

Special Focus: Trends in Private Higher Education

all sorts of “schools” to operate on their islands—where do we turn for a thumb large enough to jam into this hole in the academic dike?

Determining the acceptability of degrees issued in other countries must remain firmly out of the hands of local, national, and foreign politicians and under the jurisdiction of people for whom the validity of degrees is a genuine issue, especially in the case of colleges. No college or indeed any other employer should ever be told by its national or state government, let alone the United Nations or the World Trade Organization, that a degree from Big Al’s Offshore College (whether “offshore” is St. Kitts or St. Louis) must be accepted at face value. Even my office, enforcing one of the nation’s strictest degree use laws, can only screen bad degrees *out*, we cannot force them on an unwilling employer.

Only in a legal environment that permits dubious degrees to be promptly investigated and if necessary invalidated, can colleges and other employers make informed decisions as to whether a foreign degree is truly usable as a credential. That is why degrees can never be treated as a commodity as long as no international or even national screening mechanism is available. That is also why each state in the United States should have laws on the books disallowing the use of unaccredited degrees as credentials in the absence of a genuine screening process.

It is irrational, dangerous, and bad public policy to assume that all degrees issued in foreign countries are valid merely because some official in that country says they are. The evidence is quite clear that such assertions are often meaningless except as an indicator of the relative probity of officials in the country in question. Only careful on-the-ground, case-by-case evaluation of foreign degrees can be accurate and successful in the current political and legal environment. ■

The Private Sector in Asian Higher Education

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Privatization is one of the main trends in higher education worldwide. New private institutions are rapidly expanding, especially in developing countries and in nations of the former Soviet bloc. When the state is unable or unwilling to provide the necessary support for an expanding postsecondary sector, privatization fills the gap. A central reality of massification is increased reliance on private higher education institutions. Private

higher education is the fastest-growing segment of postsecondary education worldwide. While many look to America’s impressive private higher education sector, it is more useful to draw on the Asian experience. Only 20 percent of U.S. enrollments are at private colleges and universities, whereas in several Asian countries 80 percent study at private institutions. Asia’s private institutions face problems that are typical of the regions in which private higher education is most rapidly expanding.

In Asia, private institutions have long been a central part of higher education provision. In Japan, South Korea, Taiwan, the Philippines, and Indonesia, private universities enroll the majority of students—in some cases upwards of 80 percent. The large majority of Indian students attend private colleges, although these institutions are heavily subsidized by government funds. The private sector is also a growing force in parts of Asia where it has thus far not been active—such as China, Vietnam, and the central Asian republics.

In general, private universities are found at the lower end of the prestige hierarchy in Asia. There are a few examples of high-quality, private universities—such as Waseda and Keio (among others) in Japan, De La Salle and the Ateneo de Manila in the Philippines, Yonsei in Korea, and Santa Dharma in Indonesia. Generally, private institutions rely on tuition payments, receive little funding from public sources (although in Japan and several other countries limited government funding is available to the private sector), and have no tradition of private philanthropy, and as a result are unable to compete for the best students. However, the private sector plays a central role by providing access to students who would otherwise be unable to obtain academic degrees.

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It is useful to disaggregate the Asian private higher education sector because of the significant differences among institutions and the divergent roles they play in society. As noted, there are a few very prestigious private universities in the countries in which a private sector operates. In some cases, these institutions are sponsored or founded by religious groups—largely, but not exclusively, Christian. Sophia and Doshisha in Japan, Yonsei and Sogang in South Korea, Santa Dharma in Indonesia, and De La Salle and Ateneo de Manila in the Philippines are examples. These universities are typically among the oldest in their countries and have a long

tradition of training elite groups. Another category is the newer private institutions, often specializing in fields such as management or technology, that were established with the aim of offering a key but limited market high-quality academic degrees. The Asian Institute of Technology in the Philippines and its sister institution in Thailand are such schools. These prestigious private universities have been able to maintain their positions over time and rely largely on tuition payments for survival. Semiprivate, specialized business schools are being established in Singapore in collaboration with prestigious management schools in the United States and Europe.

Most Asian private universities serve the mass higher education market and tend to be relatively nonselective. The majority are small, although there are some quite large institutions—such as the Far Eastern University in the Philippines, which has a massive enrollment and was for a time listed on the Manila stock exchange. Some are sponsored by private nonprofit organizations, religious societies, ethnic organization, or other groups. Many are owned by individuals or families, sometimes with a formal management that masks the controlling elements of the school's governance structure. This pattern of family-run academic institutions has received little if any attention from analysts, although it is a phenomenon of growing importance worldwide—even in countries that do not encourage the establishment of for-profit higher education institutions.

One of the most interesting private higher education developments worldwide is the rise of *min ban* (people-run) private institutions in China. There are already more than 1,000 *min ban* institutions, about 100 of which are accredited by the government. A new law regulating this sector will soon be implemented. The government is convinced that the new private sector is necessary to provide access to students who, largely because of low test scores, cannot qualify for the public universities. So far, most of the *min ban* schools offer vocational education and do not award bachelor's degrees.

Many Asian countries have had considerable experience in managing large private higher education sectors, while others are still seeking to establish appropriate structures. These countries face the challenge of allowing the private sector the autonomy and freedom to establish and manage institutions and compete in a differentiated educational marketplace while at the same time ensuring that the national interest is served. In India, where the large majority of undergraduate students attend private colleges, these schools are largely funded by the state governments and are closely controlled by the universities to which most are affiliated. University authorities, for example, design and administer

examinations, award academic degrees, set the minimum qualifications for entry, and supervise the hiring of academic staff. The universities are all public institutions, and they have key administrative and academic control over the privately owned undergraduate colleges. India's pattern of public-private management and control is unique and worth studying.

Japan and South Korea have a long tradition of rigidly controlling private institutions—going to the extent of stipulating the salaries of academic staff, the numbers of students who can be enrolled, approving the establishment of new departments or programs, and supervising the appointment of trustees. In the recent past, these two countries have moved toward allowing private institutions more autonomy and freedom. Other countries have imposed less strict supervision.

As in other parts of the world, private higher education is expanding throughout Asia, and countries that are moving toward a large private sector would be well advised to look at the experience in Asia for guidance. China has a dramatically growing private sector, with more than 500 private postsecondary institutions, most of which are neither accredited nor approved by the government. Vietnam and Cambodia also have rapidly growing private sectors, as do the central Asian nations that were formerly part of the Soviet Union. These countries face the considerable challenge of ensuring that the emerging private sector is effective, well managed, and serving national goals. Asia shows a variety of patterns of sponsorship, management, ownership, and state supervision. ■

Privatization of Higher Education in India

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The 1990s saw a major turn in the history of contemporary higher education in India. The decade was one of turmoil, with an important development being the sustained efforts toward privatization of higher education in India. The financial privatization of higher education, through reduction in public expenditures and the introduction of cost-recovery measures was accompanied by policy measures toward the “direct” privatization of higher education.