Cross-border higher education: regulation, quality assurance and impact

Argentina, Kenya, Russia

Edited by Michaela Martin
Volume II
Cross-border higher education: regulation, quality assurance and impact
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By Ernesto Villanueva

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<th>Abbreviation</th>
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<tbody>
<tr>
<td>ACIS</td>
<td>Accrediting Council for Independent Colleges and Schools</td>
</tr>
<tr>
<td>ACU</td>
<td>Argentinian Catholic University</td>
</tr>
<tr>
<td>CBC</td>
<td>Common basic cycle</td>
</tr>
<tr>
<td>CHEA</td>
<td>Council for Higher Education Accreditation</td>
</tr>
<tr>
<td>CMSTK</td>
<td>Common Market of Scientific and Technological Knowledge</td>
</tr>
<tr>
<td>CONEAU</td>
<td>National Commission for University Assessment and Accreditation</td>
</tr>
<tr>
<td>CPUC</td>
<td>Council of Private University Chancellors</td>
</tr>
<tr>
<td>GATE</td>
<td>Global Alliance for Transnational Education</td>
</tr>
<tr>
<td>IANQAHE</td>
<td>Ibero-American Network for Quality Accreditation of Higher Education</td>
</tr>
<tr>
<td>ICE</td>
<td>Institute of Continuous Education</td>
</tr>
<tr>
<td>IESALC</td>
<td>International Institute for Higher Education in Latin America and the Caribbean</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>INQAAHE</td>
<td>International Network for Quality Assurance Agencies in Higher Education</td>
</tr>
<tr>
<td>ISO</td>
<td>Ibero-American States Organization</td>
</tr>
<tr>
<td>LHE</td>
<td>Law on Higher Education</td>
</tr>
<tr>
<td>MEXA</td>
<td>Experimental mechanism for the evaluation and accreditation of universities</td>
</tr>
<tr>
<td>NAQAA</td>
<td>National Agency of Quality Assessment and Accreditation</td>
</tr>
<tr>
<td>NCSTR</td>
<td>National Council for Scientific and Technological Research</td>
</tr>
<tr>
<td>NISC</td>
<td>National Institute of Statistics and Censuses</td>
</tr>
<tr>
<td>IUNIC</td>
<td>National Inter-University Council</td>
</tr>
<tr>
<td>LHE</td>
<td>Law on Higher Education</td>
</tr>
<tr>
<td>NUTHERP</td>
<td>Non-University Technical Higher Education Reform Programme</td>
</tr>
<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
</tr>
<tr>
<td>ORCILAC</td>
<td>Oficina Regional de Comunicación e Información para América Latina y El Caribe</td>
</tr>
<tr>
<td>PAC</td>
<td>Postgraduate Accreditation Commission</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>PUCC</td>
<td>Private University Chancellor’s Council</td>
</tr>
<tr>
<td>RCHEP</td>
<td>Regional Council for Higher Education Planning</td>
</tr>
<tr>
<td>RIACES</td>
<td>Ibero-American Network for Higher Education Quality Accreditation</td>
</tr>
<tr>
<td>SIU</td>
<td>Sylvan International Universities</td>
</tr>
<tr>
<td>UBA</td>
<td>University of Buenos Aires</td>
</tr>
<tr>
<td>UC</td>
<td>University Council</td>
</tr>
<tr>
<td>UMACE</td>
<td>University of the Macroeconomic Studies Centre</td>
</tr>
<tr>
<td>UniBo</td>
<td>University of Bologna</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
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Executive summary

The present study focuses on the development of transnational commercial higher education in Argentina. The case study starts with a presentation of the evolution and the main characteristics of the national higher education system (Section 1), before exploring the prevailing modes of transnational commercial higher education (Section 2).

This is followed by an analysis of the legislation for the evaluation and accreditation of the distinctive modes of transnational higher education (Sections 3 and 4). A general description is given of the functioning of evaluation and accreditation processes, their scope and limitations, and a synthesis of the current status of the national accreditation agency, CONEAU.

Section 5 is specifically devoted to the development of distance education and e-learning in Argentina: It presents the current situation and the detailed legislative framework.

A final assessment is made of the current status of transnational higher education; its impact on the system is discussed from the point of view of some objective and subjective variables. Finally, some limits to globalization in the context of higher education are discussed (Section 6).
I. **Description of the overall system of higher education**

1. **General features of the system of higher education in Argentina**

   In Argentina, there is both a university and a non-university higher education system, which features private and state institutions. Among the latter, the universities are funded by the central government, while the non-university institutions are funded by the provinces. In both systems, the state institutions have a much higher enrolment than the private institutions. Besides these, there are other institutions with particular types of organization, orientation or operation that cannot be directly included within that general classification. In some cases they are state institutions, and in others they belong to the private sector.

