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SUMMARY REPORT

The Role of Transnational, Private, and For-Profit Provision in Meeting Global Demand for Tertiary Education: Mapping, Regulation and Impact

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Summary Report

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Section 1. Executive Summary

1. Nature and focus of the study

- 1.1. This is a report of a first-stage project sponsored by UNESCO and the Commonwealth of Learning to map the extent, range, and impact of transnational, private, and for-profit tertiary education provision in a sample of countries. The data, collected from readily available public sources and verified by in-country experts, was first used to create country case studies for Jamaica, Bangladesh, Malaysia, and Bulgaria. A summary report was then produced that drew comparisons across countries in relation to five topics: overviews of each country; national education systems and policies; regulatory frameworks, accreditation, and quality assurance; transnational, private, and for-profit provision; and local perceptions of impact. The summary report also provides a comparative analysis across countries, with reference to the wider literature, and draws out a series of policy implications from the study for governments, institutions, and agencies, both national and international.
- 1.2. It should be noted that the research was undertaken in a short period of nine months, with limited resources and without the benefit of in-country research. The researchers are aware of gaps in the data caused by these factors, as well as other difficulties of terminology and availability of data, and these have been identified in the report. The focus of the research is also on a topical and volatile policy issue where there is much speculation, often a paucity of data, and a fast-moving agenda at national and international levels as countries adjust to globalisation and associated economic, technological, and social developments.

2. Case Study Findings

- 2.1. The countries in the sample differed markedly in terms of geographical locale and size, demographic profile, literacy levels, economic profile and stage of development, history and culture, and wealth. Their education systems also differed in terms of levels of primary and secondary schooling, participation rates at these levels, and the quality of such provision. All these factors have an influence on the nature of the tertiary education system, and associated government policy. In the sample countries, the public tertiary education system was generally strong and well regarded.
- 2.2. Demand for tertiary education is increasing in all the sample countries, but the reasons for this appear to be subtly different. They include the influence of reforms and improvements at lower educational levels, increases in per capita income and a growing middle-class, demographic imperatives combined with success at secondary level, and narrow and inflexible supply in a public system. Demand for distance learning also appears to be increasing, stimulated both by supply, and government policy and investment.
- 2.3. Most of the sample countries have similar policy goals including: increasing access and widening participation; increasing the economic relevance of tertiary education; improving quality (and governance and management) in public institutions; containing public expenditure on tertiary education or increasing the revenue generated by public institutions; and increasing and enhancing science and technology training. National identity and cohesion were also of importance for some governments. However, the means of achieving these goals differs and not all policy objectives are universal; one country was seeking to control access, not increase it.
- 2.4. The extent, range, and form of 'new providers and provision' varies widely in the countries in our sample. Context is all-important when seeking to understand the nature of developments in each country and the reasons for them. Certain variables seem to be significant. These include:
 - Historical educational traditions and cultural values (e.g., the status of overseas study, the existence or otherwise of an elitist public education system)

- Adequate development of primary and secondary schooling (in terms of access and participation, and appropriate quality to assure a foundation for entry to tertiary education)
 - The influence of government policy
 - Economic development sufficient to create demand for fee-paying programmes combined with under-supply of sufficient or relevant public education
 - The adequacy of student financial support arrangements
 - The form, focus and level of 'applied rigour' of the regulatory framework
 - The influence of the World Bank's policies and funding.
- 2.5. The majority, if not all of the countries in our sample, are engaged both in the 'export' and 'import' of students (and staff) and the 'import' of new provision and providers. The main exporters of provision are the US, UK, Canada, Australia, and New Zealand, but other countries are also involved, for example, Germany, Russia, the Ukraine, France, the Netherlands, and India - and Malaysia is actively seeking to become a regional hub for higher education. In this sense, international linkages and trade in higher education is clearly widespread.
- 2.6. The vast majority of transnational provision appears to be at the postgraduate level and private in nature, while the majority of local private provision is at sub-degree or degree level organised through franchise arrangements with local or international universities. Both types of provision take the form of vocationally focused courses (e.g., Business, Finance, ICT) that can provide a rapid return on investment (ROI) through increased employability and access to local and global employment markets. Most of the provision is 'traditional' in nature, taking place in local universities or other institutions of higher learning and involving a degree of face-to-face contact (even distance learning). However, we uncovered limited information about non-campus based transnational provision (e.g., e- learning) and provision offered by corporate providers, since this information is not generally collected by official agencies.
- 2.7. All of our sample countries are either developing or seeking to revise their structures for regulation, quality assurance, and university entry. This has happened in parallel to the expansion and diversification of provision, and perhaps as a direct consequence. Currently, the key issues are whether the countries have the capacity to support the development of such structures and ensure their effective implementation.
- 2.8. The impact of globalisation in tertiary education is evident in our sample countries. They have responded to the challenge presented by the increasingly competitive global knowledge economy by seeking to develop their education and economic sectors in order to compete effectively in a global market. To paraphrase McBurnie, they are not passive recipients of transnational, private, and for-profit education, they are seeking to 'leverage' such provision to aid the development of their tertiary sectors and their national economies (McBurnie, 2001). This is especially the case in Malaysia, which has adapted its national system to accommodate new forms of provision, while also seeking to ensure that national economic and social benefits are attained in the process.
- 2.9. Assessing the impact, either positive or negative, of transnational, private and for-profit provision is complex, and for a complete picture, requires more data gathering than was possible in this study. However, it is clear that local circumstances are all-important. These include, the stage of development of the country in terms of 'new providers and provision' (as reputations, status and contributions change over time) and the existence, scope and effective functioning of national regulatory and quality assurance regimes. It is also important to note the complementarity and mutual influence between local public and new private provision (both imported and local) in our sample countries; impact flows in both directions.

3. Policy implications

- 3.1. The national and regional context is key when seeking to understand or determine the appropriate balance and opportunity for benefit from transnational, private, and for-profit provision; one size does not fit all. Governments can influence developments positively through a variety of mechanisms including:
 - Current economic policy and economic strength
 - Clear policy priorities and national agendas – e.g., national integration, economic development, enhancing quality and standards, promoting international collaboration
 - Technological and communications infrastructure – i.e., for Distance Learning
 - Investment in and development of secondary education
 - Government education expenditure priorities – such as system restructuring programmes, literacy, vocational education, teacher training, expansion of science and technology
 - Government influence on national tertiary systems in terms of their quality, flexibility, and relevance to national needs
 - A regulatory and quality assurance regime that encompasses all forms of provision and that is widely disseminated and applied
 - A regulatory and quality assurance regime that is clear about responsibilities for quality assurance, both local and international
 - Financial mechanisms and regulations that match national objectives (e.g., quotas, bursaries, and clear 'rules of engagement' for all providers)
- 3.2. In some of the areas described above, institutions and institutional agencies (such as Rectors' conferences) can also influence developments positively, both in collaboration with governments and independently.
- 3.3. The authors believe it is also important for governments and institutions to keep up-to-date with the changing international context related to transnational education. For example:
 - The potential and actual impact of a move from 'collaborative internationalisation' to 'commercial' internationalisation' in several countries
 - The global employment market in certain industries – management, business, ICT
 - The ways in which 'Borderless' institutions can gain access to students worldwide without the knowledge and control of national bodies – some national agencies monitor educational advertising for this reason
 - The impact of closer regional integration (such as the European Union) and its effect on transnational provision and international collaboration
 - The increasing commercialisation of quality assurance procedures to gain competitive advantage (e.g., IPR of emerging QA systems)
- 3.4. Maintaining government awareness of the position of transnational, private and for-profit provision in the country and region over time requires the collection and analysis of current and trend data to guide decisions about:
 - The nature and extent of demand for tertiary level studies – by subject
 - The needs of the local economy – what type of students are required?
 - Current local supply by type of institutions and mode of delivery
 - The operations of providers that operate outside traditional record-keeping channels, i.e., transnational, for-profit companies, and corporate provision (especially about non-accredited providers)
 - Possible models and approaches to managing the development (e.g., Malaysia)
 - Clarity over national interest: e.g., national identity, regional agendas, social cohesion, skill shortages, increasing access, diversifying access to under-represented groups, and attitude towards 'brain drain'.
- 3.5. The need for national and regional regulatory and quality assurance arrangements appears to be of increasing significance, given the rise of new providers and forms of provision. There is a need for:
 - Establishing effective and functioning regulatory frameworks

- Developing and embedding accreditation and/or quality assurance arrangements that are fit for purpose and for the national and regional context
- Providing useful public information to guide students and other key stakeholders
- Supporting quality enhancement through national and international partnerships
- Improving staff:student ratios, financial management and governance in tertiary institutions
- Setting expectations for 'home' quality control and monitoring for foreign providers
- Providing and encouraging suitable financial support arrangements for students
- Providing clarity and transparency regarding national requirements (linked to national needs). E.g., entry criteria, quotas for poor students, limits and/or quotas on foreign student numbers, curriculum content, financial incentives for shortage subjects/skills (such as tourism, IT, etc.)
- Measures to address fraudulent institutions
- Measures to identify 'borderless' institutions
- Establishing arrangements that link quality assurance and accreditation arrangements with those relating to qualifications frameworks and the recognition of credit and qualifications.

3.6. International agencies can also make an important contribution through:

- Working towards international agreement on standard categorisations and terminology to aid data collection and sharing of data
- Collecting and publishing information and data about developments, national systems, quality assurance regimes, etc.
- Supporting international collaboration and information exchange
- Assisting in building capacity, particularly in relation to regulation and quality assurance
- Working with governments and institutional agencies to clarify responsibilities for quality assurance (i.e., the balance between the responsibilities of importers and exporters)
- Assisting governments to identify and collect relevant data
- Supporting research into costs and benefits of TNE and private provision (e.g., impact on local provision, money saved from overseas study, income from overseas students, research output, economic competitiveness, etc.)
- Providing financial aid (e.g., from the World Bank) to support infrastructure development in relation to information and communications technology, student support and regulatory arrangements.

Section 2. Introduction

1. Introduction

- 1.1. This is the final report of a 'first-stage' project entitled 'The Role of Transnational, Private, and For-Profit Provision in Meeting Global Demand for Tertiary Education: Mapping, Regulation and Impact'. The project was commissioned by UNESCO and COL in October 2002 and was completed at the end of September 2003.
- 1.2. The overall project had an ambitious purpose: to seek to understand, through focused case studies, the role played by transnational, private and for-profit provision in meeting the increasing and changing demand for tertiary education in a sample of five countries (Bulgaria, Bangladesh, Jamaica, Malaysia and Senegal¹). This first stage has concentrated – in a short time-scale and with limited resources – on designing suitable data collection methods, gathering readily available information for each country in the sample, and creating country-specific case studies. The team has been greatly assisted by a range of in-country experts, including higher education researchers, UNESCO Programme Specialists in Headquarters and Field Offices, British Council desk officers, and government officials. Without such assistance, the project team would not have been able to produce this report and the related case studies, and the team gratefully acknowledges the support of these individuals (see Annex A for full details).
- 1.3. The research focuses on a topical and volatile policy issue on which there are many alternative views, much speculation and debate, and for the most part, a paucity of current information and hard data (Adam, 2001; Levy, 2003). The situation that we describe below will continue to change as new developments and initiatives emerge, as a result of regional and worldwide trends, and the policy and socio-economic environment within each country. We regard this report, therefore, as 'a snapshot in time' and this initial stage as work in progress. We offer a preliminary map of the range of provision in each country and present the regulatory, political, and economic framework in which such provision resides. We illustrate how the relevant governments are addressing the changing nature of demand and supply in tertiary education, and identify some of the key issues that are facing policy makers, institutions, and clients of tertiary education in each country. We also make some initial comments about 'impact' and make comparisons across the countries in our sample. However, to fully understand the impact of transnational, private and for-profit provision, and its relationship to local public provision, in-country primary research is needed (i.e., the second phase of our original proposal). We recommend that such work be undertaken.

¹ Unfortunately, the Senegal case study had to be dropped from the report as the UK researchers were not able to access sufficient relevant and up-to-date information within the project time-scale.

Section 3. Context and Methods

1. Overall Project aims

1.1. The stated aims of the project were:

Stage One

1. To map the current extent and describe the nature of current transnational, private and for-profit provision in tertiary education in a sample of five countries.
2. To explore the legal, regulatory, and financial issues related to such provision in the host countries.

Stage Two

1. To assess the impact of such provision on the education system of host countries (e.g., in terms of increasing participation, the development of the local tertiary sector and the wider political, economic, social and cultural context);
2. To compare and contrast the impact of transnational, private, and for-profit provision in a range of different national and regional settings;
3. To identify and explore the key issues, challenges and opportunities for traditional tertiary education providers resulting from the growth and development of transnational, private, and for-profit providers and provision.

2. Context and rationale for the project

- 2.1. The tertiary education context in which students, providers, and national Governments now operate, is changing rapidly as a result of demographic trends, the complex effects of globalisation on economies and societies, and a shift in the role of Government in public services – from provider, to facilitator, regulator, and partner. Despite different traditions, political and economic systems, technological levels, and cultural outlooks, similar challenges and opportunities presented by globalisation are in evidence worldwide (See UNESCO, 2003; Alderman, 2001b; McBurnie, 2001; and Altbach, 2002 for a full discussion of these issues).
- 2.2. Universities and colleges in the developed world, many of which have enjoyed a long history of majority state funding, are now under pressure from Governments to generate new income streams. In parallel, many developing countries struggle to adequately finance their public services while operating within the constraints of their international debt servicing. In the developed world, universities have been encouraged by their Governments to become better managed and more businesslike, and to exploit themselves locally and internationally through the quasi-commercialisation of ideas and inventions and through international student recruitment. In developing and transitional countries, market-oriented development plans rely on greater contributions from stakeholders such as students, the private sector, overseas investors, and aid donors as Governments recognise that they can no longer ensure growth through public funds alone.
- 2.3. Demand for tertiary education is increasing in all parts of the world and, according to IDP forecasts, the global demand for international higher education is set to exceed 7 million students by 2025 (Bohm, Davis, Meares and Pearce, 2002). This represents over four times the global demand in 2000, although there are significant regional differences as developing countries seek to expand access to their youthful and growing populations (e.g., Africa, and Asia).
- 2.4. In the industrialised countries, the trend is for a diversification of access to previously disenfranchised groups and new 'clients' such as working adults, older learners and learners at a distance, often at postgraduate level. This expansion has also been stimulated by the human resource requirements of the growing global knowledge economy, which places a premium on higher level job-related and transferable skills. Many nations have sought to achieve their

development aims and international competitiveness through expanding their knowledge-based sectors, which requires knowledge workers with tertiary education. In addition, students themselves are seeking to become individually competitive and to enhance their opportunities for employment both at home and in the global employment markets. They view the potential return on investment from higher education as high, particularly in vocational courses with a direct link to employment (e.g., business, ICT).

- 2.5. Providers of tertiary education have responded to demand by increasing supply both in terms of traditional types of study, but also via more flexible study modes and vocationally oriented courses. This diversified provision includes: transnational provision; corporate and corporatized universities; distance-based universities (e.g., Arab Open University, African Virtual University); and specialist 'vendor-led' training, particularly from companies like Microsoft and Cisco Systems in partnership with other providers (CVCP, 2000; Taylor & Paton, 2002). There has also been an increase in the range of local, or indigenous private and for-profit provision in many developing countries, and in some developed countries in an attempt to absorb demand as quickly and as cost-effectively as possible (Levy, 2003). In other countries with a long tradition of private higher education, (e.g., Latin America, India, and Southeast Asia) there has been a further expansion in this sector.
- 2.6. The worldwide market for the export of educational services existed long before the GATS discussions relating to educational services became prominent on the international agenda (OECD, 1998). The WTO has reported that this market was worth \$27bn a year (Alderman, 2001b). This market has grown out of, and complements, the historical internationalist nature of tertiary education, which had earlier focused on collaborative rather than trade-oriented relationships such as student and staff exchange, technical assistance, joint research projects, and curriculum development. Today, this form of internationalisation remains strong, particularly (although not exclusively) in Europe through the Bologna process.
- 2.7. Until recently, the majority of the export income for providers has come from the recruitment of fee-paying international students. The traditional arrangement has been for universities in the developed world to recruit such students to study on their campuses (particularly in the US, UK, and Australia (Fennel and Pearce, 1998)). However, the high fees charged and associated living costs tend to restrict both the number and type of such students that are able to take advantage of overseas opportunities. To cater for less well-off students or those unable to travel abroad to study, and, to reduce the burden of overseas study grants, universities from the developed world have created new transnational methods of exporting education to countries in the developing world. Trends in the 'export' of students and the 'import' of new forms of educational provision have contributed to the steady increase in the 'global flow' of students. These alternative forms of provision have been facilitated by recent developments in communications technology and the increasing worldwide penetration of the Internet.
- 2.8. Machado Dos Santos describes the following types of transnational provision while recognising that there may be overlaps, as well as other types of provision which do not fit neatly into this categorisation (Machado Dos Santos, 2002):
 - **Branch campuses** – similar to a franchise, but the franchisee is the campus of the franchiser.
 - **Corporate universities** - established by large corporations that organise their own institutions or study programmes and which are not part of a national education system.
 - **Distance learning institutions** – learning where learners and teachers are separated, and the institution may or may not be located within the originator country's education system.
 - **Franchising** – where a whole course/programme from an institution in one country is licensed and delivered entirely by staff in an overseas institution.
 - **International institutions** - institutions offering international programmes/qualifications that are not part of a specific national educational system.
 - **Offshore institutions** – autonomous institutions belonging to an overseas educational system where they may have no campus.

