

APEC, APRU and Human Resource Development

By *Thienchay Kiranandana*

1. Background

APEC Human Resource Development (HRD) was launched in 1989 as a corollary of APEC itself. Aware of the shortage of qualified manpower and the need to develop human resources with required expertise in the Asia-Pacific region, six countries, namely, Thailand, Japan, Indonesia, Korea, Malaysia and Canada have decided to cooperate with each other. In the initial phase effort has focused on the scope of the needs for HRD in each APEC country. As a result, three fields of priority have been identified, namely, business administration, industrial technology and economic development management and the ensuing cooperation is limited to these three fields, augmented by education and labor as requested later on.

Toward this end, an international coordinator has been elected among APEC countries to work for a 2-3 year term in each of the five fields of coordination, namely:

- i. Business Management Network: BMN, which is in charge of Education, Business Management and Development with the USA as a coordinator.
- ii. Network for Economic Development Management: NEDM, which is assigned to foster efficient use of personnel in economic development with Indonesia acting as a coordinator.
- iii. Human Resource for Industrial Technology Network: HURDIT, which is in charge of the standards and the quality of the population and exchange of technical operations with the Philippines as a coordinator.
- iv. Education Forum: EDFOR, which takes care of the APEC educational system with China as a coordinator.
- v. Labor Market Information Group: LMI Group, which is in charge of information exchange regarding the APEC labor market with Australia as a coordinator.

2. Operating Mechanisms

To make the above cooperation operational, APEC has set up the APEC HRD working Group or HRDWG to formulate policies and means of operation in APEC HRD. This group also approves projects prepared by member countries in the five fields of cooperation mentioned before. For efficiency, the HRDWG has set up five corresponding networks with elected coordinators who fulfill a 2-3 year term in each of the five networks.

In view of their scope of responsibility, HRDWG is one of the largest bodies within APEC with a total of 80 projects in

1997, such as:

- cultural education among APEC countries.
- development and the use of computer networks for formal education.
- enhancement of the competitiveness of the labor market within APEC.

In 1998 HRDWG approved 38 projects, such as:

- SME Companies International Technology conference: MITEC '98
- Global Advantages through People: Human Resources Management Policies and Practices in APEC Economies.
- Trade and Investment Training Program '98
- Symposium on Overcoming Bottlenecks: Free and Open Labor Markets

3. Activities in APEC HRD

The five fields of cooperation mentioned before have led to three groups of projects.

3.1 Implementation of medium-term Strategic Priorities set by HRDWG in line with the Osaka Action Agenda on economic and academic cooperation. The following are the eight priorities:

- i. provision of basic quality education by making education accessible to all sections of the population. Most activities are run by EDFOR.
- ii. upgrading of information about and analysis of the labor market. Most activities are run by the LMI Group, NEDM and HURDIT. The most important activity is the compilation of the APEC LMI Database, the marketing policy of member countries. The evaluation of the skilled labor shortage in member countries.
- iii. enhancement of the skills of managers, entrepreneurs and teachers in important fields and provision of support for training programs for SME and management of sustainable development. Most activities and projects are run by BMN, HURDIT and NEDM. Some of the important projects are Management Development in SME, the establishment of an Industrial Technology Network and the case study on administrative strategy when changes occur in the world market.
- iv. promotion and development of lifelong learning aimed at reducing unemployment and the shortage

- of skilled labor. Most projects are run by BMN, HURDIT and NEDM and involve lifelong learning projects in APEC countries.
- v. improvement of the standard of curriculum, instruction methods and instruction media. Most projects are run by EDFOR.
 - vi. facilitation of the mobility of quality personnel through mutual accreditation among APEC countries. Most projects are run by EDFOR.
 - vii. enhancement of quality and efficiency of labor and the workplace. Most projects are run by NEDM. There are important projects such as the study of the role and the status of female labor in APEC countries, a comparative study of factors which account for wage differences and the productivity of labor in APEC countries and the study on how safety and hygiene can contribute to increased productivity.
 - viii. development of cooperation in education and training in order to foster and facilitate trade and risk investment. Most projects are run by EDFOR.

3.2 Implementation of proposed action in the joint statement of the 1st and 2nd ministerial meetings on HRD in APEC prioritizing the following:

- i. analysis of problems related to the labor market.
- ii. management and promotion of SMEs.
- iii. facilitation of the mobility of personnel and information about HRD and economic growth.
- iv. facilitation and liberalization of education service business and training.
- v. education and development for managers.
- vi. promotion of linkages between education and the labor market.
- vii. improvement of skilled labor through cooperation and participation.
- viii. promotion of the participation of labor and management of HRD.
- ix. participation of women and young people.

3.3 Implementation of the proposals put forward by APEC leaders and ministers regarding HRD

- i. APEC Leaders Education Initiatives proposed by the USA comprise three activities, namely:
 - the establishment of Study Centers in APEC member countries.
 - provision of scholarships for exchange of scholars and experts.
 - organization of joint activities such as joint research and seminars.
- ii. APEC Business Voluntary Program initiated by Thailand. This program encourages exchanges of

retired business people among APEC countries, in order to transfer business acumen to member countries.

