

Export of Russian education: Challenges and prospects

Natalya Vasilieva
*School of International Relations
 Saint Petersburg State University,
 Saint Petersburg, Russia
 n52basil@gmail.com*

Ziad Shahoud
*School of International Relations
 Saint Petersburg State University,
 Saint Petersburg, Russia
 Ziad.sh@yandex.ru*

Zeinab Bahturidze
*Department of International Relations
 Peter the Great Saint-Petersburg
 Polytechnic University,
 Saint Petersburg, Russia
 bahtur_zz@spbstu.ru*

Abstract—The situation on the global market for educational services is characterized by growing competition between the largest traditional players and new centers, among which Russia is striving to occupy a worthy place. The purpose of this article is to show the current state and prospects for the export of Russian education; therefore, system analysis is demanded methodologically, making it possible to approach the subject of study in a comprehensive and multidimensional way. The authors concluded that increasing the attractiveness and competitiveness of Russian education in the international educational services market is an urgent need for successful implementation of the “digital breakthrough” of Russia.

Keywords—education, Russia, competition, export, intellectual capital, online and offline education

I. INTRODUCTION

The situation on the global market for educational services is characterized by growing competition between the largest traditional players and new centers, among which Russia is striving to occupy a worthy place. One of the most important areas of politics and economy of Russia in the first half of the twenty-first century is the introduction of digital technologies in all spheres of society. Thus, an educated, creative, productive and highly-professional person becomes the most desired employee who emerges from a developed university education system designed to integrate innovation and knowledge into business and social processes.

The concept of “intellectual capital” acquires a special meaning that focuses on the competitiveness of the worker in the context of the “knowledge economy”, which implies:

- application and use of the knowledge obtained from university;
- development of abilities and creative talents, which, coupled with knowledge, makes it possible to create an innovative product (know-how).

This determined the essence of one of the national projects (2018-2024) named “The Human Capital”.

II. METHODS

According to American experts J. Grayson and C. O’Della, the cornerstone of competitiveness, economic growth and the efficiency of a modern state is the human capital, not factories, equipment or production resources [1].

The concept of “human capital” was voiced in the works of the Nobel Prize winner T. Schultz, who described it in purely economic sense, as a combination of investments to increase the work potential of a person [2]. Later the concept of “human capital” was expanded and started to include the problems of education as an integral part of it, which ultimately led to the conceptualization of “intellectual capital”. Russian expert R.I. Kapelyushnikov addressed the problem of intellectual capital in the context of the competitiveness of Russian education in the knowledge society [3]. In turn, the American scientist R. Florida introduced the concept of “creative class”, which includes not only professionals in the field of science and technology, but also those of other spheres of the economy, where it is crucial to create new ideas and technological solutions giving new prospects for development (for example, in architecture, in design, in education, in art, in entertainment, in business, in finance, etc.) [4].

Data for this study have been drawn from the digests ‘Academic mobility of foreign students in Russia. Education Facts’ (Issue No 7, July 2016), ‘Export of Russian educational services. Statistical collection. Issue 8.’ by the Ministry of Science and Higher Education of the Russian Federation (2018) and ‘Education of foreign citizens in the higher educational institutions of the Russian Federation. Statistical collection. Issue 15.’ (2018) by the Center for Sociological Research of the Ministry of Education and Science of the Russian Federation.

We present descriptive information about the share of foreign students from different countries enrolled in numerous international educational programs, provided by the leading Russian Universities.

III. RESULTS

When analyzing the problems of the export opportunities of Russian educational services, it is necessary to clarify the aspects of “export of education”, among which are the following:

- the number of foreign citizens enrolled in full-time programs at the Russian educational organizations of higher or secondary vocational education
- the number of foreign pupils who attended the program of additional education;
- the number of students enrolled in online courses of the Russian educational institutions.