- **Programme articulations** – inter-institutional arrangements, whereby 2 or more institutions define a joint study programme in terms of study credits and credit transfers (e.g., twinning, articulation agreements). Faculty from one institution may travel to teach on the twinned course.
 - **Validation** – institutions in one country awarding their degrees for a course designed entirely by a partner institution. Awarding institutions may decide not to offer these qualifications/courses themselves.
 - **Virtual universities** - institutions whose only contact with students is by remote means.
- 2.9. In relation to our project, there are three key points to note in relation to the categories described above. These are important for any research in the territory of transnational education.
1. Many of the providers in the above categories are private and/or for-profit when operating or enrolling students outside their “home country” (if such a base exists at all).
 2. Information about ownership and the organisational structures for transnational providers is not always transparent, and it is often difficult to obtain since this data is not systematically collected by national or international organisation. (Altbach, 2002).
 3. Some the providers described above operate outside ‘official’ education systems. Therefore, information about their ownership, activities, and students is often not available if collected at all.
- 2.10. Host nations in developing countries have themselves made a variety of responses to the growing demand for tertiary education. Many lack adequate public tertiary education provision and infrastructure (not least because donor funding in support of education has tended to concentrate on basic rather than tertiary education in recent years) (World Bank, 2002). Therefore, in principle, they see the value of locally available transnational or private-sector initiatives that are less dependent on state support and which help them to fill the ‘knowledge gap’ in their aspirations towards the development of knowledge economies.
- 2.11. Different governments have responded in different ways to the availability of an often bewildering variety of new transnational, private, and for-profit provision. Not all of this provision is of high quality and some may compete with indigenous provision, or serve only relatively elite (e.g., rich students) or niche (e.g., business qualifications) markets. Therefore, some countries restrict foreign ownership (e.g., Mexico and Thailand); some require various forms of registration and quality assurance (e.g., SAR Hong Kong), while others insist on local partners for foreign providers (e.g., Bulgaria). The role of indigenous private tertiary providers and their potential alignment with transnational providers, plus regulation of online and for-profit providers, especially those with no local base, adds further complexity. A further important issue for governments is the contribution that the new providers do (or do not) make to the development of ‘knowledge economies’. Their contribution to the socio-cultural development of the country in terms of research and wider relationships with society are also significant since these domains have long been viewed as important responsibilities of the public universities (Kwiek, 2001).
- 2.12. The changing nature of demand and supply in tertiary education that has emerged since the late 1990s has been described as the ‘business of borderless education’ (Cunningham et al, 2000; CVCP, 2000). Beyond the responses of governments, this phenomenon has caused a range of other reactions, some favourable and some hostile within the wider literature. On the positive side, it is argued that borderless developments offer new opportunities for learning that are flexible and responsive to a range of needs in the global knowledge economy. On the negative side, it is feared that the dominance of Anglo-American provision and forms of study in the market will inhibit cultural diversity, contribute to a ‘brain-drain’ of qualified graduates from developing countries, threaten indigenous educational provision and reduce still further already scarce public resources for - and therefore control over - tertiary education sectors (Alderman, 2001b; Altbach, 2002). The fact that many of the new developments represent a growing ‘trade in higher education services’ (Yelland, 2000) has raised further controversy, particularly among

those who argue that tertiary education should not be sold as a commodity but should be provided as a public good (UNESCO, 2003; Altbach, 2001).

2.13. The changing context of tertiary education described above, the variety of responses to it in different parts of the world, and the challenges and controversies that have arisen as a consequence of recent developments, provide an overarching rationale for this project.

2.14. More specific rationales include:

- A need to provide policy agencies, institutions and researchers with base-line data (where little or none exists) about the extent and range of transnational, private and for-profit developments in different countries and regions;
- A need to provide information on the ways in which different countries are responding to transnational, private and for-profit developments, particularly in terms of their national policies and their regulatory, financial and quality assurance arrangements. Such information will assist governments and others to share practice in a complex and fast-moving policy domain. It will also help host nations to better understand how to manage relationships between their countries, as well as new and existing providers to benefit all stakeholders;
- A need to cast light on the range of views and controversies surrounding transnational, private, and for-profit developments (and trade in education in particular) by examining the perceptions and impact of such developments, the challenges they pose, and the ways in which these challenges are being addressed. A particular contribution of this study is to seek to view these issues from the perspective of the specific countries in the sample, since such perspectives are important to understanding how sustainable development in transnational education can be achieved.

3. Research Questions

3.1. The following questions have guided the research. In the present project (first phase), the focus has been mainly on mapping and regulation, but we have addressed questions of perception and impact wherever feasible.

Mapping

1. How much transnational, private, and for-profit provision is there in each country?
2. Who are the providers and partners (e.g., countries and institutions)?
3. What forms does transnational and private/for-profit provision take (e.g., organisational and delivery arrangements, subject focus, type of students)?
4. Who are the main stakeholders?
5. What is the 'fit', if any, with indigenous provision?
6. Is the country mainly an importer or exporter (or both)?
7. What is the rationale for the development, or lack of development of new forms of provision (if they are new)?

Regulatory and other frameworks

1. What is the government's policy and role in relation to the provision of transnational, private, and for-profit provision?
2. What arrangements do countries have to control and monitor transnational, private, and for-profit provision (e.g., financial arrangements, regulation and quality assurance)?
3. Are such arrangements the same or different from those that apply to indigenous provision (whether private or public, for-profit or non-profit)?
4. In terms of government actions, what appears to have helped or hindered developments (e.g., infrastructure, quality assurance, price and financial support, staffing arrangements)?

Impact

1. What kind of access exists in each country in relation to transnational, private, and for-profit education?
2. Has such provision increased or widened access to, and participation in tertiary education?
3. Is there evidence that employment prospects have increased for graduates (locally or internationally)?
4. What perceptions (or other evidence) exist about the positive impact arising from the new provision (such as skills development, quality enhancement, capacity building)?
5. What perceptions (or other evidence) exist about the negative impacts arising from the new developments (such as dominance of Anglo-centric curricula, brain drain, and damage to indigenous public provision)?
6. What perceptions exist concerning relationships between new and existing providers?
7. What policy issues arise from examining the context and position of transnational, private, and for-profit provision in the sample countries?

4. Key definitions used

- 4.1. Many of the categories of investigation such as 'tertiary education', 'transnational education', or 'private provision' are not precise and can be subject to different interpretations in different contexts. For this project, we have adopted the following definitions:
- 4.2. **Tertiary education** is used to describe provision that adheres to levels 5A and 5B in the International Standard Classification of Education (ISCED) schema.
- 4.3. **Transnational provision** is education that is transferred from one country to another, as described in the four modes of supply that are referred to in GATS (the WTO's General Agreement on Trade in Services) (http://www.wto.org/english/docs_e/legal_e/26-gats.pdf). The four modes are:
 1. 'Cross-border supply' - where the service and not the individual cross a border (for example, distance education)
 2. 'Cross-border consumption' - for example, students studying abroad
 3. 'Commercial presence' - where a service supplier establishes a physical presence in a second country to provide services (for example, franchise, twinning or branch campus arrangements)
 4. 'Presence of natural persons' - where an individual from one Member country supplies a service in another Member country (for example, faculty exchange, or some aspect of twinning/franchise courses).
- 4.4. Most countries are not necessarily engaged in all four of the above modes. Furthermore, not all of these modes can be described as entirely discrete; e.g., many of the features of 'cross-border supply' may also apply to 'commercial presence', for example, in twinning or distance learning courses. It should also be noted that information and data may be easier to locate and acquire on some of these modes than others (e.g., often Governments will collect data on mode 2, but are less likely to collect data on mode 4).
- 4.5. **Private provision** can be not-for-profit (e.g., religious foundations of various kinds or specialist vocational institutions) and 'new' for-profit providers such as those providing management and technology education, and operating as conventional businesses. In addition, provision that is designated as 'public' in its home country may become 'private' when provided in another country. In the data we have collected, 'private' is a designation about governance arrangements and cost recovery (i.e., via student fees rather than public subsidy). However, this designation does not indicate the level of surplus generated by the institution or its destination (e.g., in 'for-profit' enterprises: to shareholders, or staff or returns to a foreign institution; in 'non-profit enterprises': educational re-investment in the local institution).

- 4.6. **Borderless education** describes a variety of forms of education at the tertiary level that cut across conventional boundaries. These boundaries are geographical (as in the case of transnational education), temporal, and spatial (as in the case of e-learning, virtual universities and blended learning), cross-sectoral (as in consortia of business and higher education institutions), and cross-functional (as in convergence between academic and vocational education). The term was originally coined by an Australian research team (Cunningham et al, 1998 and 2000) and extended by a British team (CVCP, 2000).
- 4.7. **Recognition, accreditation, and quality assurance** are terms that have both specific and general meanings. They are also often used in different ways in different countries. It is therefore not easy to make direct comparisons about arrangements in different countries. We use 'Quality Assurance' as an umbrella term to describe all the regulatory mechanisms of a country, from legal acceptance of a provider's right to operate as an award-granting body, to the arrangements that ensure the quality and standards of awards made in the provider's name. However, we also refer to the specific mechanisms of 'registration' and 'licensing' of providers and provision with relevant authorities and the 'accrediting' by competent bodies, of institutions, subjects and programmes. 'Quality assurance' in its narrower sense refers to the arrangements made to undertake periodic monitoring and review (both internal and external) to ensure that providers and provision are operating satisfactorily.

5. Research Methods

- 5.1. The project has used three main methods of enquiry: a search of relevant literature and documentation, both hard-copy and electronic; the development of a template for data collection in a sample of countries to produce country-specific case studies; and liaison with in-country experts to develop and verify the case study material. The study has been conducted collaboratively with the sponsors who have provided assistance in finding in-country contacts and resources and in introducing the project team to relevant government ministries. Additional guidance and support were provided by the British Council whose desk officers assisted with identifying data sources and verifying the case-studies and the Observatory on Borderless Higher Education whose data-base provided invaluable information and reports on trends and issues in borderless education.

Choice of countries

- 5.2. The countries were identified in consultation with the sponsors of the project, UNESCO and COL. Relevant criteria were: countries of different sizes and stages of economic development, in different geographical regions appropriate to the membership of each agency, countries with a different history and approach to transnational, private, and for-profit provision in tertiary education, and the general accessibility of relevant information from secondary sources.

Data collection and analysis

- 5.3. Following an initial survey of the literature and documentary sources, a template was created for each country as a guide for the collection of relevant information and data. The template was initially completed by the UK team and then sent for verification to a range of in-country experts. In some cases (for example, in Bulgaria and Bangladesh), an in-country specialist was commissioned to collect additional data, as the UK team was not able to access sufficient relevant information. In other cases, a range of in-country contacts provided relevant documentation or pointed to other sources of information.
- 5.4. Following this stage of data collection, the cases were updated and then sent again for verification to in-country experts and local informants such as the British Council desk-officers (usually different individuals from round one). Additional focused questions on areas requiring

more information and clarification were also included. After the case-material had been verified and updated for a second time, the case studies were finalised.

- 5.5. The findings from the project are based on an analysis of the data acquired through the development and refinement of the country-specific case studies, and analysed against relevant research literature.

A critique of the research approach

- 5.6. Time and funding have necessarily limited the initial phase of this research and this has, to a large extent, dictated the approach adopted. However, other limitations related to the research focus and methods are also important. These include:

- The rapidly changing nature of the developments under investigation (for example quality assurance and regulatory frameworks were undergoing revision in a number of countries). The timing of enquiries can therefore make a difference to the findings;
- The range of formal data sources that needed to be accessed in relation to our topic (such as ministries of trade, employment and education);
- Considerable diversity in the amount and validity of data available (there was often a contrast between a lack of formal data and an abundance of informal and anecdotal, but not necessarily reliable, data);
- Potential or actual difficulties in understanding the country context at a distance and in the absence of country visits – this may affect interpretation of the data, despite our verification processes;
- The general accessibility of the data, caused by language and terminological differences as well as cultural issues of gender and status. In the absence of in-country research and face-to-face introduction of the research team to relevant respondents, such issues were not easy to overcome;
- The data have been gathered largely from government, agency and other official sources and therefore represent a partial picture. To gain fuller insights, particularly in relation to 'impact', the data need to be triangulated across different stakeholders, including relevant providers and students.

Section 4. Initial findings from the country case studies

1. General overview

- 1.1. The countries in the study differ markedly in terms of size, demography, wealth, literacy, IT infrastructure, history, and political and economic development.
- 1.2. **Jamaica** is the smallest country in our sample with a reported population of around 2.6 million people in 2002, of whom 50% were urban and 50% rural dwellers. Thirty percent of Jamaicans are under 14 years old and 75% are under 25 (PIOJ web site). The overall literacy rate in 2001 was officially around 80% (Hamilton, 2001).
- 1.3. The political situation in Jamaica has been relatively stable since independence from Britain in 1962. In common with other small island nations, there is a limited natural and population resource base, and relatively undeveloped social and technological infrastructures. Home use of the Internet is low, but most tertiary level education institutions have a reasonable ICT infrastructure; the University of Technology (UTECH), for example, has a modern data network and the University of the West Indies (UWI) Distance Education Centre uses a variety of multimedia applications to support its distance-based courses.
- 1.4. The Jamaican economy is dependent on relatively volatile market sectors such as agriculture, mining, and tourism (GPI, 2002). Following several decades of stagnation, decline and recession, the economy grew by 1.7% in 2000 and by 0.7% in 2001 (investjamaica.com). Since the beginning of the 1990s, the Jamaican government has adopted a reform programme consisting of macroeconomic stabilisation, structural adjustment, and the privatisation and rationalisation of the public sector.
- 1.5. Jamaica has the potential to act as a regional economic hub, although there is little political synergy in the islands and economic links are loose (British Council, 2001). Regional associations are not particularly influential in the Caribbean, although CARICOM (a regional common market of 15 member countries) builds functional co-operation in the provision of services such as education, health, and transportation (PIOJ web site).
- 1.6. **Bangladesh** is the largest country in our sample. It is one of the most densely populated countries in the world with a population of around 130 million in 2002 (having nearly doubled since 1971 and with expectations of reaching 170 million by 2020). An estimated 85% of the population live in rural areas and approximately 59% of the population is under 25 years old. The estimated literacy rate in 2002 for those aged 15 and over was 38% (2002 Education Watch Report), but is increasing every year with a target of full literacy by 2015.
- 1.7. Since becoming an independent state in 1971 (separated from Pakistan), the political situation in Bangladesh has remained volatile (Bangla 2000, BBC, 2003). The communications infrastructure is poor and Bangladesh is one of the poorest countries in the world. In 1999, 36% of the population were classified as very poor and 70% of children under the age of five were underweight (World Bank, 1999a). However, the economy is growing, with GDP growth of 7.06% in 2001-2002 (Bangladesh Educational Review, 2002).
- 1.8. Historically, the major employment sector in Bangladesh has been agriculture and around two-fifths of the population currently works in farming-related employment. Other natural and mineral resources are limited, although natural gas is found in several fields in the Northeast of the country. In the late 1970s, the government began to develop an economic policy based on diversification and industrial development. This included privatisation of state-owned enterprises, incentives for foreign investment, and a lowering of import barriers. Multinational corporations were attracted to the country and put pressure on local business to adapt to the new market place. In addition, many Bangladeshis have sought work abroad, particularly in the Middle East. For the future, and given the growing population, new jobs need to be created at

an increase of 5% (or 2.3m jobs) per annum, largely in services such as the wholesale and retail trades, construction, transportation and communications.

