UNIVERSITIES AND THE BOLOGNA PROCESS
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INTRODUCTION

The Salamanca Statement

The Salamanca Convention is a unique opportunity for European higher education institutions to produce a public statement on the future Higher Education Area and on how they wish it to be shaped.

The statement will have different audiences: within the academic community — teachers, students and administrators; outside the community — politicians at national and international level, business and industry and the general public. An immediate target will be Ministers of Education meeting in May in Prague to evaluate progress towards the European Higher Education Area outlined in the *Bologna Declaration* of 1999.

Higher education institutions in Salamanca could claim:
- that higher education is making an enormous contribution to the development of the continent;
- that universities and extra-university higher education institutions can and will do more to keep Europe and their institutions competititive;
- that changes in the conditions under which they operate are necessary so that they can increase their efforts
- **that their primary motivation to construct a European Higher Education Area is so that citizens — students of all ages, and especially the young — can benefit concretely from it and use their qualifications throughout the region and beyond.**

From freedom to responsibility — a competitive Europe

A distinctive trait — and a perceived strength — of European universities is that they combine missions of research and education (teaching and learning). This is one of the factors that can contribute to making Europe attractive to the rest of the world as a privileged destination for higher education and research activity. In parallel to the ministerial initiative to create a European Higher Education Area, the European Commission has planned a European Research Area. This should be kept in mind during the Convention.

Six action areas are the pillars upon which the Salamanca Statement should be constructed:
- **freedom** with **responsibility**: empowering universities
- **employability** on the European labour market
- **mobility** in the higher education area
- **compatibility**: a common, but flexible qualifications framework
- **quality assurance** and **certification** (accreditation)
- **competitiveness** at home and in the world.

These areas for policy convergence — each of which will be explored by two groups at the Convention — were identified in the *Bologna Declaration* and they fit around wider issues of higher education development. Some have taken on a new significance recently and debate is at times confused. The six themes are linked and hence contain overlapping points for reflection. It will be the responsibility of the *rapporteur* in Salamanca to identify the main proposals for action resulting from discussion.

The context for the discussion is that ministers have linked the development of higher education to the process of European integration: "We are witnessing a growing awareness in large parts of the political and academic world and in public opinion of the need to establish a more complete and far-reaching Europe" (the *Bologna Declaration*). The pledge for convergence has come at a time of greater diversity within higher education. There is tension between continuing diversification and emerging convergence in some of these areas. There is increasing conflict between the national context of universities and the processes of internationalisation and of globalisation. And, to complete the challenge, we are trying to shoot at moving targets.

To bridge some of these divides in the European Higher Education Area, one method is undoubtedly that of networking. "This Area has its origin in the rather uniform national approaches but develops through multifaceted networking processes, which will never result in a uniform and harmonised "European model", but rather a dynamic multi-layered educational business shaped to the need of the local, regional and global communities, (labour) markets and individual preferences. Networking is the key (to convergence)."[1]

The Salamanca challenge: can higher education institutions lead the way?

The challenge awaiting higher education institutions in Salamanca is to organise themselves the European Higher Education Area, in cooperation with governments, international organisations and external partners.

Institutions are aware that they face increasing competition when carrying out their core missions of research and teaching and when they are providing additional services to society, the amount and range of which is now vast. In order to exploit the new cooperation opportunities accompanying the threat of external competition from other providers of research, education and training — some coming from other parts of the world —, institutions need within their national systems:

• the autonomy so that they can show responsibility;
• the freedom to put more effort into reflecting demands for qualifications relevant to the labour market;
• the possibility to promote mobility;
• the trust to make qualifications more transparent; and
• the confidence to guarantee the quality of their activities.

Institutions should work with their external partners in order to advance on these issues.

"Convergent change is being introduced or planned by governments and institutions not simply because they feel an obligation to comply with the *Bologna Declaration*, but because there is a compelling need for them to move in that direction in their own interest…"[2] What would be the price of not taking action now?

For governments, if countries do not converge their reform efforts, "an undesired division would be created in Europe, with possible negative consequences for the competitiveness of these "non-convergent" systems and for the flows of students from these particular systems to others, which better guarantee the quality and thus the recognition of qualifications."[3]

For institutions, to continue as present in any of the areas is likely to "create internally in Europe a new split between certain higher education institutions that have fully integrated the world dimension of higher education, and others that have not".[4] At least those institutions that have fully taken on board and prepared themselves for competition will prosper, but their prospects will be weakened if their pro-active stance is constrained by continuing problems of over-regulation, inflexible learning structures, impenetrable qualifications, lack of freedom to compete — problems that will not disappear. Higher education institutions will find themselves in different leagues.
Alternative scenarios are those in which countries rely on protectionist higher education legislation to stave off competition, or work through international organisations like the European Union to achieve convergence in some policy areas.

If the higher education institutions want to build the European Higher Education Area on the principles of their autonomy and diversity, balanced with the need to show responsibility and to organise the variety of education on offer to students, Salamanca is the place to make a statement.

There follow notes on each of the six group themes, as background to discussions. Each note gives pointers for the discussion, summarises recent developments in the field, sketches future scenario and highlights points for reflection.

THEME 1: FREEDOM WITH RESPONSIBILITY: EMPOWERING THE UNIVERSITIES

Pointers for the discussion

☞   If they want to take the future into their own hands, higher education institutions need to anticipate change that would otherwise be forced upon them. An opportunity like the Salamanca Convention arises seldom.

☞   Universities need and want autonomy. In many countries in Europe, over-regulation inhibits progress and innovation and constitutes a serious handicap in the European and worldwide environment. Universities request the power to plan their own futures, striking the right balance between autonomy and responsibility and between diversity and organisation.

☞ Institutions are prepared to take fresh initiatives now, in all areas where they have the power to do so. A lot can be achieved, in particular in the area of curriculum design and renovation and for the recognition of studies abroad. Significant progress towards the European Higher Education Area can be achieved in Europe through subject-based cooperation and networks.

☞ More effective self-organisation at the European level is an imperative both in the university and in the college/polytechnic sector.

Autonomy and accountability

Autonomy and freedom are values endorsed by the *Magna Charta Universitatum*. An Observatory to oversee the implementation of the principles of the *Magna Charta* has been established by the CRE-Association of European Universities and the University of Bologna. Higher education institutions are thus taking responsibility for the preservation of their core values — as well as their adaptation to changing times. When the pace of change accelerates, institutions need even more the autonomy to steer their course of action.

