

**MODULE 1: *HIGHER EDUCATION IN A GLOBAL WORLD: THE CONTEXT OF QUALITY ASSURANCE***

**UNIT 2: NEW FRAMEWORKS FOR NEW TIMES**

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## Introduction

As you have learned, the final decades of the twentieth century were characterised by enormous growth in s in higher education and this trend shows no sign of abating. Accommodating large numbers of additional students was always going to be a challenge for the institutions. Many institutions coped with the pressure of demand, and indeed have prospered, in the higher education marketplace through exploiting the new technologies which continue to emerge at breakneck speed.

This unit will show how the higher education sector moved from the use of technology primarily to provide distance education to students located off-campus to a situation where the use of technologies has revolutionised the way in which students learn even in conventional face-to-face situations. Technology is now a fundamental tool, just as blackboard and chalk once were, in facilitating what is called e-learning whether the students are physically on-campus or located across the globe at the farther point possible from the institution providing their course. The unit will show how pervasive the technology has become and the impact that new delivery methods have had on the shape of higher education institutions and the sector more generally as new kinds of providers enter the market.

From the point of view of quality assurance a very significant change that has impacted on the higher education sector is what is referred to as the emergence of *the evaluative state*. The mid-1980s saw the beginning of new political views about the role of the state in provision of services that had traditionally been publicly funded. That change in philosophy encouraged the proliferation of private universities as governments moved away from taking sole responsibility for higher education. At the same time as the move to encourage private providers, nations began to move from being regulators of activities they funded to being evaluators of the end product resulting from the use of those funds. This shift in thinking was a major reason behind the foundation of many external quality assurance and accreditation agencies by governments although such agencies already existed in some places as a result of collective action by groups of universities. This unit will discuss how this move to the evaluative state happened and will give an overview of quality assurance and accreditation arrangements internationally.

At the end of the unit you will be able to:

- Discuss the impact of new technologies on student learning methods
- Describe the growth of the e-learning industry and the main categories of providers exploiting the new technologies in innovative ways for on and off-campus learning
- Discuss the philosophical shift from the regulatory state to the evaluative state and the emergence of the quality assurance movement internationally

## **Part 1: Emergence of New Technologies and New Providers**

The use of technology in the organization and delivery of education is not an entirely new phenomenon. Distance education, where the student and the instructor are in face-to-face contact during only part of the process, had started immediately after the establishment of postal delivery systems in the nineteenth century in England, France and Germany. The Open University in the United Kingdom provided the prototype for the first generation of distance education institutions; similar institutions were later established in many countries all over the world.

By the beginning of the 1990s, many countries had established an institution of distance education as a component of their higher education system. These were, in general, public agencies using a mix of technologies, both synchronous and asynchronous types, including correspondence by mail, radio and TV broadcasts, telephony, video cassettes, videoconferencing, and so on, as well as face-to-face instruction. Then came the Internet. There is now general agreement worldwide that advanced information and communication technologies (ICT) may be the single greatest force for change in higher education worldwide (Newman and Scurry 2001; Oblinger, Barone and Hawkins 2001; Green, Eckel and Barblan 2002). Newly developed ICT revolutionized not only distance education, but also the ways in which many institutions of higher education are organized and governed, as well as the methods and the techniques used in the provision of the education itself.

Thus, between 1995 and 2000, a new industry emerged, called 'e-learning', which uses advanced ICT for delivery, mainly through the Internet and the World Wide Web. Many in the industry predicted that e-learning would be the next great Internet application, which would dwarf e-mail. Such forecasts were based on predictions that the physical campus would be diminished or it would disappear altogether. The demise of traditional, campus universities and face-to-face interaction is not in sight, and the majority of the educators worldwide believe that nothing can substitute for the human touch.

What has emerged, however, is a global market for education delivered to students at locations other than on a traditional physical campus. Along with new types of providers, provision of learning opportunities through what is variously called 'distributed learning', 'virtual arm' and 'unbundling of services' as emerged as an essential strategy for traditional institutions in the increasingly competitive global higher education market.

The term *unbundling of services* refers to the separation of the teaching, research, and service functions of institutions of higher education. In particular, it implies the separation of teaching, which is potentially the most profitable of the three functions. The concept also implies outsourcing of the various services traditionally carried out by institutions, such as admission and library services, even course preparation, to vendors who use new ICT.

Recent surveys indicate that while e-learning has changed higher education, it is not always as a replacement for the physical campus. Hybrid environments are emerging in

which the line between classroom and online instruction is blurred. Oblinger, Barone and Hawkins (2001) refer to this type of learning environments as 'distributed learning', which they define as a platform based on ICT where faculty and students interact for learning anywhere, on campus or off campus, and at any time. They also point out that distance learning is a subset of distributed learning, focusing on students who may be separated in time and space from their peers and the instructor. Thus, what is happening on campuses all over the world today is not always an extension of the distance education in institutions of the type described here rather an augmenting of traditional provision of higher education by advanced ICT (Newman and Couturier 2001; The Futures Project 2002; Ryan and Stedman 2002; Stella and Gnanam 2004).

In terms of numbers of students enrolled, the United States is the leader in e-learning. In the 1994-1995 academic year, there were an estimated 753,640 students enrolled in courses delivered online at accredited two- and four-year institutions in the United States (Newman and Scurry 2001; Newman and Couturier 2001). Student enrolment in online courses in the United States was predicted to rise to 2.2 million by 2002 (Futures Project 2002). Total course enrolments in 2000-2001, however, were 3,077,000, with growth particularly notable at public two-year institutions (Walts and Lewis 2003; NCES 2004).

In 2003, nearly 40 percent of instructional staff in U.S. institutions of higher education used e-learning technologies to supplement their teaching, up from 12% in 1999 and 30% in 2002 (Zastrocky, Yanosky, and Harris 2004). The most recent statistics issued by NCES show that in 2006-2007, 66% of all accredited degree-granting postsecondary institutions in the United States were offering online courses to 12,153,000 students. In the 1997-1998 academic year, 1,230 degree and 340 certificate programs were offered completely online. The numbers in the subsequent two surveys were 2,810 degree and 1,330 certificate programs in 2000-2001, and 7,418 degree and 3,822 certificate programs in 2006-2007. (Lewis, Snow and Farris 2000; Walts and Lewis 2003; Parsad, and Lewis 2009). A survey sponsored by the Sloan Consortium showed that in 2005, 82% of all students in U.S. institutions had taken at least one course online during their studies (Allen and Seamann 2006, 5).

