

er to a growing economy. A small number of the colleges are very good (e.g., Elphinstone College, Mumbai, St. Stephen's College, Delhi, Madras Christian College, Chennai, Presidency College, Kolkatta, to name a few). However, the narrow skill base has resulted in salaries for skilled staff growing sharply in the last decade or more—increasing rural vs. urban income inequalities and intraurban income inequalities as well.

The mass of students in higher education have always been provided with relatively low-cost public education. This system appears in complete contrast to a high-achieving economy like South Korea, which has ensured from the 1950s onwards that most of its students in higher education attended private universities. This trend continues to be the case today (while children in primary schools have always attended well-funded government schools). Private higher education has expanded in India rapidly in response to growing incomes and the demand

Nevertheless, education as a whole and school education for the masses was neglected for 40 years (until about 1990), which has created a highly segmented higher education system.

derived from that increase. This growth is particularly true for the southern states of India, especially in the fields of medicine and engineering. This region has thus served as a magnet for students from the north who have failed to get admission into publicly funded institutions in the northern states. Private provision has, of course, increased in the northern states, as well, in recent years—thus absorbing the demand from the upper-middle classes in the north. Nevertheless, as yet, private provision nowhere meets the levels that are needed.

THE DISCONNECT BETWEEN RESEARCH AND TEACHING

As another major structural problem, a near-bifurcation nearly exists within the higher education system between teaching and research. A lot of research in the sciences, in fact, is not located in the universities. In 1996/97, nearly three-fourths of the central government's R&D expenditure went to the department of Defence Research and Development, the Department of Space, and the Department of Atomic Energy (and included 9.3% for the Council for Scientific and Industrial Research). Similarly, in the social sciences, research has remained concentrated in the research institutions funded by the Indian Council of Social Science Research, which funds in each state at least one research institution largely focused on the research requirements in that state or its neighbors. These research institutions all function quite independent of the university system. Universities have ended up becoming undergraduate teaching institutions, especially those that have a large number of degree colleges linked to them. The heavy teaching load provides little time or energy or even funding for research. This

bifurcation between research and teaching results in a disconnect between teaching and research, quite unlike what prevails in most OECD countries. Not surprisingly, no real world-class universities are in place.

One outcome specified that the upper-middle classes have been deserting the Indian university system, sending their children abroad for undergraduate education—a phenomenon that did not exist on a large scale until the early 1990s. Until then, most Indian students going abroad would do so only to pursue a master's degree or a doctorate. This desertion by the upper-middle classes has further taken the pressure off the public higher education system to provide quality education.

THE 11TH FIVE-YEAR PLAN (2007–2012)

The central government has indeed responded in the 11th five-year plan by increasing central allocations for higher and technical education fivefold compared to the 10th plan. Seven new Indian Institutes of Technology, six new Indian Institutes of Management, and 30 new central universities have been provided for. The pace of expansion in the new few years may well turn out to be frenetic. The most serious problem that this sudden expansion will entail is finding faculty of appropriate quality in the public higher education system. Therefore, an initiative to be seriously considered involves giving greater financial autonomy to universities, to enable them to mobilize resources from sources other than the government—partly to attract Indian academics teaching abroad back to India. Salaries have risen sharply recently, thanks to the Sixth Pay Commission's recommendations to make returning home attractive for non-resident Indians. However, the requisite autonomy of universities is also needed to encourage them to attract faculty back to India. ■

India: The Inevitable Consequences of the Open Door in Higher Education

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The new Indian minister of human resource development, Kapil Sibal, has promised to open India's doors to foreign universities and to promote private investment in higher education. Past policy has been skeptical of foreign involvement in Indian education. As India is about to embark in a new higher

education direction, it is worth examining the likely consequences of the open door, based on the experience of other countries.

If Mr. Sibal assumes that foreign involvement will assist India to rapidly improve its lagging higher education system, he is quite wrong. With few exceptions, foreign higher education providers worldwide are engaged in making a quick profit by establishing programs that attract high student demand and are inexpensive to start and operate. Worldwide, many of the foreign transplants are in information technology, business

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studies, and related fields. Most foreign providers are not top universities but are rather institutions at the middle or bottom of the hierarchy in their home countries. Some have financial or enrollment problems at home and want to solve them with offshore ventures. And some are “bottom-feeders” who will provide a substandard educational product in India. A truly open door permits pests as well as welcome guests to enter. International experience shows that the “market” is slow to detect low quality—and there seems to be a clientele for poor quality in any case.

A few top universities will be interested in India for a combination of reasons—to earn money and also to introduce long-term relations, in the country, with the best Indian institutions—and to provide a base for recruiting outstanding Indian students and faculty.

IMPROVEMENT THROUGH FOREIGN INVOLVEMENT?

Some have argued that India's admittedly moribund higher education system will receive a needed dose of reform and upgrade from foreign transplants. This is a quite unlikely diagnosis. Thoughtful Indians know what is wrong with the system, and numerous high-level inquiries, including some recently from the Knowledge Commission, have provided road maps for reform. Further, many Indians have experience in the best overseas universities and know how they work. Improvement will inevitably come from the inside and not from a few foreign institutions operating in India. Further, the foreign programs will not be focused on reforming Indian higher education but rather on successfully competing with local colleges and universities. Nor will the foreigners bring the full panoply of a complex and highly expensive university to India. Rather, they will bring specific programs and facilities that will be profitable in India. Only when the host country pays the full cost, such as in the Gulf countries, do foreign universities establish full facilities and expensive programs such as the Cornell University Medical School in Qatar.