Accountability is the counterpoint to autonomy and institutions have to prove that they provide a wide range of services in addition to their core mission of education and research. The responsibility of higher education in Europe, as a public service, has traditionally been heavy and it has become more complex: for example, to reflect critically upon the development of society, in an increasingly global context, or to create a sense of European citizenship. These, and ethical issues, for instance, demand a leadership role from higher education institutions.

As preparation for the Bologna conference, a report on *Trends in Learning Structures* identified a trend across the continent in giving institutions more autonomy in relation to curricula. But, when universities are responsible for the degrees that they award, higher education institutions present in Bologna recognised that this right "equalled a responsibility requiring acceptance of an…external quality assurance system." Quality assessment, with a focus on responsibility towards the learner, is now generally accepted as an essential part of accountability.

In the face of demands to assume increasing responsibilities, higher education must keep its distinctive characteristics, and different types of institutions should cover the breadth of responsibilities. Sometimes, it is other parts of the education chain that share, or should assume entirely, the responsibility for an issue. Institutions need regular dialogue with state authorities to maintain the balance between their freedom and autonomy and their responsibility and accountability to society.

Reflecting on how hard it is to reconcile aspirations for higher education policy and institutions on different levels, a Finnish ministry representative has remarked that: "the only way we can cope with the situation is to strengthen institutional autonomy. This would allow the institutions to genuinely work on their individual profiles; they need to define the role they want to play in the national and international higher education communities. Such profile building is credible and sustainable only if the institutions can do it themselves without interference from the

government."[5] Higher education institutions must be free to make strategic choices, to concentrate on their core areas, to develop individual identities, to choose their partners, and to position themselves to compete to deliver quality education, research and services.

Dialogue with partners

Being more autonomous should help universities be more confident in their interaction with partners. For example, they may envisage installing a regular dialogue with the government or local business community, with a rolling agenda of issues, including an annual review, rather than occasional discussion with sporadic meetings, sometimes linked to crises. Institutions may then explain their plans for their future and their constraints.

There is a challenge for institutions to operate effective networks at different levels. The "vast majority of higher education institutions cater for…local needs. Growing contacts to their national and international partners and…academic exchange will not basically affect their local mission, but…develop their European and/or international dimensions".[6] Some institutions see themselves as regional or cross-border and develop an extensive network for their services. Others build global networks in their fields of academic strength, sometimes involving industry and trying to establish educational benchmarks from which they may establish a brand name. At its most sophisticated, such a network can develop joint products, combine marketing efforts and provide entirely new services. But, the present competencies of most higher education networks are more limited.

Freedom to compete

The most significant consequence of increased institutional autonomy should be improved teaching, research and related services. The freedom to compete implies the right for institutions to design their curricula, determine their research priorities and implement their action plans for innovation. In order to guarantee the quality of their activities, institutions are responsible for designing strategies. These strategies differ according to individual missions but, to be implemented successfully, they generally require autonomy in financial, personnel and operational matters.

Signs of such autonomy are, for example:
•	the transfer of property and infrastructure from the state to the institution
•	transparent lump sum funding from government, allowing the university to implement its strategic choices.
•	institutions being able to generate, spend to generate and retain income, without prejudicing their state grant
•	the freedom to charge tuition fees and set their level
•	institutions deciding the employment terms and salaries of staff.

Other areas where the issue of autonomy is at stake include:
•	the regulation of student places (number and selection of students)
•	external representation on the institution's governing body.

True autonomy and accountability make more demands on institutions and on their leadership. If institutions do not demonstrate their capacity and willingness to plan their futures, explain the constraints on their action, engage dialogue and find help for solutions to those constraints, they are not using the power of autonomy, nor showing responsibility.

Future scenario

The European Higher Education Area will be composed of multiple networks for different purposes. Institutional and subject-based networks and associations will be used to achieve research excellence, to exchange ideas and experience connected with using information and communication technologies (ICT) in education, etc... Different networking patterns are already emerging. The networks will increasingly contain partners from outside higher education, e.g., a network on using ICT innovatively will integrate the multimedia business sector, ICT companies, publishers, ministries and associations.

Points for reflection

Autonomy and accountability

☞   Should all types of higher education institutions bear the same sorts of responsibilities?

☞   Can institutions demand total autonomy and unlimited state funding?

☞   Are higher education institutions using the Bologna process to examine their curricula in the light of today's requirements (the demand for more choice within higher education — updated content, alternative learning paths, new methods of teaching and learning, a European dimension, etc.)?

☞   How could institutional autonomy be preserved if there were a common European framework for the recognition of qualifications and for quality assurance?

Freedom to compete

☞   Should decentralisation of power allow institutions to select their students, fix study fees, recruit professors, or diversify salaries? For which categories of students should institutions have the right to request fees?

☞   Would a "non-profit legal entity status" at European level give higher education institutions more freedom in financial, personnel and operational matters?

THEME 2: EMPLOYABILITY ON THE EUROPEAN LABOUR MARKET

Pointers for the discussion

☞ Students will increasingly demand and enrol for qualifications that can effectively be used throughout the continent. Higher education institutions accept that it is their responsibility to award such qualifications and want to be in a position to do so.

☞ Higher education systems and institutions that respond to the demand for relevant curricula, flexible learning paths and innovative delivery will attract more students, also from other parts of the world.

☞ All degrees do not have to be "relevant to the European labour market" (*Bologna Declaration*) to the same extent and in the same way. In particular, first degrees earned at different institutions may differ in their purpose, orientation and profile. They may, nonetheless, all fit into a transparent and cohesive system of understandable and compatible qualifications.

☞ Higher education institutions acknowledge the need to build bridges between different types of institutions and with other parts of the education system, so as to improve recognition of learning acquired in different contexts, including non-traditional education.

The type of expectations of higher education and the response

In the knowledge economy, wealth depends on the development and application of new knowledge — by workers, among others. Research is creating new jobs more than before, while lifelong learning is perceived as a necessity for all. Expectations of higher education have risen in the areas of knowledge transfer, of producing graduates for work — including for self-employment — and of retraining workers. It is the responsibility of higher education institutions and of governments to meet these expectations.

Previously, the responsibility of universities for their graduates ended at graduation. The growing number of unemployed graduates in the 1970s and 1980s intensified discussion of their "employability". Governments required universities to take responsibility for their students not just by educating them, but also by giving them "transferable" skills to make them more employable. New higher education institutions were created next to universities, which had more of an orientation towards the labour market. Today, governments feel a responsibility to replace the big post-war cohorts of employees now slowly retiring from the labour market, with new graduates — for new types of jobs, including for self-employment — or with retrained people.