The growth observed in the past decade is staggering. The public sector is more likely than the private sector to offer courses online, with 97% of public two-year and 89% of public four-year institutions doing so in 2006-2007, versus 53% non-profit four-year private institutions. Nonetheless, growth is also occurring in the private sector; the percentage of private four-year institutions offering online courses more than doubled between 1997-1998 and 2006-2007.

In the 2006-2007 survey, the most common factors cited as affecting distance education decisions to a major extent were meeting student demand for flexible schedules (68% of the institutions surveyed), providing access to college for students who would otherwise not have access (67%), making more courses available (46%), and seeking to increase student enrolment (45%). Asynchronous (not simultaneous or real-time) Internet-based technologies were cited as the most widely used technology for the instructional delivery of distance education courses. Taken together, these two findings clearly show that the

U.S. higher educations, by and large, have indeed switched to a distributed teaching and learning environment. Furthermore, as almost all face-to-face courses now have some online component such as message boards and chat rooms, the distinction between online courses and face-to-face courses is becoming increasingly blurred.

Initial forecasts predicted that only two types of institutions, ‘brick universities’ and ‘click universities’ meaning purely traditional and purely virtual institutions, would survive, are proving to be untrue. Rather, what are emerging are ‘brick and click’ universities, that is, hybrid institutions (van der Wende 2002).

Distributed learning is now an established feature of many of the traditional institutions in the developed countries. There are presently no technological barriers, but establishing the infrastructure may require significant investment and may take years. Investments can exceed US\$1 million per course (Oblinger, Barone, and Hawkins 2001; Ryan and Stedman 2002). The support personnel involved in the preparation of online courses such as Web designers, database managers, graphic designers, and the like are in short supply, and need to be remunerated accordingly.

Marketing of the e-learning product in an increasingly competitive environment, licensing of the course material and other products developed along the way, student support services, and other activities related to distributed learning and online delivery require governance structures that are very different from the traditional ones normally found in campuses. In any case, e-learning requires a cultural environment that is in many ways different from the cultural environment generally encountered in campuses; some go even as far as claiming that there is a contradiction between the core values of academia and the mindset required for successful e-learning ventures. For these reasons, traditional institutions have developed three different types of structures to tackle the organizational aspects of distributed learning. Oblinger, Barone and Hawkins (2001) have summarized these as follows:

1. Some institutions have created separate units within their existing structures; others offer courses in a variety of modes, including off-campus learning.
2. Several universities have established non-profit organizations that are separate from the institution.
3. Many of the best-known universities in the United States, both public and non-profit private, have established for-profit subsidiaries or joined with for-profit firms in joint educational enterprises. Such for-profit arms in China actually predate those in the United States. Some of the universities in the previously mentioned network-education colleges were permitted to establish private arms in order to market their online interests and research results as early as 1997, when Tsinghua Tongfang was listed in the Shanghai stock market.

Distance education based on advanced technologies for delivery is projected to grow, and new technologies are emerging; Bonk (2004) has identified thirty newly emerging technologies. The United States is expected to be the major driver of growth, and the major source for new technologies.

The growing demand for some form of online provision of educational services has led to the emergence of a sub-sector, referred to as learning management systems (LMS) market, where ICT companies, called LMS vendors, provide services to institutions of higher education in the application of ICT to the provision of their educational and related services. These services include technical platforms, administrative or teaching systems, content provision, and consultancy services. Many services until recently provided in-house in traditional institutions such as student information systems, library services (e-libraries or digital libraries), registration, bookstore management, and so on., are now being outsourced from vendors in addition to the services related to infrastructure building, course material preparation, content and delivery related to e-learning. Such outsourcing is another example of unbundling of services in traditional institutions. Support companies that provide such e-learning services are collectively referred to as 'service providers', regardless of whether they offer technical platforms, administrative or teaching systems, or consultancy services (Ryan and Stedman 2002).

Such service providers, also referred to as 'vendors', are increasingly handling student enrolment, training of staff, and management of physical facilities. Outsourcing of information technology services to commercial companies is particularly on the increase worldwide. Many U.S. institutions are outsourcing student support services to one of a number of companies. Such companies are now active not only in the United States, but also in a large number of countries including China, Russia, Israel, Venezuela and Algeria (Garrett 2003; OBHE-BN, September 2003; August 2004; June, April 2004).

As might be expected in any marketplace, competition thrives. This is no different in the higher education field where there are now many other jostling with the traditional universities and colleges to provide education services. The traditional institutions and their competitors are collectively described as 'providers'. So among the providers will be found not only the traditional institutions but, for example, companies and networks that are increasingly involved in higher education and services related to it. Knight (2005) uses the following four key factors to describe different categories of providers:

- whether the provider is public, private or religious;
- whether it is non-profit or for-profit;
- whether it is recognized by a bona fide national licensing or accrediting body; and
- whether it is part of the national 'home' higher education system.

On this basis, Knight identifies six categories:

1. Traditional institutions, which can be public, private or religious and are recognized as such by a bona fide domestic licensing or accrediting body as part of the home higher education system.
2. Non-recognized higher education institutions comprise the second group and are usually private and for-profit. Most are low quality and seek accreditation from bodies that sell a label. These are referred to as *rogue providers* which are different from diploma mills that only sell a degree without bothering to provide any education.

3. Commercial company higher education institutions are in general for-profit. Some of them are owned by traditional institutions, or they can be privately owned and publicly traded. They can be recognized institutions as part of the home national education system. They can be degree-awarding institutions or provide training that lead to certificates. They can be directly involved in the provision of education or are active in services related to education or both. ICT companies are particularly active in training programs that lead to certificates.

For-profit higher education has a three-hundred-year-old history in the United States; Morey (2004) traces the origins of the for-profit providers to the proprietary schools, also known as career colleges, which provide entry-level skill training at the postsecondary level without awarding degrees. What emerged in the United States from the early 1990s on, however, are degree-granting for-profit institutions that are operating in the area that was considered the remit of no-profit higher education. In the 2008-2009 academic year, such institutions numbered 986 (533 two-year, and 453 four-year) in the United States, and enrolled over 400,000 students, which correspond to about 2.5% of the national enrolment in degree-granting institutions. Moreover, roughly one-third of the students enrolled in online courses are in for-profit institutions (Morey 2004; Blumenstyk 2005a; *Chronicle of Higher Education Almanac* 2008-2009).

According to the Chronicle Index of For-Profit Higher Education (Blumenstyk 2005d; 2007a; 2007b; 2007c; 2008a), revenues of the eight major publicly traded companies in the United States offer programs at the associate, bachelor, and master levels. Apollo, Capella, Career Education, DeVry, and Laureate also offer programs at the doctoral level. All rely on part-time faculty to a very large extent, and annual costs vary from \$7,000 in Apollo to over \$19,000 in ITT for bachelor-level programs. The Apollo Group, with revenues of \$2.7 billion and an enrolment of 313,700 students in 2007 is clearly a business giant and a mega education conglomerate.

