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## **AN INTRODUCTORY GLOBAL OVERVIEW: THE PRIVATE FIT TO SALIENT HIGHER EDUCATION TENDENCIES**

### **ABSTRACT**

Private higher education has surged in recent decades and now forms a major part of the world's total higher education. A fourth of total enrollment might be a reasonable guess, albeit a very rough one. Only Western Europe remains mostly marginal to the global trend. Whether new or continuing, contemporary private growth is notable, especially in developing regions.

This working paper provides only an introductory, quite partial sketch of how private higher education tends to fit broader higher education patterns, particularly patterns of recent change. Since higher education, and even just private higher education, is very diverse and involves multiple tendencies, it would be far too simple to say merely that private higher education fits broad higher education tendencies. Yet we see reason to highlight private sector characteristics such as huge expansion, responses to rising student demand and changing economies, average smallness in institutional size, tuition dependence, commercial orientations, hierarchical governance, political order, and a certain global self-identification. On the other hand, comparatively limited on the private side are academic research, graduate education, full-time staff, government finance, and government control.

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## FITTING IN

This working paper considers the relationship of private higher education to contemporary topics in international higher education practice and literature.<sup>1</sup> Considered here are access, graduate education, research and scholarship, the academic profession, and globalization.<sup>2</sup> These topics obviously range widely and there is great variation across regions and countries. Moreover, private higher education is itself a multifaceted and varying enterprise. Thus, the interaction of broad higher education tendencies and private higher education tendencies can be only sporadically sketched in such a brief paper. Special attention is given to tendencies of higher education change, outlining whether the private sector adapts to that change or even leads it in certain respects.

With its large and increasing share of total enrollments, the private sector must be reckoned with in any work attempting to deal with higher education overall. In a sense, this paper constitutes merely the most elementary, broad introduction to private higher education for a general higher education audience.<sup>3</sup> A small first step, no more. But a step for a part of higher education that remains grossly underestimated and understudied globally. Although there is no reliable unified database a reasonable guess is that roughly a fourth of all higher education enrolment is in private institutions.<sup>4</sup>

## HISTORICAL ROOTS

Higher education's roots are typically traced to the Middle Ages, though depending upon definition one can point to more ancient roots. The private role in historical roots also depends on definition. But for most of the nation-state era higher education has been mostly public. It is a mistake, however, to assume that public higher education is old while private higher education is new. A reasonable distinction between private and public is mostly a product of the last two centuries, particularly related to a separation of church and state. Prior to that, institutions were often more "pre" private or public or were "fused" private-public entities. Only when a sense of publicness versus privateness sharpened did one form or the other clearly emerge. Outside the U.S. that form was usually public. Where types of private higher education existed alongside the public dominant forms, they were usually peripheral to higher education or at least to higher education's academic core. Seminaries are a major example. Over time, a variety of borderline higher education entities would emerge on the private side, such as Africa's correspondence schools or institutional forms previously considered to be "below" higher education. These remind us that private higher education frequently has precursors.

For the most part, however, the creation of private universities did not occur until after the creation of public universities or the evolution of private-public fused institutions into public ones. The quintessential and common case is the emergence of religious private universities after religion was largely pushed out of the traditional institutions. Whereas some countries then prescribed that all higher education must be secular, others allowed religious higher education outside the publicly owned and financed public sector.

Latin America was the main private pioneering region outside the U.S. (Levy, 1986). Some Asian countries also pioneered, but other Asian countries did not start private sectors until the 1980s or later. With rare prior examples, the main growth of Latin American Catholic universities began in the 1930s and then picked up steam into the 1960s. Indeed religious organizations often form a kind of first wave for a nonprofit sector. They have a rationale, a following that provides “demand,” and an infrastructure and actors that offer the “supply” of funds and personnel. Though less markedly than in Latin America, there is a religious first wave sense in the creation of an African private sector—mostly a product of the last couple of decades—in addition to other regions. Moreover, a major difference between the contemporary period and historical reality lies in the plurality of religious forms today whereas (outside the U.S.) the predominant private form had been Catholic. A Pentecostal or fundamentalist trend is notable in the Americas, North and South, and in African countries such as Nigeria. Also notable is a surge of Islamic private higher education, as in South Asia and Africa. An important related point is that private sectors or institutions sometimes emerge with a cultural rationale that is not primarily religious. Language and ethnicity are examples, as seen in recent decades in Africa and in Central and Eastern Europe.