Employers stress that graduates should have "learnt to learn" and that they should thus be able to contribute to the development and application of knowledge required to maintain economic competitive advantage. But employers are also concerned that their other workers acquire similar skills. Hence, the commitment to lifelong learning, with its implication of knowledge updating and renewal and, sometimes, complete retraining.

If the traditional idea of combining research and teaching and thus encouraging the development of a solid disciplinary and methodological knowledge in the student remains valid, it is expected now too to include the acquisition of skills such as communication or teamwork aptitudes. The transferable skills that graduates are supposed to obtain are supposed to be included in the process of "learning to learn". Universities argue that one of the best ways that they can show responsibility for their graduates is by awarding them qualifications that are recognised to be of high-quality, internationally competitive, including knowledge of research methodologies and how to learn. The general elements in higher education should be emphasised and specialisation would be left to a more advanced academic level or to lifelong learning programmes.[7] Another response to demands for more employable graduates is for institutions to include more multi-disciplinarity at the first level of higher education, so that workers can communicate better with specialists from other fields.

Growing professional mobility in Europe

As the economy becomes more global, a European labour market grows more real. Higher education systems and institutions are not just being asked to ensure that the people they are educating are employable, but also that they are employable on a European (or world) scale.

The *Sorbonne Declaration* in 1998 justified the idea of a European Higher Education Area by saying that it was a key way to promote citizens' employability and mobility — and the continent's overall development. The statement is reiterated in the *Bologna Declaration*.

Employability and mobility are two different objectives for people, even if a link is made in this context. To be employable is necessary for the person who aspires to travel or not. To be mobile is an additional objective of more citizens now: young people who are conscious that Europe is a continent where national borders are less and less important (due mainly to the achievements of the European Union in many areas, notably in freeing the movement of goods, services, capital, and, to a lesser extent, of people). It is in this last area that action is being sought urgently, not just for the mobility of young students or of recent graduates, but also for workers seeking professional mobility. The prospect of an enlarged European Union adds to the attractiveness of the continent, for people in Europe and for people in other parts of the world, as a space within which people can theoretically gain professional experience in different countries. And, it is partly increased student mobility that has reinforced the idea that studying abroad is one of the most effective means of preparing future graduates for the needs of an increasingly international professional life.

Those people expecting a higher education experience to make them not just more employable, but also to increase their prospects of employment at European level and success in a competitive labour market are interested to acquire another set of skills. "The internationalisation of higher education within the EU…reflects the general upgrading of European labour: skilled future professional labour [acquiring] not only formal academic qualifications, but also linguistic and cultural capital"[8]

The labour market is also calling for these kinds of skills when globalised business is giving multi-culturalism a new value and foreign languages, for example, are seen as a way to increase understanding of different cultures.

 "It has become very clear that the higher education sector is expected to contribute more to making the European labour market an everyday, effective reality."[9] This has been one of the stimuli for higher education institutions to incorporate external partners more into their consultation procedures or even their governing structures. The use of external examiners from industry in the assessment of courses, the organisation of work placements for students, joint research and the increase in continuing education for workers have also contributed to the improvement of links between institutions and the economy.[10] The dialogue between higher education institutions and their stakeholders is important, given the high and varied expectations of higher education and the different responses possible. Institutions must develop open-ended strategies, enabling them to preserve a long-term view of disciplinary developments and a shorter-term view of graduates' needs.

The need for flexible learning paths

"Higher education should offer opportunities for everyone capable of profiting from degree-level work, with financial support as necessary to ensure access for everyone who can benefit" (*G8 Cologne Charter*). Widening access to higher education is one of the main motivations for systems and institutions to offer more flexible learning paths.

Another stimulus for flexible learning paths is a change in the profile of learners. The diversity in student profiles has resulted in the last two decades in the emergence of a vast range of new study options and combinations, of more flexible and modular design, and more distance learning.[11]

Recognising learning in different contexts

In the context of lifelong (or lifewide) learning and the development of people's employability in Europe, at national and at European level, there is a call to move towards academic and professional recognition of learning acquired in formal and informal learning contexts through the use of mechanisms such as credit accumulation and transfer. For example, higher education institutions must consider whether to award credit for prior and experiential learning.

The certification in one way or another of all knowledge and skills acquired until a certain exit-point could help reduce drop-out rates in formal education, which is a worrying financial problem in some European countries, and failure patterns. It could also represent a competitive advantage internationally. But certification by higher education institutions of skills acquired in some contexts remains a challenge.

Employers wish to better understand the qualifications of those applying for jobs and businesses operating globally are requesting qualifications that can be more easily understood and compared internationally. This is giving impetus to the objective of the *Bologna Declaration* for

European higher education to adopt a framework system of easily understandable and comparable degrees and, within that, to make full use of recognition instruments such as the Diploma Supplement.

Extending bridges between sectors

Vocational training, for example, imparts skills attuned to the needs of the labour market and opens up pathways to higher qualifications. But, until now, higher education "required the creation and maintenance of autonomous spaces…and of separate and distinctive institutions. So did research. In contrast, lifelong learning requires the…transcendence of…boundaries. So does knowledge production. Both depend upon…ever-closer partnerships between different types of institutions and organisations…"(Peter Scott). What type of bridges exist and which can be imagined as desirable to the higher education sector from other learning sectors?

Future scenarios

Students expect increasingly to receive a broad higher education that gives them flexibility on the labour market, since they will change jobs more often. They will choose to enrol for qualifications that allow them to work in different countries of Europe.

The demographic trend in Europe is towards an ageing population. The consequences are beginning to be an increase in adult learners and a likely increase in the demand for short masters degree programmes. The latter may also be interpreted as a response to the situation whereby more and more people enter to compete on the labour market with a first-cycle (bachelors) degree.

Higher education systems and institutions that respond to the demand for flexible learning paths will attract more students, also from other parts of the world.

If the higher education sector is not clear on which learning in different contexts it is recognising, the European Union or another international organisation may pursue the question, perhaps issuing a recommendation or a directive, or drafting a convention.

In the United States, where the transparency of qualifications is clearer for employers than in Europe but still not clear enough, a private enterprise "interprets" qualifications of job applicants for companies. If higher education institutions in Europe do not try and render their collective offering more understandable and use instruments being developed like the Diploma Supplement, a similar idea may emerge in Europe.

Points for reflection

☞   How can all types of higher education institutions organise themselves to respond better to the varied expectations to provide employable graduates with the sort of transferable skills now being requested and to offer lifelong learning? What are the differences between the extra-university and the university sector?