4. Corporate higher education institutions are part of major international conglomerates; they provide education and training for their employees. Meister (1998, 29; 2001) defines a corporate university as '*The strategic umbrella for developing and educating and training employees, customers, and suppliers in order to meet an organization's business strategies The corporation develops such programs through its own faculty or staff, or through external partners like higher institutions or commercial firms*'. They are generally not a part of the national education system, but are increasingly regarded as such with increasing recognition of the importance of lifelong learning. In general, they do not award degrees, although some of them are doing so in collaboration with traditional institutions or with new providers, which have degree-awarding powers. Their number of these corporate institutions in the United States grew from 15 in the 1980s to 400 in the 1990s and to over 2,000 in the early 2000s (Taylor and Paton 2006).

5. Consortia and networks are partnerships that can be any combination of institutions, both traditional and newer types of providers, and commercial enterprises.

Hans de Wit in an article for the Observatory on Borderless Higher Education (OBHE-BNA, January 25, 2006) has reviewed consortia, networks and umbrella associations of higher education institutions. Umbrella associations of and multilateral cooperation among higher education institutions date back to the Commonwealth Universities Association (f. 1913), the UNESCO-sponsored International Association of Universities (IAU, f. 1950), and the Standing Conference of European Rectors, Presidents and Vice-Chancellors (CRE, f. 1959).

With increasing internationalization of higher education, however, two new forms of collaboration emerged. De Wit identified these as follows. ‘Consortia’ refers to a grouping of institutions around a single purpose or contract. The term ‘institutional network’, on the other hand, is generally reserved for a group of institutions with a general framework objective that have come together for an indefinite period. It is common to use the two terms interchangeably. The perceived advantages of these in the increasingly complex international higher education market are:

- (1) shared risks and costs that foster innovation;
- (2) strategic information sharing;
- (3) inroads into new markets; and
- (4) potential research projects of international significance.

Most of the activities undertaken within such collaborative arrangements are traditional in scope, but require considerably more time and investment.

6. Virtual higher education institutions deliver education by distance education methods, increasingly online. In some cases, face-to-face provision at designated centres is an additional feature. They may or may not be recognized as part of the home national education system. They can be freestanding institutions and providers, or virtual arms of traditional institutions.

**Exercise 1:**

Consider the six categories of providers involved in innovative delivery of courses as identified by Knight (2005) above. Identify examples of providers that provide opportunities for higher education to students in your country in as many of the categories as possible. (These providers may be based outside your country). What, if any, challenges do these providers pose for accreditation and quality assurance agencies in your country?

The Open University in the United Kingdom provided the prototype for the first generation of distance education institutions; similar institutions were later established in many countries all over the world. The Labor Government of Prime Minister Harold Wilson founded Open University in 1969 as a low-cost alternative to meet the increasing



demand for postsecondary education, especially for adults who had previously missed out on the opportunity of accessing tertiary-level education. Open University is the first of its kind, an independent institution with the power to award degrees. The first students were admitted in January 1971, and began work on their first units of the first foundation courses. By the end of the 1970s, enrolment had reached seventy thousand, and some six thousand were graduating each year (Open University 2005). Presently, Open University with a total home enrolment of 176,560 students in the 2006-2007 academic year, is by far the largest institution of higher education in the United Kingdom, and accounts for 7% of the national higher education enrolment.

Faced with growing demand for higher education, many countries emulated the British model and founded distance education institutions. The names and the dates of foundation of some of these institutions Air and Correspondence University, Korea (f. 1972); Universidad Nacional de Education Distancia, Spain (UNED, f. 1972); Allama Iqbal Open University, Pakistan (f. 1974); Ha'Universita Ha'Pethuo, Israel (f. 1973); Fern Universitat, Germany (f. 1974); Athabasca University, Canada (1975); University of the Air, Japan, (f. 1975), Universidad Estatal a Distancia, Costa Rica (f. 1977); Universidad Nacional Abierta, Venezuela (f. 1977); Sukhotai Thammathirat Open University (STOU), Thailand (f. 1978); Universita della terza Eta e del tempo disponibile, Italy (f. 1978); Central Radio and TV University, China (f. 1960, renamed 1979); Open Universiteit, Netherlands (f. 1981); Institute of Distance Education, Sri Lanka (f. 1981); Anadolu Üniversitesi Açıköğretim Fakültesi (AÜAÖF), Turkey (f. 1982); Universitas Terbuka, Indonesia (f. 1984); Indira Gandhi National Open University (IGNOU), India (f. 1985); National Open University, Taiwan (f. 1986); Al-Quds Open University, Jordan (f. 1987); Centre National d'Enseignement a Distance, France ( CNED, f. 1987, dates back to the 1940s); Universidade Aberta, Portugal (f. 1988); Open University of Hong Kong (f. 1989); University of the Philippines Open University (f. 1995); Open University of Malaysia (f. 2002); the Saudi-initiated Arab Open University with branches in Bahrain, Egypt, Jordan, Kuwait and Saudi Arabia (f. 2002), SIM University, Singapore (UniSIM, f. 2005), and the Brazilian Open University founded as part of the reform package of 2006.

Today's virtual universities may be termed second-generation distance education universities that have evolved out of the dot.com boom of the late 1990s. Their funding is generally either: individual for-profit institutions, or with at least some government funding aiming at expanding and improving flexible learning at regional, national and sometimes international levels.

The OBHE has identified four main types of national virtual universities (OBHE-KI, September 2004):

- export-based;
- focused on widening access and participation;
- research and development focused; and
- industry focused in partnership with foreign providers.

In 1982, the Open University (OU) began to extend their reach by offering courses overseas. In 1997, Open University Worldwide Ltd. (OUW) was established as the international division of the OU. As of March 2009, OUW had over forty-five thousand students in thirty-two countries where it works in partnership with local universities, colleges and companies, and distributes over twenty-five hundred learning resource products.<sup>1</sup> It, however, failed to enter the U.S. market successfully via its for-profit subsidiary, the US Open University (USOU), which closed in 2002.

Other providers of higher education museums, libraries, publishers and media enterprises that offer a variety of tertiary-level programs, some of which even lead to degrees at the graduate-level (World Bank 2002, 34). What are known as *Academic brokers* provide a wide range of services, including information, placement counselling, tutoring for various admission tests, and foreign language training.

### Off-shore Provision

Another aspect of the provision of higher education is what is broadly described as *offshore provision*. This includes franchises, branch campuses and various twinning arrangements. There are many organisational forms of off-shore activity but mostly they include the provision of higher education in a foreign country by using programs and educational material prepared and owned by an institution in the home country. Students graduate with degrees awarded by the home institution.