- iii. APEC Center for Technology Exchange Training for SMEs initiated by the Philippines and situated in Los Banos.
- iv. APEC Education Foundation initiated by the USA. This involves the setting up of a fund for education and training in APEC countries. This fund comes from donations from member countries. A management board for the fund has been set up which consists of representatives from APEC countries. This foundation has offered scholarships since July 1996.
- v. Partnership for Education and Training initiated by Japan. This project aims to recruit nationals of APEC countries who once studied in Japan for Japanese companies. Twenty-two companies have already joined this project.
- vi. University Mobility in Asia and the Pacific (UMAP) initiated by Australia. This project features exchange of faculty members and students among universities in APEC countries.
- vii. APEC Vocation Training Program proposed by Korea. The project offers training in labor skills to member countries starting from 1997.
- viii. HRD Outlook initiated by Pacific Economic Cooperation Council (PECC). APEC and PECC are now focusing their efforts on issues related to the labor market among member countries.
- ix. APEC Regional Education Hubs initiated by Singapore. This project aims to create Education Hubs in APEC countries on the basis of their respective specialization in order to foster personnel development among member countries. In this regard, Singapore has set up three Education Hubs in Business Studies, Executive Development and Engineering in 1998.

4. APEC Education Forum

The Board for the APEC Education Forum was set up in 1992 by a resolution of an APEC ministerial meeting, which was endorsed by APEC leaders. The Committee set up an Education Forum in 1993 under an APEC HRD Working Group. There are now 18 member countries, including three new 1998 APEC members namely: Peru, Russia and Vietnam.

As a network, Education Forum focuses on educational cooperation under an APEC HRD Working Group. It follows that activities undertaken by this group must comply with the policy and the operational guidelines of APEC with all activities based on the resolution of the meeting of APEC ministers and leaders in Osaka in 1995, who approved the HRD Action Program with emphasis on eight points, four of which were given priority. They are:



Photo: Kyodo News

HRD has an important role to play in the objectives of the Bogor Declaration

- management of the quality of basic education by giving access to education to all sections of the population.
- enhancement of the quality of curricula, instruction methods, and instruction media.
- improvement of the mobilization of capable personnel in an effort to solve problems related to shortages of manpower and skills.
- development of educational cooperation in order to support free trade and investment.
- providing high quality instruction in key-subject areas.
- monitoring and improving the performance of education systems and
- facilitating mobility of persons and exchange of information for HRD.

5. Future Prospects of APEC on HRD

Being a network under the HRD Working Group, EDFOR has to integrate the decisions of this group in its work. The Education Forum is working on the cooperation proposed in the resolution of the two meetings of the APEC ministers for HRD in Korea in September 1997, which aims to foster the linkages between learning and work and to improve skills development through cooperation and participation and to enhance labor and management participation in HRD.

It should be noted that APEC EDFOR proposed an action program in its meetings in Manila and Beijing in line with the HRD action program mentioned before through the following three areas of cooperation.

Based on the Action Program for HRD endorsed by APEC leaders and ministers in a meeting on the Osaka Action Agenda in November, 1995, the goal of HRD in APEC is to promote the well-being of all people in the region through economic growth and development. Furthermore, HRD has an important role to play in achieving the liberalization and facilitation of trade and investment which was emphasized in the Bogor Declaration. This development of human resources will be achieved by planning, developing, and implementing practical and appropriate education and training for present and future managers, entrepreneurs and workers in both the public and the private sectors and even non-workers will contribute to economic growth, trade and development in the region.

In line with the mentioned goal, HRDWG had spelled out medium-term strategic priorities, yearly work plans and

priority activities mentioned earlier. The 1996 Manila Declaration on our APEC Framework for Strengthening Economic Cooperation and Development states that HRD is the top priority. Economic and technical cooperation (ECOTECH) and HRD was always high on the agenda in the APEC meetings in 1999. At present in ECOTECH there are as many as 78 activities which concentrate on HRD, research, training, workshops and exchange of persons and information, not to mention an ad hoc task force on human resources and the social impact of the financial crisis.

The difficulties and challenges encountered over the past nine years of cooperation through HRD activities among member countries make it difficult to foresee the outcome of the investment in human capital. One of the causes is that the basic process of development is time-consuming and this process is often overshadowed by critical issues such as trade and investment liberalization with their tangible and rapid impact on the people and societies in this region, hence more attention is given to them. In addition, due to the dynamic nature of HRD, it is necessary for APEC to adapt its activities in light of constantly changing technology. To illustrate the point, there is a need to adjust HRD programs to the current regional economic and financial crisis.

It should also be noted that HRD is a rather broad concept and a crosscutting theme which requires all sectors in APEC to monitor data and situations and to take action in various fields ranging from young people, women, young entrepreneurs to managers and decision makers in both the public and the private sectors. It follows that in spite of clear goals in HRD, its strategy in APEC is not clearly defined due mainly to the very diversity of regional issues. As a result, it is not good enough to pay lip service to the HRD issue. What is badly needed is support and commitments from politicians and high-ranking officials of APEC countries which can further clarify the various unsettled issues.