But the bulk of private higher education growth during the private boom of recent decades has been in secular institutions that absorb demand the public sector could not or would not accommodate. Most private institutions are or claim to be commercially-oriented, preparing graduates for the job market. We will see that neither history nor the present records many non-U.S. examples of academically prestigious secular private higher education.

## EXPANSION AND ENROLLMENT

The private sector has been a major—and growing—part of one of the most salient of higher education realities in recent times: expansion. Most expansion has been and continues to be on the public side. This has meant growth in pre-existing universities but it has also meant growth through new and usually less prestigious public institutions. The roots of growth are much noted in the higher education literature: population growth, large increases in secondary school numbers, economic growth, and social mobility or a clamoring for it. Access has been a much

declared and also real policy, to one extent or another, in most systems. Many systems have moved into the conventionally designated realm of “mass” higher education by enrolling at least 15 percent of the age cohort. While some developed countries have pushed enrollments well over 50 percent, even some developing countries have gone over 30 percent and many more appear headed that way.

Outside Japan, developed countries have almost always massified through the public sector. Private higher education has played only a sporadic or supplemental role in massification. The point holds even for the United States, notwithstanding its status as having the world’s most prestigious private higher education. Although at the middle of the last century the private sector still accounted for half the U.S. enrollments, the post-war higher education boom, though it involved further private growth, quickly brought the private share to under one-fourth, where it has remained with remarkable consistency. Except for Japan at 77 percent private (and South Korea at slightly higher, if one chooses by now to count it among developed countries,) no country matches even the U.S. minority private share. Outside Portugal, no Western European system has a large private sector of higher education.<sup>5</sup>

But the situation has been different in other regions. The fall of Communism brought significant private higher education to the large majority of Central and Eastern Europe as well as much of the former USSR (Slantcheva and Levy, forthcoming). Whereas a few countries (e.g., Albania, Croatia, Slovak Republic) have only a tiny private sector, many have a mid-range (e.g., 10 percent Russia, 13 percent Bulgaria) while others mark the regional peak at around 25 or 30 percent (Poland, Georgia, Latvia).

It is in developing regions that the presence of private higher education has been proportionally strongest. We might broadly identify three developing country patterns. One is where the private sector plays a marginal role in the level of access provided. A second is where it fills a notable and usually increasing role but still less than its public counterpart; this might be called private demand-absorption without massification toward a private majority. The third is where the private sector is the main venue for access and massification. Whereas the post-communist region fits mostly in the second pattern, with some in the first, developing countries fall overwhelmingly into patterns two and three.

Along with Central and Eastern Europe, Africa is the region of most recent private breakthroughs, often since the 1990s.<sup>6</sup> Here too no country seems to have a majority of enrollment in private institutions but here there is much less sense that private shares have peaked. The Ivory Coast and Kenya are among the leaders, while countries like Ghana, South Africa, and Uganda remain less than or about one-tenth private. A valid generalization is that private sectors are

significantly more prominent in Anglophone than Francophone Africa (Mabizela, Levy, Otieno, forthcoming). Most Latin American countries (with the exception of Cuba) have a significant minority of private institutions, while privates are in the majority in Brazil, Colombia, Chile, the Dominican Republic, and El Salvador. Asian countries with the majority in private institutions include Bangladesh, Indonesia and Pakistan, and joining Japan and Korea with over three-quarters private is the Philippines. All these regions have seen an increased private role in providing student access since the 1980s.

Even though private primary and secondary education was often allowed well before private higher education was, today it is the higher level which has by far the largest private shares. Out of nearly 40 cases in which we have data for the higher and at least one other level, only 4 show the private share trailing at the higher level, and only slightly. In contrast, the private lead at the higher level is usually considerable (<http://www.albany.edu/dept/eaps/prophe/>).