The following systematic descriptions provided by Knight (2008, 105-106) are useful in clearly understanding the new complex relationships in international higher education.

- *‘Branch Campus: Provider in country A establishes a satellite campus in country B to deliver courses and programs to students in country B (may also include country A students taking a semester/courses abroad). The qualification awarded is from provider in country A.*
- *Franchise: An arrangement whereby a provider in source country A authorizes a provider in another country B to deliver its course/program/service in country B or other countries. The qualification is awarded by provider in country A.*
- *Twinning: A situation whereby a provider in source country A collaborates with a provider located in country B to develop an articulation system allowing students to take course credits in country B and/or source country A. Only one qualification is awarded by provider in source country A.*
- *Double/Joint Degree: An arrangement whereby providers in different countries collaborate to offer a program for which a student receives a qualification from each provider or a joint award from the collaborating providers.*
- *Articulation: Various types of articulation arrangements between providers in different countries permit students to gain credit for courses/programs offered/delivered by collaborating providers.*

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<sup>1</sup> Retrieved from [www.ouw.co.uk/partnersips.aspx](http://www.ouw.co.uk/partnersips.aspx) on March 23, 2009.

- *Validation: Validation arrangements between providers in different countries allow provider B in receiving country to award the qualification of provider A in source country'*

According to an Observatory on Borderless Higher Education (OBHE) report (Verbik and Merkley 2006), as of 2006, there were 84 branch campuses in operation in 38 countries. Forty-four of these belonged to U.S. institutions, followed by 10 Australian, 5 Indian, and 4 each U.K. and Irish institutions. The Knowledge Village in Dubai hosted 14 of these, followed by 8 in the Education City in Qatar, 6 in Singapore, and 5 each in China, Malaysia and Canada. On the other hand, thirteen branch campuses were closed between 2002 and 2006. According to an IIE survey, 19 U.S. branch campuses, which represent about forty percent of all U.S. campuses, reported a total enrolment of 9,357 students in 2007, with 52.5 percent of the students international.

Offshore arrangements may involve partnerships or twinning arrangements with another institution and involve dual-diploma/degree programs. In this case, institutions in different countries collaborate as equal partners and students follow part of the curricula in one institution and the rest in the other. While franchises and branch campuses are usually for-profit, twinning arrangements of the latter type may not be so.

According to Knight (2009, 12) double- and joint-degree programs: *'can lead to a deeper and more sustainable relationship than many internationalization strategies and create such academic benefits as innovation of curriculum, exchange of professors and researchers, and increased access to expertise and research networks. Students are attracted to double degrees for enhanced career opportunities, an international study and life experience, and the perception that 'two degrees for one' means decreased workload and tuition fees. At the national and regional level, they are seen to contribute to increased status, competitiveness, and capacity building'*.

Such programs have long been in existence among European countries, and have recently been on the rise in the United States. Definitions of such collaborative degree programs have been further refined in a recent report (Kuder and Obst, 2009, 10):

*'A joint degree program: students study at (at least) two higher education institutions and receive upon completion of the study program a single degree certificate issued and signed by all the participating institutions jointly.'*

*'A dual or double degree program: students study at (at least) two higher education institutions and receive upon completion of the study program a separate degree certificate from each of the participating institutions.'*

According to the results of the survey reported by Kuder and Obst (2009), double degrees are much more common than joint degrees. Top five partners of European institutions for collaborative degree-programs are the United States, France, Germany, Spain and the United Kingdom, while those of U.S. institutions are China, France, Mexico, Korea and Spain. U.S. institutions are more likely to offer collaborative degree programs at the undergraduate level, as opposed to European institutions, which are more likely to offer

graduate-level programs. Business and management seem to be the most popular disciplines for collaborative degree programs.

Tuition fees account for twenty-six percent of the funding for European institutions, and fifty-eight percent of the funding for U.S. institutions. The European Union is a major source of funding for collaborative degree programs between US and European institutions as well as intra-European collaborative degree programs. On the other hand, the dual-diploma program between nine campuses of the SUNY system and nine leading Turkish universities, which has been in existence since 2000, and currently enrolls 2,000 Turkish students is completely demand-driven and self-financing by tuition fees. As of March 2009, 262 students have graduated from the program.<sup>2</sup> Knight (2009) foresees an increase in collaborative degree programs, but also draws attention to a number of significant challenges including compatibility of curricula, credit systems, academic calendars, and admission and graduation requirements and recognition of degrees and qualifications. She also cautions against double counting of credits, which, in effect, is another form of a 'rogue provision'.

In summary, new types of higher education providers have at least one of the following attributes: a) they are for-profit; b) they cater to non-traditional and/or foreign students in the international education market and c) they rely on technology for the provision of education and student services.

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<sup>2</sup> Information on the SUNY-Turkish universities is from an article by L.Thompson to appear in the Spring 2009 issue of the *IIE Networker*.

## **Part 2: The Rise of the Evaluative State**

Starting in the mid-1980s, patterns of higher education governance started to change radically (Veld, Fussel and Neave 1996, 17-89; de Groof, Neave and Svec 1998, 5-157).

The main drivers of this transformation were the following:

1. The changing view of higher education from a purely public service to be financed from the public purse to a semi-public service, the costs of which should be borne by all stakeholders, that is., by all of those who benefit from its outputs;
2. A 'financial crisis' resulting from increasing demand coupled with increasing costs (Johnstone 1993; Neave 1997; Neave 1998; Chevaillier and Eicher 2002);
3. The political discourse on what the role of state in general should be in an advanced participant democracy.

The basic elements of this change included the changing role of the state; new funding arrangements coupled with resource diversification, and increased managerialism in the administration of institutions. Neave (1988b), de Groof, Neave and Svec (1998, 61), and Neave (1998) refer to these changes as the transformation from the 'regulatory' to the 'evaluative state'. This transformation was accompanied by the introduction of the market as the supreme regulating principle of higher education.

The regulatory state prescribes the processes by which institutions function to produce outputs through an array of detailed legal instruments including laws, line-item budgets, guidelines and rules. The evaluative state, on the other hand, sets forth institutional missions, qualitative and quantitative input and output targets and confines itself to evaluating achievements, while allowing institutions to determine their own ways of achieving those missions and targets. Among the major changes that occurred were lump-sum budgets, resource diversification through the introduction of or increase in tuition fees, and provision of incentives for income generation, increased institutional powers, including professorial appointments and discretion in financial matters.