- 1.9. **Malaysia** has a population of 25.05 million of whom two-thirds are urban dwellers (nearly 80% in the Malay Peninsula). 33% of the population is below the age of 15 (Department of Statistics, 2003). In 1957, Peninsula Malays gained independence from Britain and in 1963, the Peninsula states were joined by Sabah, Sarawak, and Singapore to form a federation of 13 states and 3 Federal Territories. (Singapore seceded in 1965 to become an independent city-state). The current literacy rate in Malaysia stands at 97% (Studymalaysia.com, 2002).
- 1.10. Malaysia has been broadly politically stable since independence under a multiracial coalition (Barisan Nasional) comprising Malay, Chinese, Indian and ethnically based parties from Sabah and Sarawak. In the period 1969-1971, the New Economic Policy set targets giving preferential treatment to the majority Malay population as part of the social contract drawn up after race riots in 1969. However, opposition to the Policy has since grown and there have been recent efforts to develop national cohesion among the ethnic groups (GETIS, 2000). The Malaysian government's Vision 2020, is seeking to transform Malaysia into a fully developed and industrialised society by 2020. The nine key objectives seek a balance between economic entrepreneurship, scientific development, and historic cultural and religious values. This policy direction also marked a move to unite the diverse peoples of Malaysia with a sense of a shared future.
- 1.11. Prior to the economic crisis of 1997-8, Malaysia had an annual growth rate of 7.5-9% of GDP and was one of the worlds fastest growing and most globalise economies (GETIS, 2000). After the period of recession, from 2000, the economy began to recover and today the annual growth rate is 8.5%. Since 1966, Malaysia has used a series of 5-year plans to guide the drive for national development; these have generally promoted economic diversification through industrialisation and foreign investment. The 7th Malaysia Plan (1996-2000) promoted growth in capital intensive, high technology industries requiring an educated, highly skilled workforce, and foreign investment. These objectives required a large amount of public and private sector spending on the technological infrastructure, energy, healthcare, and education (GETIS, 2000). Through the Multimedia Super Corridor (MSC) the government is seeking to make Malaysia the centre of excellence for multimedia industries of the future (<http://www.msc.com.my>). By 2002, 23 higher education institutions had MSC status conferred, distinguishing them as proficient in key aspects of ICT such as infrastructure and content development, research and training (Ministry of Education, 2003).
- 1.12. Malaysia is a member of the Association of Southeast Asian Nations (ASEAN). Formed in 1967, ASEAN is focused on common political, economic and trading policies as part of a Free Trade Area created in 2000 (GETIS, 2000). The current Prime Minister of Malaysia has pursued policies to transform Malaysia into the economic, political, and educational hub of Southeast Asia, and also promoted the country's Asian identity in an attempt to counterbalance Malaysia's traditional alignment with the West.
- 1.13. **Bulgaria** is another relatively small country, with a population of 8 million. In contrast to Bangladesh, the population is slowly declining due to a decreasing birth rate and economic migration; it has decreased by about 1 million since 1989. 70% of the population are urban dwellers and 66% of the population are aged over 25. Literacy levels are high at around 99% and in 1998, primary school enrolment was 93% (World Bank, 2002).
- 1.14. Bulgaria has spent long periods of its history under the control of powerful neighbouring empires, most recently, the Soviet Union's Communist Bloc. Following the ending of Communist rule, the first democratic government was elected in 1991. Following transition, Bulgaria has pursued a policy of integration into Western political alliances. It is seeking to join the European Union at the earliest opportunity (2007 is the target).

- 1.15. Since 1989, Bulgaria has moved slowly from a command to a market-oriented economy, although it has been hindered by socio-economic and political instability. In the late 1990s, Bulgaria suffered from increasing poverty, high unemployment and low wages, especially among young people. By 1996-7, Bulgaria was one of the poorest countries in central Europe (Totomanova, 2001). These negative trends continue to dominate the current economic situation; the unemployment rate in December 2002 was 17% and only 40% of the economically active population were employed (NSI, 2003).
- 1.16. In 1998, the new government sought to stabilise the economy through a structural reform programme. This involved restructuring foreign debts and pursuing policies of privatisation, decentralisation, and social welfare, supported by the International Monetary Fund (IMF). By 2000, Bulgaria's economic sectors had a typically European profile: 56.1% services, 23.3% industry and 10.6% agriculture and, in 2002, the economy grew by some 4.5%, although the economic situation has worsened slightly in the last 12 months (NSI, 2003). Bulgaria has witnessed rapid growth of the Internet and personal computer (PC) market, although it is still far behind the average PC ownership in other EU candidate countries. However, there has been significant expansion of Internet service providers, and educational policy makers in Bulgaria share a vision that educating young people in the use of the Internet improves the quality of these services, reduces the costs, and creates conditions for the greater employability of graduates (Georgieva, 2002).

2. Education Systems and Policies

- 2.1. An important factor in driving demand for tertiary education lies in the scope and success of the education system at lower levels. In this section, we highlight differences in education systems between the sample countries, and the policies that are being pursued by each government.
- 2.2. *Jamaica's* education system is based on the British model, although it is increasingly influenced by the (geographically closer) US system. Primary education (6-11) is the only compulsory level and, up until 1970, only about 20-35% of children obtained any level of secondary schooling (in any of the 3 levels from age 12-18). However, by 2001, it was estimated that around 80% of the population had received at least some secondary education.
- 2.3. The term 'tertiary education' is used in Jamaica to describe institutions which require students to have a minimum of 4 passes in GCE 'O' Levels or Caribbean Examinations' Council subjects or their equivalent for admission to most courses. Within this broad definition, the main tertiary level institutions are: universities (1 public, 1 private and 1 regional), private colleges (3 religious foundations), teacher training colleges (12), community colleges, multi-disciplinary colleges and public sector training institutes (more than 40). Despite increases in enrolment to tertiary education of 177.8% between 1996 and 2000 (Hamilton, 2001), by 2002, only 14.7% of the relevant age group (18-24), or 33,366 students in Jamaica were enrolled in tertiary education, including around 60% in the university sector (ESSJ, 2002). CARICOM has set a target for the region in 2005: a 15% participation rate in tertiary education, for the 20-24 age group.
- 2.4. Particular features of the tertiary education system include:
- Strong growth in the further and continuing education sector in response to demand for 'second chance' basic education, priority government-sponsored courses (in areas such as tourism and hospitality), and commercially sponsored courses. Some colleges collaborate or have franchising arrangements with universities. American-style 2-year associate degrees, arranged both locally and in inter-institutional agreements with US universities, are increasingly popular as foundations for 4-year degree courses. The government is seeking to take control of sub-degree education to ensure its quality.

- Specialised vocational, technical, and business training at diploma and degree level in tertiary-level institutions, promoted by the Ministry of Education, Youth, and Culture.
- Growth in business education and qualifications since these are seen as transferable, offering potential routes to North American universities and prospects for professional-level employment (which is scarce in Jamaica) (GPI, 2002).
- A major government initiative to upgrade teaching diplomas to degree level; both overseas and local providers are involved.
- The University of the West Indies (a regional institution) is the primary provider of professional education, especially at higher academic levels. Most Caribbean students in the professions will see either an overseas education, or a West Indian education leading to overseas training, as the most desirable options (GPI, 2002).
- The increasing popularity of distance education because of its flexibility, ease of access, ability to address the under-supply of tertiary education places, and the opportunities it provides to develop overseas connections and obtain overseas qualifications in certain critical fields, such as business.

2.5. The State is closely involved in Jamaican education and there is a strong commitment to expenditure on education, although national debt has put pressure on education spending (World Bank, 2002). Tertiary education expenditure accounts for between 22-25% of the total education budget that by the late 1990s, was approximately 6% of GDP, and J\$4.1bn was allocated to tertiary education in 2002 (ESSJ, 2002). The Jamaican government's overall education policy is focused on increasing and widening access in the face of growing demand, tackling regional and social differences in Jamaica, and increasing the relevance of education to the national economy (GPI, 2002).

2.6. Public education is centrally financed, but with student contribution to fees; these are particularly high in professional fields. At present, students pay a maximum of 15% of the economic cost of tuition and student contributions appear to be acceptable in a Caribbean context (GPI, 2002). There is limited official provision of student loans and grants, but scholarships and grants from local business and communities are available. There is government pressure for public tertiary institutions to recoup their operating costs and the government is seeking a 60:40 ratio of government support to fee contributions and other entrepreneurial activities from tertiary institutions.

2.7. **Bangladesh** also inherited an education system based on the British model, but this has gone through many changes since independence in 1971. Primary education was made free and compulsory in 1991 and the system is one of the largest in the world with enrolment at around 80%, with around a tenth of provision coming from NGOs. However, the World Bank has recently expressed concern about low levels of achievement in primary education (World Bank, 1999). The gross enrolment rate at secondary level (11-15 years) in 1999 was only 41.2% and less than 10% of young people complete all secondary levels (up to 18). The World Bank also reports problems in secondary education with large class sizes, insufficient resources, and unequal access (for geographical, gender, or financial reasons) (World Bank, 1999a). In parallel to mainstream formal education, students can choose to study at Madrasahs, which offer Islamic religious education at primary, secondary, and higher levels. Most Madrasah education is in rural locations and rural learners account for 91% of Madrasah enrolment, compared with around 77% in mainstream education (JBIC, 2002).

2.8. Higher education in Bangladesh takes place at Universities or Degree Colleges, with some earlier stages taken at Polytechnic Institutes (World Bank, 1999a). There is growing demand for higher education. The main components of the system (as of February 2002) are: 17 public general and specialised universities, 29 private universities, 1,160 degree colleges affiliated to the National University (NU), 4 degree-level institutes of technology (BIT), 63 law colleges, 25 medical colleges, 43 Computer Science colleges, and 54 teacher training and other professional colleges/institutions (Ministry of Education, 2003). In addition, over 1,000 Madrasah Colleges offer degree education. The participation rate in the public universities is only 7% of the eligible cohort, with 50% of the remaining students entering non-university tertiary education. The 29

private institutions have seen a steady rise in their intake, and the World Bank predicts that by 2020, private universities in Bangladesh will enrol up to a third of all students (World Bank, 1999b). In addition, recent information suggests that there may now be as many as 56 private universities operating in Bangladesh.

2.9. Particular features of the tertiary education system include:

- A public system that includes a mix of 17 campus-based general and technical universities that enrol 17,000 students each year, the National University with its 1160 degree-awarding colleges that enrol 2.1 million students (i.e., the majority of students), and the Bangladesh Open University (BOU) which enrolls 251,413 students annually and combines formal qualification-based programmes with flexible open learning at low cost. Between 50 and 70% of the students in the BOU are women, although evidence suggests completion rates of less than 25% (World Bank, 1999b).
- A growing number of private universities follow the US model, teaching in English, and are mainly not-for profit (although exact structures are unclear). Fees in the private university are high (typically between USD 1,000 to USD 2,000 per annum) and priced for the growing middle class (Hopper, 1998).
- The Islamic University of Technology in Dhaka, a subsidiary of the Organization of the Islamic Conference (OIC) that represents 57 Islamic countries throughout the world.
- Expansion of degree colleges in the 1990s as a result of demand for higher education and through political sponsorship; around 88% of degree colleges are privately managed (World Bank, 1999b).
- Upgrading of the engineering colleges (in 1996) to become autonomous Bangladesh Institutes of Technology (BIT). The University Grants Commission (UGC) has allocated further development funding to establish one Science and Technology College in each of the Greater Districts where there is no university, to create 3 new Science and Technology Universities, and to convert the 4 BITs into universities (Hopper, 2002).
- An extensive non-formal education programme to improve basic literacy among young people and adults between 11 and 45 and a post-literacy and continuing education initiative emphasising training in income-earning skills (JBIC, 2002).
- The recent signing of a Memorandum of Understanding between the Government and the European Parliament to establish an Asian University for Women in Bangladesh (Ministry of Education 2003).

2.10. Although a clear statement of national government policy is still awaited after a change of government in 2001, general policy directions were set out in the Fifth Five Year Plan (1997-2002) by the previous government. These have been taken further in the National Education Policy document prepared for the government by a team of Bangladeshi education experts in 1997-8, published in 2000. Proposals include increasing the number of places in the system as a whole, and in the private sector in particular. As a consequence, in a 6 month-period between October 2001 and April 2002, 12 charters for private universities were approved, and anecdotal evidence suggests a number of further charters have been approved in 2003. Further proposals include: increasing places in science and technology and developing research capacity (in the public institutions), improving quality through developing centres of excellence, building links with the labour market in productive sectors, generating additional funding and income, and strengthening accreditation and regulation (Hopper, 2002). The government is also seeking to widen access to three key under-represented groups: women, rural, and poorer students (often the last two categories are synonymous).

2.11. Education's share in total government expenditures is currently around 15% but with most allocated to primary and secondary education. Total education spending in Bangladesh accounted for 2.2% of GDP. Universities only received 4.26% and technical education, 3.95% of the education budget in the period 1997-2002 (JBIC, 2002). Government grants constitute nearly 95% of the income of public universities, with only about 1% coming from student fees. Extra resources are required to improve quality and the UGC recommends that universities diversify and develop additional income streams (World Bank, 1999b). This contrasts with the

private sector where (wealthier) students pay a large share or full-cost of their education. There is no public system of student loans, although there are some scholarships and private loan schemes available. Private universities are required to reserve 5% of their places for free scholarships to poor but meritorious students, although some institutions go beyond this to offer additional discounts (Hopper, 1998).

2.12. **Malaysia's** education system was inherited from Britain but soon after independence, from 1961, a process of 'Malaysianisation' began, and the government has been highly interventionist in using education to fulfil key economic and social objectives. Primary education (7-12) is 'free to all' and the enrolment rate is 97% in national schools, religious schools, Chinese and Tamil schools. Secondary education (from 12-18, organised in 3 levels) is also free. Post-secondary level covers the ages 18-19 and prepares students for entry into local public universities, private colleges and universities and other institutions of higher education, or for entering the employment market. Post-secondary studies either take the form of pre-university courses (largely public sector) or technical/vocational courses leading to Certificates and Diplomas (largely private sector).

2.13. The terms 'higher' and 'tertiary education' are used to describe education that follows completion of the Malaysian Certificate of Education Examination (SPM). Higher education takes place in universities and other institutions of higher learning, in a wide range of subjects and with a diversity of delivery modes including examination only, distance education, conventional, and mixed mode. New legislation in 1996 (covering both public and private education systems) marked the beginning of major democratisation and liberalisation. Between 1996 and 2001, there was a 95.2% increase in the number of higher education providers in Malaysia, mainly due to the increase in the number of private sector institutions (Suleiman, 2002). Today, there are over 600 higher education institutions, and the main types include public universities/university colleges (17), private universities/university colleges (12), overseas branch campuses (4), 1 virtual university (UNITAR), 1 Open University (UNITEM), private colleges (518) and IT academies. Community colleges (12), polytechnics (13), and teacher training colleges (27) are categorised as non-HE post-secondary education. The majority of enrolments are in the private sector colleges and public universities. The current tertiary education participation rate in Malaysia is around 24% with demand still unmet (UNESCO, 2002). The 8th Malaysian Development Plan (2000-2010) has an expansion target of 40% for the 18-24 age group by 2020, with targets for each type of provider. However, the government is also seeking to ensure quality and recently closed over 100 private colleges.

2.14. The Malaysian tertiary system is diverse and particular features include:

- Non-university level institutions such as private colleges offering a wide range of technical and vocational degree level and non-degree level courses for both Malaysian and overseas students (franchised from public universities); publicly-funded polytechnics offering 2-year certificate programmes (80% in engineering); and community colleges offering vocationally-based full-time and short courses for the benefit of the economy.
- University-level institutions including publicly funded universities and university colleges (offering degrees in specialist areas), and one international university (the International Islamic University Malaysia - IIUM). All the local public universities (other than the IIUM) offer Bachelor degree courses for Malaysians while their post-graduate courses are open to foreign students as well.
- Private universities and university colleges of various types that accept foreign students at undergraduate as well as postgraduate levels. Different categories include: 'corporatized' universities set up by former nationalised industries with close links to government; 'corporate universities' established by large organisations for the training of their staff; universities established by political parties of the Barisan National Government, and transnational branch campuses of foreign universities.

2.15. Education has traditionally had a high political priority in Malaysia. Since the mid-1990s, Malaysia has focused on the 'K' (knowledge-based) economy as the key to economic, political,

and social competitiveness. The Malaysia Plans detail four areas of current higher education policy: increasing access to higher education and maintaining standards; developing links between higher education and national economic development (including increasing the output of science and technology graduates); improving the quality of indigenous higher education provision; and linking higher education with national culture and identity. In carrying out this policy, the government aims to enhance the role of the private sector, increase the number of enrolments in public universities, and encourage public universities to generate the majority of their operating costs through revenue-generating activities. The government is also aiming to create a university and a community college in each state, and the cabinet recently approved the establishment of four technology-based institutions (Austrade, 2002).

2.16. Malaysia spends 22.7% of total capital expenditure on education at all levels and 38.8% at the tertiary level. The national budget allocation has increased annually since 1996 and in 2003, the allocation reached US\$2.4bn. In 2002, this allocation represented 26% of the total budget (Suleiman, 2002), which is the second highest level of public expenditure on education amongst World Economic Indicators' (WEI) countries (World Bank, 2003). There is a wide range of tuition fees in public universities, depending on the subject and a variety of mechanisms to enable students to pay their fees, including non-repayable scholarships, Education Funds (loans from various sources), investment schemes, and bank loans. Students can also access government loans to study in approved (accredited) private higher education institutions. In 2000, approximately 29,000 students in private education benefited from such funding. (EPU, 2001).

