

**Transnational, private, for-profit provision  
& global demand for tertiary education:  
mapping, regulation & impact**

**A UNESCO & Commonwealth of  
Learning Project**

presented by

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# Agenda

- **Project purpose**
- **Context & policy issues arising**
- **Project focus**
- **Project approach**
- **Research questions & cautions**
- **Case studies - structure & initial findings**
- **Summary comments**

# **Project Purpose - initial & continuing**

- **First, gather base-line data...**
- **So as to:**
  - **Understand the role played by TNE & private, for-profit providers (eg for access & participation, employability, QE...)**
  - **Identify potential impact & relationship of such provision to indigenous provision & wider society (eg economy, culture)**
  - **Consider legal, regulatory, financial ( & other) issues that may influence the situation**

# Context & Policy Issues

## Context

- Knowledge economies
- Demographics & demand for TE
- Globalisation & trade
- Globalisation & interdependence
- Demand & public resource imbalance
- ICT

## Policy issues

- Educational responsiveness
- QA
- Access
- Financing issues
- Skills development, cross-cultural learning & QE
- Balance of trade & brain gain/drain

# **Project Focus - initial**

- **Collect base-line data on extent & nature of relevant provision in sample of 5 (v.different) countries**
- **Collect data on impact of such provision (where possible) - hard & soft data**
- **Identify relevant legal, regulatory, financial issues**
- **Compare findings across sample countries**

# Project approach

- **Collaboration between sponsors: UNESCO, COL (eg in sample choice)**
- **Collaboration between partners: University of Surrey, OBHE, British Council**
- **Collaboration with in-country specialists: Ministries, QA & other agencies, researchers (at a distance....)**
- **Collaboration is key because of variety of data & sources & fast-changing national & international scene**

# Research Questions

- **Extent, range & form of TNE, private & for-profit education in each country?**
- **Who are the providers/partners?**
- **Reason for developments?**
- **Conditions that support or inhibit development?**
- **Nature of impact(s)?**
- **Policy issues arising?**

# Cautions...

- **Short project (9 months)**
- **Small sample of countries**
- **Reliance on co-operation from contacts, no in-country primary research**
- **Very limited resources**
- **Difficulty of identifying and accessing relevant data; data gathering still in progress**
- **More detailed work needed to assess ‘impact’**



# Case-studies: Structure

- **Country overview**
- **Education system**
- **Legal frameworks for tertiary education**
- **Transnational provision**
- **Public perceptions**
- **Tertiary sector data**
- **Data sources**

# **Case-study: Jamaica-overview**

- **Population 2.6 million, 50% rural & 50% urban; 75% of Jamaicans aged < 25**
- **Small economic growth rate experienced 2000-01 after decade of decline**
- **ICT infrastructure not well-developed (with exceptions: Utech, UWI distance education arm)**
- **TE: 3 universities, 2 private colleges, community, teachers' & multi-disciplinary colleges, public sector training institutes**
- **By 2001, 80% of population received some 2ndry education, but only 15% of age group in TE in 2000**

# Case-study: Jamaica

## TNE

- US, UK, Canada, India
- Local partner, branch campus, part franchise, distance learning
- Foreign (& local) courses must be UCJ accredited & be comparable to home
- mainly business & teacher education

## Private/for profit

- 1 private local U, 50% of FE colleges are private
- Jamaican students study with UoPhoenix
- private sector input: financial support (students, HEIs), joint curricula (certificated), WE, mentoring, alliances with US universities for executive MBAs

# Case-study: Jamaica

- **Demand for TE increasing: plans to double access to TE by 2010 through DL, franchised sub-degree level, & TNE collaboration**
- **Financing of HEIs: plans for 60:40 public/private finance**
- **Skills' shortages in IT; lack of job opportunities for graduates but demand from overseas**
- **Progress on upgrading of teacher qualifications: diploma to degree (via TNE, local TE & DL)**
- **Local tuition fees are high c/f US (esp. professional fields)**
- **Staff (not students or govt.) see DL as 2nd best**
- **Impact of TNE negligible on local culture, education system - output is small and job specific**
- **Public employers want improved 'employability skills' among graduates from local HEIs**

# Case-study: Malaysia - overview

- **Population 23.3 million, 2/3 urban (80% in Malay peninsula); 41% of population is aged < 20**
- **Economic recovery in 2000-01 following negative growth for decade**
- **MSC - to be centre of excellence for future multimedia industries; by 2002 - 23 HEIs with MSC status (infrastructure, content, research & training of human resources)**
- **TE: 95% growth 1996-2001 - 17 public Us/U-colleges, 17 private Us, 518 private colleges, 27 TT colleges, 13 polytechnics, & community colleges, VU, IT academies**
- **3 corporatized Us, 3 'political party' Us & UNITAR**
- **TE participation 24% (2002), target of 40% by 2020**

# Case-study: Malaysia

## TNE

- mainly US, UK, Australia, NZ, Canada, France
- International Islamic U
- Mode 3: split-site degrees (3 types), full franchise, branch campus, IT academies
- Mode 4 - local delivery
- Mode 1: external registration, DL
- Mode 2 - study abroad (51,000 students exported in 1999; 15,000 imported)
- professional & business

## Private/for profit

- expansion from 1996 (354) - 708 by 2002
- 14 private Us
- 690 private colleges
- 4 foreign branch campuses
- UNITEM
- private corporations set up specialist universities (science, engineering, telecoms)
- 270,900 students (43.8%) enrolled in private sector (inc. 15,000 international students)