☞ Who will pay for lifelong learning? The *G8-Cologne Charter* states that an investment can be expected of government, investing to enhance education and training at all levels; of the private sector, training employees; of individuals, developing their abilities and careers. Are, for example, those companies concerned that their workers acquire additional skills for lifelong learning willing to pay higher education institutions to provide some of those learning experiences?

☞ The *Bologna Declaration* states that: "the degree awarded after the first-cycle shall also be relevant to the European labour market as an appropriate level of qualification". But, all degrees should not be professional to the same extent and in the same way. What might a system of differentiated degrees resemble?

☞ Will higher education institutions — especially universities — recognise and credit learning acquired outside the higher education sector?

THEME 3: MOBILITY IN THE HIGHER EDUCATION AREA

Pointers for the discussion

☞ Students should be able to choose from among the entire range of courses on offer in the European Higher Education Space and mobility should become a central value of European higher education.

☞ The mobility of students, teachers and graduates is hampered by recurrent obstacles, in particular cumbersome recognition processes. The institutions want to increase significantly mobility of different types, working together to overcome structural obstacles and to free up the European Higher Education Space, by making their education and research programmes easier to understand, by organising the diversity of these programmes and their qualifications, and by using better instruments of academic recognition.

☞ Better mutual recognition of qualifications in Europe would also promote their better recognition in other world regions, thus enhancing the competitive edge of Europe in the global higher education world.

Mobility as a tool for internationalisation

The European Union (EU) — with governments and institutions — is still aiming to increase the mobility of students, teachers and administrative staff in education but the percentage of mobile higher education students in Europe remains less than 5%.[12]

Mobility is a tool for internationalising institutions, as well for improving European citizens' linguistic and intercultural skills. Mobility has become central to internationalisation policies: the motivation to help people go abroad mixes the collective and individual benefits.

"After a first period of individual student mobility ("free movers") and a second phase of mobility and exchange based on institutional agreements, an internationalisation of academic content and processes…is taking place. That is likely to have a more structural and longer-term impact on the institution itself, whereas the effects of mere mobility and exchange are limited to the individual students".[13] In the early years of the ERASMUS programme, it was expected that teaching staff mobility would result in an added European dimension in curricula. But, teachers, if they went abroad at all, stayed for only short periods and the impact on curricula remained small; it was more contact between professors and incoming and returning students that inspired curricular change.

The rationale for mobility of students and teachers has changed somewhat in recent years. Now, in addition to the traditional motivations for moving students, a growing part of international student mobility is increasingly market-driven. Institutions compete to recruit students from other countries, to whom they can sometimes charge tuition fees.

Different types of mobility

The EU programmes have promoted more organised academic exchange. Its purpose was "to deal with diversity and its consequences and complexities, but without pushing for structural changes in the national systems".[14] "Vertical" mobility — when a student obtains a qualification in one institution and moves to another institution to obtain a second — and "free movers" could function better if fewer structural obstacles existed. The National Union of Students in Europe (ESIB) has called for equal treatment under national law for this kind of mobile student (rights to health care, accommodation etc., if not domestic grant support).

Inter-university collaboration has traditionally taken the form of physical mobility. Virtual mobility is slowly becoming a viable alternative, sometimes to complement physical mobility, as more creative ways of using technology to internationalise education emerge. And, transnational education, when education moves to the learner rather than the other way around, is expanding dramatically in some disciplines and countries. Under the right conditions, the latter can provide an alternative international education opportunity for students who are not mobile.

These developments are reflected somewhat in the new generation of EU education and training programmes. SOCRATES for higher education maintains the aim of promoting quality education through internationalisation, but has added the objective of including more people — ERASMUS should be less of an opportunity for a privileged minority of students.

Obstacles to mobility and structural improvements

Despite the increase in student mobility in Europe during the last twenty years, the same difficulties of incompatible calendars, credits and degrees persist. The diversity of systems, institutions and qualifications has, in fact, been described as "the single biggest obstacle to more mobility in higher education in Europe."[15] Structural improvements — the setting up of a transparent framework of compatible qualifications, the elimination of regulatory or administrative

obstacles, easier access to more complete information and the provision of freer choice — are necessary to improve organised exchange and individual mobility.

In Bologna in 1999, student representatives prioritised increased funding — for higher education in general, and for mobility grants in particular — and highlighted the difficulty of transferring grants and scholarships.

The report on *Trends in Learning* called for better information and advice to students, through reorienting databases and publications, or by training further careers officers and student counsellors. The European Commission has begun work on an electronic Gateway to the European Learning Area, to provide better public on-line access to information on learning opportunities throughout Europe.

The European Council in Nice in December 2000 approved a resolution for a Mobility Action Plan, focused on removing remaining barriers to mobility. EU Member States should coordinate the implementation of measures to increase and democratise mobility in Europe. Problems like unequal access to information, financial constraints, inadequate social security cover and career hindrances should be tackled. The main ideas are to:
• create a portal for accessing information on mobility opportunities
• examine the interaction of financing possibilities at different levels
• promote multilinguism
• train administrative and academic resource staff to give advice on mobility
• examine the organisation of study programmes into semesters.

The European Association for International Education (EAIE) has called for the introduction of the legal status of "student-trainee" for full-time students who are on internships abroad of six months or less (those staying longer should be considered as workers). A European student-trainee agreement should be developed, detailing the relationship between the student, the home institution and the host institution during the training period. Within it, all legal formalities should be resolved, e.g. residence permit, health insurance, taxation, professional and personal liability.

Although some of the difficulties encountered by mobile research trainees have been resolved, others remain, related mainly to legal formalities. EAIE recommends that universities offer the visiting fellow a "fellowship contract" (based on the principles of education and training), or an employment contract, whichever is more appropriate. In the early 1990s, an evaluation of European research fellowships revealed that around a quarter of fellows had no contract at all. For researchers, teachers and administrative staff, the *Bologna Declaration* calls for the recognition and valorisation of periods spent researching, teaching and training in the European Higher Education Area, without prejudicing their statutory rights.

Interest in freeing up mobility focuses attention on the issue of the recognition of qualifications. An increasing number of citizens seek fair recognition of their qualifications. Generally, a qualification, even if not completely equivalent, is recognised, provided it passes a "fitness for purpose" test — a foreign qualification may be at a comparable level and have a comparable

function, even though it may differ in details. Recognition has replaced the earlier approach of evaluating diplomas on a course-by-course basis to establish full equivalence.[16]

Since each country is responsible for its education system, the only EU instruments imposing mutual recognition of diplomas are directives on recognition for professional purposes for certain regulated occupations. Two general directives established generally acceptable minimum requirements for qualifications. If these requirements are fulfilled, the host country must prove that the foreign qualification is not up to standard.
For academic recognition, higher education institutions should use more the *Council of Europe/UNESCO Lisbon Convention on the Recognition of Qualifications* concerning Higher Education in the European Region. Credit transfer systems, and especially the European Credit Transfer System (ECTS), are facilitating academic recognition. More and more institutions have taken the basic step of allocating 60 ECTS credits to a study year.