There was little change in the United States when compared to the changes in Europe, Australia and Japan. The major noticeable trend was a general shift toward more discretionary powers to public institutions in financial matters. Otherwise, the basic governance structures were left unchanged (Newman, Couturier and Scurry 2004, 31-34).

In the United Kingdom, too, the basic structure of governance remained essentially unchanged. However, the Education Reform Act of 1988 replaced the UGC with two funding councils: the Universities Funding Council (UFC) for the university sector, and the Polytechnics and Colleges Funding Council (PCFC) for the remaining part of the binary system. The radical change, however, was the abolition of tenure and the defining of academic freedom in one article of the legislation. The UFC was authorized to enter into contractual agreements with universities and to evaluate their performance for funding purposes. The first research assessment exercise was carried out by the UFC by using quantitative performance indicators, such as numbers of publications, citations,

patents, degrees awarded, and funding from external sources. This was in line with the recommendations of the Jarrat Commission mentioned earlier. Universities and departments were ranked on this basis, and the findings of the exercise were made public.

The research exercise carried out by the UFC marked the beginning of an entirely new era in evaluation, academic assessment and quality assurance in Europe. But even in the United Kingdom, evaluation had never reached the level of institutionalization and formalization it had in the United States.

The roots of the present day structure of accreditation in the United States can be traced back to 1905, when the newly founded Carnegie Foundation for the Advancement of Teaching set forth the requirements it would seek in the institutions of higher education to which it would provide funding. The first list of accredited institutions was, however, prepared by the American Association of Universities (AAU) in 1914, when Berlin University made it clear that it would accept students to its doctoral programs only from those institutions that were recognized as universities by the AAU (Carnegie Foundation 1982, 21-37). Regional accreditation boards were established by universities and colleges and their number increased rapidly. Professional organizations, too, joined the process in the early twentieth century. This was led by the American Medical Association, which started accrediting medical schools in 1910.

The GI Bill of Rights enacted in 1944, stipulated that to be eligible for financial support under that federal law veterans had to enrol in '*accredited*' institutions of higher education. From these roots, the present U.S. accreditation system evolved consisting of two parts. Specialized accreditation is discipline-specific, and is carried out by professional organizations. Institutional accreditation, on the other hand, evaluates the institution as a whole in terms of the compatibility and the sustainability of its activities and resources with its mission. Since 1949, institutional accreditation is carried out by six regional associations, which were founded by the institutions themselves. Reauthorization of the Higher Education Act of 1992 set the standards and procedures for institutional accreditation, and authorized the United States Department of Education (USDE) to supervise the regional accreditation boards, and the state higher education boards for the opening of new programs in public institutions. The law also established a '*state postsecondary review entity*' in each state to monitor the pay back of student loans.

Accreditors in the United States are themselves '*recognized*' following periodical reviews by the Council for Higher Education Accreditation (CHEA), a private, nongovernmental national coordinating body for national, regional and specialized accreditation or the USDE. As of 2002-2003, nineteen institutional and sixty-one specialized accrediting agencies were in operation, which had been recognized by either CHEA or the USDE or both (OECD 2004b, 63-74).

A significant point to note is that accreditation in the United States is based on academic assessment carried out by nongovernmental organizations; neither the federal government nor the state governments play a significant role. Academics, on the other hand, do play a very significant role, but the process itself is not dominated by the academic oligarchy;

rather, it is inherently market-responsive. Recognition of an accreditor by CHEA confers an academic legitimacy. On the other hand, USDE recognition is required for accrediting agencies whose institutions and programs seek eligibility for federal student aid funds. A very strong incentive thus exists for institutions to seek accreditation. Furthermore, a culture has developed in time that does not reject such an evaluation as an infringement upon either institutional autonomy or academic freedom.

At the beginning of the transformation from the regulatory to the evaluative state in the mid-1980s, neither the structures and mechanisms nor the culture existed in continental Europe for academic evaluation and assessment. The prevailing view was that universities were self-governing institutions, and that they needed no steering by external agents, especially in academic matters. Neave (1998) argues that a form of evaluation did exist, but that it essentially involved routine institutional reporting on expenditures, student numbers, and the number of degrees awarded, which was part of the state control. This started to change in Europe from the mid-1980s, when powerful specialist bodies emerged at the national level, which were charged with evaluating the performance of higher education institutions.

It is interesting to note that the first such body was established not in the United Kingdom, but in France, where the *Comite National d'Evaluation (CNE)* and the *Conseil National de l'Enseignement Superieur et de la Recherche* were established in 1985. The first of these two bodies evaluates the performance of higher education institutions every four years and reports its findings to the president of the republic. The latter, on the other hand, is chaired by the minister of education, and advises the minister on the new programs leading to national diplomas, appointments to be made to institution, and general coordination. The *CNE* evaluates institutions in the areas corresponding to the public service mission of higher education, which includes education and continuing education, R&D activities at the regional, national and the international levels. It also examines the governance, policies and management practices of institutions. The recommendations of the *CNE* are not binding on the institutions. It is not an accreditation body, nor are its findings related in any way to the allocation of public resources to institutions.

In 1997, the Quality Assurance Agency for Higher Education (QAA) was established in the United Kingdom “to safeguard the public interest in sound standards of higher education qualifications, and to encourage continuous improvement in the management of the quality of higher education.” Each institution of higher education is responsible for the standards and quality of its academic awards and programs. Each has its own internal procedures for attaining appropriate standards and assuring and enhancing the quality of its provision, mainly through the assessment of students and the institutional procedures for the design, approval and monitoring and review of programs. Periodic reviews are typically carried out every five years and normally involve external examiners drawn from other institutions, or from areas of relevant professional practice. The QAA is an independent body funded by subscriptions from United Kingdom universities and colleges of higher education, and through contracts with the United Kingdom funding bodies mentioned earlier. It carries out its role by reviewing academic standards and quality, and providing nationally agreed reference points that help to define clear and

explicit standards. It achieves its mission through a peer review process of audits and reviews conducted by teams, most of whom are academics but with some members drawn, where appropriate, from industry and the professions. Quality assurance in research, on the other hand, is achieved through the research assessment exercise, which is carried out by the funding councils mentioned previously. It differs in its aim from the activities of the QAA in that it has a direct bearing on the distribution of public funds for research selectively based on quality.

The Bologna Process has added momentum to external evaluation in Continental Europe. Quality assurance and accreditation agencies have been established, and evaluation and assessment schemes have been put in place in all of the European countries. To facilitate and encourage institutions and authorities to cooperate and exchange best practices, the European Commission supported the establishment of the European Network of Quality Assurance (ENQA), which became operational in 2000. As of March 2009, ENQA has forty full and nine candidate members from twenty-five countries. Following the decision taken in the London ministerial meeting of signatory countries of the Bologna Declaration in May 2007, the European Quality Assurance Register for Higher Education (EQAR) was founded in March 2008 as an independent association in charge of establishing and managing a register of quality assurance agencies. EQAR manages a register of quality assurance agencies operating in Europe that substantially comply with the European Standards and Guidelines for Quality Assurance (ESG), adopted in the Bergen ministerial meeting.