Public policy is often crucial for private higher education access but it is largely public policy by default. Public policy does not finance public expansion adequate to rising demand. In some cases it takes measures to enable, promote, or even steer the private growth but in others it just allows it to happen (Levy, 2006)

Outside the Americas, the private sector is rarely the number one choice for aspirants. Public universities tend to retain their hold on the most prestigious slots—and they are still mostly tuition free or at least heavily subsidized. This contributes to the perception of the private higher education sector as being less prestigious and primarily demand-absorbing. Yet, in fact and increasingly in all regions, we see private-public overlap and access-choice overlap. The number one option in a particular country may be the leading public university, but failing that some students choose a fee-paying private option over another public institution they could be qualified to enter. This pattern of public pinnacle but choice overlap is found in Africa, Central and Eastern Europe, China, Japan, Thailand, and elsewhere.

Where private sectors have allowed massification without public sectors having to expand cost and relax standards more than they have, the private access role has been mostly complementary, though still controversial regarding quality and cost. But where private and public sectors struggle over sometimes decelerating demand, matters may get more sensitive. Where public institutions open private paying slots they may jeopardize the private institutions' role in the provision of access to higher education. To date, however, the main reality about private higher education in relation to access is that it has greatly facilitated it. For many countries, higher education access and massification could not be nearly what it has been were it not for the private sector role.

## GRADUATE STUDY AND RESEARCH

Higher education's involvement in graduate work and research has clearly grown spectacularly (Clark, 1995; Geiger 2005). Yet at least two qualifications are crucial and help guide us in analyzing the role of private higher education. One is that the bulk of higher education remains concentrated on first-level teaching and training, both because much of that higher education has not added graduate education and research and because the majority of new higher education has not focused on these activities. The second qualification is that a major share of graduate education and research is not of the academic leadership variety. Much is specialized job training or applied analysis.

As elite academic standing is uncommon for private higher education, so we see a very limited private presence at the top of the graduate education and research enterprise. The U.S. remains unique for the disproportional presence of privates at the top of graduate education and research. Attempts to establish somewhat similar institutions have been made or contemplated from Australia to Argentina to South Asia to Turkey, with mixed results.<sup>7</sup>

A number of private institutions have gained a kind of middle rung, making decent or niche contributions in research and graduate education. Chile is a case in which several new private universities joining a handful of old private ones as "real universities" with graduate education and research (Bernasconi, 2003). A number of vulnerable Catholic universities fit the middle rung. Fitting our earlier point about second-choice institutions, an increasing number of private places include graduate education and research in their quest for good if not top academic standing, as with Kenya's US International University. Often, private institutions shoot for niche fields of study of moderate distinction, commonly in business or management.

Most private institutions, however, are really not universities, though some use the nomenclature. Malaysia and Poland show the tendency for privates to be much less represented in the "university" than in the overall higher education sector, but even where private "university" representation is not much below a nation's private higher education share, those universities rarely mark the academic top in matters like graduate education and research. Mostly, the role of private higher education is either nonexistent or lies in the kind of graduate education and research that cannot be considered academic leadership (or at the very least is not broad academic leadership). Private institutions have moved substantially into the provision of specialization diplomas and Masters in job-relevant fields. Some of their departmental or organizational units have engaged in applied research, often for revenue.<sup>8</sup>

## THE ACADEMIC PROFESSION AND CURRICULUM

As expansion and differentiation of higher education has meant a proliferation of institutions with comparatively little academic research and graduate education outside leading countries, it has also meant a transformation in the academic profession. The classic academic profession remains, and indeed grows, whether as the standard in developed countries or as the exception and aspiration in developing ones. Full-time professors with advanced degrees and considerable autonomy are increasingly joined by part-timers with less academic advanced preparation and status. This mix is common even in the most prestigious universities. Regarding curriculum, the traditional combination of national rules and considerable autonomy for chaired or other professors has likewise been changing.

Again the private sector has been light on the traditional, idealized side and heavy on the growing alternatives. Strikingly, the private reality has almost always involved far more part-timers than full-timers. Whatever the percentage of part-timers in the public sector (high in most Mediterranean and Latin American countries) it is almost invariably higher in the private sector. This is particularly true for the commercially and professionally-oriented privates and those with limited resources, while some older, religious, or semi-elite efforts have been made for a viable core of full-timers. Cost remains a major obstacle. Typically, private institutions have taken advantage of the public universities by hiring their ostensibly full-time professors. On the other hand, some of the relatively well-funded and ambitious private universities, as in parts of Africa, now offer competitive or even superior financial packages to fill their own full-time positions. However, most privates—with a slim presence in the academic profession, graduate education, and research—continually fend off charges of low or even disreputable quality when it comes to staff, curriculum, and related matters.