As the managing partner of “In Venture Partners” S. Azatyan notes, the global market for educational technologies has a huge investment potential, given the cumulative annual growth rate, which amounted to 28% over the past five years, largely due to the introduction of digital education [5]. However, it should be taken into consideration that not only online education, but also traditional offline education is in demand in the global educational market, as the following indicators of Russian educational proposals show: engineering and technical areas of training (22%), medical specialties (20%), economics and management (39%), which is mainly in demand in the form of extramural learning. To a lesser extent, foreign students apply for humanitarian specialties - jurisprudence (10%), social and humanitarian sciences - (9%) [6]. At the same time, it is important to emphasize that in order to increase their competitiveness, many Russian universities introduce education in English, as well as various options for joint educational programs and double diplomas with partner universities in other countries. In addition, summer and winter schools for foreign students, educational tourist routes, etc., became more and more popular. All these efforts led to a significant improvement in the position of the Russian Federation in the global market for educational services.

According to the UNESCO Institute for Statistics, Russia has already entered the top six countries that are most attractive to foreign students. More than half of all global student mobility is accounted for by the United States (19%), the United Kingdom (8%), Australia (7%), France, Germany and Russia (5% each).

For example, according to Rosstat, the number of foreign students in Russian universities increased from 58.992 people in 2000 up to 244.597 students in the 2015/2016 academic year. The share of foreign students in the total number of students in 2016 was 7%. If we analyze the statistical data, then the majority of foreign students (63%) are from the countries of the former USSR.

In particular, according to the statistical report on the export of Russian education, the number of foreign citizens from CIS countries, Georgia, Abkhazia and South Ossetia who studied at Russian universities from 2006 to 2017 increased from 33 thousand to 122,500 people. It should be noted that until 2008, students from Abkhazia and South Ossetia were not singled out separately (in 2007, 1913 students from Georgia studied at Russian universities), and after the August events of 2008 and Russia's recognition of Abkhazia and South Ossetia, the following figures: from Abkhazia to Russian universities - 568 people; from South Ossetia - 168 people; from Georgia - 1169 people. Then the number of students from Georgia gradually began to decrease evenly (there were moments of increase in the number, for example, 997 people were noted in 2014), having reached the figure of 767 students by 2018 [7].

The number of students from Azerbaijan and Armenia increased from 2006 to 2017, even though their growth rate is different and heterogeneous. Thus, students from Azerbaijan became 2.5 times more (1,819 students in 2006, already 4,700 in 2017, and in 2015 a record number of 5,700), and there are only 256 more students from Armenia in 2017 compared to 2006 [7].

The number of students from Belarus increased 2.3 times, from Moldova and Ukraine by 3 times, from Kazakhstan by 3.2 times, and by 4.4 times more from Kyrgyzstan and Uzbekistan. The number of students from Tajikistan increased almost 10 times, and students from Turkmenistan increased by 13 times [7].

We should mention that the influx of students from China is increasing. In 2016, 12,000 students from China received education at Russian universities, and there is a tendency to further growth. Furthermore, an important segment in the Russian education are students from Arab countries.

According to the Center for Sociological Research of the Ministry of Education and Science of the Russian Federation, the share of all foreign students from the countries of the Middle East and North Africa in the total number of foreign students in the 2016/2017 academic year was 19% [8]. The majority of these students are from Iraq (3844 students in 2016/2017), Morocco (2612 students in 2016/2017), Syria (2298 students in 2016/2017), Egypt (2226 students in 2016/2017), Jordan (1433 students in the 2016/2017 year) and Tunisia (1381 students in the 2016/2017 year). We should mention the gradual increase in the number of applicants from Syria, largely due to the active introduction of Russian language in Syrian schools. Thus, Arab applicants got 10.3% of Russian state-funded scholarships offered to foreign citizens in higher education institutions of the Ministry of Education and Science in the 2016/2017 academic year [9].

The main regions hosting students from the Middle East and North Africa are traditionally Moscow (18.8% of students) and St. Petersburg (10% of students), but the number of applicants choosing universities in other regions of Russia is growing [10].

Revenues from attracting foreign students to Russian universities in 2017 amounted to more than 84 million rubles, in 2018 - more than 96 million rubles [6].