2.17. **Bulgaria's** education system has been going through a series of reforms since the ending of communist rule, and further reforms in higher education are scheduled to pass through parliament in 2003. Education is compulsory from the ages of 7 to 18. In 2002-3, 99.8% of children were enrolled in primary school and 74.9% in the upper secondary level. Prior to 1989, 22-25% of school graduates entered higher education (because of strict government controls on access); ten years later, 60% of school leavers entered some form of higher education (Georgieva, 2002).

2.18. The higher education system in Bulgaria has been defined by legal changes in the 1990s that sought to grant academic autonomy, expand programmes and enrolments, change existing structures, improve quality and standards, give freedom to public institutions to charge fees, and the state the right to establish private universities. In parallel with these changes, the number of students rose by 33% between 1990 and 1995, and reached a peak of 270,000 in 1998. Today, there are 230,513 students in higher education, studying in universities and specialist higher schools or technical universities (42), academies (123), research and scientific institutes and colleges (49) (NSI, 2003). The proportion of the 19-23 year old age cohort entering higher education increased from 7-27% between 1989 and 1999, declined to 14.7% in 2001-02, and rose slightly to 15.5% in 2002-03 (through changes in state policy and demographic decline). Due to the rapid development of the system, Bulgaria is well provided with higher education. There is around one university per 200,000 people, compared with one per 1 million people in Italy and 1.5 million in the USA (Georgieva, 2002).

2.19. Particular features of the higher education system include:

- Public sector traditional universities established prior to 1989 (teaching to degree level in at least 3 of the 4 main fields – humanities, natural, social and technical sciences, and conducting research).
- Technical institutes transformed into technical universities in the 1990s. These institutions offer training and research in a narrow range of technical and vocational fields.
- Research and scientific institutes that are called academies. Approximately 65 operate under the Bulgarian Academy of Science and 58 under the National Centre for Agrarian Sciences.
- Colleges that offer short-term vocational training leading to the 'Specialist in...' qualification. These are often linked to universities, but can also be independent; they also offer specialist vocational education at school level. It should be noted that the non-university and

vocational sector is relatively small compared to the university sector, and is less popular with students.

- Four private universities with a Western-style degree structure, flexible study modes, offering non-traditional courses and some private sector colleges at non-university level.
- A growing supply of distance education offered both through public and private universities to meet the needs of working adults.

2.20. The government and its advisors see a high-quality higher education system as crucial to Bulgaria's plans for greater integration with the rest of Europe. Current policy concerns include the need to take control of expanding access to the system, to improve academic standards and the economic relevance and flexibility of the system, reform the credit system, and reform institutional structures and management. The government would also like to reduce the number of faculties and consolidate the number of institutions in the public sector. In addition, the government has recently established a new State Registry of Accredited Institutions and Programmes, and new State Requirements for the award of HE qualifications. These measures are designed to help diversify the range of specialities on offer to students and to restructure the qualifications system to bring it in line with the Bologna Declaration.

2.21. During the transition period, the proportion of state subsidy allocated to higher education decreased in relation to GDP (from 6.06% in 1992 to 3.65% in 1999). Since then, this negative trend has been reversed and, for two consecutive years (2000 and 2001), public expenditure on education as a proportion of GDP increased by 0.10 to 0.15 % per year (Georgieva et. al, 2002). From 1999, and following increased involvement from the World Bank, there have been significant changes made to higher education finance. Tuition fees for all students in the public sector were introduced (limited to 30% of the cost per student); now fee-paying students account for over half of all enrolments and around 30% of total university income. Since 2002, public universities have also been able to charge full-cost tuition fees from a proportion of post-graduate students (in programmes accredited as 'good' or 'very good' only). The private sector is able to set its own fee levels and these tend to be set at a level that remains competitive with the public sector. This sector is not subsidised by the government, and is dependent on student fees and income from foreign donors (e.g., TEMPUS, PHARE, and the Open Society Fund).

2.22. Students are assisted in various ways from both public funds and other sources. In the public sector and in the most expensive programmes (such as Medicine or Engineering), the state provides up to 90% of student tuition costs. In addition, fees are waived for disabled people, orphans, and students at military higher education institutions, and there is a system of grants and scholarships for excellent and economically disadvantaged students, and loans for others. From 2000, the public institutions have controlled the criteria and amount of stipends for students. In the private sector, grants are available for academic excellence and to cover living costs via scholarships from various sources. All students also receive a range of social benefits such as low-cost residence, discounts on public transport, free medical services, and health insurance.

3. Regulatory frameworks, accreditation and quality assurance

3.1. Education across the world remains a national concern, although international pressures and interests are growing, particularly in tertiary education. Legal and regulatory frameworks, accreditation and quality assurance systems, frameworks for the recognition of qualifications and the transfer of credit are important mechanisms for shaping education systems in ways that meet national and regional objectives. The countries in our sample reveal different approaches to regulation and are at different stages of development in relation to their quality assurance arrangements.

3.2. **Jamaica** has established the only statutory accreditation body, the University Council of Jamaica (UCJ), in the English speaking Caribbean. Elsewhere in the region, a number of associations promote professional development, collaboration, and mechanisms for integration

(such as the standardisation of credit systems or common structures for associate degrees). In addition, since 1996, the University of the West Indies has developed quality assurance units in each of its three campuses. The Caribbean Evangelical Theological Association accredits the theological colleges in the region although this organisation is not recognised by the UCJ.

- 3.3. The UCJ is a statutory body reporting directly to the Ministry of Education, Youth and Culture, the ministry that administers, finances and co-ordinates the public institutions and regulates the private institutions. In addition to UCJ, the National Council on Technical and Vocational Education and Training (NCTVET) certifies and provides accreditation, quality assurance, certification, and standards for technical and vocational programmes up to the technician level. Professional bodies also exist in areas such as medicine, law, engineering, and accountancy.
- 3.4. The UCJ has a range of functions including:
 - Registering tertiary level institutions: a process that certifies that they have met minimum operating standards. Institutions must register if they seek accreditation and an institution gains accredited status when all of its programmes are accredited;
 - Establishing course/programme accreditation criteria;
 - Accrediting courses;
 - Awarding degrees on behalf of institutions without degree-awarding powers;
 - Providing guidance on the equivalence of foreign qualifications.
- 3.5. All government-funded institutions are automatically registered by the UCJ. At programme level, universities are accredited on a voluntary basis although institutions must be accredited if qualifications are to be awarded. In practice, most institutions seek accreditation as a mark of public confidence; the public, including employers, see this process as a guarantee of quality (British Council, 2001). The UCJ reports that currently, more than 95% of tertiary institutions are registered, and more than 50% of courses at degree level and above are accredited (UCJ 2003). The UCJ recognises and accredits private higher education institutions in Jamaica, but does not register distance learning courses with no face-to-face provision in the country. For local distance education provision, the criteria for accreditation take into account the different structure of such courses as compared with face-to-face provision.
- 3.6. Foreign institutions wishing to offer courses taught in Jamaica (either by indigenous or foreign staff) must have them accredited by the UCJ, even if they are accredited in their home country. If an institution is licensed in its home country, no license is needed from the UCJ. The UCJ also has close relationships with overseas agencies through membership of the International Network of Quality Assurance Agencies in Higher Education (INQAAHE).
- 3.7. The three universities operating in Jamaica have their own procedures for recognising overseas qualifications.
- 3.8. In **Bangladesh**, the regulatory framework is complex with many organisations involved in the direction of higher education; there is no single overarching authority. The President is the Chancellor of most of the universities and is responsible for the appointment of vice-chancellors. The Prime Minister is the Chancellor of a limited number of universities. The Ministry of Education is concerned with overall policy formulation and line directorates are responsible for the supervision and control of their relevant institutions (Directorate of Secondary and Higher Education; Directorate of Technical Education). The University Grants Commission of Bangladesh (UGC) acts as an intermediary, co-ordinating body between the government and individual universities. In addition, the National University is an affiliating university that controls the degree-granting colleges, and the Bangladesh Institutes of Technology Council co-ordinates the activities of the four engineering colleges.
- 3.9. The complexity of the regulatory framework is not matched in the country's quality assurance frameworks, which appear to be generally weak. Public universities are statutory and autonomous bodies and are expected to review their own quality and standards, although the

UGC has the right to visit or have teams of experts visit the institution to evaluate programmes and to assess the institution's needs and requirements. However, the UGC's Fifth 5-year Plan (2002) envisages an increased role for the Commission. Each private university has a different legal status, but the Private Universities' Act (1992) stipulates a series of conditions for establishing a private university (Alam and Shamsul Haque, 2002). The UGC is responsible for approving programmes and courses in the private universities and, with the Higher Education Directorate of the Ministry of Education, approves the curricula of (foreign) franchised courses. There is as yet no system of institutional accreditation, but this is being considered for private universities.

- 3.10. The National University reviews and approves all applications for degree colleges seeking Government recognition. If successful, the Academic Council grants provisional recognition for a period of 3 years, with reconfirmation subject to performance. 'Approval' sets quotas for enrolment and for honours courses and must be re-affirmed each year. However, the existing evaluation system does not conform to standard (international) practices since evaluation is not regular, frequent, and continuous; the World Bank has therefore suggested expanding the criteria and standards (World Bank, 1999b).
- 3.11. In **Malaysia**, the Higher Education Department of the Ministry of Education co-ordinates and monitors the activities of institutions of public higher learning. Polytechnics are regulated by the Technical and Vocational Education Department of the Ministry. The Department of Private Education (JPS) in the Ministry of Education regulates private providers in relation to their establishment, registration, premises, fees, and student and staff affairs. The JPS has the power to ensure that providers offer quality education, comparable to that in the public sector, or face legal action. The National Accreditation Board (LAN) was established to provide quality standards and guidelines for the courses offered in the private sector institutions. It conducts accreditation to ensure compliance with standards and monitors the implementation of compulsory subjects. The LAN also advises the Registrar General of Private Education on the establishment, registration, and approval of courses from these institutions.
- 3.12. Universities can only be established in accordance with an Incorporation Order signed by the King and only on the invitation of the Minister of Education. Since 1996, all educational institutions must be licensed in a two-stage process that first provides approval to establish, and second requires registration to acquire a license to offer courses. Approval must be based on the recommendation of the National Accreditation Board, which assesses the suitability of facilities and the quality assurance arrangements in place in a close scrutiny process based on standard procedures. Courses can then be offered before applying for accreditation of the courses from the LAN. These procedures also apply to joint programmes run in association with public or private universities. Currently, there are separate agencies accrediting courses for public and private providers. There are relatively high fees for approval of courses, which have forced some less well-endowed private providers to close down. In 2002, the fees were RM10, 000 for certificates and diplomas, and RM15, 000 for degree courses (Lee 2002a).
- 3.13. The LAN process covers the accreditation of individual courses at private universities, and there are now two (until recently there were three) levels of assessment: mandatory approval of courses of study, and the now compulsory certificate of accreditation. Approval for courses is granted for five years although spot checks can occur at any time in the period. Periodic comparative assessments are made (through a peer review process) of private sector qualifications against those set by examinations' boards in the public system.
- 3.14. Public universities are generally self-accrediting, but require Ministry approval to conduct new courses, and all qualifications are subject to recognition by the Public Service Department, including qualifications achieved through overseas study (Suleiman, 2002). In 2001, a Quality Assurance Division (QAD) was set up in the Ministry with a similar remit to the LAN. The QAD aims to provide continuous quality assurance to improve programmes and promote public confidence in a five-yearly cycle through a quality audit process at faculty and discipline level. Trial audits began in January 2003 in three disciplines: IT, medicine, and engineering. All

professional courses must also seek approval from relevant professional bodies in order to recruit students in Malaysia. Foreign professional qualifications must be accredited in their country of origin before they can be recommended for approval in Malaysia. For some professional courses, recognition from a local counterpart professional body is required before approval can be given to the private institution to offer the course. Technical committees that include representatives from accreditation authorities (including LAN) manage the accreditation exercises and cover all institutions, public or private.

- 3.15. The Private Higher Education Act of 1996 required distance learning courses to be approved and accredited by the LAN according to the same standards as other campus-based courses. All courses offered externally must have corresponding internal courses in Malaysia and students studying by distance learning mode are also required to have at least 20 hours face-to-face with their tutors. Also, if overseas-based distance learning institutions are not licensed by the JPS, they must have a local partner, even if they are totally on-line (British Council, 2001). However, distance based courses offered directly by overseas providers, or via a local agent (that provides administrative support) are not registered with the Ministry of Education (Suleiman, 2002).
- 3.16. All transnational providers are subject to Malaysian laws and the Malaysian quality assurance framework. Foreign providers can either apply to be licensed as a private higher education institution (i.e., through a branch campus), or, deliver courses through a local partner licensed as a private institution. All transnational providers with a local presence must meet the government requirement that Malaysian nationals must hold 30% of the equity and they must also fulfil local registration requirements (Suleiman, 2002). For franchised courses, the Private Higher Education Act states that the curriculum should be exactly the same as the home-campus version and this creates some problems for distance education programmes that are not taught at-a-distance at home. Both local private colleges and their partner universities must submit annual progress reports on 3+0 programmes including details on the academic progress of students, staff development and student exchanges. In addition, in some countries (such as the UK and some US state accrediting agencies) the home quality assurance or accrediting agency will monitor the overseas activities of its national providers; the new Australian agency may follow a similar path.
- 3.17. The regulatory framework appears to be strong in Malaysia with clear government encouragement for adherence to externally monitored quality assurance standards and systems. There is a high level of recognition of the relationship between quality, quality assurance, and international competitiveness. There is also considerable experience of quality assurance through foreign involvement and overseas study (GETIS, 2000). A number of Malaysian institutions have embedded Total Quality Management practices in their institutions and there is a comprehensive programme that includes ISO registrations for government ministries. There are new plans to integrate the public and private sector systems by bringing together the LAN and QAD in a single quality assurance body, independent of the universities, by 2005 (Ministry of Education, 2003). The National Accreditation Board is also currently working with the Private Education Division in the Ministry of Education on new criteria for the assessment and quality assurance of qualifications across the private and public sectors, as part of a new national framework of qualifications (MQF). In addition, in August 2003, the MOE introduced minimum entry criteria for all universities to prevent the enrolment of under-qualified candidates into private universities both locally and abroad.
- 3.18. The **Bulgarian** National Assembly is empowered to establish, reform and close down educational establishments. The Council of Ministers develops higher education policy, advised by the Ministry of Education and Science which itself receives guidance from the Bulgarian Rectors' Council. The Council's members are all the Rectors (Presidents) of all the legally recognised public and private higher education institutions in Bulgaria. The National Agency for Evaluation and Accreditation (NEAA) develops and approves the procedures and respective documentation for the process of accreditation. It also stores data on accredited institutions, faculties, and specialties. In relation to the recognition of qualifications, the National Academic Recognition and Equivalence Information Centre (ENIC) in the Ministry provides relevant

information to all stakeholders while the Higher Attestation Committee (HAC) works with the Council of Ministers on regulating the award of Bulgarian qualifications and recognising overseas doctoral qualifications. A new National Attestation Agency concerned with the awarding of academic degrees and titles is in the process of being established.

- 3.19. An institution is legally recognised following a positive decision from either the National Assembly (for new universities and equivalent institutions) or the Council of Ministers (for colleges, faculties and branch campuses) after an accreditation process has been undertaken. There are two types of accreditation (institutional and programme), and two modes (regular and provisional). All higher education institutions established before the 1999 amendments to the Higher Education Act are subject to periodic licensing – every 5 years – through institutional accreditation under the regular mode. New institutions established after 1999 need first to achieve accreditation in the provisional mode in order to achieve recognition (and appear in the State Gazette where details of new institutions, faculties or branch campuses are published). Within an 18-36 month period, they must then apply for 'regular' mode accreditation. Only accredited institutions can apply for programme accreditation. All institutions were expected to be accredited by the NEAA by 2002 and all programmes by 2004 (including the publicly-funded universities). By the end of 2002, the NEAA had evaluated nearly 190 specialities and accredited around 73% of these. Since 2002, institutions and programmes accredited with the highest scores can admit extra students on a full-cost basis. The Ministry, in co-operation with relevant professional bodies, also regulates professional courses.
- 3.20. Private institutions have institutional accreditation, but have had problems complying with the criteria for programme accreditation since these were based on disciplinary structures and criteria that fit the traditional public sector (Slantcheva, 2002). However, this problem has been addressed by the abolition of the State Register of Specialties and the Uniform State Requirements, and some private universities have received accreditation for their programmes. The system may shift towards subject rather than programme-based accreditation in the future (as programme accreditation is costly and can be burdensome).
- 3.21. Currently, the NEAA has no explicit mechanism for regulating transnational education, since policy is concerned with ensuring conformity with the national system. However, foreign institutions cannot open subsidiaries or faculties in Bulgaria. They can collaborate with local higher education institutions, but only if based on intergovernmental agreements for educational co-operation. Foreign branch campuses have had to be transformed into national institutions. Franchised forms of transnational provision have not to date been controlled by the government, and they are not subject to quality review and accreditation by the Bulgarian educational authorities; quality is considered the responsibility of the awarding institution. These arrangements exist outside the Higher Education Act, so are treated as 'non-existent' rather than illegal. Authorised local agents can register under the Trade Law.
- 3.22. The NEAA has co-operated with the regional network of 18 nationally recognised Quality Assurance Agencies in Central and Eastern Europe since 2000 in order to share information and good practice. This regional network is now becoming a formal legal entity with a centre in Budapest. The Network has applied for membership of the European Network of Quality Agencies. Bulgaria is also a signatory to a range of bi-lateral agreements on educational co-operation of various kinds.