Contract rights are usually much more limited for private than public professors. This is true even when both are full-time and it is true even in Chile, an exceptional case where a true academic profession emerges in the heart of the private university subsector (Bernasconi, 2003). Administrative command and flexibility is a hallmark of private institutions.

Naturally, too, a low percentage of full-timers in the private sector usually means limited faculty control over curriculum. Curriculum may be a collection of individual courses and programs designed by professionals journeying in to teach the courses. Of course, this suggests that private institutions have greater institutional autonomy than their public counterparts, and are able to offer less mandated and standardized curriculum. This is often true but for two crucial qualifications. One is that public universities and the state often impose curriculum rules on private institutions—sometimes more stringent than those operating for public universities

boasting the tradition and legitimacy of both status and autonomy. The other qualification is that many private institutions mostly just copy the curriculum offered at the public institutions, for reasons including convenience and a drive for legitimacy. In such cases, they are usually not seeking curricular distinctiveness, or if they are it is perhaps only on some other dimension, like religion. Their professors may teach or have taught at public places, or at least they were educated there.

Other private places, however, are interested in curriculum alternatives. They often lead the way into new fields of study linked to the privatizing economy. In many cases, the aim is to attract students ready to choose distinctive curricular content, usually distinctly job-oriented. Such private places may innovate in content and methods. An extreme example comes with for-profit providers like Apollo that create a packaged curriculum, leaving faculty more as transmitters than creators (Kinser, 2002). Even in more common cases, there are instances of public following private ones into new fields, with or without academic professionals, and thus signs of fresh public-private competition.

## STUDENT POLITICS AND ACTIVISM

Higher education student politics and social activism have ranged widely over time and place. There is an overall sense of decline, partly reflecting reality (certainly in developed regions and Latin America) but partly reflecting memories of the aberrant 1960s-1970s, and a fixation on one type of politics and activism while largely ignoring others. The first type concerns matters of broad national or international interest while the second concerns more self-interested matters within higher education, such as tuition and various living subsidies and the stringency of academic requirements.

But when it comes to student politics and activism, our generalization can be strong about the private sector: there is much less than in the public sector. This is especially true regarding broad political issues that go beyond one's own institutional sphere. Where private students protest it is likely to be over proposed tuition hikes, especially if the government has a regulatory role in that regard. Naturally, prospective closing of a private institution can prompt protest.

The roots of the general lack of politics at private institutions are easy to discern. By and large, the relationship between student and institution is a voluntary one, with a degree of choice—i.e., students opting into a certain institutional profile. Voice is often limited to viewpoints rather than claims, and not to action. In fact, private institutions often emerge or grow in part because of student disruption at public institutions, as seen in Latin America and Africa. This is a point



mostly for developing regions—and disproportionately for women. Moreover, like their professors, private students are more vulnerable to discipline than are their public counterparts, who often can count on at least a pardon if they give up their disruption.<sup>9</sup> As a broad consideration, much less than public students do private ones imagine they have a right and responsibility to speak for the conscious of the nation or humankind.

Religious institutions are often notable attractions for students (or at least their parents) seeking tranquility and security, though some of the more venerable Catholic institutions have seen social activism and student movements somewhere in between the more active public and less active private norms. Other nonprofit institutions may also show a visible pursuit of social purpose. But the rise of fundamentalist Protestant private higher education reinforces the general tendency for religious higher education to be free of student activism and conflict. Regardless of the religious mix, however, the bulk of private higher education growth is secular, rather demand absorbing and often job-oriented, their students more oriented to their own bottom line than to the broader politics or society. They are pragmatists and they are paying, often while they are also working outside their studies, so delays and social or political causes get limited play. To use a term painful to most in the public sector and even to some in the private sector, students tend to stick to their status as “clients” purchasing a particular product (Education Commission of the States, 2001).

The private-public distinction regarding student politics and social activism has been and remains strong. It blurs in rather modest degree where private students act exceptionally. It blurs more as the public sector differentiates and loses some of its vaunted social voice.