One of the problems encountered when people move for either professional or academic purposes is that original credentials produced for employers or host higher education institutions provide insufficient information. The Diploma Supplement, developed by UNESCO/CEPES, the Council of Europe and the European Commission, to improve transparency of qualifications and their recognition, and of Europass, a system recording work-based study periods abroad and facilitating the translation of learning experiences into credit accumulation, could help higher education institutions, employers and public authorities throughout the world to better understand qualifications. These instruments aim to improve the international transparency of qualifications and their academic and professional recognition. The supplement presents the national higher education system, so the diploma can be understood in its national context, and gives information on examinations passed and the level obtained.

More legislation and instruments are not needed at the moment — the challenge is for institutions to implement those that exist and for governments to ensure that national policy decisions are compatible.

Mobility outside the European Area

The *Bologna Declaration* concentrates on mobility within the European Area, but exchange with other regions of the world, and especially attracting more researchers, teachers and students to Europe, is a way to improve the competitiveness of European higher education. Higher education institutions could cooperate to organise activities abroad, e.g. to arrange mobility, and thereby add a new meaning to international cooperation.

Future scenarios

There may be a change in the type of mobility in Europe, particularly if the objective of the *Bologna Declaration* to arrive at a common framework for compatible qualifications is achieved. Besides short-term organised mobility (exchange), we can expect to see a trend towards long-term free mobility of students, who will continue their graduate studies abroad, having obtained a first degree in their home country. Such a trend may in time have an impact on the European

programmes for cooperation and mobility."[17] Free movers would test the limits of free choice and if they were to receive equality of treatment with home students, this might contribute to balancing presently uneven student mobility patterns in Europe.

"It is likely that, in the long-term, traditional student mobility will be eclipsed by study programme mobility, as more transnational programmes are offered. It is becoming cheaper relatively to move courses rather than students. However the initial cost of developing (hard-copy and software) mobile programmes is very high."[18]

Networks of universities across Europe, and beyond, will play an important role in academic recognition, by developing more mechanisms like benchmarking and cooperation in quality assessment beyond the national level.[19]

Points for reflection

☞   Which obstacles to mobility are higher education institutions able to overcome on their own (individually or by collaborating among themselves), and which require action from governments or from international organisations?

☞   What are the most urgent actions needed to achieve more and easier student, staff and researcher mobility?

☞   How can mobility be made possible for a wider range of students?

☞   How can non-European students be attracted to the continent?

☞   How can plans for mobility take into account the growth in transnational education?

THEME 4: COMPATIBILITY: A COMMON, BUT FLEXIBLE QUALIFICATIONS FRAMEWORK

Pointers for the discussion

☞   The diversity of study programmes and of qualifications strengthens Europe's competitive position internationally, but potential learners within the region and in the rest of the world must be able to understand the rich variety of education on offer so as to choose between courses, qualifications and institutions.

☞   A common framework is needed to show compatibility among different systems of higher education. Within a common but flexible qualifications framework, a basic articulation of studies into an undergraduate and postgraduate phase must accommodate the great variety of first degrees, reflecting their different purposes, and of postgraduate degrees, spanning different research methods.

☞   European credit accumulation and transfer procedures, respecting the principles of structured learning and institutional autonomy to recognise credit or not, are a powerful tool to arrive at a common, yet flexible European framework.

☞   Higher education institutions are willing to work more through disciplinary networks, in cooperation with professional bodies, in order to identify core features of curricula, qualifications and professional profiles.

Diversity of qualifications

Increased demand for higher education has led to the greater diversity of study programmes, qualifications and institutions. The survey of trends in higher education structures "shows the extreme complexity and diversity of curricular and degree structures in European countries."[20] Different types of degrees, diplomas, certificates, etc. take a general, scientific, professional, technical or vocational orientation. They are being offered to new publics: adults, lifelong learners, students at universities who have come from polytechnics or colleges, etc.. "Widened access…means further diversification, personalised learning paths, better information about content of courses and combinations, flexible learning structures and transparent recognition and assessment systems."[21]

Establishing a common framework

The Bologna process is a search for a "common European answer to common European problems".[22] The report prepared for the Bologna conference identified these trends affecting the structure of degrees/qualifications in Europe:

•   a governmental push towards shorter studies
•   an increasingly blurred divide between the university and non-university sectors
•   more academic credit transfer (and, to a lesser extent, accumulation) systems
•   greater autonomy of universities, often accompanied by initiatives for quality evaluation
•   challenges from abroad, notably via transnational education.

Suggested lines of action are:

•   the adoption of a common, but flexible frame of reference for qualifications
•   the gradual adoption of an ECTS-compatible credit accumulation system
•   an enhanced European dimension in quality assurance, evaluation and accreditation.

The *Bologna Declaration* calls for organising higher education studies into the two phases of Bachelors and Masters. Despite discussion of such a move in a context influenced in 1999 by reflection in France on a 3-5-8 year system, the *Trends Report* showed that Bachelors degrees in Europe usually require 3 to 4 years of study; that there is a high degree of convergence to a 5-year Masters; and that there is no 8-year standard duration for doctoral degrees. What the report suggests instead is qualifications equivalent to credit years of study:

- Sub-degree level (certificate, diploma): 1-2 years of equivalent ECTS credits

first degree level (bachelor's): no less than 3, no more than 4 years of equivalent ECTS credits

- Master's level: about 5 years of equivalent ECTS credits, of which as least 12 months worth of master-level credit
- Doctoral level: about 7 to 8 years of ECTS equivalent credits.

In addition, the first-degree level should be gauged on the basis of the knowledge and competencies acquired rather than the time spent.

When establishing a common framework for existing qualifications, the possibility should be built in for new qualifications to find their place in that structure.