4. Transnational, private and for-profit provision

- 4.1. The amount and range of transnational, private, and for-profit provision varies by country and is subject to change over time. We have not been able to collect complete data for each country and have had particular difficulty in distinguishing between non-profit and for-profit private provision.

- 4.2. **Jamaica** has seen an expansion in provision by foreign tertiary providers in recent years, and regionally, UNESCO reports that there are now over 60 foreign providers operating in the English speaking Caribbean (UNESCO, 2003). There are three main types of tertiary level transnational provision in Jamaica, although there is often overlap between these types (British Council, 2001):
- Programmes developed by overseas partners, taught intensively by visiting staff from the provider's home campus at week-ends, in the campus of a local partner, or in a branch campus of the overseas provider;
 - Part-franchising of the early stage of a course to a local partner, and part-time delivery by overseas staff in the later stages of the course;
 - Distance learning programmes from a range of countries.
- 4.3. A number of foreign institutions have achieved local accreditation in Jamaica; these include programmes from the UK, Canada, and the US. Courses offered are mainly in business and teacher education. In addition, there is a market for professionally oriented courses and qualifications including MBAs from the US, and provision at various levels from UK institutions and professional bodies.
- 4.4. Distance learning appears to be gaining in popularity, not least because it offers the chance to develop overseas connections and obtain overseas qualifications in certain critical fields such as business (British Council, 2001). There is at present a limited amount of distance education in Jamaica, particularly in teacher education, although UTECH is working to develop online courses. It is believed that a significant number of students are accessing distance learning through overseas universities such as the for-profit provider, the University of Phoenix in the US, although no research has been undertaken to determine its extent. Overseas distance education courses are also advertised in Jamaican newspapers (e.g., Holborn College, London and the University of London External Programme).
- 4.5. Jamaican students also study overseas; the UWI, for example, has exchange agreements with institutions in Japan, Surinam, Canada, the UK, USA, and Latin America and Jamaica itself welcomes nationals from other Commonwealth countries through a Commonwealth Student Exchange Programme. In 2000, UNESCO reported that, at the University of the West Indies, there were specific quotas for the numbers of overseas students – in Engineering, Law and Medicine. Such quotas were designed to preserve the number of places for Jamaican students on courses with limited available places, while at the same time ensuring a full-cost fee intake (from the overseas students) to allow the programmes to remain sustainable. There is as yet no explicit government policy related to transnational provision beyond the accreditation arrangements described above - developments have so far been market-led by local institutions and other providers.
- 4.6. Jamaica hosts a range of private tertiary education providers (18 out of 47 registered institutions in 2002 – see section 6). Only seven of these offer undergraduate degrees and only four offer postgraduate provision. Although designated as private in terms of their governance arrangements, it is unclear whether these institutions are for-profit or non-profit in their operations. The main traditional involvement of the private sector in tertiary education has been through the provision of financial support to institutions and students, for example, companies sponsoring their staff, input to curriculum design, provision of work experience and mentoring for students, scholarship funds, and the provision of professorial posts in universities. We do not at present have data on differential fee-rates between private and public institutions in Jamaica, although fees can be as high as \$15,000 for a business related Masters course.
- 4.7. In **Bangladesh**, it is reported that the private sector has led the way in developing international links, although both public and private universities have links with overseas universities (Hopper, 1998). Most of these types of linkage represent 'traditional' international collaborations rather than the newer forms of 'trade in educational services'. The main traditional forms of transnational exchange include:

- Staff exchange between institutions for teaching, curriculum development and research;
 - Staff development programmes for junior staff leading to higher degrees;
 - Design and development of laboratory facilities for collaborative research;
 - Promotion of industry-university co-operation and linkages through short courses and continuing education programmes with guest lecturers from abroad.
- 4.8. In addition, many private universities have formal franchise agreements and collaborations with Dutch, American, and British universities. These links either involve credit transfer agreements whereby study in Bangladeshi universities achieves credit for entry to overseas degree programmes (for example in the US, Canada, Australia) or links that involve overseas staff acting in a visiting capacity in Bangladeshi universities. Distance learning programmes are also a popular method of obtaining a foreign degree in Bangladesh. Many local institutions are eager to develop distance learning degrees in partnership with foreign universities, particularly American universities. In 2001, the British Council reported that there were more than eight institution-based open learning programmes on offer by local universities (four with US universities). US MBAs and other management qualifications appear to be the most popular for study by distance learning.
- 4.9. India is the most popular destination for Bangladeshi students studying abroad, followed by the USA, the UK, Australia, and Canada. Bangladeshi students are also keen to obtain scholarships to study for overseas doctorates. Overseas students from neighbouring and other developing countries also study in Bangladesh at postgraduate level, coming from countries such as Nepal, Sri Lanka, Palestine and Saudi Arabia (Alam and Shamsul Haque, 2002). One of the main private universities (North South University) attracts overseas students (and visiting staff) from a range of countries including the US. Foreign students currently constitute 6% of the total enrolment in higher education institutions.
- 4.10. Bangladesh, following advice from the World Bank, has pursued a deliberate policy of rapidly increasing access to tertiary education through the private sector where there are now over 2,000 colleges (including Madrasahs), 7 polytechnic institutes, and 29 universities (Ministry of Education, 2003). We do not have clear data to ascertain whether these institutions operate as non-profit or for-profit, although Hopper reports that they claim to be not-for-profit. There are large cost/fee differentials between the public and private universities: at the public, Dhaka University, in 1999, annual costs per student ranged from US\$265 to US\$828 and at North-South University (the most popular private institution) the annual cost per student was over US \$3,500 (Quddus, 1999). Tuition fees vary between the private institutions, from around US \$500 at the Central Women's University to around US \$4,000 at the Independent University of Bangladesh. Hopper reports that fees are priced for the growing middle classes, with higher rates for overseas students. The public universities are significantly cheaper than the private institutions, but can still cost on average about US \$400 per year; this is a significant amount when many families live on \$1 per day and the average per capita income is US \$350 per year (Hopper, 1998).
- 4.11. Transnational provision in **Malaysia** has grown rapidly since the liberalisation of higher education in 1996 and there are a variety of types of provision and modes of study/delivery. Provision has focused on courses attractive to students and employers, especially where local provision is weak (e.g., business administration). Terminology varies and is sometimes dependent on the provider. The main types include:
- Split-site arrangements for Bachelor's degrees. These collaborative arrangements mean that local colleges can offer programmes leading to overseas qualifications. Three approaches are found:
 - Twinning arrangements involving a mix of local to overseas study in varying proportions: 1+2, 2+2, or 2+1 years of local to overseas. Curricula are the same although until recently local content was required to meet national requirements (e.g., Islamic or Moral Studies);

- Credit transfer arrangements between local and overseas providers that allow students to study locally and transfer credits gained to one or more of the overseas linked programmes to complete the degree (US, UK, Canadian and Australian universities operate such arrangements);
- Advanced standing entry involving recognition of study in a local private college for full or part exemption of the foreign degree programme.
- Full franchises (3+0 programmes). Of the 518 licensed private colleges in Malaysia, 36 are licensed 3+0 partnerships where an entire course is offered under franchise by the local provider (Studymalaysia 2002). The UK, US, Canada and New Zealand are involved in such franchising. These courses are popular as they offer substantial saving to students compared with overseas study and living expenses.
- External programmes for degree qualification. Students can register as an 'external' student with a foreign (or local) university and study through local private colleges. Although similar to split-site arrangements, there is less tuition involved and less contact with the 'main' university; this more closely resembles distance learning. The University of London offers such external programmes, as does Campbell University in the US.
- Foreign universities with branch campuses, i.e., 'off-shore' bases of foreign universities. Overseas universities enter into partnerships with local companies who provide capital and physical infrastructure while the universities provide the educational components. Since the 1996 legislation, foreign universities can only set up campuses at the invitation of the Government, which is actively encouraging this development. Australian and UK universities have set up branch campuses in Malaysia and in 2002, the 4 branch campuses enrolled more 11% of all students in the private university sector (4,740 students).
- External professional exams. Malaysian private colleges also prepare students for external exams set by local and foreign examination bodies/boards. For example, there are over 150 formal links between UK universities and Malaysian private sector colleges for shared delivery of British qualifications at all levels.
- Joint programme arrangements at post-graduate level. Students register with the local private higher education institution and the foreign university and both are responsible for the whole academic programme, which may be jointly designed. Usually there is a residence requirement to complete some study overseas and the foreign university awards the degree.
- E-learning and other distance learning provided by foreign-based institutions who offer on-line course direct or via a local agent who provides support services. Such courses are not registered with the Ministry (Suleiman, 2002).
- IT academies. Large companies such as Fujitsu and foreign IT institutions such as the National Institute of IT, India, have established these.

4.12. Malaysia has a long history of students studying overseas, although there was a significant reduction following the economic crisis in 1997, and this stimulated the growth of local tertiary provision. In 1997, around 51,000 students were enrolled in institutions abroad, around 30% of whom were government-sponsored students, and the World Bank estimated that educating these students resulted a net currency outflow of around RM2m (Rahimah et al, 1999). Among this group, 70% were studying for first degrees of which 60% were in science, engineering, medicine, and technical subjects (GETIS, 2000). There is significant international competition to attract Malaysian students with a variety of incentive schemes operating. Major destinations for Malaysian students were the UK, the US, Australia, New Zealand and Canada, with Australia becoming increasingly popular. Other destinations include Germany, Japan, Singapore, and Scandinavian countries. In 2003, the World Bank estimated that all overseas education of Malaysian students has resulted in a total annual economic outflow of around \$1 billion annually and, as a consequence, the government has been keen to stimulate local education services (World Bank, 2003).

4.13. Malaysia also actively encourages (through marketing seminars and events) the 'import' of overseas students. The number of such students has grown significantly, from around 4,000 in 1996 to 11,733 in 1998 (McBurnie and Zигuras, 2001); today they number around 28,000 (around 23,000 in the private sector) – mostly studying business, information technology, or languages (Ministry of Education, 2003). They contribute around RM500 million (\$132m) per

year to Malaysia's economy. A recent report by the National Economic Action Council in Malaysia indicated that the overseas student population in public universities grew 8.65% between 1997 and 2000, and in private universities by 60.1% in the same period (reported by the World Bank, 2003). Students come from the UK, the Middle East, the People's Republic of China, the Maldives, Kenya, Uganda, South Africa, Indonesia, Singapore, and SAR Hong Kong (studymalaysia.com, 2002). Most of these students are enrolled in transnational post-graduate courses in the private sector, although the government only allows around 100 private institutions to recruit overseas students. College education and first degree programmes tend to be reserved for Malaysian students; some public university undergraduate courses do not enrol any foreign students and others are restricted to 5% enrolment of foreign students, although different rules apply to the independent International Islamic University. The government has ambitious targets for attracting overseas students to Malaysia, and sees the country as becoming a regional hub for higher education (as does its neighbour, Singapore, although according to a recent study commissioned by the National Economic Action Council, higher education costs in Malaysia are 30% lower than in Singapore). In addition, Malaysia has 5 tertiary institutions with branches overseas (e.g., INTI College in China, Vietnam, Thailand and Indonesia), in addition to distance learning courses.

- 4.14. As we have seen, private sector colleges are the dominant form of local private higher education in Malaysia (approximately 250,000 students are currently enrolled in total). Some also operate regionally; for example, there are programmes with the Cambodian National University and the Multimedia University. There are similar numbers of private (including branch campuses) (16), and public universities (17), although the total enrolment is much higher in the public universities (around 300,000 compared with 40,000). Some of Malaysia's public universities also franchise their programmes to local private colleges, so that students can study up to three-quarters or even their whole programme in local colleges while the public university provides the curriculum and awards the degree. Total tuition fees in the private colleges range from RM 18,000-RM35, 000, depending on the field of study (studymalaysia, 2002).
- 4.15. The private sector is helping to meet the strong demand for higher education in Malaysia, especially amongst non-Bumiputera students who dominate the private sector (the reverse is true in the public sector) – a legacy of the quota system in the public sector, which had remained in place until recently. The private sector also meets the needs of students who require more vocationally oriented courses, such as Business and Finance.
- 4.16. The public universities are able to admit around 100,000 students annually, while the combined private sector - private colleges, private universities, university colleges, and branch campuses in 2002 had a student population of about 165,763 (Ministry of Education, 2003). There are government targets for each type of provider; and the private sector is expected to educate at least 25% of the students in tertiary education (Suleiman, 2002). Fees in the public sector are subsidised at around US\$200-300 (RM760-1140) per annum (Lee, 2002). There is a wide range of tuition fees charged in the private system, from between 1100 to 4400 RM, all of which are relatively affordable to urban-based students (Ministry of Education, 2001). Studymalaysia.com is tracking the savings that can be made by studying locally with overseas partners: for example, the estimated cost of three years local study is RM 30,000 to RM 60,000 rather than RM 90,000 to RM 150,000 (US\$ 23,000 to US \$39,000) for a full 3-year programme overseas.
- 4.17. In **Bulgaria**, it is difficult to acquire an up-to-date and accurate picture of transnational activities, students, and providers since the Ministry does not collect relevant statistics and this kind of provision operates outside the Higher Education Act. However, a Ministry enquiry in 2002 identified 11 transnational providers. This provision mainly originated from universities in the US, the UK, and Germany, with other provision coming from universities in Russia, the Ukraine, and France. The main kinds of provision were:
- Joint programmes developed since the 1990s at faculty level with other universities. Successful collaboration has led to mutual recognition of credit and opportunities for part-

study abroad as well as dual awards (e.g., a dual German/Bulgarian Bachelor's degree in some engineering faculties).

- Twinning arrangements whereby joint programmes are offered with part-study in Bulgaria and part-study abroad (e.g., collaborations between one Bulgarian, two Rumanian and four German universities under the Stability Pact project BRIE). Twinning arrangements must have a signed contract between the institutions involved, preceded by an inter-governmental agreement for co-operation in the field of education, science, and culture between the respective states.
- Branch campuses (now transformed into national institutions). US, Dutch and UK institutions have sought to establish branch campuses, but the 1995 Higher Education Act stipulated that foreign provision could only take place in a national higher education institution and upon intergovernmental agreements for educational co-operation (see section above). Branch campuses had to transform into national institutions, licensed under the Bulgarian regulations, although they still retain their overseas ownership. The American University in Blagoevgrad, for example, has had to gain US and Bulgarian accreditation in order to secure the legal and financial basis for operating in Bulgaria, others have now lost their 'international' branding.
- Franchised collaborative provision involves foreign, private, and public (Bulgarian) providers. Examples exist from the UK, Russia, and the Ukraine and the latter two countries have a network of centres that is rapidly spreading across the country. Typically, these centres offer distance education courses.
- There are no corporate or corporatized universities, although in 2002 Microsoft announced plans to establish an institution near Sofia. Due to the legal limitations for setting up 'foreign' higher education institutions, this new initiative is taking place under the umbrella of the nationally accredited International Business School in Botevgrad.
- Many Bulgarian students study abroad, mainly in the UK, USA, Austria, and Germany and at postgraduate level. In addition, in 2002/2003 Bulgarian higher education institutions educated 8,387 overseas students, who pay higher fees than home students (on average USD3,000 per year).

4.18. With the anticipated further liberalisation of the legal framework for higher education in Bulgaria, a growing number of providers are seeking to establish cross-border programmes and arrangements with an 'international' component. The number of providers seeking accreditation has reportedly increased by 64% in the first six months of 2003 as compared to 2002 (NEAA, 2003, Bulletin no.6). The main subject areas are business, management, engineering, and technology.