In the meantime efforts made to derive mutual benefits should in the long run help maximize the overall good for the entire Asia-Pacific region. This is especially crucial in the allocation of resources available in high quality universities for it can create a multiplying positive effect of such things as advice and implementation in HRD in keeping with the goals and activities set out by the various working groups of HRDWG. It should be emphasized that the positive outcome in HRD depends very much on the degree of sustainability of its implementation over a long period of time. Indeed, the key to its success within the framework of APEC is balanced attention to a range of issues and not only to short-term economic and financial issues.

Over the past ten years, APEC HRDWG has developed activities proposed by member countries and has set up working and expert groups to define implementation guidelines without integrating the hitherto existing resources

and organizations in APEC, especially in relation to the action mentioned in the first and the second part of this paper. In retrospect the fact that the whole process was started from square one makes us aware that more efficiency and benefits would have been obtained if the existing resources were used; this would make it possible for APEC to reach its declared goals in a shorter time.

6. An APRU Advisory Role on APEC's Human Resource Development

In 1997 the APEC Economic Leaders' Meeting at the University of British Columbia, Vancouver, Canada, defined clearly the possible role of the Association of Pacific Rim Universities: APRU (established in 1997) which consists of 34 member research universities in the Asia-Pacific region (see list in Appendix), especially in its report on the future role of science and technology as an increasingly important key to economic growth in the Asia-Pacific. The APEC leaders endorsed the promotion of networks to strengthen Science and Technology Linkages, including the Association of Pacific Rim Universities (APRU).

In the above scenario, APRU presidents set up the APRU-APEC Committee at its meeting in Seoul in June 1998 to prepare documents defining the possible scope of responsibility for APRU which can play an advisory role to APEC leaders in the development of cooperation in science, technology and human resources in the Asia-Pacific region. In the proposals of the meeting, the important role of APRU is evidenced by the fact that university presidents of the leading research universities in the Asia-Pacific Rim with a high potential in S&T and HRD agreed to support APEC in attaining its goals in order to "sustain the growth and development of the region for the common good of its people".

It is worth noting that as universities are the hubs of human resource development in APEC, APRU universities with their student population of 500,000 per year in science, technology, humanities, law, business administration and social sciences are all set to forge a vision in terms of human resource requirements and the demand for highly skilled labor in order to propose and improve their study programs and their compatibility with realities.

As a result, APRU presidents are well-qualified to propose guidelines and policies in HRD in clear terms to APEC leaders. As an example, they are ready to conduct an analytical study on the following subjects:

- regional requirements for skilled labor, particularly with respect to key strategic fields, such as computer engineers, health professionals, environmental scientists, and molecular biologists.
- regional accreditation on various issues, including certification. While several bodies in APEC are working on various aspects of accreditation issues, APRU presidents could provide an additional perspective, given their unique responsibilities to

leading institutions whose principal purpose is to develop and accredit human resources.

- the mobility of human capital: APRU presidents have a unique perspective on the mobility of high-end labor throughout the Asia-Pacific region because today's students are frequently born in one country, educated in another, and employed in a third. APRU presidents are particularly well-qualified to provide policy insights about the mobility of research personnel and thus, the transfer of both scientific information and technology.

In conclusion, APRU features as an association of CEOs of 34 research universities around the Pacific Rim which are the important hub of science, technology and human resources. As a result, they have developed a cooperative network between researchers, scholars and students over the years. The association has built up a strong network

between member universities and has a high potential in producing high-level and highly qualified HRD in the APEC region.

In its work plan APRU has set up four committees for Internet and Digital Libraries, APRU Fellows, Collaborative Research and APRU-APEC respectively. This work plan favorably reflects the readiness of the APRU to provide advice and consultation regarding policy options to APEC especially in the area of science, technology and human resource development and possibly some other areas too. This can be done with efficiency with a supplementary channel without affecting the working structure of the APEC working groups or expert groups which are already functioning well.



Thienchay Kiranandana is a professor of Economics and President of Chulalongkorn University, Thailand.

Appendix

APRU: CEOs of 34 research universities

Steering Committee:

University of Southern California, USA	Osaka University, Japan
National Autonomous University of Mexico, Mexico	Australian National University, Australia
Chulalongkorn University, Thailand	University of California at Santa Barbara, USA

Members:

University of Sydney, Australia	University of Auckland, New Zealand
University of British Columbia, Canada	University of the Philippines, the Philippines
University of Chile, Chile	Far Eastern State University, Russia
Fudan University, China	National University of Singapore, Singapore
Tsinghua University, China	California Institute of Technology, USA
University of Science and Technology of China	Stanford University, USA
Hong Kong University of Science and Technology	University of California, Berkeley, USA
Taiwan University, Chinese Taipei	University of California, Davis, USA
University of Indonesia, Indonesia	University of California, Irvine, USA
Kyoto University, Japan	University of California, Los Angeles, USA
University of Tokyo, Japan	University of California, San Diego, USA
Waseda University, Japan	University of California, Santa Barbara, USA
Seoul National University, Korea	University of Oregon, USA
University of Malaya, Malaysia	University of Washington, USA