Moving from comparability to compatibility

A step towards transparency of diverse systems and towards compatibility of different qualifications is to develop credit transfer and accumulation systems. Credit systems complement general legal instruments of academic or professional recognition. For example, since university and extra-university institutions both use modular credit-based courses, student transfer between the two sectors has been greatly facilitated.[23]

The European Credit Transfer System (ECTS) was established in the 1980s to facilitate student exchange and it functions on the basis of individual student learning agreements. It is a framework within which institutions agree to recognise quite automatically study courses and thus facilitate credit transfer. To make curricula more transparent, credit points are assigned to study programmes (one year of full-time study has a maximum of 60 credits). But, students are dependent on their professors and, if they take courses not included in their learning agreement, they do not necessarily get credit for them. Even if the system took a long time to gain acceptance and it is still not always applied completely, the tools have proved effective and ECTS has made a noteworthy contribution to making curricula more transparent and to facilitating recognition of study abroad. ECTS is compatible with other credit systems in Europe, even if these have been designed to achieve different local, regional, national or international objectives.

An overarching European credit accumulation and transfer framework is now needed. The *Trends Report* suggested that ECTS should *inter alia*:

- be applicable within all sectors of higher education
- cover all forms of learning
- recognise equivalent rather than identical learning abroad
- distinguish between different levels of credit - general, specialised, master
- respect institutional autonomy to recognise credit or not.

The European Commission feasibility study on developing ECTS into a credit accumulation system to encompass different types of learning argues for a new credit-based lifelong learning framework that would:

- include professional, vocational and corporate qualifications
- be designed for use outside the EU (particularly in view of its scheduled enlargement) and take on board the fact that there is high demand for student exchange with the US
- permit integration of students into degree programmes on the basis of accreditation of prior experiential learning.

The report concluded that it is feasible to extend ECTS, even if it requires further embedding in institutions and that expanding the system would mean that mutual recognition would be more difficult to achieve. "Therefore, it is recommended that the development of a European credit-based lifelong learning framework should be connected to existing Commission initiatives to link existing national quality assurance mechanisms."[24]

But, there is a difference between a credit transfer system and an accumulation system. Credit systems make it possible to underline the learning path — whether it includes education at universities, extra-university higher education institutions, or other bodies offering education and training. Concerns have been expressed that a credit accumulation system creates an "*à la carte*" framework, within which the student is free to mix credit from different types and levels of education and then demand a qualification; this would not guarantee the intellectual development associated with obtaining qualifications. But, since it is the university that decides to validate study programmes and award a qualification — or not, credit-based curricula are not incompatible with a structured, progressive learning experience.

And, some doubt that ECTS has in fact the potential to become a model for credit transfer and accumulation on a larger scale.[25] The main criticism is that in the drive to find a pragmatic solution to the problem of academic recognition that was hindering student mobility, ECTS bypassed the question of quality, which has become central to the present debate on the compatibility of European qualifications.

The possible extension of ECTS to incorporate vocational education and training has raised questions in some countries. Presently, most traditional European universities do not apply credits to vocational or to professional training. "There is a need to develop a credit system that takes into account competencies (widely used in vocational education and training) that is compatible with a credit system based on workload (currently used in higher education)."[26] The fact that education is being delivered in more different ways makes notional time measures of credit increasingly problematic. But, the idea is to keep the student workload approach at the core of any future system.

A pilot project to see how to measure student workload in terms of learning outcomes, knowledge, skills and competencies in five disciplines is being launched with the support of the European Commission. It will also examine in each discipline commonly accepted professional profiles, levels of study and curricula.

Future scenarios

New Masters courses will be offered by individual institutions or by consortia in areas where there are no short, or separate, programme at this level. They will be open to students who have done their undergraduate studies at a different institution or in a different country.

"The development and introduction of an ECTS credit-based lifelong learning framework will be a complex process, best achieved at the strategic policy level through processes enabling a wide dialogue between European higher education institutions, initial education providers, professional bodies and employers". The *Bologna Declaration* is perceived in this context as "an indication of the political support offered by European governments to such a process".[27]

Points for reflection

☞   Will qualifications come to be described in terms of credit-compatible years?

☞   Will higher education institutions accept credit for learning acquired in non-higher education contexts?

☞   What are the advantages and disadvantages of ordinary and advanced degrees?

☞   Will employers accept new intermediate qualifications, particularly in the professional disciplines that usually require an integrated curriculum?

☞   Will there be a standard nomenclature for European qualifications? Will there be national and "international" titles (in English)?

☞   How can quality assurance contribute to improving the recognition of higher education qualifications? Which methods would facilitate comparability and could be linked to recognition mechanisms such as credit transfer and accumulation?

☞   Can more curricular convergence be achieved within broad disciplines?

THEME 5: QUALITY ASSURANCE AND CERTIFICATION (ACCREDITATION)

Pointers for the discussion

The European Higher Education Area can only be built on high quality education and research, and thus on more cooperation in the crucial areas of quality evaluation and quality assurance.

The European higher education community wants to organise itself in order to design and implement the mechanisms required for quality assurance/certification with a European dimension. When carried out in cooperation with partners in government and society, this will be

the best answer to the pressing need for transparent quality assurance in the European Higher Education Area.

All forms of transnational education must be subject to the same quality standards as other education, both in the providing and in the receiving country.

The Europeanisation and internationalisation of higher education demands a European dimension to quality assurance/certification mechanisms. The appropriate answer is not a European agency enforcing a single set of standards, but a system based on the development and recognition of quality assurance/certification at the level of a country, a region, a network or a discipline.

The need for international quality assurance procedure : the transnational context

Quality assurance systems in Europe have a national perspective, when the globalisation of the economy and the emergence of virtual learning have created an international higher education environment. Academic and professional mobility are on the increase and institutions and curricula are crossing borders. The rise of transnational education constitutes a challenge to quality assurance; the urgent need is to protect students and employers from fraudulent institutions and awards. While national quality assurance is geared towards accountability and improvement, there is a need to contribute to the international visibility and compatibility of European qualifications on the international level.[28]

Despite its obvious growth, there are no reliable data on the current size of the transnational education sector in Europe, partly because of the difficulty to agree on what should come under the term.[29] Transnational education is particularly present in regions where there are high selectivity rates in traditional education and little diversification.[30] The United Kingdom (UK) is by far the biggest exporter of higher education in Europe, while Greece, Spain and Italy are the main importers.[31] The widespread knowledge of English facilitates exportation of education from the United States, the UK, Australia and other English-speaking countries, which earn money from their educational services abroad.[32] Disciplines are also affected unequally: the most visible challenge is in business and management (especially MBAs), computer science and information technology, and foreign language learning.[33] Much activity is at postgraduate level or in continuing education.

