

119,000 students. Of those, 140 offered programs in collaboration with foreign institutions and enrolled 89,000 students in such programs (75 percent of the total). This shows the importance of transnational provision in Singapore, but all figures include students of all ages and international as well as domestic students, making an estimate of relative school-leaver participation difficult. What is certain is that new private universities and the new open university will be chasing many of the students currently on transnational programs from foreign universities. Perhaps two new foreign universities are to be established in Singapore, University of New South Wales from Australia and University of Warwick from the United Kingdom (the latter still to be agreed). This is on top of a number of existing independent foreign campuses, such as INSEAD and the University of Chicago Graduate School of Business. While these institutions (particularly the University of New South Wales) will primarily target international students, both domestic and international students (from the region) are key to transnational enrollments. Equally, transnational enrollments are diverse by age. According to the Singapore Department of Statistics, about 35 percent of private-sector tertiary enrollments were aged 30 and over in 2003, and perhaps another third were aged between 25 and 29. A government target of 60 percent cohort participation by 2010 and adult learning initiatives spurred by the proposed national open university will see longer term cohort decline offset by increased youth participation and a more active lifelong learning sector. Nonetheless, the Singapore higher education market is undoubtedly becoming more competitive.

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WILL FOREIGN DEGREES BE JETTISONED?

SIM is the most significant local partner for foreign providers. In June 2003, SIM offered 62 programs with foreign universities, accounting for 12 percent of all registered transnational provision in Singapore and amounting to more foreign programs than offered by any other local partner. Foreign partners include University of London External Program in the United Kingdom, Beijing University in China, RMIT University in Australia, and George Washington University in the United States. SIM also plays a major role in distance learning in Singapore. In 1992, the organization was appointed by the government to run the Open University Degree Program (to offer distance learning in collaboration with the U.K. Open University). The now named SIM Open University Centre has ambitions to become an independent open university in its own right and is the likely core of the announced national open university. According to the U.K. Open University, the SIM

arrangement is the university's largest overseas collaboration, with over 1,000 students a year and over 4,000 graduates to date. It is not clear whether the Open University alliance is part of SIM's long-term plans, but degree-awarding powers and university title would be bound to undermine in the long term the value of transnational degree-awarding arrangements.

There are numerous private colleges and companies partnering with foreign universities to offer degrees in Singapore and most will not be in line for degree-awarding powers any time soon. But if leading providers such as SIM decide (or may be required) to jettison foreign degrees, then a significant portion of the current market will shift from transnational to domestic status. This scenario would also see some of the most experienced local partners exit the transnational market, leaving foreign institutions to develop new alliances with perhaps less competent organizations. Even if SIM and others opt to retain foreign programs in some form, it is highly likely that the number of foreign programs will be reduced in favor of a growing portfolio of in-house degrees.

In many ways, these changes are a natural process of development, and some transnational delivery is characterized by a steady extension of autonomy with a view to independence. But as a key market for leading transnational providers in Australia and the United Kingdom, the probable decline in demand for mainstream transnational delivery in Singapore over the next 10 years reinforces the need to explore new models and markets. The Singapore government clearly sees an ongoing role for elite foreign providers focusing on full branch campuses (INSEAD, Chicago, New South Wales) or niche R&D (MIT, Technische Universität München), but for mainstream transnational delivery the "golden age" may be coming to an end. ■

Universities: Family Style

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A worldwide phenomenon in higher education that has been largely ignored is the ownership of private universities by families. While it is impossible to determine how many of these institutions exist, they certainly number at least in the hundreds and very likely many more. Some countries, such as Thailand, where half the private universities are family owned, have a large number. A few are respected high-status institutions that have existed for several generations, while many were recently established during the "higher education boom" of mass enrollments and do not rank at the top of the hierarchy.

The academic institutions in this category need to be examined because they are growing rapidly and although some have existed for a half century or more they are not well understood.

In some countries, these institutions are a significant part of the higher education environment. Family universities exist in the following countries at least: Mexico, Thailand, Taiwan, Japan, South Korea, the Philippines, Argentina, India, and China.

Family universities enable new and innovative educational and management ideas to be developed and tested. They give rein to charismatic educational leaders with a zeal for reform. They may also permit private higher education institutions to operate in the most private and secretive ways to make money or wield influence.

These institutions may be designed to remain under the control of families as a way of ensuring continuity and protecting income.

DEFINITIONS

Academic institutions controlled by family groups are often difficult to distinguish from other private universities. In fact, family institutions sometimes attempt to mask the reality. It may also be difficult to delineate them legally and financially. The definition in this article is a simple one—a family university is an institution established by an individual or family group in which family members remain directly involved and generally dominant in the administration, governance, financial control, and/or direct ownership of the institution. In some countries, family ownership or management may be unlawful or may be legally restricted, and as a result patterns of ownership or control are hidden. If family ownership is not considered quite respectable, institutions may not advertise it. Where academic institutions are essentially business enterprises operated for profit, ownership and financial aspects are kept opaque. The ownership and financial arrangements of private universities in much of the world are often unclear. In this respect family universities do not differ markedly from others.

