Universities in Korea are in crisis. Skyrocketing tuition fees force students to get part-time jobs and even suspend their studies or withdraw. Universities, for their part, are under pressure to transform themselves into the world’s top higher education institutions. We interviewed Amy Gutmann, President of the University of Pennsylvania (Upenn), who is on a visit to Korea, to get a hint of how world-renowned universities address the issues of tuition and competitiveness. Upenn is one of the top five universities in U.S. and among the top ten in the world. It exempts students whose families earn 40,000 dollars or less a year from tuition fees and boarding expenses. Last year, ten percent of the freshmen at the university were the first collegians in their families.

Dr. Gutmann visited Korea to announce two important donations. James Joo-Jin Kim, Executive Chairman of Amkor Technology and an Upenn alumnus donated $6 million for the university’s Korean Studies Program, and another anonymous alumnus made a donation of $1.5 million (KRW 1.64 billion). We asked President Gutmann for her advice on where Korea’s university education should be headed. The following is the interview we conducted with her on May 23 at Marriott Hotel in Seoul (Editors’ notes in parentheses).

Recently, the debate has been escalating over the issue of college tuition fees in Korea.

It is important for financially strapped students to have an opportunity to live up to their potential. We adopted a charter dubbed the “Penn Compact” aimed at expanding education accessibility. The idea behind it is that the university should help talented and hard-working students blossom into successful individuals. Upenn has adopted the “need-blind system” to make sure application for financial aid does not affect admission decisions. Approximately two thirds of our students receive financial help from the university. This requires considerable sums of funds. Every year, hundreds of millions of dollars are donated to Upenn, mostly from our graduates who want to give back for what they learned in school. It is also important to manage the donated funds well. We have the Office for Investment and fund managers from Wharton School make wide-ranging investments
Korean universities aspire to become one of the world’s top 100 higher education institutions. What advice would you give them?

Along with increasing access to education I just mentioned, I would add two things: global and local partnerships and convergence of knowledge. Global partnership is crucial in this age of unlimited competition. We have conducted joint research and student exchange programs with a variety of global partners such as Seoul National University and National University of Singapore. Local partnership is just as important. If Philadelphia, where our university is located, flourishes as an education city, it could boost our competitiveness as well. Upenn strives to help develop the economy of Philadelphia and Pennsylvania. The number of people we employ directly amounts to 31,000 a year, the second largest in the entire state. With indirect employment taken into account, Upenn generates 145,500 jobs.

Convergence of knowledge is also a significant premise for the university’s future progress. We have worked to break down the walls between disciplines for deeper and wider research on knowledge. A case in point is the study on Public Health and the Obesity Epidemic conducted by the Center for Health Behavior Research. Different departments such as medicine, nursing, politics, economics and sociology are working together for research on built environment and obesity in children; Melanoma family history and genetic tests; and improving glaucoma medication compliance with interactive communications. The field of bioethics which I am directly involved in brings together almost all departments to discuss the scope and limits of biotechnology and ethical issues.

What’s your take on the expansion of online learning?

Online courses and e-learning tools, no matter how advanced they are, are simply a complementary to classroom education. Given the effect and quality of face-to-face education, online learning can never replace classroom instruction. Prestigious US universities pursue win-win strategies through continued partnership with Korean universities rather than make inroads into the Korean market with online courses. Upenn signed an MOU for academic exchanges with Seoul National University. We will enhance the partnership with focus on dental medicine, East Asian affairs and student exchange programs.
Last month, several students at the Korea Advanced Institute of Science and Technology committed suicide, sending shockwaves to Korean society.

I feel really sorry for students taking their own precious lives due to academic pressure. The issue of academic stress is not limited to KAIST or Korean universities for that matter. It is a big pressure on students in the US, too. Upenn constantly remind our students that every successful person has experienced failure. It is impossible to succeed without any failure. What’s more important is learn the skills to handle and embrace it. Our counselors also tell students about graduates who successfully coped with the issue. Some students aren’t comfortable talking about their academic failure at counseling sessions because they feel “stigmatized” by doing so. That’s why we conduct an extensive campaign every semester in cooperation with the students’ council to encourage students to not be afraid of counseling.

Could you tell us about the Korean students at Upenn?

Korean represents the third-largest country of origin for our international students (543 in undergraduate and graduate) followed by the China and India. This is quite amazing considering that Korea has much smaller population than China and India. What impresses me most about Korean students is that they have a very strong will probably because they came halfway around the world to the US to study at an early age. I still remember a student who enrolled in the Jerome Fisher in Management and Technology Program. His father got laid off when he went back to Korea for mandatory military service. But he didn’t give up. The student dedicated himself to study and received scholarship for academic merit. He was on the Dean’s list in graduation this May. Creativity and willingness to take risks are also among the strengths that Korean students have.

Upenn is well known for its MBA programs at Wharton School. What do you think are the prospects for MBA? (Wharton School started its MBA programs in 1881, the first ever in the world. It is ranked first or second every year in the MBA school standings by Financial Times)

An MBA is still a competitive degree but it needs change. Starting this year, Wharton School will enhance diversity in business research by giving more options to the students. It has also significantly strengthened courses on business ethics, which have been emphasized recently. In addition, the school is planning to start “refresh” courses where
graduates receive online training every seven years on latest theories and trends of business administration as well as case studies.

President Gutmann obtained her Ph. D. in political science from Harvard University and taught at Princeton University. In July 2004, she took office as the eighth president of the University of Pennsylvania. Dr. Gutmann was chosen by Newsweek in 2011 as one of the 150 Women Who Shake the World. She also chairs Presidential Commission for the Study of Bioethical Issues.