Transnational education brings opportunities and challenges. It can improve access to higher education and contribute to diversification of learning paths. It can promote innovation in curricula and delivery methods; further internationalisation of higher education; promote intercultural cooperation; and help make the sector more competitive. For some institutions, there is the possibility to raise income; for others, there can be a loss of income. Conflict with national education systems surfaces when non-official unregulated providers (often franchised institutions and branch campuses) are not subject to internal or external quality audit. There is, then, a concern to protect consumers from exploitation, as well as to recognise quality transnational education. Global quality is more than academic excellence: it balances academic learning with transversal skills, professional competencies, and ethical and civic values. That is

why quality assurance of transnational providers should involve all the actors in the process: creators, importers, exporters, students and stakeholders.

Strategies to deal with transnational education should fit with other national education goals, e.g., to promote lifelong learning, transmit culture or increase competitiveness. This is not a domain that is easily regulated through conventional legal measures. Current national regulation is fragmented, mainly requiring foreign providers to be registered, licensed or in some other way approved by local quality assurance authorities or by the Ministry of Education.[34] Pressure to define higher education as a service that should be covered by international trade agreements is growing — a US proposal has been made in the framework of the *General Agreement on Trade in Services (GATS).*

The *Council of Europe/UNESCO Lisbon Convention on the Recognition of Qualifications concerning Higher Education in the European Region* does not treat recognition issues arising from all kinds of transnational education. But, their Code of Good Practice tries to give a normative framework for countries sending and receiving transnational education.

While, "in the short-term, the potential impact of transnational education is likely to stay as it is now, relatively small scale …in the longer term…its impact will intensify and broaden."[35] "Transnational education touches on all dimensions of the current European educational debate engendered by the *Bologna Declaration*, including matters of recognition, transparency, accreditation, cultural and academic autonomy, convergence and divergence."[36]

Different actors and types of evaluation

In nearly all European countries, some form of external quality assurance of research and of teaching is in operation. Quality assurance is a continuous process, which takes place at the level of a course, a faculty or an institution. It can serve to improve the quality of education, research or management, facilitate the recognition of courses and qualifications, and help increase the mobility of students and researchers. But, the scope of national evaluations varies: for instance, some countries evaluate programmes, others institutions. A European Institutional Evaluation is offered by CRE, and an Internationalisation Quality Review by CRE, OECD/IMHE and the Academic Cooperation Association (ACA). In addition, there are accreditation activities in many countries, carried out by a national agency or through mutual agreements between institutions, with institutions sometimes seeking American accreditation. The only European-wide accreditation initiative is the EQUIS model for business education, launched by the European Foundation for Management Development (EFMD).

The growth and variety of evaluation activities in Europe prompted the creation in 1999 of the European Network for Quality Assurance in Higher Education (ENQA), founded on a recommendation of the European Council of Ministers of Education. The network assembles national quality assurance agencies to exchange information and experience and to develop jointly their work, but this has not resulted yet in translating national outcomes of evaluations into international ones. ENQA is expected to play a strong role in the future in monitoring and

exchanging information and good practice related to quality assurance for transnational education.

Accreditation

The question of external accreditation of courses and institutions is increasingly raised in the context of quality assurance, because evaluation without certification is perceived as unfinished business for those who wish clear information about minimal quality standards of qualifications, including transnational ones. There is pressure from the United States, where accreditation procedures are used widely and give information to potential students as well as competitive tools to institutions. European institutions are more motivated to seek accreditation as a way to enhance international recognition, as well as to attract students, teachers and researchers and facilitate mobility. Employers are interested in accreditation ensuring a minimal quality of standards. The debate on accreditation is new in Europe, confused and controversial, and what can appear to be a technical question is in fact a fundamental question for the building of a European Higher Education Area.[37]

The basic idea of accreditation (of which there are different interpretations) is that it is a formal, published statement on the quality of a programme or institution, following an evaluation based on agreed standards. Accreditation is a process and a status: a process in that it gives the opportunity and incentive for improvement and a status in that it provides public certification of acceptable quality.

A CRE project had identified five principles that should inform the development of European quality assurance:

- create a space for European convergence, while preserving national diversity
- preserve institutional diversity to meet differentiated learners' needs
- balance institutional autonomy and external accountability
- build in flexibility and the capacity to adapt to new developments
- add value to current quality assurance systems, while preserving their improvement function.

Any move to validate accreditation procedures, while based on European values, should nevertheless be placed in the global context of higher education and research and should integrate both domains.[38]

A system of multiple accreditation organised at different levels (country, region, subject area, institutional type, network, linguistic/cultural area) would suit Europe. Some areas could move to multilateral agreements for the mutual recognition of qualifications in specific subjects, for example. Mechanisms might be designed to extend locally-gained accreditation to the whole European area and scenarios could be developed for European cross-border accreditation in certain disciplines. This would have the advantage of combining internal quality assurance and external accreditation processes aimed at guaranteeing the highest possible level of quality and relevance of curricula and of higher education institutions.

Future scenarios

In the long term, a European quality assurance framework may emerge to complement the existing common framework for recognition of qualifications. In the meantime, national initiatives, with an increasingly open, international perspective, point the way forward. A step-by-step scenario could be implemented, building on current quality assurance processes.

If European higher education does not evaluate the potential of accreditation to contribute to its quality assurance procedures, evaluation of the quality of transnational education and eventual recognition of some courses and providers (accreditation or some alternative certification) will take place at national levels, in an uncoordinated manner. But, national accreditation is unlikely to be able to make decisions in a short time about the large number of courses now on the market. And, conflicting decisions will add to the confusion.

If nothing changes from the present situation, or if Europe moves very slowly to incorporate a more international dimension to quality assurance (on the basis, for example, of many bilateral and multilateral accreditation agreements), accreditation bodies may emerge from the private sector, or from outside Europe (the Global Alliance for Transnational Education – GATE, for example, could offer an accreditation procedure). US accreditation agencies are interested in Europe (e.g., those for Management (AACSB) or Engineering and Technology (ABET), which has already evaluated engineering courses in a couple of European countries).

The CRE project recommends that a working platform of European higher education institutions and relevant partners be established to clarify concepts of quality assurance and accreditation, analyse needs, test different approaches — such as validation of existing procedures, for instance, through pilot projects. An extra bureaucratic layer is not welcome.

Points for reflection

☞   How could national quality assurance systems incorporate an international dimension?

☞   How can national quality assurance systems judge the quality of education offered by new types of providers? What is the optimal way to protect students against fraudulent claims? If national legislation is developed for transnational education, what effect does this have on other countries in the European Area?