PROBLEMS OF SUSTAINABILITY

If Minister Sibal believes that he will easily get well-functioning, top-quality foreign universities to set up shop in India quickly, he is mistaken. It is likely that some of the for-profit providers, such as Laureate and Apollo, will be most interested. These institutions, which have operated successfully in many countries, are not seen as prestigious institutions. University transplants frequently have experienced significant logistical problems. A challenge involves convincing professors and staff from the home campus to teach abroad. Indeed, this ordeal often acts as the Achille's heel of foreign providers, for in almost every case, they end up hiring local staff to teach. It may be sufficient for Indians to study in an ostensibly foreign institution in India taught by local professors; the students may end up with a foreign degree but not with much of an international experience. Just as important, if the foreign institution cannot earn a quick profit, they might well pull up stakes and leave or, alternatively, reduce costs by lowering the quality.

INTERNATIONAL EXAMPLES

India might study other countries' experience with foreign branch campuses and international collaborations. A few that have opened their doors wide with little regulation found that most foreign institutions entering the market were substandard. This represents Israel's experience. Lack of opportunity for access at home led the government to open the country to foreign providers. Most of the foreign institutions performed poorly and were marginal in their home countries. The door was soon closed again. The losers, of course, were the students who paid high prices for bad quality.

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Most countries with a relatively positive experience involving foreign providers created a clear regulatory framework to control who can enter the market and the terms and conditions of operation. China, for example, requires foreign institutions to connect with a Chinese institutional partner and to receive government approval. Yet, some of the Chinese provincial and local authorities who approve foreign collaborations have made mistakes.

While Minister Sibal claims that other countries do not maintain strong regulators such as the University Grants Commission or the All India Council of Technical Education,

this point of view seems not to be the case. Many countries have been run by strong regulatory regimes that have worked well. Singapore, with a largely successful history of foreign collaboration, stringently regulates foreign providers and has been willing to end programs, such as one with the Johns Hopkins University in the United States, which the Singaporeans felt was not living up to its promises. Ministries of education or their equivalents in South Korea, Japan, and some other Asian countries carefully regulate who can enter the local market and monitor performance.

Quality assurance has been a central concern, and few countries have solved that problem. Few countries can effectively monitor standards of their own universities, and foreign institutions do create additional challenges. American branch campuses are monitored by the US accreditors, which have found it difficult to fulfill this task. India's quality-assurance agencies do not function particularly effectively. Monitoring and evaluating numerous foreign transplants may be beyond the capability of the system.

WHAT CAN BE DONE?

Minister Sibal is right that India cannot forever keep its academic doors closed. India, after all, constitutes an increasingly central part of a globalized world. However, simply to throw the doors open would be a serious mistake. India, like other developing countries, needs a clear and transparent policy and regulatory framework. What comprises the rationale for participating in global higher education? What institutions—and investments—from abroad are appropriate for India? What are the criteria for selecting, monitoring, and evaluating foreign institutions? Without answers to these questions—and the policy framework to go along with the answers—opening doors will create long-term problems for India's academic system. ■

How Greed Ruins Academia

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Spend more money and get better universities—this piece of conventional wisdom appears uncontested. Yet, it is not always true. Indeed, Pakistan's experiment provides a counterexample where an enormous cash infusion has served to aggravate problems rather than improve teaching and research quality. This experience in Pakistan may serve as lessons for other developing countries.

Under the Higher Education Commission's grand plans for a massive change, a tidal wave of money hit Pakistan's public universities during General Pervez Musharraf's years, 1999–2008. The budget for university education rose by an astonishing factor of 12 during this period. Although difficult financial times finally stemmed the flood last year, the impact on the university system was profound—some good and a lot bad.

On the positive side, Internet connectivity in universities expanded, distance education was pursued through a new virtual university, a digital library came into operation, some foreign faculty were hired, and students were sent abroad for PhD programs (albeit largely to second-rate institutions). The number of universities doubled, then tripled. The number of PhD students registered at various universities exploded. Huge financial incentives were announced for publishing papers and for supervising PhD students. Salaries skyrocketed.

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THE GREED FACTOR

Naked greed is now destroying the moral fibre of Pakistan's academia. Professors across the country are clamoring to lift even minimal requirements that could assure quality education. This tactic is happening in two critical ways. First, to benefit from threefold increases in salaries for tenure-track positions, professors are speedily removing all barriers for their promotions. Second, they want to be able to take on more PhD students, whether these students have the requisite academic capacity or not. Having more students translates into proportionately more money in each professor's pocket.

Nowhere are these attempts more evident than at Quaid-e-Azam University, Pakistan's flagship public university. Barely two miles from the presidency and the prime minister's secretariat, it was once an island of excellence in a shallow sea of mediocrity. Most other universities started lower, and their decay has gone further and faster than at Quaid-e-Azam. Some are recognizable as universities in name only.

Quaid-e-Azam University's departments of physics and economics were especially well known 35 years ago, which is when I joined the university. The faculty was small and not many PhD degrees were awarded in those days. Money was scarce, but standards were fairly good and approached those at a reasonable US university. But as time passed, less care was taken in appointing new faculty members. Politics began to dominate over merit, and quality slipped—a slow decline is now