4.19. The private sector has grown quickly in Bulgaria, but not to the same extent as in other communist states due to the size and status of the publicly funded sector. Between 1991 and 1995, the Bulgarian government recognised five private universities as independent legal entities, although one has since closed. In 2002-03, privately educated students represented 13.4% of the total student body having grown from 8.2% in the mid-1990s (Georgieva et. al., 2002; NSI, 2003). The private sector is more flexible than the public sector (e.g., Western-style degrees, standardised admissions, non-traditional courses, varied delivery modes and credit transfer between programmes). This has been made possible in part by financial autonomy, but such freedom brings dependence on market demand for certain types of programmes and subjects, the most popular of which are in humanities, foreign languages, social sciences, economics and law (in the private universities), and management, marketing and administration in the private colleges. The Ministry defines a quota for first-year enrolled students.

4.20. In 2000, average fee levels, in both public and private sector, were around 240DM (US\$133) per year compared with an average cost per student of 700DM (\$290) (Totomanova, 2001). In 2002, fee levels varied from 270DM (US\$150) in Economics and Education programmes to 3000DM (US\$1670) in medicine and agriculture; fees in the private sector are higher than in the public sector. One (rare) quoted fee for a transnational provider was £3,000 for BA programmes and £4,500 for an MBA programme in Business Administration. As with other countries, we have

not been able to establish distinctions between non-profit and for-profit private higher education.

5. Initial perceptions of the 'impact' of transnational, private and for-profit provision

- 5.1. Without the benefit of in-country primary research, our data on public perceptions, and the impact of transnational, private and for-profit provision has been gathered from a range of publicly available sources and from our in-country contacts. Our data requires verification and triangulation through more detailed research before we can confidently assert the reality of the perceptions we describe, and it should therefore be treated with some caution. Indeed, we are unable to gauge the generality or strength of the perceptions we describe below without detailed primary research with a range of stakeholders. The picture differs to some extent by country (as a result of culture, history, economic situation, and government policy).
- 5.2. The perceptions are often interrelated but we present the information by theme below, since the majority of the themes emerged in all of the countries. In some cases, the information in one section is contradicted by information in the other.

Increasing access to higher education

- 5.3. In all of our sample countries, tertiary (particularly degree level) education is highly valued by students, parents, employers, and the government. Education is seen to be a personal, social and economic good (e.g., in Jamaica, Bangladesh) and key to a better life (Malaysia). Governments also see tertiary education as a means to achieve economic and social objectives such as national integration (Malaysia) and economic development (all countries).
- 5.4. In the 1970s and 1980s, some countries concentrated their educational investment on pre-tertiary levels to improve literacy (Jamaica, Bangladesh), and secondary provision (Malaysia), while the tertiary sector remained small. Such improvements at earlier education levels led to higher social expectations and wider aspirations and increased demand for access to tertiary education. In all of our sample countries, there is now significant demand for tertiary education and a willingness to invest in it by individuals (students, parents and others), especially amongst the emergent middle classes.
- 5.5. Governments have been seeking to address increased demand and since the 1990s, all of our sample countries experienced rapid growth in tertiary provision. However, the demands to increase access have been accompanied by budgetary constraints in the public sector, limiting the extent to which the public sector can provide the necessary tertiary places. Therefore, government policy has supported increases in access and participation through new providers such as transnational, private, and for-profit institutions.

Widening access to higher education

- 5.6. In addition, to increasing the number of students receiving tertiary education, governments (supported by international agencies such as the World Bank) have been seeking to widen access to provide previously unavailable opportunities to social and economic groups, particularly where public institutions have been seen as elitist (e.g., Jamaica and Bangladesh). Measures have included offering alternative delivery modes (e.g., distance learning, part-time study), provision in rural areas (Jamaica, Malaysia, Bangladesh), and promotion of sub-degree level vocationally oriented provision (all countries).
- 5.7. However, in some countries, such as Bangladesh, there is a view that the growth of new providers and provision has not always increased diversity and choice as hoped, and furthermore, that its impact on widening access and equity is questionable. Most private sector institutions are colleges that offer sub-degree qualifications (e.g., diplomas, certificates), or offer

degrees in association with local universities (in Bulgaria and Malaysia as well as Bangladesh). The numbers of places available in private universities are limited, compared with the public sector (between 10 and 20% of all university students in all of our sample countries).

- 5.8. Fee differentials between the public and private sector mean that the less expensive, subsidised public sector is more popular with students, and attracts the best (often the richest) students in all of our sample countries (although, until recently, the private sector in Malaysia attracted many well-qualified non-Bumiputera students unable to enter the public sector due to the quota system). In Bangladesh many poorer students, who cannot gain access to the public sector are priced out of the private universities and are thus unable to receive university education. However, in other countries, although the private sector is more expensive, fee differentials are not so great. Until recently, there was strict control on student fees in Bulgaria, and due to the high level of competition amongst universities, fees are generally competitive between sectors. In Malaysia, non-Bumiputera students, due to (recently abolished) ethnic quotas in the public sector, have historically dominated the private sector and this cultural divide may have implications for national integration and equity of student experience.
- 5.9. The high cost of private higher education is often exacerbated by often-limited student support arrangements for private sector students, especially in Bangladesh where there is no public sector loans scheme. In other countries, the student support arrangements are variable. In Bulgaria, there is still a grants system, while in Malaysia, there are government and private loans schemes and in Jamaica, there are scholarships, grants from businesses and support from community organisations.
- 5.10. Many transnational courses are more expensive than local provision, attracting students willing to invest in (often postgraduate) internationally marketable qualifications (e.g., business, management), which cost many thousands of US Dollars per year in fees, and are thus targeted at richer students. However, transnational courses that are not regulated or controlled by local governments (e.g., distance learning courses) *may* be attracting the less well-off students.

Economic relevance of courses

- 5.11. In all of our sample countries, government policy supports efforts to increase the relevance of education to the national economy. Employers have sometimes complained about the quality of graduates produced by local universities and colleges (Jamaica, Bangladesh), in terms of their lack of key skills (communication, problem-solving, teamwork), poor quality training or in terms of market relevance of courses (e.g., IT or business skills). Transnational, private and for-profit provision is typically more market-oriented and geared to employment prospects. However, in some cases (e.g., Jamaica, Bangladesh, Bulgaria) local employment is not keeping up with increased participation in/graduation from higher education and this provides the potential conditions for 'brain drain'. For example, Jamaican professionals (nurses, teachers and others) are in high demand elsewhere but there are few job vacancies in the Jamaican economy.
- 5.12. Transnational and private/for-profit provision is clearly led by market demand, with students actively wishing to study for qualifications that are locally and internationally marketable. Such a 'market-led' subject range delivered by new providers may not fit with national needs and may support 'brain drain' (e.g., Jamaica, Bulgaria). In Jamaica, business and management studies offer a passport to employment elsewhere whereas the need locally may be different, e.g., for skills in tourism, hospitality and IT (where there is acute local shortage).

Quality of institutions and courses in the private sector

- 5.13. The World Bank (2003) reports that the growth of new providers has improved quality and choice for students (and employers) in Malaysia. A competitive higher education market has meant that providers have had to differentiate themselves from their competitors through improvements in quality and offering programmes that are attractive to students. However, it

should be noted that the World Bank is supporting the development of private higher education in all of our sample countries to create the benefit achieved in Malaysia.

- 5.14. In terms of the private sector, the information from our sample supports this perception to a degree. In our sample, there is a vibrant and growing private education sector, which is helping to absorb demand. Private and for-profit providers are perceived as potentially more flexible, entrepreneurial, employment-relevant and innovative than the more 'structurally rigid' public sector (by governments and students alike) (for example, in Jamaica and Bulgaria). This combined with the fact that private providers often provide English language instruction is attracting fee-paying foreign students, for example from China and Indonesia (to Malaysia) and from neighbouring countries (to Bangladesh).
- 5.15. Governments are also hoping that new providers - through collaborative arrangements and through competitive pressures - will stimulate increased innovation and more efficient management and governance amongst local public providers. (Malaysia, Bulgaria). In addition, the growth of new providers has perhaps influenced the development of current initiatives in improving regulation, qualification, and quality assurance structures in some countries (Malaysia, Bulgaria).
- 5.16. However, a negative quality perception of the private sector by local employers, students, and parents persists in Bangladesh and Bulgaria, and to some extent in Malaysia. In these countries, public confidence in the private universities and colleges is as yet, apparently, limited and the low fee-paying public universities still attract the best students. Private universities and colleges are reportedly weak in terms of teaching space, library and laboratory facilities and this has sometimes led to overcrowding and poor quality teaching. There are also concerns that the entry criteria for some courses in the private sector are not sufficiently strict, and that such courses are producing poorly trained graduates. This has stimulated recent moves to restructure entry systems in Malaysia and Bulgaria.
- 5.17. In addition, private institutions often have few full-time teaching staff, tending to use staff on a part-time basis from public universities (all countries). There are also concerns about inadequately trained staff, student-staff ratios, and poor quality teaching in the private sector in Bulgaria, Bangladesh, and Malaysia. In Malaysia, over 100 private colleges were recently closed down due to quality concerns.
- 5.18. However, it should be noted that quality perceptions are variable, and some private universities have established a good reputation (e.g., the NSU and IUB in Bangladesh (Alam and Shamsul Haque, 2002)). Many private universities and colleges are well regarded and are accredited by local (Malaysia, Jamaica, Bulgaria) and/or overseas bodies (Bulgaria, Bangladesh).
- 5.19. Although most countries have developed (or are developing) regulatory and accreditation systems in parallel with the expansion and diversification of tertiary education, capacity and resources for fully implementing these structures is still under-developed in some of our sample countries (Bulgaria, Bangladesh and Malaysia). This is particularly the case at college or sub-degree level since governments have concentrated on improvements at university level. In Bangladesh, there are concerns that suggest that the UGC has been ineffective in enforcing consistent standards and improving standards (World Bank 1999b, Equbal Rezvi 2002). In Malaysia, a lack of resources has prevented government agencies from fully monitoring and enforcing its rules and regulations in private higher education, although there have been many changes in recent years (Lee, 1998).

The role of transnational education

- 5.20. Each of our countries has some experience of transnational provision in tertiary education. Different types of transnational provision generate different perceptions for example collaborative links are more highly regarded than overseas distance-based courses (i.e., those without face-to-face contact). However, academic affiliation with world-renowned universities is

typically perceived as synonymous with quality in the eyes of the public (Jamaica, Malaysia, Bangladesh). Transnational providers from countries with a tradition of receiving international students and exporting provision often have high reputations for quality (e.g., US, UK); this has been learnt through experience of overseas study and successful employment by (in some cases) generations of students from our sample countries (e.g., Jamaica, Bangladesh, Malaysia).

- 5.21. Collaborative links with overseas institutions have helped local tertiary institutions in a variety of ways. These include providing access to research opportunities and resources for research, opportunities for informal peer reviews through academic exchange, providing increased levels of prestige for the local partner and student prospects for study abroad (reported in all countries). Government and regional (EU) policy supports increased collaboration between institutions and countries. (Jamaica, Malaysia, Bulgaria). However, in Jamaica there are some concerns that overseas providers are moving away from collaborative transnational arrangement towards more commercially oriented direct provision of courses to local students (either at a distance, or through a local partner).
- 5.22. In-country provision by transnational providers, either through branch campuses, franchising, or distance based courses (with face-to-face contact) are popular with students. The high cost of overseas study is forcing a re-assessment of investment overseas by parents and governments (Malaysia). Local transnational provision is seen as a viable alternative and many collaborative links are long-standing and well established (Jamaica, Bulgaria). Transnational courses are usually in subjects that are internationally marketable (e.g., business, management) and in subjects where there is limited provision in local institutions. Good quality transnational and private provision also attracts international students to the country and governments see opportunities for economic benefit from the promotion of such provision (Malaysia, Bangladesh).
- 5.23. In some countries, transnational institutions are regulated and their courses are accredited (Jamaica, Malaysia) and information about providers and courses is available to students, parents, and employers. However, in other countries, transnational education is unrecognised and/or unregulated (Bulgaria, Bangladesh) and there are perceptions of poor quality and also concerns about the emergence of 'diploma mills'. However, the emergence of so-called diploma-mills is also related to high demand, inadequate supply and an ability and willingness to pay for 'non-accredited' provision. In all countries, there is (so far) no regulation or accreditation of transnational courses that have no physical presence in the country (e.g., e-learning courses).
- 5.24. Not all transnational provision has a reputation for good quality education. There have been suggestions that national reputations may be being damaged by poor quality transnational provision (Jamaica, Bulgaria). In future, institutional rather than national reputations may begin to become more important. Indeed, Malaysia is actively seeking to encourage provision from 'elite' overseas universities. Despite the choice of local transnational providers, parents and student still have a cultural preference for overseas study. This may be due to emerging differences in quality between overseas study in established universities and overseas qualifications gained through study with local partners.

Impact on the local education system

- 5.25. Studying overseas or with local foreign providers is sometimes perceived as preferable to studying at local public universities because of their superior reputations, international currency, better resources and potential passport to jobs abroad. This appears to be affecting the status of indigenous providers and the tertiary education system as a whole in some countries (Jamaica), although in others the local public sector is still highly regarded and popular with the most qualified students (Bulgaria, Bangladesh). The rise in demand for degree and foundation/associate level qualifications offered in private sector and transnational institutions might also be impacting on plans to develop the vocational and 'further education' sectors (e.g., Bulgaria, Jamaica). Students may prefer these qualifications to local certificate and diploma courses as a route to working and studying.

5.26. Many transnational, and a number of private courses (especially Business and IT related) are increasingly being taught in English, as curricula have been developed in English speaking countries. There are concerns that this may have longer-term implications for national culture and social integration (Malaysia, Bangladesh). In this context, it is interesting to note that in Malaysia the requirement for teaching in the national language in universities has recently been dropped because of the need to develop a workable accreditation system.

Distance Learning

- 5.27. In all of our sample countries, students are gaining IT skills and are willing to seek study opportunities via distance learning, albeit from a very low base in some countries (Bangladesh, Bulgaria, Jamaica). Governments view distance learning as a low cost and effective means of increasing and widening access and as a method of improving the technological infrastructure. Each country has universities that are active in distance learning, although the ICT infrastructure is often poor and relatively under-developed. Internet usage is mostly below 10% of the population (0.1% in Bangladesh), although in Malaysia coverage includes nearly a third of the population. Many distance-based courses have a substantial face-to-face and/or correspondence element (Bulgaria, Jamaica, Bangladesh) and are centred on self-study together with intensive face-to-face tutorials rather than fully on-line learning.
- 5.28. In Jamaica, distance learning is being used to improve the quality of the teaching force and to increase participation in less accessible areas. Distance education facilities are being provided to Jamaica by British and North American suppliers and their delivery is concentrated in the University of the West Indies, specialised private institutions and colleges, especially in the business and commercial sector (GPI, 2002). In Malaysia, there is a Virtual University and the Malaysian government is actively promoting distance learning in all universities and encouraging local providers to meet the need for training.
- 5.29. Local distance learning can be viewed as 'second chance, second best' education, a legacy of its origins in open studies courses in rural areas, many of which have low completion rates (e.g., in Bangladesh). This is a view held by some professional bodies, employers and academic staff in traditional institutions (Jamaica, Malaysia) (British Council, 2001). Well-established local and transnational qualifications delivered by distance learning, however, have local standing and recognition for employment and further study at home and overseas. Such courses are usually accredited locally and overseas and have a substantial face-to-face element (they are similar to some part franchise courses). However, there has been some concern that there are increasing numbers of overseas providers offering distance learning (without local presence) which may damage the reputation of such courses (Jamaica, Bulgaria).

Section 5. Analysis and discussion

1. National issues

- 1.1. Our findings raise a number of issues, which we have grouped together under different headings in three broad sections (national issues, international issues, and impact of the 'new providers') for ease of presentation. However, we recognise that the national issues also have global and international relevance, and vice versa.

Understanding the national context

- 1.2. The amount and range of 'new providers and provision' varies widely in the countries in our sample. Context is all-important when seeking to understand the nature of developments in each country and the reasons for them. Certain variables seem to be significant. These include:
 - Historical educational traditions and cultural values (e.g., the status of overseas study, the existence or otherwise of an elitist public education system)
 - Adequate development of primary and secondary schooling (in terms of access and participation and appropriate quality to assure a foundation for entry to tertiary education)
 - The influence of government policy
 - Economic development sufficient to create demand for fee-paying programmes combined with Under-development of sufficient or relevant public education
 - The adequacy of student financial support arrangements
 - The form, focus, and level of 'applied rigour' of the regulatory framework.
- 1.3. Within our sample countries, a range of factors appear to have influenced the development of transnational and private provision (both for-profit and non-profit). Beyond those variables mentioned above, other factors included:
 - Student demand (see below)
 - Perceived gaps in public provision, for example, in terms of employment relevance or flexibility
 - An interest in collaboration among local institutions, both public and private (for reasons of prestige, quality enhancement and the development of new opportunities for research and teaching)
 - The income generating opportunities arising from the import of overseas students (i.e., the same motivation that is evident in the UK, the US, Australia and Canada) as governments seek to contain public expenditure on tertiary education.
- 1.4. Judgements about the impact, either positive or negative, of transnational, private and for-profit education are complex and heavily influenced by local circumstances and the 'stage of development' of the country in terms of its approach to new providers and provision. Commentators such as Jarvis and McBurnie also make an important point about the complexity of relationships on the ground. In other words, the imported is influenced by the indigenous and the flows are trans- rather than cross-cultural. Impact is also not unidirectional, it works both ways and hybrid forms emerge that are then exported elsewhere (Jarvis, 1999; McBurnie, 2001).
- 1.5. It is also inappropriate to consider 'impact' solely in terms of the tertiary education system. Students (and parents) are also influenced in their educational choices by the local employment context and its comparative competitiveness. Government efforts to increase access and participation for the benefit of the local society and economy can only succeed if adequately skilled graduates have the prospect of relevant jobs locally. Otherwise, as our sample reveals, there is real potential of increasing graduate unemployment (as in Bulgaria) and continuing a 'brain drain' overseas (e.g., Jamaica) as students seek to market their skills in countries where there are good employment prospects.