## GOVERNANCE AND ACCOUNTABILITY

Much of the proposed reform for public higher education involves moving away from traditions of state control and also away from traditions of ivory tower autonomy (World Bank, 2000). Institutions are supposed to wield a new or invigorated autonomy to get results in an increasingly competitive environment in which they should be held accountable for results. The main tension or ambiguity here is between a kind of centralized accountability, usually to the funding state, with a set of performance indicators, versus a kind of much more decentralized accountability, each institution to its own stakeholders.

This second form of accountability is the form basically compatible with private sector dynamics and governance. To be sure, governments (and public universities) have often imposed rules and regulations on all institutions or even sometimes just on private ones, especially in countries that lack strong traditions of private nonprofit action. State regulation has often arisen after major

private growth has occurred (Levy, 2006; Yan, 2004), or private transformations have brought a cry for legal restraints (Gupta, 2004). In Europe, Africa, Latin America and elsewhere a major push for a degree of regulated standards has come through the creation of accreditation systems, often including private as well as public institutions; how far this will progress in practical terms is still difficult to know. But usually, as private institutions are privately owned and financed, they are governed less by the state and owe it less direct accountability. Meanwhile, they are owned and financed by private interests (religious, business, family) and it is these that tend to govern and demand accountability.

A key point is that the particular rulers typically vary from private institution to private institution. There is little by way of the sort of governing umbrella and sector centralization found on the public side. Nonprofit status and accompanying tax benefits naturally suggest a rationale for accountability to the public but the meaning and dynamics of insuring this are usually vague. Instead, for most private institutions the main accountability is through the market: showing they can attract students and, in more demanding settings, put them on the road to jobs.<sup>10</sup>

Much of what has been said about accountability, as well as about students and professors, speaks to a pattern at private institutions in which the institutional governance structure is tighter and more hierarchical than typically found at public institutions. Often the privates are rather small or family operations but even the larger ones tend to be more tightly governed than their public counterparts, in which power is much more widely dispersed among states, students, and much in between (Levy, 1992). As in other areas, there are formidable private-public distinctions to keep in mind, and a blurring appears less likely from private transformation than from public transformation. Such a public transformation would involve a considerable amount of “privatizing” in governance and accompanying patterns of accountability.

## FINANCE

Similarly, in finance, and in fact more clearly than in governance and accountability, a blurring between sectors appears to be a result of changes in the public sector more than the private sector. Dramatic cases (e.g., in some African and Central and East European countries) involve public institutions’ admission of “private,” paying students alongside their subsidized ones. Yet the main twentieth century and persisting public norm is state funding of public institutions. Until recently, tuition and other forms of “cost recovery” were non-existent or limited (Johnstone, 1986). As to the economics of expenditures, systems have varied and sometimes mixed bureaucratic centralism in matters like salary, with autonomy in other matters. With increased access in a time of soaring market theories requiring a leaner state, public expansion and even

maintenance is supposed to rely increasingly on private income, with a declining state share of the financial burden for higher education. To offset rising costs to students, a main proposal has been loans, but outside the U.S. and few other cases, they remain more idea than practice (particularly in the developing world).

Private higher education, on the other hand, has been and remains overwhelmingly funded by private sources. The majority of private institutions are in fact fully or almost fully tuition-dependent, particularly in the commercially oriented or demand-absorbing subsectors. Religious institutions often get church contributions, as seen today in Africa. Some private institutions generate funds through sales and contracts but significant philanthropy or alumni giving is still rare, as are endowments. There are few exceptions.

Major state subsidies for private institutions are also rare. Where they are prevalent, as in India, Belgium, and the Netherlands, the designation of private is called into question.<sup>11</sup> In these and other cases, older private institutions may garner some ongoing support. More common and part of a prominent reform agenda is state funding for targeted purposes, perhaps on a blind private-public basis, as in research and graduate education in the U.S. and Brazil. The same holds for student aid. But in most cases these remain proposals more than policy.

And so the private sector remains basically private in finance as the public sector remains largely, though decreasingly, public in finance. Arguably a major private higher education benefit to the state, linking finance and access, has been to pay for enrollment growth without having state expenditures expand further. An intriguing recent development, as seen in China, Russia, and South Africa, has been a partnership between public universities and private colleges, the former bringing power, academic resources, and standing, the latter bringing tuition paying students.