.It appears that only a few countries are left among the signatories of the Bologna Declaration that do not have a quality assurance organization with statutory powers. Turkey is one of them, but Turkish universities have extensively used the U.S.- based Accreditation Board for Engineering and Technology (ABET) to evaluate engineering programs, and EUA for institutional evaluation.

Some of the national quality assessment agencies in Europe have been set up by governments. These include the National Accreditation Agency of the Russian Federation (*NICA*), the Danish Evaluation Institute (*EVA*), the Centre for Accreditation and Quality Assurance of the Swiss Universities (*OAQ*), the Norwegian Agency for Quality Assurance in Higher Education (*NOKUT*), the State Accreditation Committee of Poland (*PKA*), Hungarian Accreditation Committee, Accreditation Commission of the Czech Republic, the National Committee for the Evaluation of the University System (*CNVSU*) in Italy, the Swedish National Agency for Higher Education (*Hogskoleverket*), and the Hellenic Quality Assurance Agency (HQAA). The *CNE* in France, the QAA in the United Kingdom, and the Finnish Higher Education Evaluation Council (*KKA*), on the other hand, are independently constituted, but financed by the state. The recently established Netherlands-Flemish Accreditation Organization (*Nederlands-Vlaamse Accreditatie Organisatie, NVAO*) is bi-national. It accredits all existing and new bachelor- and master-level programs in the Netherlands and Flanders, where accreditation is now a precondition for government funding of the programs. Programs are assessed by visiting and assessment bodies (*Visiterende en Beoordelende Instanties, VBIs*) that are recognized by the *NVAO*; as of January 2004, six such bodies were recognized. Currently, there are separate visiting and assessment bodies for the university



and the non-university (*HBO*) sub-sectors, both established in 2004. Quality Assurance Netherlands Universities (QANU) is for the university sub-sector, and Netherlands Quality Agency (NQA) is for the non-university sub-sector. Their memberships comprise the institutions in the two sub-sectors, which also own the organizations.

Exercise 2:

What is the history of the main quality assurance agency in your country? Take a look at the website of the agency to see when it was established and the factors that led to its being set up.

If the agency was established with government involvement, do you think it was as part of a more general move by the government to demonstrate accountability to stakeholders and taxpayers? Or was the intention primarily to regulate the higher education sector. Do you think the focus of the agency's work has changed since it was established?

If the agency you have selected to study was set up by players in the higher education sector can you identify the factors that led to the action? Was there a threat of government intervention? What are the advantages and disadvantages of this kind of quality assurance/accreditation agency?

In countries with a federal structure, such as Germany and Spain, there are agencies at the local level in addition to the ones at the national level. Like in the Netherlands, there are different agencies for the university sector and the non-university sector in Austria, Belgium, Ireland, and Poland. In Ireland, the Higher Education Authority (HEA) functions as both an intermediary body charged with funding and steering and a quality assessment agency. Some of the agencies focus on institutional assessment, others focus on programs and departments; in most cases agencies evaluate both the institutions and the programs and departments within the institutions. The European University Association (EUA) has been implementing an institutional evaluation program on a voluntary basis that focuses on improving institutional management. The program has been in existence for more than a decade.

With all signatory countries of the Bologna Declaration now switching to some form of bachelor- and master-level degree structure (1 plus 4, or 3 plus 2 years), there seems to be a convergence toward linking institution or program approval to some kind of evaluation, assessment, and accreditation procedure throughout continental Europe, and there are clear signs that a common framework is developing. Yet, Europe is nowhere near the United States in terms of the enforcement power of such agencies and schemes (OECD 2004c, 75-106; Billing 2004). All of the bodies established at the national level are essentially evaluating and assessment agencies; their accreditation powers are effectively restricted to recognizing/licensing evaluation and assessment panels, institutions, and organizations.

Thus, quality assurance and accreditation in continental Europe, also largely in the United Kingdom, is essentially a part of the general accountability and reporting process. That is, in general, there are neither direct financial rewards nor penalties associated with the outcomes of the processes as are there in the United States. The recent Dutch and Flanders practice of linking accreditation to funding and the British practice of selective distribution of public funds for research based on the outcomes of the research assessment exercise probably come closest to the American practice. Nevertheless, in an environment where quality is assumed the natural outcome of self-governance and any external influence is still regarded by many in the academia as an infringement on institutional autonomy and academic freedom, and hence detrimental to core academic values, Europe has come a long way.

In Australia, in the late 1980s, funding was linked to “institutional profiles, negotiated with the federal government”. This exercise, combined with the introduction of fees, meant that a weak relationship had been established between student numbers in various disciplines and public funding. It also meant a shift in the cost from the state to the individual, national and international competition for students and research income, and resource diversification accompanied by greater deregulation through the collection and retention of student fees and the right to borrow money for capital works (Meek 2002).

A very important policy change in Australia in the late 1980s was the deregulation of the foreign student market. Until 1985, the education of overseas students was seen as a form of aid to developing countries; governments established aid programs to subsidize students, and fees were not paid directly to institutions. In the late 1980s, however, Australian government changed its policy from ‘aid’ to ‘trade’, and full-fee paying foreign students became an important source of revenue for the universities, engaging in fierce competition to recruit overseas students (Marginson 2002; Meek 2002; Gamage and Mininberg 2003).

Greater emphasis on accountability and the move toward performance-based funding was accompanied by increased emphasis on assessment and evaluation. In the late 1980s, universities started their own evaluation schemes, which were modelled after the institutional procedures in the United Kingdom and affected by total quality management practice in the business community. In 1992, the government established the Committee for Quality Assurance in Higher Education.

By the mid-1990s, Australia had emerged as a major host for foreign students and a key player in the global higher education market. Many of her public universities had offshore operations and online programs, and some of them were partners with foreign institutions in consortia, providing higher education globally. Two of its major competitors, the United Kingdom and New Zealand<sup>3</sup> had established quality assurance

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<sup>3</sup> The New Zealand Qualifications Authority (NZQA) was established in 1990 under the Education Act 1989 to provide an overarching role in quality-assured qualifications and to coordinate qualifications in New Zealand. Only those providers recognized by the NZQA are eligible for government financial assistance (see <http://www.nzqa.govt.nz>).

bodies at the national level. To address the need to maintain the standard and assure the quality of the “Australian brand” in higher education as a key element of international competitiveness, the Australian University Quality Agency (AUQA) was established in March 2000 (Mollis and Marginson 2002; OECD 2004c, 107-117). It is authorized to conduct audits of quality in self-accrediting universities every five years, monitor quality assurance processes, and advise the states on accreditation requirements for non-university providers of higher education.