   Following is an outline of the higher education system:

   - **University institutions:**
     - universities;
     - university institutes.
   - **Non-university tertiary institutes:**
     - of teaching education;
     - of technical-professional education;
     - university schools.
   - **Other types of institutions of higher education:**
     - autonomous;
     - managerial;
     - technical;
     - army- and police-managed;
     - religious;
     - centralized and decentralized.

   Table 1.1 shows the rise in higher education registration levels by type of institution. A remarkable growth in private non-university education can be seen in the period 1994 to 2000, when it reaches 100 per cent. This is due to the creation of many private institutions offering tertiary study courses that, as will later be explained, are short, technical-professional, and geared to the labour market. Private
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University education expanded most rapidly, from 124,749 to 145,195. In the same period, state university education grew by 56 per cent, private university education grew by 16 per cent, and state non-university higher education grew by 13 per cent.

*Table 1.2* shows enrolment levels at state universities by study branch. *Table 1.3* shows enrolment levels at private universities by study branch.

### Table 1.1 Higher education enrolment by type of institution

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total higher education</td>
<td>777,488</td>
<td>1,116,415</td>
<td>1,173,492</td>
<td>1,345,811</td>
<td>1,724,397</td>
</tr>
<tr>
<td>University higher education</td>
<td>595,543</td>
<td>781,553</td>
<td>844,420</td>
<td>954,033</td>
<td>1,269,239</td>
</tr>
<tr>
<td>State university education</td>
<td>524,590</td>
<td>679,495</td>
<td>719,671</td>
<td>812,308</td>
<td>1,124,044</td>
</tr>
<tr>
<td>Private university education</td>
<td>70,953</td>
<td>102,058</td>
<td>124,749</td>
<td>141,725</td>
<td>145,195</td>
</tr>
<tr>
<td>Non-university higher education</td>
<td>181,945</td>
<td>334,862</td>
<td>329,072</td>
<td>391,778</td>
<td>455,158</td>
</tr>
<tr>
<td>State non-university higher education</td>
<td></td>
<td></td>
<td>235,740</td>
<td>263,132</td>
<td>266,969</td>
</tr>
<tr>
<td>Private non-university higher education</td>
<td></td>
<td></td>
<td>93,332</td>
<td>128,646</td>
<td>188,189</td>
</tr>
</tbody>
</table>


### Table 1.2 State university enrolment by study branch

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>581,813</td>
<td>679,403</td>
<td>766,847</td>
<td>1,124,044</td>
</tr>
<tr>
<td>Basic and technological sciences</td>
<td>236,428</td>
<td>247,838</td>
<td>255,207</td>
<td>318,585</td>
</tr>
<tr>
<td>Health sciences</td>
<td>74,877</td>
<td>109,807</td>
<td>111,662</td>
<td>156,533</td>
</tr>
<tr>
<td>Humanities</td>
<td>74,768</td>
<td>85,921</td>
<td>94,891</td>
<td>158,555</td>
</tr>
<tr>
<td>Social sciences</td>
<td>195,740</td>
<td>235,837</td>
<td>305,087</td>
<td>487,522</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td>2,849</td>
</tr>
</tbody>
</table>

### Table 1.3  Private university enrolment by study branch

<table>
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<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>70,953</td>
<td>105,062</td>
<td>132,459</td>
<td>168,295</td>
</tr>
<tr>
<td>Basic and technological sciences</td>
<td>19,599</td>
<td>25,229</td>
<td>27,296</td>
<td>32,653</td>
</tr>
<tr>
<td>Health sciences</td>
<td>1,847</td>
<td>3,882</td>
<td>4,188</td>
<td>9,691</td>
</tr>
<tr>
<td>Humanities</td>
<td>10,387</td>
<td>13,763</td>
<td>14,078</td>
<td>18,307</td>
</tr>
<tr>
<td>Social sciences</td>
<td>38,547</td>
<td>62,188</td>
<td>86,897</td>
<td>107,644</td>
</tr>
<tr>
<td>Others</td>
<td>573</td>
<td></td>
<td></td>
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</tbody>
</table>


The courses with the highest yearly growth rates during the 1990s were architecture and design, computer science, law, economics, management, social communication and education. In 1990, they accounted for about 40 per cent of the national university enrolment and had reached almost 55 per cent in 2000. Along with the courses in medicine and engineering, which did not grow as much, they account for around two thirds of the total university enrolment, i.e. about 740,000 students.