Drivers of demand

- 1.6. Demand for tertiary education of all kinds is increasing across our sample, although the reasons for this appear to be subtly different in each country or region. For example, demand increases are influenced by reforms and improvements made at lower levels of education (Jamaica), increases in income and a growing middle class (Bangladesh), demographic imperatives combined with success at secondary level (Malaysia) and narrowly specialist forms of supply in a public system (Bulgaria).
- 1.7. Demand for distance learning appears to be increasing (or is being stimulated by supply and government investment) in all or most countries as investments in the technological (ICT) infrastructure take place and new providers emerge offering internationally relevant courses. Several countries are investing in – or importing provision – to meet demand, although it should be noted that the ICT infrastructure is still relatively weak in three of our sample countries (Bangladesh, Jamaica, Bulgaria) and most provision involves a substantial face-to-face element.

Globalisation

- 1.8. The impact of globalisation in tertiary education is evident in our sample countries. They have responded to the challenge presented by the increasingly competitive global knowledge economy by seeking to develop their education and economic sectors in order to compete effectively in a global market. To paraphrase McBurnie, they are not passive recipients of transnational, private, and for-profit education, they are seeking to 'leverage' such provision to aid the development of their tertiary sectors and their national economies (McBurnie, 2001). This is especially the case in Malaysia, which has adapted its national system to accommodate new forms of provision, while seeking to ensure that national economic and social benefits are attained in the process.

Policy goals

- 1.9. Most countries have similar policy goals; to increase access and widen participation, increase the economic relevance of tertiary education, improve quality (and often governance and management) in public institutions, contain public expenditure on tertiary education or increase the revenue generated by public institutions, and increase and enhance science and technology education and training. In some countries (such as Malaysia) national identity, social cohesion and enhancing the competitiveness of the local system are also important policy agendas and in others (such as Bangladesh) reducing campus violence is important. However, these goals are being implemented in different ways. It is also important to recognise that some policy objectives are not universal, for example, Bulgaria is seeking to control access, not increase it, in preparation for future population constriction and because the current supply of tertiary education is judged to be in excess of national needs.

Export and import

- 1.10. The majority, if not all, of the countries in our sample are engaged both in the 'export' and 'import' of students (and staff) and the 'import' of new provision and providers. The main exporters of provision are the US, UK, Canada, Australia and New Zealand, but other countries are also involved, for example, Germany, Russia, the Ukraine, France, the Netherlands and India - and Malaysia is actively seeking to become a regional hub for higher education. In this sense, international linkages and trade in higher education is clearly widespread.

Nature of provision

- 1.11. The vast majority of transnational provision appears to be at the postgraduate level and private in nature, while the majority of local private provision is at sub-degree or degree level organised through franchise arrangements with local or international universities. Both types of provision take the form of vocationally focused courses (e.g., Business, Finance, ICT) that can provide a

rapid return on investment (ROI) through increased employability and access to local and global employment markets. Most of the provision is 'traditional' in nature, taking place in local universities or other institutions of higher learning, and involving a degree of face-to-face contact (even distance learning). However, we should point out that we have uncovered limited information about non-campus based transnational provision (e.g., e-learning), and provision offered by corporate providers, since this information is not generally collected by official agencies.

Regulation

- 1.12. All of our sample countries are either developing or seeking to revise their structures for regulation, quality assurance, and university entry. This has happened in parallel to the expansion and diversification of provision, and perhaps as a direct consequence. Currently, the key issues are whether the countries have the capacity to support the development of such structures, and ensure their effective implementation. The Australian government recently announced plans to monitor and quality assure all of its offshore provision and suggested Malaysia as a pilot country for this process. There are current moves to develop regional and other international frameworks in this area, although some countries –or agencies - are also considering the commercial export potential of quality assurance practices (e.g., in the Australian and US contexts).
- 1.13. In our sample, it appears that the regulatory and accreditation frameworks have sought to adapt to the new providers on their own terms. Therefore, the new providers haven't had to face barriers such as the non-acceptance of qualifications (as in Greece, Japan, Taiwan), excessive taxation (as in Greece and South Korea), restrictions on foreign ownership (Mexico and Thailand), and other restrictions on their operations (Alderman, 2001a).

2. International and global issues

Influence of the World Bank

- 2.1. The World Bank's views are clearly influential in recommending a balance of public and private provision in countries that are struggling to find the resources for a solely public system (e.g., Bangladesh). The Bank also encourages international collaboration and interaction as a means of enhancing quality, currency, and relevance in local provision.

Comparisons with the international literature

- 2.2. It is interesting to note that our findings and analysis do not entirely tally with the ways in which the issues of globalisation, trade in education, and the impact of transnational, private and for-profit provision are portrayed in the wider literature. This may be because, in many cases, the discussion in the literature is not empirically grounded in the context of particular countries, or because generalisations are drawn, inappropriately, across countries.
- 2.3. Furthermore, our sample consists of the least-developed, developing and transitional countries, whose concerns regarding the development of tertiary education appear to be directly practical (e.g., the financing of tertiary education, how to increase access, how to develop quality control mechanisms) rather than socio-cultural (e.g., the 'role' of the university, preserving academic freedom and collegiality, the commodification of knowledge, the appropriateness of 'trade' in education). Our sample also does not include countries from the EU, which have liaised closely on such socio-cultural issues. However, the changes in the Bulgarian tertiary sector in preparation for EU entry, and as a result of the Bologna process, bear testament to the influence of such regional bodies and debates.
- 2.4. The need to increase access to more students while maintaining standards has become an overriding policy agenda. However, socio-cultural concerns may resurface in local policy debates

as developing countries improve their technological and economic infrastructure, or perhaps, should expanding access become less of a policy priority (Hanna and Latchem, 2002).

'Trade in education services' and GATS

- 2.5. In addition, our sample countries had not considered the implications of GATS and 'trade in educational services' on tertiary education in any depth. We uncovered limited information on concerns about the potential negative impact or 'neo-colonialism' of private, for-profit and transnational education as described by Altbach (2002) (e.g., on curricula, cultural autonomy, and pedagogy in the local tertiary sectors), although we have noted some concerns in Jamaica and Bulgaria.
- 2.6. This lack of emphasis on a topic that has generated much international debate may be because transnational, for-profit, and private provision is developing in these countries alongside changes in national regulatory, quality assurance, and financial mechanisms. The two parallel sets of developments may be influencing and helping to shape each other. Indeed, in Malaysia, the nation-building policies that may have conflicted with the further development of transnational education (e.g., through language and curriculum requirements) have been modified in recent years in parallel with the growth and consolidation of the new providers.

3. Impact of the 'new providers'

Impact of TNE, private and for-profit sector on local education systems

- 3.1. It should also be noted that the public sector institutions in our sample countries are generally strong and well regarded (which is not always the case in other parts of the world). New transnational and private providers (as yet at least) are not, therefore, perceived to be a direct threat to public provision. Most of the new providers only began to emerge in the early 1990s and are thus still developing in terms of status and prestige. Currently, they are viewed as complementary to the public sector and are not perceived to be likely to 'cream off' the best students and most profitable courses, leaving the public sector to provide the remainder of what is considered to be tertiary education (e.g., costly lab-based subjects and the Arts and Humanities, basic research and library facilities). However, these perceptions may change as the new providers become more embedded in the system and expand their roles. In some countries, there may also be a difference in impact between local private and transnational providers, as local private institutions may be perceived as less likely to recruit the best students than internationally renowned providers (e.g., from the US, the UK, and Australia).
- 3.2. Our study has revealed that there are some concerns from students and employers that are starting to develop related to the quality of provision from the new providers (local private and transnational), especially regarding non-university level provision. This has predominantly focused on courses in the local private sector (in Bulgaria, Bangladesh, and Malaysia), although there are growing concerns about the quality of some transnational provision (in Bulgaria, Jamaica). Key concerns include entry criteria, staff:student ratios, governance, financial management, level of resources, and the quality of individual courses. Until recently, the relative novelty of the transnational, private and for-profit sectors, and the concentration on expanding and diversifying access had limited the national focus on quality. However, all of our sample countries have developed (or are developing) regulatory and quality mechanisms to try to ensure the quality of institutions, programmes, and students from all tertiary providers. In some countries, these structures have concentrated on the new providers (Malaysia, Bulgaria), although in Jamaica, the accreditation and regulation systems are long established. The comprehensiveness and efficacy of the fledgling quality systems varies by country.

Conclusions about 'impact'

3.3. We conclude from our study that judgements about the impact (whether positive or negative) of transnational, private and for-profit education on countries and their tertiary education systems cannot be made without:

- Understanding the country and regional context, including national policy agendas
- Investigating the issue from different perspectives, including the gathering of data from different sources (e.g., students, providers, employers as well as government and government agencies)
- Recognising that impact may change over time and in relation to the stage of development of transnational, private and for-profit education (reputation influences status over time)
- Appreciating the complex interaction of perceptions and reality on the ground and the multi-directional flows of influence between indigenous and overseas providers and provision
- Recognising that demand is influenced by a range of factors, including student pressure, government policy, and enterprising behaviour on the part of both local and overseas providers (public, private and for-profit).

Section 6. Policy implications

1. National agencies

- 1.1. Although tentative, we feel able to draw some policy implications from our research to-date, to inform both national and regional agencies.
- 1.2. The national and regional context is key when seeking to understand or determine the appropriate balance and opportunity for benefit from transnational, private, and for-profit provision; one size does not fit all. Governments can influence developments positively through a variety of mechanisms including:
 - Current economic policy and economic strength
 - Clear policy priorities and national agendas – e.g., national integration, economic development, enhancing quality and standards, promoting international collaboration
 - Technological and communications infrastructure – i.e., for Distance Learning
 - Investment in and development of secondary education
 - Government expenditure priorities – such as restructuring programmes, literacy, vocational education, teacher training, expansion of science and technology
 - Government influence on national tertiary systems in terms of their quality, flexibility and relevance to national needs
 - A regulatory and quality assurance regime that encompasses all forms of provision and that is widely disseminated and applied
 - A regulatory and quality assurance regime that is clear about responsibilities for quality assurance, both local and international
 - Financial mechanisms and regulations that match national objectives (e.g., quotas, bursaries, and clear 'rules of engagement' for all providers)

In some of the areas described above, institutions and institutional agencies (such as Rectors' conferences) can also influence developments positively, both in collaboration with government, and independently.

- 1.3. We believe it is also important for governments and institutions to maintain awareness and keep up-to-date with the changing international context related to transnational education. For example:
 - The potential and actual impact of a move from 'collaborative internationalisation' to 'commercial' internationalisation' in several countries
 - The global employment market in certain industries – management, business, ICT
 - The ways in which 'Borderless' institutions can gain access to students worldwide without the knowledge and control of national bodies – some national agencies monitor educational advertising for this reason
 - The impact of closer regional integration (EU) and its effect on transnational provision and international collaboration
 - The increasing commercialisation of quality assurance procedures to gain competitive advantage (e.g., IPR of emerging QA systems)
- 1.4. Maintaining Government awareness of the position of transnational, private and for-profit provision in the country and region over time, requires the collection and analysis of current and trend data to guide decisions about:
 - The nature and extent of demand for tertiary level studies – by subject
 - The needs of the local economy – what type of students are required?
 - Current local supply by type of institutions and mode of delivery
 - The operations of providers that operate outside traditional record-keeping channels, i.e., transnational, for-profit companies, and corporate provision (especially about non-accredited providers)

- Possible models and approaches to managing the development (e.g., Malaysia)
 - Clarity over national interest (e.g., national identity, regional agendas, social cohesion, skill shortages, increasing access, diversifying access to under-represented groups and attitude towards 'brain drain').
- 1.5. The need for national and regional regulatory and quality assurance arrangements appears to be of increasing significance, given the rise of new providers and forms of provision. There is a need for:
- Establishing effective and functioning regulatory frameworks
 - Developing and embedding accreditation and/or quality assurance arrangements that are fit for purpose and for the national and regional context
 - Providing useful public information to guide students and others
 - Supporting quality enhancement through national and international partnerships
 - Improving staff:student ratios, financial management and governance in tertiary institutions
 - Setting expectations for 'home' quality control and monitoring for foreign providers
 - Providing and encouraging suitable financial support arrangements for students
 - Providing clarity and transparency regarding national requirements (linked to national needs) e.g., entry criteria, quotas for poor students, limits and/or quotas on foreign student numbers, curriculum content, financial incentives for shortage subjects/skills (such as tourism, IT, etc.)
 - Measures to address fraudulent institutions
 - Measures to identify 'borderless' institutions
 - Establishing arrangements that link quality assurance and accreditation arrangements with those relating to qualifications frameworks and the recognition of credit and qualifications.

2. International agencies

2.1. International agencies can also make an important contribution through:

- Working towards international agreement on standard categorisations and terminology to aid data collection and sharing of data
- Collecting and publishing information and data about developments, national systems, quality assurance regimes etc.
- Supporting international collaboration and information exchange
- Assisting in building capacity, particularly in relation to regulation and quality assurance
- Working with governments and institutional agencies to clarify responsibilities for quality assurance (i.e., the balance between the responsibilities of importers and exporters)
- Assisting governments to identify and collect relevant data
- Supporting research into costs and benefits of TNE and private provision (e.g., impact on local provision, money saved from overseas study, income from overseas students, research output, economic competitiveness, etc.)
- Providing financial aid (e.g., from the World Bank) to support infrastructure development (e.g., IT, student support and regulatory arrangements).

Section 7. References

NB: This list does not include references for country data. These are included with the case studies.

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Section 8. Annexes

1. Annex A: Summary Tables on Private, for-Profit, and Transnational Tertiary Education

NB: In all tables the '-' symbol indicates that no information is available for this country/issue

A: Country Overviews

Table 1: Country Profile

Country	Section 8.01 Population ¹					Political "stability"	Internet usage (% Pop) ²	Literacy rate (Total Pop)
	Total	Urban	Rural	Under 25	25 and over			
Jamaica	2.6m	50%	50%	75%	25%	Stable	3.6%	80% (2001)
Bangladesh	130m	15%	85%	59%	41%	Volatile	0.1%	38% (2002)
Malaysia	25m	66%	33%	53%	47%	Stable	32.5%	97% (2002)
Bulgaria	8m	70%	30%	33%	66%	In transition	7.6%	99%

¹ Derived from data from country contacts and year 2000 data from the UN Population Division database 'World Population Prospects: The 2002 Revision'

² Data sourced from InternetWorldStats.com.

Table 2: Economic Summary

Country	Main Economic Sectors	Economic Growth*	Main Gov. focus/reform agendas	Regional associations
Jamaica	Agriculture, mining, tourism	0.7% (2001)	<ul style="list-style-type: none"> Privatisation, Structural Adjustment, Macroeconomic stabilisation 	CARICOM (Education, Health, Transport)
Bangladesh	Agriculture	7.1% (2002)	<ul style="list-style-type: none"> Economic diversification, industrial development, privatisation, foreign investment, lowering of import barriers (in the 1970's) Creating jobs (2.3m jobs per annum) in retail, construction, transport, communications 	
Malaysia	Manufacturing (electrical and electronic goods)	8.5% (2003)	<ul style="list-style-type: none"> Vision 2020: economic entrepreneurship, scientific development, national integration, privatisation, foreign investment, growth in high technology industries Regular 5yr Development plans 	ASEAN (Trade)
Bulgaria	Service sector Manufacturing Agriculture	4.5% (2002)	<ul style="list-style-type: none"> Integration into Western political alliances (NATO, EU). Privatisation, decentralisation, social welfare. 	EU (Expansion candidate 2004)

* Data from country contacts

B: Education Systems and Policies

Table 3: Overview of education systems

Country	Education System Influences	Compulsory Education	% of Pop receiving Secondary Education	% of Pop receiving Tertiary Education	Tertiary Education Targets (Year)
Jamaica	UK/US	Primary	80%	14.7%	15% (2005)
Bangladesh	UK	Primary	41%	7%*	
Malaysia	UK	Primary	70% *	24%*	40% (2020)
Bulgaria	USSR/EU	Secondary	88% *	48%* ¹	

* Refers to data sourced from UNESCO Institute of Statistics 2000/2001 data (March 2003)

¹ Conflicts with other data that reports that 60% of school leavers receive tertiary education (Georgieva et al., 2002).