☞   Would it be possible to forge consensus on principles for a European platform to test mechanisms of cooperation and validation in the field of quality assurance and accreditation, based on an agreed set of principles?

THEME 6: COMPETITIVENESS AT HOME AND IN THE WORLD

Pointers for the discussion

☞   Competitiveness is mainly the ability to be attractive to local and international students and teachers/researchers, in the global competition for reputation, talent and resources.

☞   Competition in global and European higher education is inevitable and growing. The main question raised for institutions and governments by transnational education is why students choose imported education over national higher education in situations where they have a choice, and what effect their choice has on enrolment patterns and related funding of institutions and disciplines.

☞   Systems and institutions can use a European Higher Education Area to be more attractive at home and abroad, to students, researchers and staff. They can strengthen their individual positions and need to build collaborative competitive strength.

☞   European higher education needs and wishes to present an understandable identity to the rest of the world, based on high quality, positive diversity and transparency. European higher education needs to more present in the world, internationalising its quality assurance, developing flexible curricula, offering efficient admission procedures and providing user-friendly information.

Competition from where?

Competition in higher education is a relatively new development. Many new providers of education and training have emerged, some of which deliver transnational education. In Europe, competition between the established higher education institutions and these providers (traditional universities offering distance education, franchising operations and/or establishing branch campuses, corporate universities, for profit organisations and consortia uniting public and private organisations) is likely to intensify.

American universities are increasingly attractive for European students, while European universities are less attractive for American students. The top American universities attract students, researchers and professors from all over the world, and even the second rank institutions receive large numbers of foreign students.[39] Part of the explanation is the use of English as the *lingua franca* of contemporary science and the most commonly mastered first foreign language.

An appeal to foster mobility and links between European and Latin American institutions was signed by CRE and its Latin American equivalent in Turin in November 2000. On both continents, the lack of a transparent qualifications framework and international quality assurance mechanisms inhibits cooperation. There is an opportunity for Europe to increase its potential in Latin America as an alternative to other destinations for mobility.

Progress in Europe in providing better information on qualifications, as well as in improving recognition practices, could help similar steps to be taken in other parts of the world, thus contributing to global mobility and cooperation, the other side of competition.

Competing for what?

More competition across boundaries for students and for staff would be a clear sign of the existence of a truly open European Higher Education Area. With demographic decline, fewer students are emerging from the traditional age cohort and institutions compete for students more at national level and, sometimes, internationally. The majority of a sample of universities responding to a CRE survey named other national universities their main future competitor for students, with foreign universities, non-university higher education, virtual universities and private universities following. Other national universities also topped the list of future competitors for recruiting staff, but competition from foreign higher education providers and private companies was regarded as nearly as big.[40] To help universities attract researchers from abroad, the Confederation of EU Rectors' Conferences, in its comments on the European Research Area, has proposed a "green card model" in Europe, where it is still too complicated for people to obtain permission to do research.

Higher education institutions also compete to keep from having research, particularly cutting-edge basic research, moved to specialised institutes or to for-profit organisations. And, they compete for financial resources, influence, reputation and prestige.

How to compete?

The first condition for higher education institutions to compete is that they are not over-regulated and free to innovate. In a less-regulated environment, higher education institutions rely increasingly on market or market-like signals to make decisions and a shift occurs in rules about their positioning.[41] There is, then, a shift from regulation by legal standards to regulation by market standards. But, less regulation and the freedom to innovate needs to be accompanied by changes in institutions' internal structures and decision-making processes.

To compete more on the global level, European higher education needs to have grown used to competition within the continent, and even at national level. Being competitive requires a certain culture of behaviour and not just rhetoric. Once institutions have specific proposals to make themselves more attractive to students, researchers, and staff, they could request more support from governments and from international organisations like the European Union.

What are, or should be, the distinctive qualities of European higher education compared with that offered on other continents? What are its strengths? In Bologna in 1999, institutions agreed that competing in Europe ought to be by emphasising "high quality rather than by attempting to compete on prices." This highlights the importance of quality assurance. "In an increasingly competitive international market in higher education, quality will have to become a distinguishing characteristic guiding consumers and institutions in their strategic behaviour."[42] But,

comparatively low costs of European higher education could also be turned into a global competitive advantage.

Under which conditions can diversity be a selling-point for European higher education? Is international success possible for institutions delivering courses in lesser-known languages? The EU LINGUA action finances transnational projects to develop, for example, new language learning methods, Internet proficiency tests, marketing videos to attract students to learn a language in Europe. The market should be interpreted as the global one.

Some of the capacity of European higher education to be competitive will depend on national policy decisions and on whether there is convergence between these.

Future scenarios

Countries will have to decide how they wish to position their national education, against the backdrop of the European Higher Education Area and in the global context.

The way forward is for universities to use their autonomy to organise themselves to compete better, but a reasonable compromise must be negotiated between deregulation to allowing for a free market and the preservation of national interests related to higher education. Less regulation would result in even more diversification of qualifications — a common qualifications framework would then be even more necessary than it is now.

In the face of increased competition, higher education systems will try to close the competitive gap at home so as to compete better abroad, e.g., they will weed out poor quality, introduce more quality labels, introduce nomenclature to allow their extra-university sector to compete internationally.

The competitive gap will widen among institutions. More large-scale, transnational university networks will develop, clustering around some prestigious institutions. They will trade in the global educational market place as a collective, but with the constituent members maintaining their respective national identities. Qualifications, however, will be awarded within the legal framework of foreign higher education systems. Such networks will look for the most marketable compromise of image building on the one hand, using the names of the most prestigious partners, and freedom from national regulation in the areas of recognition of diplomas and quality assurance on the other.[43]

Another scenario is the emergence of some transnational higher education institutions, for example in a border region, where two traditional institutions could plan close cooperation in education, eventually leading to a merger. The new university could then integrate its research and educational programmes and degree-awarding capacities. National legislation is not today prepared to deal properly with such institutions.[44]

Transnational education or study abroad will become more and more of an alternative to studying in the national system, which would redirect resources.

Points for reflection

☞   Can Europe afford its "structural egalitarianism", [45] according to which all universities are supposed to carry out research and teaching and state funds are spread among them? How does this situation affect the ability of individual institutions to compete?

☞   What can European higher education institutions change themselves so that they are in the strongest position to maintain and improve their competitiveness?

☞   Do higher education institutions have the links with stakeholders, especially employers, to reinforce their competitive position? For example, should they seek greater participation of stakeholders (employers, recent graduates, students) in their processes and in their governance to tackle the new competitive situation?

☞   What changes in national higher education legislation do institutions want so that they would be freer to compete?