# Case-study: Malaysia

- **Reduce overseas' study:** and increase access through more public local, TNE, private sector, DL & LLL
- **Nation-building agenda:** balance participation across ethnic groups
- **'K' economy:** so increasing national education & training budget from 1996 (26% of total in 2002)
- **But target financing** of 80:20 public/private for public HEIs
- **Skills' shortages in IT;** increase SET graduates to level of Arts graduates, increase R&D capacity
- **Traditional value of overseas TE;** local QA & QE initiatives in place as balance

# Case-study: Bulgaria-overview

- Population 8 million, decreased by 1 million since 1989, 70% urban; 66% aged > 25; brain drain from country
- 1990-97 economy in transition, slow growth in 2002 after 1996 near economic collapse
- ICT infrastructure developing, but behind other candidate EU countries in C&E Europe
- TE: 44 public universities/HEIs, 9 independent colleges, 40 colleges at univs, 14 private HEIs (7 univs/HEIs & 7 independent colleges)
- TE participation 1989-2002: increase from 25-60% (school leavers) & 7-27% (19-23 year olds)



# Case-study: Bulgaria

## TNE

- Germany, US, UK, Netherlands, Rumania, Russia, Ukraine
- 1 (US) private university
- Joint programmes & dual awards popular
- Public & private franchising increasing
- Branch campuses must become national HEIs - double accreditation
- Quotas for (import) of overseas' students

## Private/for profit

- 7 universities/HEIs, 7 independent colleges
- 13.4% of TE students in private sector
- Numbers in private voc/tech colleges increasing (market-oriented courses)
- Private sector seen as entrepreneurial, innovative, but quality reputation not yet high

# Case-study: Bulgaria

- **1989-1999 unprecedented expansion, govt. now controlling access; aim to increase flexibility of study (growing demand for DE) & access for minorities**
- **State subsidy for TE decreasing (except 2000-2002) & other funding sources increasing; tuition fees for all students permitted from 1999 (30% of income) but waived for some**
- **Targets: improve quality & standards, harmonise with EU, improve economic relevance of courses**
- **Legal status of TNE providers affects public status & confidence; traditional international HE higher quality status than new local private**

# Case-study: Bangladesh - overview

- **Population 137 million, 85% rural; 59% aged < 25**
- **GDP growth of 7.06% 2001-2002, but one of poorest countries in world**
- **IT: infrastructure is poor**
- **TE: 15 public (general & technical), 29 private, 1160 degree colleges affiliated to NU, 4 technical institutes & approx. 180 specialist HEIs, 1 Open U**
- **TE participation: < 10% of school leavers entered universities in 1999 (17,000 to public, 4,000 to private); 50% of rest enter general degree colleges (eg 2.1 million in NU affiliated colleges)**
- **2001: 251,413 registered in BOU, but < 0.25% complete courses/exams; majority of students are female**

# Case-study: Bangladesh

## TNE

- Netherlands, US, UK, Canada, Ireland, Belgium
- Private Us lead in franchising & collaboration
- DL popular for foreign degrees
- Islamic University of Technology, subsidiary of OIC
- New: Asian University for Women (EU & govt)
- TNE links valued

## Private/for-profit

- 1992-2002: 29 private universities approved
- Tuition fees high
- Offer internationally marketable & innovative courses
- ca. 20% growth p.a. (c/f 5% in public Us)
- 5% of places for 'poor & meritorious' students

# Case-study: Bangladesh

- **90% of TE is in affiliated degree colleges; big expansion in 1990s (student demand & political patronage); 88% of degree colleges are private**
- **95% state funding, 1% tuition fees (for public Us)**
- **Aim: increase access for Sci/Tech, women, poor in public sector, increase general access to private sector (to recruit 1/3 of students by 2020)**
- **Improve quality & relevance to economy**
- **Demand for legal, medical, MBAs & short management courses**
- **Overseas' qualifications highly valued, public Us better reputation than many private Us, but QE still needed**
- **DE limited (to BOU & BAU) as yet**

# Summary comments

- **Extent, range, form** of 'new' provision is largely context specific - category of private/for-profit unclear
- **Main exporters:** US, UK, Australia, Canada, France, Germany, India
- **Bangladesh, Malaysia** - import foreign students & TNE & export own students; **Jamaica, Bulgaria** mainly import TNE & export own students; DL increasing
- **Demand increasing** in all countries (Bulgaria seeking to control access, demographics may reduce demand)
- **Developments driven** by economic, social, political drivers

# Summary comments

- **Policies (importing & exporting):** increase & widen access, improve quality & flexibility, increase economic relevance & employability
- **Conditions (+ve & -ve):** economics & demographics, govt. policies & legal frameworks, QA regulations
- **Impact** of TNE & private/for-profit HEIs differ; public perceptions change slowly
- **Key policy issue:** judgements of public v private return are complex; need investigation & monitoring over time

# Summary comments

## Positives

- **QE arising from collaboration**
- **Market-driven courses**
- **Innovation & flexibility of approach**
- **Responsive to demand - increase access**
- **Improves & extends skills' training**

## Negatives

- **Quality problematic, QA not yet in place**
- **Brain drain overseas**
- **Lack of public or employer recognition**
- **Access (typically) for those who can pay**
- **Subject base can be narrow**