Table 4: Tertiary institutions and enrolments

Country	Section 8.02 Tertiary Institutions			Section 8.03 Total Enrolments				
	Total	Univ.	Other	Total	Univ.	Other	Private	Public
Jamaica ¹	44	3	41	54,800	24,800	30,000	-	-
Bangladesh ²	1,410	46	1,364	932,000	115,000	817,000	-	-
Malaysia ³	605	35	570	656,105	318,781	337,324	294,600	361,505
Bulgaria ⁴	91	42	49	230,513	211,272	19,241	30,984	199,529

¹ Source: UCJ enrolments by all registered Tertiary Institutions: UCJ Directory 3rd Edition Oct 2002. This conflicts with PIOJ data, which reports lower enrolments.

² Source: Enrolment data estimated from University Grants Commission (UGC), Annual Report, 2001. Likely to be an underestimate due to expansion of private sector. Does not include BOU. 'Other' refers to College Enrolment at the NU.

³ Source: Private Sector relates to 2002 data from Maklumat Pendidikan Swasta 2002. Public Sector data taken from 2000 MoE data from PROPHE web site and is likely to be an underestimate.

⁴ Source: NSI, 2003

Table 5: Tertiary Education Financing

Country	Total Education Expenditure (% GDP)	Tertiary Expenditure (% of Total Ed)	Tertiary ed. financing target (Gov.: Other)	Tertiary education financing		Student Fees/Support	
				Public inst.	Private inst.	Public sector	Private sector
Jamaica	6.3%	22-25%	60:40	Centrally financed + Student contribution (15%)	Student fees + other sources	Fees: No data Support: Student loans, grants	Fees: No data Support: Scholarships and grants from business and communities
Bangladesh	2.5%*	9%	-	Centrally financed (95%) + Student fees (1%)	Student fees + other sources. Gov. support for staff salaries	Fees: average of US\$ 400 per year Support: Scholarships	Fees: US\$500-US\$4,000 per year Support: Some private student loan schemes
Malaysia	6.3%*	26.1%*	70:30	Centrally financed + Student fees	Student fees + other sources	Fees: US\$200-300 per year (subsidised) Support: Scholarships (80% Bumiputera), Funds, Loans	Fees: US\$300-1200 per year Support: Government & private loans
Bulgaria	4% ¹	14.4%*	-	Centrally financed + Student contribution (max 30%)	Student fees and foreign donors	Fees: US\$150-\$1,670 per year in 2002 - Gov. subsidy for some courses Support: Grants, Loans, Scholarships	Fees: Similar to public sector (due to competition) Support: Grants

* Refers to data sourced from UNESCO Institute of Statistics 2000/2001 data (March 2003)

¹ Estimated figure

Table 6: Relevant features of education system

Country	Relevant features of education system
Jamaica	<ul style="list-style-type: none"> • Small tertiary system dominated by the regional University of the West Indies – most provision at non-university level and non-degree • A large number of colleges are non-government operated – historically a strong emphasis on theology and teacher education • Strong government control and commitment to expenditure on education • Government focusing on increasing and widening access to tertiary education - promotion of non-degree post-compulsory education (e.g., colleges, vocational inst.) • Growth in popularity of Associate degrees, as foundations for US courses • Government Initiatives to upgrade teaching qualifications to degree level • Regionally structured Distance Education (via University of West Indies)
Bangladesh	<ul style="list-style-type: none"> • Madrasah (Islamic) education runs parallel to traditional education at all levels (mainly rural) • Large amount of non-government provision at all levels (e.g., funded by NGOs, Companies, Community Associations, Individuals) • Most tertiary education offered in 1,160 degree colleges co-ordinated by a public university (NU) (2.1m students) and the Bangladesh Open University (250,000 students) • Rapid expansion of private university sector on US model (expected to enrol 1/3 of students by 2020 – World Bank) • Ownership and structure of many 'private' institutions is not transparent – many are officially not-for-profit, sponsored by community groups, political parties, and influential individuals • World Bank reports problems with large class sizes and insufficient resources at all levels • New National Education Policy (2000)
Malaysia	<ul style="list-style-type: none"> • Rapid expansion of tertiary sector institutions (mainly private) since liberalisation in 1996 (95% growth 1995-2001) • Until recently quota system meant that non-Bumiputera (non-indigenous) students dominated the private sector and vice versa. • Wide variety of providers – meeting different student needs – e.g., Colleges (Diploma, Certificate), Community Colleges (Vocational), Specialist universities, Virtual university
Bulgaria	<ul style="list-style-type: none"> • University sector offers traditional, technical and western style education (private sector). Academies are research based and colleges offer specialist and vocational education • Inherited a highly structured and inflexible system from the communist era – moving towards a European style system for EU entry • Rapid expansion of access (33% growth 1995-2001) – driven by the private sector and limited control of access in public sector • Recent contraction in enrolments – 15% reduction since 1999. • Large % of population (c.50%) experience tertiary education – majority in the university sector (1 university per 200,000 citizens) • Limited popularity of non-degree vocational education in college sector. • Bulgaria has an ageing population structure, and demand for tertiary education may therefore decrease in the future, although demand may increase from older and working students

Table 7: Education Policy

Country	Access	Finance	Quality	Economic Relevance
Jamaica	<ul style="list-style-type: none"> Increasing access – DL and non-degree 	<ul style="list-style-type: none"> Diversifying income – public sector 	<ul style="list-style-type: none"> Upgrading teacher qualifications to degree level 	<ul style="list-style-type: none"> Promotion of vocational education – Colleges and Vocational Institutes
Bangladesh	<ul style="list-style-type: none"> Increasing access Widening participation (women, poor) Expanding non-government provision (universities, degree colleges) – target for 1/3rd of students by 2020 	<ul style="list-style-type: none"> Diversifying income – public sector Increasing private sector investment 	<ul style="list-style-type: none"> Improve quality and comprehensiveness of HE system through competition from private institutions Establish independent accreditation mechanism for private sector Improve teacher skills Improve governance and financial accountability 	<ul style="list-style-type: none"> Creation of specialist Institutes of Technology Improve flexibility by establishing courses linked to market demand Promotion of science and technology courses
Malaysia	<ul style="list-style-type: none"> Increasing access – private sector expected to enrol 25% of tertiary students 	<ul style="list-style-type: none"> Diversifying income – public sector Reduce currency outflow from overseas study 	<ul style="list-style-type: none"> Improve quality and comprehensiveness of HE system through competition from private institutions Improving standards – closed poor quality colleges New Qualifications Framework Revision of regulation and accreditation 	<ul style="list-style-type: none"> Knowledge based economy Increase in science and technology graduates
Bulgaria	<ul style="list-style-type: none"> Controlling expansion in access – enrolment quotas, entry criteria Widen access to ensure fairer access – working adults, rural areas 	<ul style="list-style-type: none"> Restructuring university and student finance 	<ul style="list-style-type: none"> Improve academic standards Improve governance and institutional flexibility Harmonisation with the EU – credit transfer, degree structures 	<ul style="list-style-type: none"> Promotion of college education in vocational areas. Specialist institutes and technical universities to improve research capacity Restrictions on popular courses with limited employment prospects (e.g., economics)

C: Regulation, Accreditation and Quality Assurance

Table 8: Overview of regulatory, accreditation and QA arrangements

Country	Accreditation Bodies	Quality Assurance	Registration/Licensing	Accreditation				
				Institutional	Programme	Private	TNE	Public
Jamaica	UCJ, NCTVET (Vocational)	UWI	UCJ (private)	Yes	Voluntary	Yes	Yes	Automatically registered by UCJ
Bangladesh ¹	-	-	UGC, NU (degree colleges), BITC (Engineering Colleges)	No	Approval only - Private	No	Approval only	No
Malaysia	LAN (Private) QAD (Public) ²	Various Univ., Overseas audit	JPS (private)	Private	Private only, mandatory since 2003	Yes	Yes	Self-accrediting, although QAD undertakes audits of courses
Bulgaria	NEAA		National Assembly (Univ), Council of Ministers (Branch Campuses, Colleges)	Yes mandatory by 2002	Yes, mandatory by 2004	Yes	No	Different type of institutional accreditation (regular) – every 5 years

¹ Regulatory situation is complex in Bangladesh as there is no overarching authority covering all tertiary institutions and courses.

² There are plans to merge QAD and LAN by 2005

Table 9: Special Requirements

Country	Private	TNE	DL
Jamaica	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Programme must be accredited by UCJ even if accredited in home country. Additional licensing not required 	<ul style="list-style-type: none"> Same as for TNE. Courses without local presence are not registered or accredited
Bangladesh	<ul style="list-style-type: none"> Each private university has a different legal status 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
Malaysia	<ul style="list-style-type: none"> Minimum capital for setting up PHEI (US\$50,000) High fees for course approval 	<ul style="list-style-type: none"> Can be licensed as a private HEI (branch campus) or partner with a licensed local institution. Malaysian nationals must own 30% of equity. Course should be same as home campus version. 	<ul style="list-style-type: none"> As TNE, although changes are proposed. Courses without local presence are not registered or accredited.
Bulgaria	<ul style="list-style-type: none"> Private institutions subject to different licensing procedure (provisional mode) 	<ul style="list-style-type: none"> Foreign universities cannot open subsidiaries – need to become a private HEI. Collaboration with local HEI must be based on intergovernmental agreements. Franchised courses not controlled – quality control left to local partner institution 	<ul style="list-style-type: none"> Discussions currently taking place regarding a national framework for quality assurance of traditional and on-line distance learning

D: Transnational, Private and for-Profit Provision

Table 10: Private/for profit tertiary institutions

Country	Types	Tertiary Institutions			Courses/Subjects	Notes
		Total	Univ.	Other		
Jamaica ¹	University Colleges	18	1	17	General, Theology, Management, Science	<ul style="list-style-type: none"> Unclear whether many colleges are for-profit or not for-profit
Bangladesh	Universities Polytechnics Degree Colleges	2,167	29 ²	2,138 ³	-	<ul style="list-style-type: none"> Unclear whether some institutions are for-profit or not for-profit
Malaysia	Universities Colleges	536	18	518	General, Technical	<ul style="list-style-type: none"> Some private colleges offer degree programmes franchised from public universities Unclear whether many colleges are for-profit or not for-profit
Bulgaria	Universities Colleges	14	8	6	Humanities, languages, social sciences, economics and law (univ). Marketing and administration (colleges)	<ul style="list-style-type: none"> Some private universities are former branch campuses that were forced to become local institutions

¹ 2002 Data from UCJ. Registered institutions only.

² 2002 Data from UGC. Number has increased rapidly in 2002-2003 (may be as many as 56 in Sept 2003)

³ Based on 2000 data from the Ministry of Education (including over 1,000 Madrasah colleges)

Table 11: Transnational institutions

Country	Types	Countries	Institutions ¹	Courses/Subjects	Modes
Jamaica	<ul style="list-style-type: none"> • Franchises • Part-franchises • Distance learning • Professional courses 	UK, Canada, US	10 (licensed by UCJ)	Business, Education, Management	Campus based, visiting overseas staff, distance Learning (part face-to-face)
Bangladesh	<ul style="list-style-type: none"> • Franchises • Distance Learning • Staff exchange • Short courses • Collaborative research 	UK, US, Netherlands	-	Management, Business, Science & Tech (Collaboration)	Campus based, visiting overseas staff, distance learning (part face-to-face)
Malaysia	<ul style="list-style-type: none"> • Split-site (Twinning, Credit Transfer) • Full franchises • External Programmes • Branch Campuses • E-Learning 	UK, US, Australia, Canada, New Zealand	36 Full 3+0 Franchises 4 Branch Campuses + others	Business, Management, Accountancy	Campus based, visiting overseas staff, distance learning (part face-to-face)
Bulgaria	<ul style="list-style-type: none"> • Joint programmes (dual awards) • Twinning • Franchises 	UK, US, Germany, Russia, Ukraine, France	11 ²	Business, Management	Campus based, visiting overseas staff, distance learning (part face-to-face)

¹ It is difficult to obtain information about the number of TNE institutions, as such information is not generally collected by official agencies.

² Estimated figure based on an inquiry made in 2002 by the Ministry of Education and Science.

E: Public Perceptions concerning Private, for-Profit, and Transnational provision

Table 12: Supply and demand

Issue	Jamaica	Bangladesh	Malaysia	Bulgaria
Private and TNE providers have helped to increase opportunities for access	Yes	Yes	Yes	Yes
The public sector is elitist and attracts the better qualified students	Yes	Yes	Partly	Partly
Private and TNE providers have helped to widen access to disadvantaged groups (e.g., women, poor, rural students)	Yes	No	Yes	DK
Demand for Distance Learning is increasing	Yes	Yes	Yes	Yes
There is a weak ICT infrastructure to support DL	Yes	Yes	No	Yes
Most private sector institutions offer sub-degree qualifications only	Yes	No	Yes	No
Private sector colleges offer degrees in association with the public sector/overseas providers	Some	Yes	Yes	Yes
Entry criteria in the TNE and private sectors are often insufficiently strict	Some	DK	Yes	Yes
There are a limited number of places in private universities	Yes	Yes	Yes	Yes
Tertiary education provides jobs relevant to the local economy	Partly	Partly	Partly	Partly

Table 13: Quality

Issue	Jamaica	Bangladesh	Malaysia	Bulgaria
There are employer concerns with quality and skills of private sector graduates	Some providers	Most providers	Some providers	Some providers
Private sector provides lower quality education	No	Most providers	Most providers	Most providers
There are staffing problems in the private sector	Yes	Yes	Yes	Yes
Country reputation is important for TNE courses/providers	Yes	Yes	Yes, very	No
There are concerns about poor quality TNE	Yes, non-accredited	No	Some providers	Yes
Private sector is stimulating improvements in governance arrangements	No	No	Yes	Yes
There is an adequate regulation & accreditation system in the private sector	Yes	No	Yes	Yes
Private qualifications are not as highly regarded as public sector courses	No	Yes	Yes	Yes
Distance learning has a lower reputation than face-to-face provision	No	DK	Yes	DK
TNE and private providers offer more flexible and innovative courses	Yes	Yes	Some providers	Yes
TNE and private providers provide more economically relevant courses	Yes	Yes	Yes	Yes
TNE and private provision has led to improved QA, qualifications structures and regulation	No	No	Yes	Yes
Overseas study is preferred by students and parents	Yes, some students	Yes, some students	Yes	No
Transnational education is unregulated	Some	Yes	Some	Yes
There is an effective regulation and accreditation system for TNE	Yes	No	Partly	No

Table 14: Finance

Issue	Jamaica	Bangladesh	Malaysia	Bulgaria
Private courses only attract richer/middle class students	No	Yes	No	No
The private sector is more expensive	Yes	Yes	Yes	Slightly
TNE courses cost much more than local provision	Yes	Yes	Yes	Yes
Good quality private and TNE provision attracts overseas students	Some	Some	Yes	No
There is adequate student support for students in the private sector and TNE	No	No	No	Partly

Table 15: Impact of Private and TNE Providers on national education systems

Issue	Jamaica	Bangladesh	Malaysia	Bulgaria
The rise of access courses (e.g., Foundation and Associate Degrees) is damaging the development of local vocational education	Yes	No	No	Yes
Many private and TNE courses are chosen to help students study and to gain employment overseas and contributes to the 'brain drain'	Yes	Yes	Yes	Yes
Many private and TNE courses are taught in English, and are providing a different type of education to that offered in most local institutions	Yes	Yes	Yes	Yes
Private and TNE courses have hindered attempts to promote national integration	No	No	Possibly	No

NB: It should be noted that the perceptions provided above are based on the limited information that we were able to collect when compiling the country case studies. Clearly, these perceptions will need triangulating with other data and would benefit from further clarification and investigation via primary research. The perceptions will also change over time.

2. Annex B: Project Contacts

Jamaica

Name	Role	Organisation
Case Study Contributors		
Mrs. Gloria Barrett-Sobers	President	Association of Caribbean Higher Education Administrators
Mrs. Valerie Been	Director of Planning and Development	Ministry of Education, Youth and Culture, Jamaica
The Honourable Ms. Maxine Henry-Wilson	Minister of Education and Culture	Ministry of Education, Youth and Culture, Jamaica
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Case Study Contributors		
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Other contacts made		
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Bulgaria

Name	Role	Organisation
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Bangladesh

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