

Costa Rica: Public Continuity, Private Gains

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Costa Rica's private-sector higher education, though Latin America's second youngest, is now 30 years old. It encompasses some 50 institutions and 80,000 enrollments. Striking is how much Costa Rican public higher education has maintained its standing, even as it has lost its enrollment share. As was the case in the 1970s, there are still only four public universities (apart from a distance university). The four continue to be led by the University of Costa Rica, in essence the national university. Despite a movement in the 1970s to build regional campuses of the public universities, the lack of public university proliferation is unusual for Latin America. It has allowed comparatively uniform quality and at a rather high level. Recent surveying shows that 85 percent of secondary school graduates prefer to attend public rather than private universities. Even the public technical university draws on private secondary schools (generally advantaged) for the majority of its entrants.

Public universities have also maintained an unusual degree of autonomy—a lack of accountability, in the view of critics. There are interuniversity regulatory bodies, but the public universities basically run themselves. At the same time, the universities have undertaken more reforms than many of their regional counterparts. A major example is tuition and other measures that introduce some privateness. Also, there is government funding of student loans, the majority of which involve the private higher education sector, due to its size and the level of tuition charges. Government subsidies given directly to institutions are only for public universities.

In part because the public sector has adapted and to a larger extent because it maintains enviable quality and has not pursued either huge expansion or the leftist activism characteristic of the 1970s, Costa Rica has escaped some of the public-private clashes seen in sister republics. On the other hand, formal public-private partnerships remain rare (though, as is common globally, private institutions hire, through part-time appointments, professors from the public institutions). In

comparative terms, Costa Rica is noteworthy for the separateness and distinctiveness of the public and private sectors.

PRIVATE GAINS: QUANTITATIVE

Given the ample public-sector continuity, probably higher education's most dramatic changes have come through the private sector. Twenty-five years ago, private enrollments were barely over 4,000, comprising 8 percent of the higher education total. The 20-fold private surge to the present, so impressive in the aggregate, is largely the product of a concentrated period, the 1990s—particularly the late 1990s.

Overall, the private growth is demand absorbing in that the effective yearning for higher education soared while the public sector remained exclusive. This pattern, first formidably shown in Latin America by Brazil, has become the region's dominant tendency in the last couple of decades, but it is sharp in Costa Rica. Unlike the situation in countries where the public sector lost its standing, in Costa Rica there has been little space in which to attempt to build private elite institutions. Additionally, the private sector's delayed start in Costa Rica meant that Latin America was already past its period of heavy establishment of Catholic universities. Costa Rica's private enrollments are overwhelmingly in secular institutions.

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Consistent with typical demand-absorbing tendencies, the modal private institution specializes in job-oriented fields, often niche fields. Night classes are common. Major population centers are the typical sites. Many institutions are family owned. Many split off from the original private institution, the Autonomous University of Central America, whose founding and reigning philosophy was for a university composed ("Oxford-like") of constituent colleges, each with considerable autonomy. That very autonomy and separate ownership has in recent years allowed colleges to secede, defended in so doing by national court decisions. So, the proliferation of private institutions is perhaps less extensive than it at first appears to be. The expansion has come about more through the creation of parauniversities that offer more short-cycle options. Each parauniversity affiliates with a university, private to private, public to public. This differs from global examples in which short-cycle private institutions affiliate with public universities.

Perhaps the most striking private growth of the last several years involves for-profit institutions. Key is the entry of Laureate Education, formerly Sylvan Learning. Laureate has perhaps 85 percent of its global enrollments in the Americas, with Costa Rican neighbors including Nicaragua, Panama, and Mexico.

PRIVATE GAINS: QUALITATIVE

Although for-profits are almost inevitably challenged for lacking academic quality, the seriousness of the Laureate undertaking can scarcely be questioned. The administration is professional, and a premium is placed on client services and satisfaction as well as, relatedly, business ties (as with Microsoft). Laureate is selective regarding the institutions in which it invests. No secret is made of the profit motive, yet Laureate in Costa Rica also claims a mission of academic seriousness reaching all the way to top-level teaching staff and research.

A more generalized phenomenon affecting private-sector quality and standing is accreditation. This is a concern at the multicampus Universidad Latina (the country's largely private university), the Iberoamericana, and others. Many private institutions are engaged in forms of self-evaluation. As is commonly the case regarding accreditation for private higher education institutions, the upside concerns quality, status, and legitimacy—each in turn potentially enhancing marketability. Another hope is that accreditation can enlarge the scope of autonomy.

A common private-sector complaint concerns how many measures require external (often slow) approval. UNIRE, formed in 1995, is an association of private universities (approximately 40 of the country's 50), which sees its present role largely in terms of protecting its members from a heavy state hand. Another private-sector concern involves the difficulty of meeting accreditation standards, particularly if they derive from conventional academic indicators favored by established public universities. The accreditation route also involves financial costs for the institutions.

A variety of private institutions, not usually included in aggregate higher education data, would show a yet more robust private sector in both quantitative and qualitative terms. There are institutions concerned with applied research and other institutions—atypical in formation, finance, and governance—with specialized teaching functions, as in agriculture. ■

The Politics of Fees in Uganda

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In countries where the state has traditionally paid most of the cost of higher education, the introduction of or increase in tuition fees—or any other form of cost sharing—is a politically contentious issue. Students and parents (even those able to pay) are opposed to fees however much the cost of providing high-quality education escalates. Elected lawmakers, sensitive

to the political impact of fees on the wishes of voters, often block fee increases although they may be aware that such an action will reduce the quality of education delivered and impinges on the institutional autonomy of universities. It is reported that one of the reasons the Labour Party in the United Kingdom was returned with a reduced majority in 2004 was its earlier decision to raise university fees.

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In Uganda, in June 2005 Parliament reversed Makerere University's proposed hike of tuition fees to align the latter with a reasonable percentage of unit costs. In November of the same year, students at the same university went on strike when the institution hiked examination fees from about Ushs 3,000 (US\$2.00) to about Ushs 100,000 (\$75.00). While private universities and schools in Uganda have often increased fees without stiff political and student obstruction, public universities are unable to do so. Parliament and government officials seem to believe that public institutions do not have freedom to set fees independently of government authority. Since the realistic cost of teaching a student is far higher than the actual fees, institutions that can freely sell their higher education products at market value are the ones likely to sustain the delivery of quality higher education. At most Ugandan universities, students pay about 30 percent of the annual cost of the programs for which they are registered. Government institutions—with decreasing government budget allocations coupled with deteriorating infrastructure, declining ability to purchase inputs, and increasing student numbers—are unlikely to provide high-quality higher education for a sustainable period of time.

FEES AND UNIT COSTS

At public and private institutions, fees paid are lower than the unit costs. A study done three years ago and updated recently by the National Council for Higher Education indicates that the cost of educating a medical doctor at Makerere and Mbarara Universities is about Ush 10 million (US\$6,000) but students pay Ush 2.3 million (US\$1,500); in agriculture the cost is Ush 5 million (US\$3,000) but students pay Ush 1.66 million (US\$1,000); for veterinary science, the cost is about Ush 6 million (US\$4,500) but students pay Ush 1.9 million (US\$1,300); and in the arts and sciences the story is the same—students pay about 30 percent of what it costs to educate them. It is true that fees are not the only sources of income for public universities. But since Makerere University began to charge fees, it has increased the proportion of fee-paying students to about 80 percent of its enrollments. Its dependence on fees has likewise increased. Government funding has not increased due to increased budgetary constraints. For most Ugandan universi-