With regard to postgraduate courses, it is a well-known fact that Argentina is falling behind; in fact, only in the 1980s and mainly in the 1990s did a postgraduate academic offer begin to grow. So far, for courses such as law or medicine, postgraduate courses have tended to be a formality for professional practice rather than a stage for further formation or scientific contribution. In this sense, the current feasibility and need to access postgraduate education is a process that is ripening little by little, and whose results are disparate according to the disciplines. The 'hard' sciences – physics, chemistry, and also medicine – are at an advanced stage, whereas law and architecture are at the opposite pole.
Table 1.4  Undergraduate study courses accredited
by CONEAU

<table>
<thead>
<tr>
<th>Areas</th>
<th>Specialization courses</th>
<th>Master’s</th>
<th>Doctorates</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agronomy, veterinary and environment</td>
<td>21</td>
<td>53</td>
<td>8</td>
<td>82</td>
</tr>
<tr>
<td>Architecture and engineering</td>
<td>40</td>
<td>70</td>
<td>34</td>
<td>144</td>
</tr>
<tr>
<td>Basic sciences</td>
<td>5</td>
<td>46</td>
<td>64</td>
<td>115</td>
</tr>
<tr>
<td>Juridical sciences</td>
<td>73</td>
<td>43</td>
<td>17</td>
<td>133</td>
</tr>
<tr>
<td>Social sciences and humanities</td>
<td>71</td>
<td>150</td>
<td>56</td>
<td>277</td>
</tr>
<tr>
<td>Economics and management</td>
<td>59</td>
<td>92</td>
<td>14</td>
<td>165</td>
</tr>
<tr>
<td>Biomedical sciences</td>
<td>360</td>
<td>61</td>
<td>22</td>
<td>443</td>
</tr>
<tr>
<td>Total</td>
<td>629</td>
<td>515</td>
<td>215</td>
<td>1,359</td>
</tr>
</tbody>
</table>


2. Transformations in Argentina’s system of higher education in recent years

From the early 1990s, the Argentinian university system has undergone a twofold transformation. On the one hand there has been a steady increase in the demand for higher studies - continuing the process that began in the previous decade, going hand-in-hand with a rise in the number of state and private institutions offering tertiary and university-level study courses. On the other hand, the passing of Law 24,521 on Higher Education (LHE) in 1995 gave rise to a number of changes, the consequences of which are still unfolding.

Expansion both in the supply of education and the demand for education services

New private universities

Law 14,557 of 1958 enabled the creation and operation of private universities in the country. In 1995, the passing of Law 24,521 on Higher Education changed some of these regulations, and specified the necessary accreditation and assessment procedures for the incorporation and operation of new private university institutions.
Since the 1990s, private universities have increased markedly in number, and, over a 10-year period, there were twice as many that had diversified in various ways.

In many cases, these new institutions offer innovative study courses and curricula tending to respond to the demand of an increasingly diverse and specialized labour market. There are intermediate degrees and short study courses aimed at achieving a quick insertion in the labour market. Some institutions have a rather elitist profile, and their education proposals target the high-income sectors. Others have developed from certain criteria of academic excellence in order to project themselves, in that way, as spaces for leader formation, especially managerial.

**New state universities**

Since the new university law was put in place, the number of private universities entering the system has diminished, but at the same time, other state institutions have been created.

Many of these new universities were set up in cities located on the outskirts of the city of Buenos Aires; they have also organized themselves around innovative proposals, not only in academic terms, but also institutionally and administratively. In this regard, both the National University of Quilmes and the National University of General Sarmiento are good examples of the renewal in the courses that the state universities offer.

However, not enough assessments have been made to date to compare the results achieved with those of other traditional universities.

**University institutes**

During the 1990s, this type of institution also increased in number. The state university institutes are the institutions managed by the armed security forces. Recently, the University Institute of Art was created by joining different previously existing art schools. This new institution is a true educational challenge since it articulates diverse study courses with its own traditions.
The private university institutes are quite new and most of them offer postgraduate or specialized programmes.

*Non-university institutions*

These institutions, mainly the private ones, have had the highest growth rates in recent years. A wide market of tertiary education with diverse academic and institutional proposals has arisen. Most of the courses offered are geared to the labour market's new requirements. This is the reason why the offer is focused on short technical study courses that provide the possibility to pursue further studies afterwards and obtain a degree.

Article 22 of the Law on Higher Education allows the creation of university schools, namely non-university institutions linked to universities through different mechanisms. This new scheme is one of the alternatives for the articulation between university and non-university education. Its implementation has given rise to both support and resistance from different sectors in education.