## GLOBALIZATION/INTERNATIONALIZATION

One hears much about globalization and internationalization mostly because these are real trends, once more reflecting broader tendencies in the political economy beyond higher education. Also like other changes, they are arguably still agenda more than reality for much of higher education. Although some institutions develop international connections and some new ones are born within an international setting, the proliferation of low-end higher education institutions in recent decades has meant that most institutions are quite local in scope and purpose. Moreover, the terms in question carry dispersed meanings. Concretely we could be talking about tangible forms of international structure or practices but globalization can also mean an international flow of ideas and influence, particularly from the U.S.

All the general points in the last paragraph apply to private higher education. The great majority of private higher education institutions are local in activity and standing, usually unknown more widely. The large number and small size of these institutions is often both reflection and cause of this localism. Obviously, the local sense is associated with demand-absorbing privates, whereas religious and rare elite alternatives strive for and have accomplished a more international presence.

If we “control” for the number, size, and academic standing of institutions, however, we see a certain natural affinity between privateness and internationalization (Lee, 1999). In fact, in ideology and self-image—and often in ownership—most public places belong to a given government. The geographical scope is specified and circumscribed, usually at the national level, sometimes at the state level, occasionally at the local level. Private institutions, in contrast, attach less to particular governments or political entities. One sees this contrast between private and public even in the U.S., where private pointedly eschews the geographical favoritism (e.g., lower tuition for students from nearby, higher if from afar or “out of state”) championed at public institutions. At the academic top this means even more extolling of international scope than at top public places. But of course the privates are rarely at or near the academic top and thus continue to trail greatly in some traditional and continuing types of international flows, particularly in the area of research, scholarships for advanced study abroad, etc.

Whereas public places generally enjoy their legitimacy traditionally or as conferred by their publicness, including state establishment, ownership, degree recognition, and so forth, private institutions usually have to build their legitimacy largely through other means and places (Slantcheva and Levy, forthcoming). Many pursue accreditation from a non-national agency, sometimes a U.S. one. Many more highlight their roots, models, and validity on the international scene. Conspicuous cases include featuring the name “American” or the like in one’s name, teaching in English, boasting of replicating or adapting advanced forms from beyond one’s national borders, and so forth. Related is the use of a globalizing job market; if private graduates are handicapped regarding public employment, they may be especially trained or welcomed by the expanding private global market, including as it penetrates their own home arena.

And then there are the most plain, clear manifestations of higher education globalization as institutions from one country penetrate another country. Such penetration occurs on both the private and public side, particularly as far as the status of the institution that penetrates or opens a branch campus. Usually, the penetration is from a more developed to a less developed country and many of the institutions in the less developed country are private.<sup>12</sup> An interesting manifestation is the partnership between a foreign university and a domestic private college. A dramatic manifestation of globalization through private action is the spreading of for-profit

institutions across borders, notably Laureate into Latin America. Large operators or systems like Laureate can buy up institutions for their for-profit international network. Further potential exists for various for-profit institutions from developed countries to try to make a mark through prestigious local affiliates, but sometimes those efforts provoke a sharp reaction from local public universities or governments, as with Australian providers in South Africa.

As globalization and internationalization are multi-faceted and sometimes-nebulous concepts, the role of private higher education can be analyzed in different ways, and we lack the same sense of decisive general private-public tendencies notable in matters such as finance and governance. Nonetheless, certain private-public differences are discernible and it is clear that private higher education is a participant in globalization, at times a leader in some types of globalization.

## FINAL THOUGHTS

Various mixes are found regarding the public and private sectors and their subsectors. Private institutions that do not fit much into the higher education system overall might be deprecated for their isolation or praised for the alternative choices they offer. Private institutions that fit tightly might be deprecated for their non-distinctiveness or praised for offering additional access. Another possibility, indicated several times in this paper, is that parts of private higher education may not be tightly aligned with the bulk of public higher education, because private institutions adapt more than their public counterparts into certain non-higher education spheres, particularly the marketplace.<sup>13</sup>

The private higher education sector mostly fits broader higher education in regard to emerging trends and agendas, more than to traditional public patterns. Sometimes, private initiatives even lead the way for higher education reform. Certain salient characteristics of private higher education show tendencies that some reformers in the public sector would like to emulate, though with significant adaptations. Most of these measures are controversial. Examples include enhanced access without increased public subsidies, a variety of private finance mechanisms, increased autonomy with accountability to selected actors and markets, tighter governance structures with less disruptive dissent, more inter-institutional differentiation, marketable research, a premium on efficiency in expenditures, and greater openness to global market trends. So the role of private institutions in the overall higher education landscape will also depend on how, and how much, the public sector changes.