According to experts of the United Nations Economic Commission for Europe (UNECE), the educational potential depends on management, that is, on the institutions and rules governing the educational process [11]. In this regard, the “Electronic Government” project implemented in the Russian Federation contributed positively to the efficiency of government administration, in particular, in the field of educational services, where the electronic identification of students enhances their international educational mobility [12]. Furthermore, it is necessary to mention the Global Education (2014) educational mobility program for Russian students. For selected students on a competitive basis, the state allocates finances for paying tuition and living abroad at the highest-rated universities in the world. The main condition for students is the obligation to return home after graduation and to work in Russia for at least three years. Implementation of the program shows its effectiveness - the first 300 students have already returned, and another 400 students are completing their studies [13]. According to the concept of teaching Russian students abroad, Russia receives highly qualified specialists that are crucial for the development of the digital economy. In fact, we can talk about the revival of the traditions of Peter the Great, when talented young people, having received education in the best

universities in Europe, become the driving force of the modernization of the Russian economy.

The goal of Project 5-100 is the entry of leading Russian universities into the elite of global education. The 5-100 project aims to increase the competitiveness of the leading universities of Russia among the world's scientific and educational centers. As the main integrated indicator of competitiveness, at least five leading Russian universities are considered to be included in the top 100 world rankings QS, THE and ARWU by 2020 [6].

It is important to emphasize that the rise of Russian universities rating is largely determined by the modernization of teaching techniques, which is associated with the use of online education technologies. According to S. Azatyan, the situation in Russia is to a large extent the same as in the global market - the large offline sector is rapidly moving online in the Russian market "there will be a place for a "new Mail.ru" dedicated to education in different fields" [5].

As noted in the "East-West Digital News", the global education market is \$ 4.5–5.0 trillion, and the online education share is approximately \$ 165 billion. As for Russian educational services, the demand for them is steadily growing (by an average of 17% -25%) and we can talk as well about a leading position of the Russian education in Eastern Europe. By 2021, experts expect an increase in the export volume of Russian educational services up to 2 trillion rubles with a private business share of 18.9% (385.4 billion rubles). Significant growth is expected in the online education market, whose share may reach approximately 53.3 billion rubles [5]. As an example of the active development of online educational services, one can cite the "Study in Russia" site for foreign applicants, which contains comprehensive information about higher education in Russia in Russian, English, French, Spanish and Chinese languages. Applicants can choose an educational program with its detailed description, send an application to the university directly and receive step-by-step instructions for admission. The site proved its success when in the 2017/2018 academic year "Study in Russia" was visited by 1.3 million users, while universities received 58,000 applications [6].

IV. DISCUSSION

A. *Challenges facing the export of Russian education: the language factor*

The Language factor is a big challenge since currently the main share of educational programs and courses at Russian universities are in Russian language, which hinders the potential applicants from abroad. Unfortunately, the lack of Russian language is not only seen among students of Asia, Africa and other distant regions, but also among young people from the new independent states of Central Asia (Former USSR countries). Traditionally, since Soviet times, there is a system of one-year study of Russian language at what is called the "preparatory departments". We suggest two options to solve the language problem: first, using online courses to teach Russian language in the countries of future applicants, and second, to provide the full range of educational services in English. However, giving up completely on the option of studying in Russian reduces the possibility of using "soft power" of the Russian Federation through citizens of other countries attending Russian

universities, especially since interest in the Russian language in the world is increasing. An evidence of this can be the conduct of "Total Dictation" in Russian language as a global educational project. This year, for example, more than 250 thousand people on six continents have announced their participation. On the territory of Russia, the dictation will be written in 800 locations. Abroad, the project will be joined by 350 cities in 79 countries, among them Germany, China and the USA. For the first time, the United Arab Emirates, Peru and Myanmar will take part in it. Those dictating the texts are traditionally stars of television, theater, cinema and sports [14].