MOTIVATIONS

Why do individuals and families establish and run universities? In some cases, there is a sense of philanthropy or social mission—a visionary thinker with ideas about education establishes a postsecondary institution that evolves into a family-controlled enterprise over time, especially when the founder must pass leadership on to others. Many of the best-known and respected universities that are either family owned or that stem from family roots are in this category. Universities confer prestige on those involved with them, and may be established to bring honor or status to the founding individuals and families. Entrepreneurs frequently establish universities, especially in developing countries, with the idea of earning money. These institutions may be designed to remain under the control of families as a way of ensuring continuity and protecting income. Even in countries where there is no mechanism for

profit-making higher education, family-owned institutions can be a useful means for creating employment. In some countries, universities are established for political reasons—to help build a constituency for elective office among students and others, to maintain a political base, or develop the local economy as a means of retaining political influence.

In general, family ownership is seen as a way to ensure stability and control, the ability to keep financial aspects of the institutions as confidential as possible, and to maintain the original mission or purpose of the institutions characteristics.

CHARACTERISTICS

Family universities vary considerably, and it is difficult to categorize them. Institutional control is a key element—since the family usually wishes to maintain its power and authority over the institution. Thus, family universities have structures that will permit centralized overall control of the institution. Family members often occupy senior administrative and leadership positions, especially those that relate to financial management. Powerful boards of trustees or directors, dominated by family members, that have responsibility for financial and often academic decision making are also common. Although the structure of institutional control is subject to the norms and legal regulations of particular countries, family universities generally seek to ensure the maximum amount of direct and ongoing control over all aspects of the institution. Exceptions to this pattern include institutions established by individuals or families for philanthropic or idealistic reasons that lose their family links over time—Keio University in Japan is an example.

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Family universities typically have very strong and centralized administrative control and hierarchy, even in countries where this is not the norm. Presidents, provosts, and other senior administrative officers have great authority over the institution. Concomitantly, the academic staff, and in some countries students, have little decision-making authority. Administrative offices are very often in the hands of family members—with members of the owning family occupying the presidency and also other high positions.

Institutions may be subject to the initiatives of the family leadership group, although in some countries, such as Japan, there are restrictions on the number of family members who can serve on boards of trustees. Facing few checks and balances and little diffused academic authority, the leadership has considerable power over the direction of the institution. This authority may permit innovative programs and new ideas about management to be implemented. The university may be in a position to respond to changes in the marketplace or to

new pedagogical approaches. Or it can be subject to the whims of the controlling family, to academic fads of little value, or to schemes to make quick money. Much depends on the motivations and judgment of the family owners.

Given the centralized control and a lack of tradition of shared governance, family universities often maintain power over academic and other staff. There are often fewer guarantees of academic freedom, less scope for autonomy, and the potential for more authority over teaching styles. Family universities may be more efficiently managed because of tight central control, or they may experience whatever questionable policies are forced on the institution by the family group. These distinctive traits may also characterize other private universities—especially those at the lower end of the academic pecking order—but may be exacerbated in family-run institutions. Family ownership does not guarantee efficiency.

CHALLENGES

Family-owned universities face some significant challenges—one of the most important of which is that of continuity: what happens when the charismatic founder-educator passes from the scene? Will other family members carry on the original mission or even continue to run the institution? Will family members possess the skills to provide leadership and manage a university? Will family-owned institutions established for academic, philanthropic, or political reasons be able to sustain the founder's vision over time? Family institutions established for producing revenues may have fewer problems of continuity, but the complexity of academic institutions requires a level of sophistication that goes beyond a typical business enterprise.

Building and maintaining academic quality demands a commitment from the academic community. Recent examples of newly established universities include some that are family owned, have quickly gained a reputation for high-quality academic programs and which have developed impressive facilities. Some of the institutions that began infused with both funds and academic enthusiasm have failed, in part because of inconsistent leadership, failed to achieve their potential. Creating sustained leadership and effective long-term management causes serious problems for family-owned universities as control inevitably passes from one generation to another.

CONCLUSION

It is hard to generalize about this special type of academic institution. Some are visionary institutions established by charismatic educational thinkers. Others are founded to solidify political power, while many others are founded to earn money. In the rapidly changing and ever-expanding landscape of higher education, the phenomenon of family-owned academic institutions is one that requires understanding—and scrutiny—as an emerging category of academic institution. ■

Private versus Public in Romania: Consequences for the Market

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Some 15 years after its creation, private higher education continues to develop alongside public higher education in Romania. On several major fronts (such as quality control, financing, and reputation) there is conflict between the two sectors. An important example, the focus here, concerns confrontation in the market place, affected by developments in legislation, policy, the economy, quality of education, and customer opinions.

THE RISE OF PRIVATE HIGHER EDUCATION

In the early 1990s, private higher education started to develop in Romania within a total legislative vacuum. Private higher education was the first to respond in quantitative and structural terms to the excess educational demand. The new private institutions absorbed much of the educational demand to which the public sector, still under a centralized organization, was unable to respond immediately. The private sector grew fast—mainly in the fields of high demand such as business, law, and the humanities—with the establishment of 83 institutions and 30 percent of total enrollments during the middle and late 1990s. However, in the first years, many of these private higher education institutions were functioning under precarious conditions, with unqualified teaching staff and thus a negative image with respect to quality. In spite of that, demand was high in the education market for the public sector as no alternative was available that was still based on the traditional elitist philosophy. But the majority of private higher education applicants choose it as a second-best option, after either failing or feeling unqualified to gain admission to the public sector. Most of these aspects of private-sector demand have been common elsewhere in the region and beyond.

The introduction of an external quality monitoring system, through the accreditation process, has led to the closing of a number of private institutions (14 in 2001), while others have been accredited. At present, 31 out of the 70 functioning privates have accredited status. Consequently, levels of quality and social legitimacy have increased, but private higher education still has the image of a profit-oriented sector that offers lower