The changes introduced in Australian higher education from the early 1980s on clearly imply a shift in balance of power from academia to the state and a move toward the market apex. The process of change is continuing in Australia. In 2004, the government unveiled a plan to abolish the system of nationwide wage bargaining and tenure, allowing instead each institution to establish its own system of tenure and negotiate pay (Cohen 2004).

The Japanese higher education system was heavily influenced by the classical German model in its inception during the Meiji Restoration and by the American model during its reformation after World War II (Osaki 1997; Murasawa 2002; Ogawa 2002; Yonezawa 2002; Okada 2005). Although postwar reforms significantly curbed the powers of the Ministry of Education, the system remained highly centralized under direct ministerial control. Until April 2004, Japanese universities did not have corporate status so, administratively, national universities were extensions of the ministry, and local public universities belonged to the local governments which founded them. In the case of private universities and colleges, the corporate status of the institution was vested in the head of the board of trustees of the school corporation that founded the institution. Buildings and facilities belonged to the *‘founder’*, that is, the ministry or the local government in the case of public institutions, or the school corporation in the case of a private institution. Likewise, educational and research programs were operations of the founder, which had direct responsibility and authority for the administration of the institution. Budgets of public universities were under the ministry or the local government budget. Academic and administrative positions were also under the ministry or the local government, which meant that the founder rather than the institution employed the staff. Professors in national universities were full-time civil servants with tenure. The president of a national university was elected by the senior professors from among themselves, subject to ratification by the minister, and had somewhat stronger powers than the rector had in the classical continental European model. The head of administration, on the other hand, was a civil servant who reported to the ministry, not the president.

The University Establishment Standards, which were issued as a ministerial decree, determined the forms, organizational structures, and curricula of Japanese higher education institutions. Thus the standards, in a way, defined quality and served as the basis for both chartering and accreditation (Amano 1997; Doyon 2001).

The government determined the salaries of the academic and the administrative staff, tuition fees, and the numbers of students admitted to national universities (Murasawa 2002). The professors’ council (*kyojukai shihai*), however, controlled most academic

matters in national universities (Goodman 2005). Thus, national universities in Japan could be seen as leaning to either the state or to an ‘academic oligarchy’ depending on whether one looked at the administrative and financial aspects or the academic side of the institution, but certainly could not be described as strongly oriented to the marketplace. (Clark,1983).

In the mid-1990s, Japan faced the phenomenon of decreasing population of the eighteen-year-old cohort, which was projected to fall from its peak value of 2.05 million in 1992 to 1.2 million in 2010. This meant a loss of 850,000 potential students in higher education, and implied that, despite increasing demand for higher education in general, some institutions would not be viable in terms of student numbers. There was growing concern about the quality of Japanese higher education in both teaching and research. While Japanese secondary education was renowned for its strictness and its quality in mathematics and sciences, universities were strongly criticized for their slackness and ‘*leisure land mentality*’. Of particular concern was the weakness of research and education at the graduate level. The fact that Japan had only 8 Nobel laureates against 182 Americans was considered a source of embarrassment for the world’s second largest economy with a GDP that is nearly 40 percent of that of the United States. The World Competitiveness Report of 2001 placed Japan at the bottom of the list of forty-nine nations examined in terms of the contribution of the share of her higher education system to her competitiveness (Goodman 2005).

In 1998, a law was enacted, which made it a requirement for junior faculty members to publish articles based on their research before they are promoted to tenure-track positions (Doyon 2001). In 2000, the National Institute for Academic Degrees (NIAD, *Gakui-juyo Kiko*), which had been established in 1991 to validate degrees awarded by non-university institutions, was reorganized to carry out evaluation in universities; its name in Japanese was changed to *Daigaku-hyoka Gakui-juyo Kiko*. In 2003, its English abbreviation was changed to NIAD-UE to include university evaluation as one of its two main activities, and in 2004, it acquired statutory powers by legislation.

The sweeping reform process that was started in 1999 aimed to transform national universities into ‘*independent administrative institutions*’ (*dokuritsu gyosei hojin*) by April 2004, through a process referred to as ‘*incorporation*’. The process aims to increase efficiency by decreasing government regulation. It involves decreased funding from public sources and increased powers to institutions to manage their affairs and diversify their revenue base with a particular focus on enhancement of research capabilities. Basic features of the reforms include the following (Asonumo 2002; Itoh 2002; Murasawa 2002; Ogawa 2002; Yonezawa 2002; Brender 2004a; Goodman 2005; Hatakenaka 2005).

1. Incorporation of national universities as independent administrative units with their own budgets and staff positions;
2. Merging of institutions that are no longer viable in terms of student numbers;
3. Establishment of graduate schools independent of undergraduate schools;

4. Establishment of research professorships and merging of chairs to form ‘*enlarged chairs*’;
5. Introduction of managerial techniques in university administration;
6. Establishment of administrative councils similar to lay governing boards;
7. Introduction of a new selection process for university presidents that gives a say to the administrative council together with the senate;
8. Strengthening of the discretionary powers of university presidents in financial matters;
9. Establishment of vice-presidencies to which laypersons can be appointed;
10. Competitive funding for research and financial resource allocation based partly on the outcomes of evaluation by the NIAD-UE.

As part of the reform process, the number of national universities has been reduced from ninety-nine to eighty-nine, and consolidation has started in the local university sub-sector, too (Hatakenaka 2005). Japanese reforms also include recognition and regulation of foreign universities operating in Japan as well as Japanese offshore provision, and allow for-profit providers (OBHE-BN, April 2004; Brender 2004b).

Korea, with 50 national and 160 private universities and 158 two-year colleges has one of the largest higher education systems in the world. It is also one of the major countries of origin of foreign students. (Gürüz, K. 2008a, 2008b). The present governance system, much like the pre-reform system in Japan, is a tightly controlled one, with the Ministry of Education and Human Resource Development in charge of budgets and personnel of public institutions. The country, like Japan, has entered a period of declining higher education-age population. In response, the ministry has recently announced plans to transform national universities to self-governing institutions and abolish tenure. The intended outcome is institutions consolidated in enrolment size by mergers, which are more competitive (Brender 2006).