It is worth mentioning that the popularity of the project website "Education in Russian" is only increasing. This website is a unified platform for distance learning of Russian language, it attracts teachers of Russian language, and also presents a whole set of online courses in Russian language, for language learners of different ages. The entire project is supervised by the Pushkin State Institute of Russian Language. Currently, the website has over 1 million subscribers from more than 200 countries. For example, according to the Ministry of Education of Russia, currently, about 2 thousand people from Syria are using the materials of this website, and the number of views of the different materials exceed 17 thousand [15].

B. *The challenge of balancing import and export of education*

Russia is paying great attention to the implementation of the project "5-100" (2013), which is considered to be a tool to improve the ranking of Russian universities in the global market for educational services. One of the important indicators of the integration of Russian universities into world standards is the increase in the number of visiting foreign teachers. Since 2013, the number of foreign professors, teachers and researchers in universities that are part of the 5-100 project has increased several times, however this has not led to an equally relevant growth in the efficiency of the education process for students. Often, such "importing" only helps to formally raise the university's rating, but does not justify the expenses spent.

According to the rector of the Russian State Social University N. Pochinok, the entry of Russian universities into the "Bologna process", as well as the focus of Russian educational programs on Western standards, lead to the loss of the traditions of Russian higher education, resulting in noticeable problems in the competition in the global market of educational. Therefore, according to N. Pochinok, it is necessary to carefully combine national educational programs and standards with world practices in order not to lose the status of the Russian brand of education in the global market [16].

C. *The challenge of marketing of Russian educational services and standards in foreign markets*

It is well known that the export of education has a positive effect on the image of the state, because it indicates a high culture and economic development of the country. Therefore, foreign students, returning to their countries, automatically bring with them those professional skills and educational standards that will further affect the scientific and technological, and often, the political development of the country, since students who have received education abroad,

in most cases, remain loyal to their university and to the hosting country in general. Higher education institutions are a significant source of dialogue, scientific and technical cooperation, and they contribute to the formation of the image of the country.

Statistics show that the export demand for Russian education is growing, but the Russian product lacks marketing appeal, that is, educational and professional standards are not clearly formulated in foreign languages, this issue can be dealt with the help of charts, tables and graphs showing the advantages of exported Russian education. It is necessary to use Russian diplomatic and trade missions, leading media outlets for advertising Russian education and Russian universities at international exhibitions in the hosting countries.

D. The challenge of combining online and offline Russian educational export

The active introduction of online education can significantly increase the export profit of educational services. According to A.Gorny, an expert on strategy and analysis for Mail.ru Group, “despite the “statehood” of the educational market in Russia, the conservatism of its participants and their poor IT literacy, investors see a great potential in the Russian EdTech”. At the same time, the managing director of Prostor Capital A. Soloviev believes that the main problem of the development of online education lies in the conservative attitudes of both teachers and the majority of students. “Innovations are introduced to educational institutions with great difficulty. For example, many school principals still prefer to use paper class journals, as they did back in the 1970s” [5]. Therefore, it is necessary to develop online education platforms such as “openedu.ru” and “universarium.org” at the state level and to translate the best courses of open education platforms into English, Spanish, Chinese, French and Arabic.

At the same time, offline education should not become a thing of the past, like an outdated education system. Traditional direct interaction between students and teachers is very important from a psychological point of view, since it creates conditions for interpersonal communication and help foreign students interact with their Russian colleagues and get acquainted with the educational atmosphere of Russian universities.

E. Prospects of the export potential of Russian education

The reason why the Russian state has become actively involved in the struggle for the global educational market, is that the “digital breakthrough” of Russia cannot be implemented without the involvement of Russian and foreign “intellectual capital”. As Prime Minister D. Medvedev noted, the export of Russian education should receive the status of a national commitment, since this is, first of all, one of the strongest factors of interpersonal communication, the expansion of cultural contacts, and the attraction into the national economy of the most talented people who could remain in it [6]. That is why the program “Development of the export potential of the Russian education system” (2018) is designed to increase the attractiveness of Russian education for foreign students, improve the conditions of their stay during the period of study in Russia, as well as increasing the recognition and status of the brand of Russian

education in the international educational market – all these, could bring significant economic benefits [17].