In the mid-1990s, also encouraged by the new regulatory Inter-American Development Bank (IDB), technological institutes were created. They had funding programmes from the IDB through the Non-University Technical Higher Education Reform Programme (NUTHERP) and they aimed to transform technical secondary or tertiary education institutions into technological institutes with the participation of provincial government and local productive sectors and, alternatively, with university support.

*Postgraduate courses*

The growth in postgraduate supply is one of the most outstanding features of the past decade: Between 1994 and 1999, the postgraduate offer rose by 168 per cent, and the specialization courses rose by 123 per cent. This evolution is due to several factors: On the one hand, it is related to the academic consolidation of state universities during the 1980s, and to the creation of new state and private universities since 1990, which have developed new postgraduate programmes. On the other hand, it is also related to the higher requirements in the labour, professional and scientific markets, which demand more specific
knowledge and degrees, and to the process of internationalization in knowledge and academic standards.

**Distance learning**

This mode has also undergone significant development throughout the last decade. However, the innovation is more related to the system used for study than to the type of courses offered. The topic of distance learning will be expanded on in Section 5.

**Transformations since the Law on Higher Education**

The passing of the Law on Higher Education has given rise to a number of transformations that have taken place along with the process of expansion and diversification of the higher education system. Many of these changes have not yet been totally understood, and their consequences – positive or otherwise – are not yet completely agreed upon.

One of the big issues that should drive the new legislation is the problem of articulation among institutional segments of the system. In fact, in view of the diversification of education supply, it is important to create mechanisms providing coherence and articulation, so that the system does not become a mass of unrelated institutions.

The law mentions in Article 4 (Clauses f, g, i, j) the articulation of the different parts of the education system as one of the goals to reach. In Articles 8, 9 and 10, the jurisdictions and mechanisms to implement the articulation between university and non-university institutions are established.

In particular, the law also deals with the creation of specific bodies in charge of implementing the articulation processes.

In the first place, Article 72 of the law establishes the creation of the University Council (UC), which is chaired by the Minister of Education (or whomever he appoints as secretary) and comprises the Executive Committee of the Inter-University National Council (IUNC), the Board of Private University Chancellor’s Council (PUCC), representatives of the Regional Council for Higher Education Planning
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(RCHEP) and a representative of the Federal Council of Education and Culture (composed of all the provinces’ Ministers of Education and Culture). Just as is inferred from this enumeration, this council groups representative members from all segments of the higher education system, local and national, state and private. In that sense, it provides an articulated environment that allows us to speak of a proper higher education ‘system’. Although its duties are wide, its main objective is to co-ordinate and advise the national authorities on university education. For example, the standards for postgraduate accreditation, which were then put forward to the Ministry of Education, were agreed upon in the Council.

The IUNC, created in 1985, is comprised of chancellors of the national and provincial universities acknowledged by the central government. On the other hand, the private universities group themselves in the PUCC. The duties of both councils, established in Article 73, aim at the integration and articulation of the university system and of the universities with other state and private institutions.

The linkage between the universities and the governments takes place within the framework of the RCHEP, created by Article 10. The RCHEP comprises representatives of the local university institutions and the respective provincial governments. Currently, there are councils in the following regions: metropolitan, Buenos Aires, centre-west, east-central, north-west, north-east and south. These councils, besides their mutual articulation, have duties aimed at integration with the local governments, upon which the non-university institutes depend. They have also carried out important activities of the report and systematization of basic system information, and they are launching technological transfer and international co-operation programmes.

In general, these councils have not yet been able to fully achieve their specific aims, and they have been fundamentally engaged in the task of organizing themselves and starting their operation. A true challenge for them is achieving a real, and not only a formal, articulation among one another, the universities and the government.
In addition, with the new regulatory framework, concrete proposals of articulation between university and non-university institutions have been put forward since the creation of the university schools and NUTHERP, considered previously.

The University Schools Project has not been well appreciated by the main jurisdictions (Province of Buenos Aires and City of Buenos Aires), and it has not achieved widespread acceptance in other regions. For different reasons, universities have preferred to try another type of linkage with non-university institutions through joint complementary licentiate degrees. In this last scheme, graduates of tertiary institutes can carry out complementary courses at universities to obtain a licentiate degree after approximately two years and having received a certain number of teaching hours.

Today, these types of curricular cycles are the most developed mode of articulation. In the case of state universities, the cycles are usually fee-paying, which is an alternative source of funding; this is more marked in the case of private universities. In spite of this evolution, there is no specific legislation concerning this situation.