As part of the sweeping reforms in China, assessment of the quality of teaching was started as early as 1990. This was emphasized in the Higher Education Act of 1995, and such evaluations were carried out in more than two hundred institutions by 2003. The Centre for Assessment of Higher Education Teaching was established on October 26, 2004. The Centre is mandated to carry out academic evaluation of teaching in each institution of higher education every five years, and to report its findings to the Ministry of Education. The Centre will rank institutions as excellent, good, pass, and failure. In addition, every institution is now required to report data on its teaching activities to the ministry every year (F. Huang 2005).

With over 12 million students, the Indian higher education system is currently the third largest in the world, and it is quite likely that it will surpass the United States in the not too distant future. The system currently comprises over 250 universities and close to 11,000 colleges. Over seventy percent of these colleges are privately run. Those established before 1980 are called “grant-in-aid colleges,” which get most of their funding from the state, while the rest are self-financing institutions that run on student fees. According to Stella (2002), the Indian higher education system is modelled after the

classical British system, and it has inherited the funding structures of that model through the University Grants Commission (UGC), along with the classical British quality control mechanisms. The latter involves the affiliation of colleges to universities. This is a mechanism by which a connection is established between a college and an affiliating university. The college follows the syllabi set by the university, which also holds central examinations for all affiliated colleges. Some of the larger affiliating universities have more than 400 affiliated colleges. In other words, the affiliating university in the Indian case plays the roles Oxford and Cambridge universities traditionally play for their constituent colleges, and the validation that Durham and London universities exercise for the institutions placed under their academic tutelage. Over time, as the system grew enormously, this led to many substandard institutions, with the possibility of many more to come, and hence the need for an effective mechanism for quality assurance. Accreditation by an autonomous body was seen as an appropriate strategy for quality assurance. Consequently, after a number of studies and reports in the late 1980s, as a part of its responsibility for the maintenance and promotion of standards of education, the University Grants Commission (UGC) established the National Assessment and Accreditation Council (NAAC) in 1994 (Stella 2002) *'to make quality the defining element of higher education in India through a combination of self and external quality evaluation, promotion and sustenance initiatives'*.

As of March 2009, NAAC had accredited 140 universities and 3,492 colleges.<sup>4</sup> Accreditation by the NAAC is not mandatory for institutions of higher education, and does not carry direct penalties or rewards, such as reduced or extra funding through the UGC. Furthermore, in a country like India, which still has a long way to go before achieving massification in higher education, linking accreditation and funding is not felt to be appropriate. However, the Indian system is unique in the sense that the Chairperson of the UGC also chairs the GC of the NAAC, conjoining, in a manner of speaking, the functions of the judge and the prosecutor in the same corporate personality. Thus, NAAC is effectively an advisory body to the UGC. Nevertheless, NAAC has been successful in infusing a *'quality culture'* to Indian higher education, which has led to many curricular and managerial improvements. Stella (2002), however, also draws attention to an unintended consequence of academic evaluation and assessment that seems to have inflicted the Indian system. According to Stella, many institutions have started to copy top-level institutions leading to uniformity in the system. Such loss of diversity may indeed work against functional differentiation and stratification in national systems, with all institutions aspiring to research university status, which is neither desirable nor attainable.

Other countries in Southeast Asia that have a quality assurance framework are the following (Lee 2006):

- Cambodia: the Accreditation Committee of Cambodia, established in 2000;
- Malaysia: the National Accreditation Board (*Lembaga Akreditasi Negara, LAN*) established in 1996;

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<sup>4</sup> [www.naacindia.org](http://www.naacindia.org), accessed on March 20, 2009.

- Philippines: the Accrediting Agency of Chartered Colleges and Universities in the Philippines, established in 1989, and the Philippines Association of Schools, Colleges and Universities, established in 1957;
- Thailand: the National Educational Standards and Quality Assurance, established in 2000;
- Vietnam: The Quality Assurance Unit, established in 2002.
- In her drive to be an international education hub, Singapore started implementing the Education Excellence Framework in 2004. As part of this framework, CASE Trust for Education (CTE) and Singapore Quality Class for Private Education Organizations (SQC-PEO) schemes were established by the Consumer Association of Singapore (CASE). To enrol international students, all private education organizations (PEOs) must obtain the CTE certificate. If, in addition a PEO obtains the SQC-PEO certificate, it can receive financial support from the government to promote itself internationally, and its international students' visa applications are processed with priority.<sup>5</sup>

Evaluation and assessment schemes were introduced in the 1990s in Latin America. In Argentina, the National Committee for University Assessment and Accrediting (*CONEAU*,) was established in 1995 (Fanelli 2006). As part of the sweeping reforms in Chile have outlined earlier, *Consejo Superior de Educacion* was founded in 1990 to accredit private universities and professional institutes. Later, two commissions were set up by the ministry in 1999 to evaluate undergraduate and graduate programs of public and private universities on a voluntary basis (Brunner and Tillett 2006). In Mexico, the Higher Education Evaluation Commission (*CONAEVA*) was established in 1989. This was followed by the Inter-institutional Committees for Higher Education Evaluation, *CIEES* in 1991, the National Centre for Higher Education Evaluation, *CENEVAL* in 1994, and the Council for Higher Education Accreditation, *COPAES* in 2000. The last one is a meta-accreditation body for both public and private institutions (Casanova-Cardiel 2006). Though aiming to link their results in some way to funding, the various bodies set up in the three countries are characterized by an understanding of licensing as equivalent to accreditation and quality assurance, and results have so far been mixed (Ceaser 2004; Alvarez-Mendiola and de Vries 2005; Mollis and Marginson 2002; Mollis 2006).

In June 2006, a new higher education law was enacted in Brazil. Among the provisions of the new legislation are a new agency and new guidelines for quality assurance, increased autonomy for public institutions in setting their curricula and managing their financial affairs, and a new procedure for appointing university heads where the President of Brazil will make appointments from a list of candidates submitted by the academic community (OBHE BNA, June 27, 2006).

The emergence of national quality assessment agencies and the switch from line-item to lump-sum budgets accompanied by a strengthened role of the university head and the

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<sup>5</sup> <http://www.casetrust.org.sg/AccreditationSchemes/CaseTrustforEducation/tabid/60/Default.aspx>

increased discretionary powers of the central institutional administration are basic features that characterize the transformation from the regulatory to the evaluative state. More information on the themes of accountability and quality assurance can be found in El-Khawas (2006) and Gürüz (2008a). Hauptman (2006) has summarized the global trends in higher education finance. Information on the funding schemes currently in place in various countries, albeit changing rapidly, can be found in Forest and Altbach (2006, Pt. 2) and Gürüz (2008a).

In conclusion, it is important to note that as pointed out earlier, other than the United States, assessment and evaluation worldwide are largely in the form of a new way of regulation by the state and a source of information rather than a basis for funding decisions (OECD 2003b; 2004c).



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