Moreover, in recent years, the profitability of the educational sector has significantly increased particularly due to the inflow of foreign students, so the number of foreign students who study full-time at Russian universities should increase from 220 thousand in 2017 to 710 thousand in 2025. At the same time, the number of foreign students of online courses of Russian educational organizations is to be increased from 1 million 100 thousand to 3 million 500 thousand. The number of foreign students who have completed additional education programs should double in 2025 compared with 2016. The export of Russian education is expected to bring 373 billion rubles in 2025, that is a fivefold increase [17].

There is no doubt that these goals are very ambitious, however the strategic approach of the President and the government is to concentrate all administrative and financial resources on national projects, the implementation of which will give impetus to the fast development of the country for many decades. Therefore, work has already begun on introducing changes to various areas of educational management and attracting foreign students:

- introduction of the “tutor” system for the support of educational process of foreign students from the submission stage to entering the labor market;
- granting Russian citizenship to foreigners who have successfully completed graduate school (PhD), and giving permanent residence permit to those foreigners who have successfully completed Masters’ programs of leading Russian universities;
- implementation of marketing programs and the creation of a network of recruitment agencies in developing countries;
- the provision of grants to talented foreign undergraduates and PhD students engaged in research in priority technological areas, in partnership with Russian technology companies and research centers;
- in leading universities, 90% of academic teaching staff and 50% of administrative staff should have a good command of English;
- the launch of a large number of open online courses on global platforms such as Coursera, EdX, etc by Russian universities.;
- multidimensional support for the global promotion of Russian educational products (exams, educational programs and entertaining-educative services and platforms);
- construction of new and modernization of existing campuses of leading universities in accordance with international standards [18].

To sum up, the program “Development of the export potential of the Russian education system” pushes the state towards serious competition with the main world education centers. In addition, the export of education should become an important item of state revenue and significantly surpass the leadership of the energy sector. One study published in

the Journal “Economic of Education review” by A.Valero and J.V.Reenen found “robust evidence that increases in university presence are positively associated with faster subsequent economic growth. A 10% increase in the number of universities is associated with over 0.4% higher GDP per capita in a region” and concluded that “the benefit of universities does not appear to be confined to the region where they are built but spills over to neighboring regions, having the strongest effects on those that are geographically closest. Using these results, we estimate that the economic benefits of university expansion are likely to exceed their costs” [19].

The volume of funds received from the export of Russian education should grow by more than 5 times. Even though the cost indicators of the export of Russian educational services is insignificant (this indicator does not appear either in the statistics of the Central Bank or in the estimates of international trade institutions); this field of activity remains one of the few where Russia has good prospects for international expansion [20]. Education belongs to the category of intangible assets or “soft power”, the weight of which in the modern world is almost more than commodities export [21]. It is worth mentioning that according to UNESCO, the number of foreign students in the world by 2025 could exceed 7 million, among which 710 thousand foreign students will be studying in Russian universities and institutions of secondary vocational education in full-time [22].

V. CONCLUSION

Thus, in conclusion, we can note the following points. First, it will be necessary to introduce appropriate changes to the Federal Law on Education, to simplify the procedure for opening branches of Russian universities abroad. It is important during the reform process of the education system to take into consideration the importance of balancing offline education and online education. Secondly, increasing the attractiveness and competitiveness of Russian education in the international market of educational services is a crucial condition for the successful implementation of the “digital breakthrough” of Russia.

Thirdly, the export of educational services is not only the most important source of development of the country's economy, but also one of the most important indicators of a country's competitiveness and the degree of its integration into the world community. Fourthly, in the context of the internationalization of higher education, Russia has a much greater potential in expanding the export of educational services on the world market, but still more efforts should be invested in order to reach the desired goals. Fifthly, the export of education services is a necessary condition for the formation of the positive image of Russia among the youth in CIS countries. Sixthly, the export of education services can help Russia maintain its influence and presence in developing countries, for example in the Middle East.

