are struggling with how to reopen and are adopting a range of strategies. For example, the University of Cambridge in the United Kingdom has [announced](#) that its lectures will be online-only until at least the summer of 2021. Others, including [Stanford University](#), are offering a mix of in-person and online classes, as well as spreading out their academic year so that fewer students will be on campus at any time.

Make no mistake: COVID-19 represents a massive economic hit to higher education. Dorm rooms are unoccupied, sports stadiums remain empty, and students push back against paying full tuition fees. For many colleges and universities, the [drop in revenue](#) from foreign students, especially Chinese, is likely to be painful; numerous smaller and less-endowed schools may close.

Even top universities face challenges. The University of Michigan anticipates a pandemic-induced loss of [up to \\$1 billion](#) by the end of 2020, while Harvard University is projecting a [\\$750 million revenue](#)

[shortfall](#) for next year.

Harvard University is projecting a \$750 million revenue shortfall for next year

Image: The Harvard Crimson

But will the COVID-19 shock ultimately help to bring about better education for more people at lower cost? The answer will depend partly on whether universities push technology aside as the pandemic fades, or instead look for the best ways to harness it. This is not an easy challenge, given the importance of interactions among professors, graduate students, and undergraduates, both inside and outside of class.

When I was a graduate student 40 years ago, I was convinced that video learning (the technology of the day) would reshape university teaching. After all, I thought, why shouldn't students around the world have access to the best lecturers and materials, particularly given that on-campus lectures to 200 students or more offer extremely limited scope for personal interaction anyway?

To be sure, in-class teaching would still have an important role to play. Professors would still curate materials and answer questions. And I did not envisage recorded lectures substituting for smaller classes (although taped materials can of course work in that setting, too). But while it is thrilling to watch a great class in person, surely a good taped lecture is better than a mediocre in-person one.

Fast forward four decades, however, and progress has been limited. One likely reason is university governance: faculty run these institutions, and few are inclined to go down a path that would reduce demand for their services. Professors are no doubt also worried that taped classes would make it harder for their graduate students to find jobs. And graduate

students, with their energy and fresh ideas, are key drivers of research.

Demographic shifts have long been putting downward pressure on college enrollments. Even if faculty in some fields (such as computer science) still see robust demand, for many others, declining student numbers surely amplifies resistance to labor-saving new technologies.

But perhaps the biggest obstacle is the high cost of producing high-quality taped lectures that satisfy students as much as in-person classes. Producing even a single lecture for mass consumption is a risky and time-consuming proposition. And because recorded lectures are so easily cloned, it may be difficult to charge a high enough price to cover the costs. A plethora of education startups (including many in and around the [Boston area](#), where I live) are trying to solve these problems, but so far have not had a major impact on the system.

It therefore seems reasonable to ask whether the United States government should take on the costs of creating basic pre-taped or online college lecture materials in certain fields. (The same could be done for adult education courses.) In particular, introductory online course materials in apolitical subjects such as mathematics, computer science, physics, and accounting should be prime candidates for federal funding.

Many other academic disciplines, certainly including my own field of economics, also have great online potential. Democratic US presidential candidate Joe Biden [now supports](#) making college free, which thrills some professors. But, rather than expanding the existing US university system, wouldn't federal funding for online learning be a fairer and more efficient way forward, especially given that it can help adults of all ages?

Higher education endows students with an array of important life skills and understanding, helps them to lead richer and fuller lives, and, one

hopes, makes them better citizens. But it is far from obvious that all of higher education's different aspects, including skills acquisition and social and intellectual development, need to be bundled together in the way they are now. Students need to gather, but not necessarily all the time.

Virtually everyone agrees that broadening access to higher education is one of the best ways to mitigate inequality, and that it can help to make society fairer and more productive. It is also essential in a world where technology and globalization (or nowadays perhaps deglobalization) require greater adaptability and possibly retraining to meet shifting labor-market demand.

The COVID-19 crisis is likely to bring about further rapid and far-reaching shifts in the economic ground beneath us. But we need not view these changes with dread if the pandemic also propels a transition to better and more universal higher education.

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