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## NOTES

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<sup>1</sup> Revised from a chapter in James and Altbach (2006) and a presentation for the Xi'an International Conference on Private Higher Education, China, December 14-16, 2004.

<sup>2</sup> These are the topics that compose the recent James and Altbach (2006) collection of works on higher education. Thus our working paper's topics were not selected for special prominence of the private sector. Instead, the idea was to accept these as among major higher education topics in general, and proceed to see the role of the private sector within them.

<sup>3</sup> This introductory purpose and character holds even though this paper appears as the 7<sup>th</sup> rather than 1<sup>st</sup> working paper in PROPHE's series. For general leads on private higher education, see <http://www.albany.edu/~prophe>, Levy 2006, Altbach 1999, Altbach and Levy 2006, Levy 1992, and the extensive bibliography: Maldonado, Cao, Altbach, Levy, and Zhu 2004.

<sup>4</sup> For cross-national summary data and several in-depth cases see <http://www.albany.edu/dept/eaps/prophe/data/international.html>

<sup>5</sup> Yet new private sectors have opened in countries like Germany and 2006 brings legislative proposal for private higher education in Greece, where opposition has long been potent.

<sup>6</sup> North Africa and Gulf states show some starker examples, where government pointedly endorses and promotes private growth, as in Egypt, Jordan, Kuwait, Oman, and Saudi Arabia (<http://www.albany.edu/dept/eaps/prophe/publication/NewsArticle.html>).

<sup>7</sup> Leading examples in South Korea would be the Pohang University of Science and Technology, Yonsei University, and Korea University, from Japan, Keio University, Waseda University, and Sophia University. Yet only Pohang makes it into a recent identification of the world's top 200 universities. Outside the United States, only 6 private institutions do, at least 3 of which are basically government funded and so only quasi-private. [http://www.albany.edu/dept/eaps/prophe/data/International\\_Data/WorldUniversityRanking2004\\_ModifiedFromTHES.pdf](http://www.albany.edu/dept/eaps/prophe/data/International_Data/WorldUniversityRanking2004_ModifiedFromTHES.pdf)

<sup>8</sup> At the same time, freestanding private research centers, not typically considered in analyses of higher education, sometimes make major contributions in applied research and some related graduate education, especially in the social sciences (Levy, 1996). This has been particularly true in Latin America, with important examples in India, fewer in Africa.

<sup>9</sup> On the other hand, private students may be partly protected by the institutions' financial dependence on their tuition and fees. Thus, a critique of private institutions is that their comparatively high retention rates reflect the institutions' fear about losing finance more than the claim of greater attention and efficiency.

<sup>10</sup> Or, as critiques would note, low-grade private institutions may display very little accountability of any kind, merely taking advantage of explosive demand to attract clients.

<sup>11</sup> For example, India's recipients are considered publicly granted colleges (Agarwal 2006). In such cases, however, the traditionally public-funded "private" sector may, in today's climate of potent privatization, come to sit alongside an emergent sector that is truly private in finance. This is happening in India, as it has in the last quarter century in Chile.

<sup>12</sup> Though most commonly this means universities from developed regions (Australia, the U.K., the U.S.), it also means comparatively advanced countries within a region, as in Africa.



<sup>13</sup> This article has concentrated on the nonprofit side of private higher education. Although this sector represents the bulk of the private side, the for-profit side is growing rapidly, as in both North and Central-South America. Moreover, much of non-U.S. private higher education that is legally nonprofit is heavily for-profit by many gauges and widespread perception. Notably, most of the findings we have identified as characteristic of private higher education are even more striking for the for-profit institutions. Among the examples are rapid growth, small institutional size, legitimacy problems, murky legal status, tuition dependence with few other income sources, institutional autonomy from government, accountability to the market or the client, internal hierarchy, limited faculty and student governance, limited graduate education research, few full-time staff, commercial fields, and other orientations.