REFERENCES

- [1] J. Grayson, C. O'Dell “American management on the threshold of the XXI century”, Moscow, 1991.
- [2] T.W. Schultz “The Economic Value of Education”, New York: Columbia University Press, 1963.
- [3] R.I. Kapelyushnikov “How much is the human capital of Russia?”, Moscow: HSE, 2012.

- [4] R. Florida “What Critics Get Wrong About the Creative Class and Economic Development. The Fall of the Creative Class? Not so fast”, July 3, 2012. – <http://www.citylab.com/work/2012/07/what-critics-get-wrong-about-creative-class/2430/>
- [5] A. Krechetova “Russia. Education. Science.” https://polpred.com/?ns=1&ns_id=2146707.
- [6] Russia joins the competition for foreign students.- <https://academia.interfax.ru/ru/events/articles/2145/>
- [7] Export of Russian educational services. Statistical collection. Issue 8. Ministry of Science and Higher Education of the Russian Federation. - Moscow: TsSPiM, 2018. P. 40.
- [8] Education of foreign citizens in higher educational institutions of the Russian Federation: Statistical collection. Issue 15. Ministry of Education and Science of the Russian Federation. Moscow: Center for Sociological Research, 2018, P. 184.
- [9] Export of Russian educational services: Statistical collection. Issue 8 / Ministry of Science and Higher Education of the Russian Federation. - Moscow: TsSPiM, 2018. P. 536.
- [10] Academic mobility of foreign students in Russia. Education Facts. Iss.No 7 (July 2016).
- [11] Ch. Gianella, W. Tompson “Stimulating Innovation in Russia: The Role of Institutions and Policies”, OECD Economics Department Working Papers. No. 539. Paris: OECD, 2007. - pp. 12-13.
- [12] R. Bolgov, A. Chugunov, O. Filatova, Y. Misnikov “Electronic identification of citizens: comparing perspectives and approaches”, ACM International Conference Proceeding Series. 8th International Conference on Theory and Practice of Electronic Governance, ICEGOV 2014.Pp. 484-485. DOI: 10.1145/2691195.2691245.
- [13] State program "Global Education".- <http://educationglobal.ru/>
- [14] More than 250 thousand people will take part in the action "Total dictation-2019", https://piter.tv/event/V_Rossii_i_za_rubezhom_prohodit_total_nij_diktant/?utm_source=yxnews&utm_medium=desktop
- [15] Russia and Syria are developing cooperation in the field of education // <https://edu.gov.ru/press/1340/rossiya-i-siriya-razvivayut-sotrudnichestvo-v-oblasti-obrazovaniya/>
- [16] N. Pochinok “Export of educational services”, <https://iz.ru/609096/natalia-pochinok/eksport-obrazovatelnykh-uslug>
- [17] About the priority project. <http://government.ru/info/27864/> "Education Export"
- [18] Education Export - 12 solutions for a new education.- <https://www.hse.ru/twelve/part10>
- [19] Economics of Education Review Volume 68, February 2019, Pages 53-67: The economic impact of universities: Evidence from across the globe <https://www.sciencedirect.com/science/article/pii/S0272775718300414>
- [20] N.G. Fersman, T.Ye. Zemlinskaya, L. Novak-Kalyayeva “E-Learning and the World University Rankings as the Modern Ways of Attractiveness Enhancement for the Russian Universities”, In Proceedings of the 30th International Business Information Management Association Conference, IBIMA 2017 - Vision 2020: Sustainable Economic development, Innovation Management, and Global Growth, Madrid, Spain; 8 - 9 November 2017; Soliman K.S. (ed.); IBIMA, 2017; pp. 927-944.
- [21] Russia is starting to master the global export market for educational services.- <https://zen.yandex.ru/media/id/5a71a043168a9116ee664c38/rossiia-nachinaet-osvaivat-globalnyi-rynok-eksporta-obrazovatelnykh-uslug-5ac1d7848c8be385c335666c>
- [22] Global Education Digest 2011: Comparing Education Statistics across the World. UNESCO Institute for Statistics, 2011. P.10.