On the other hand, within the University Policies Department (dependent on the Ministry of Education), a specific area focused on the articulation of the higher education system has been established. From there, since mid-2003, the idea of creating a General Cycle of Basic Knowledge as the first stage of higher education has been reintroduced. This cycle would group several courses in general and specific cycles, and the courses could be under the universities’ or institutes’ charge. The degrees would be valid nationwide, and they would enable students to continue their studies at any university.

Accompanying this proposal, and as a further initiative of the articulation area, a call for tender was made for projects to promote inter-university articulation and, at the same time, to start organizing the common general cycle (Ministerial Resolution 744/02). The call granted financial and technical support for university consortia (at least two) that designed articulations of one or more course families.
based on a curriculum organized in cycles. It was encouraged that the universities belong to the same regional council, and that other types of tertiary institutions would be affiliated to them. Finally, at the end of 2003, seven projects were approved that grouped 20 state universities: a private one and seven tertiary institutions. The project is currently underway.

However, leaving these projects aside, effective and efficient articulation between the university and the non-university systems is still an issue awaiting a definitive solution – both on the institutional and the academic and regulatory sides, even more so after the significant growth of tertiary education in recent years.

A second group of issues related to the growth of the higher education system, and which the law aims to regulate, refers to the state necessity and obligation to assess and control the quality of the education offered. For this purpose, the law decided to create the National Commission for University Assessment and Accreditation (CONEAU).

CONEAU is an autonomous institution that operates under the Ministry of Education’s jurisdiction. It consists of 12 members and different technical teams. The members are personalities of renowned academic and scientific record, appointed by the national executive power, and they represent the Inter-University National Council, the National Education Academy, both chambers of the National Parliament, and the Ministry of Education. Their posts are partially renewed every four years.

CONEAU’s main duties are the following: to co-ordinate and perform the external assessment of university institutions; to accredit undergraduate and postgraduate study courses (corresponding to state-regulated professions); to assess the institutional projects submitted to the Ministry of Education for the creation of new university institutions; to prepare reports to authorize and acknowledge, or not, the operation of private university institutions; and to assess proposals for the creation of private institutions of university accreditation and assessment.
In some way, the creation of CONEAU came to provide an answer to the institutional void in the system of higher education: Until 1995, there were no control and accreditation institutions ensuring minimum levels of education quality. On the other hand, it undoubtedly became a curb in front of the marked increase in the number of new private universities that took place in the early 1990s. The requirement to obtain a temporary permit in order to begin to operate deterred and checked the opening of new university institutions.

Until July 2003, CONEAU\(^1\) received 83 applications for authorization: Only 9 were assessed favourably and obtained a temporary permit, 25 were not approved, 32 were withdrawn by the applicants before the final decisions, 3 were returned to the ministry, 6 have already been assessed and forwarded to the ministry, and 8 are being analyzed.

3. **Features of the state system of higher education**

   **The situation of the teaching staff**

   **in the higher education system**

   Despite the renown that the state Argentinian university system and the state university institutions in particular still enjoy, the working conditions of their teaching and research staff have worsened markedly over recent decades. This constitutes an exception in comparison to what has happened in the rest of Latin America or in Europe. Most of the teaching and research staff are part-time, and the number of members working *ad honorem* has increased steeply. Undoubtedly, this has a negative effect on university quality education overall, the teaching and research staff, and the education, research and transfer processes that take place in the university environment.

   The category of the members of the teaching staff, and the salaries that they are paid are determined by different variables: On the one hand, dedication, namely the number of hours that they work (40, 20 or 10 weekly hours); on the other hand, academic rank, namely the place they hold in the hierarchical pyramid of the course (unit of

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1. To find out the current state of CONEAU’s decisions, its web page can be consulted at www.coneau.gov.ar
institutional and academic organization); and in some cases, the fact that their appointment has been the result of a contest or of an interim appointment. The category can also be modified by incentives or research subsidies.

Table 1.5  State university teachers by dedication category

<table>
<thead>
<tr>
<th>Year</th>
<th>Exclusive 40 hours</th>
<th>Partly-exclusive 20 hours</th>
<th>Simple 10 hours</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nº</td>
<td>Nº</td>
<td>Nº</td>
<td>Nº</td>
</tr>
<tr>
<td>1989</td>
<td>10,536</td>
<td>22,297</td>
<td>68,538</td>
<td>101,371</td>
</tr>
<tr>
<td>1996</td>
<td>13,381</td>
<td>22,344</td>
<td>68,843</td>
<td>104,568</td>
</tr>
<tr>
<td>2000</td>
<td>14,876</td>
<td>24,714</td>
<td>69,709</td>
<td>109,299</td>
</tr>
</tbody>
</table>


Over recent years, many new members have been incorporated into the teaching staff in the different categories; they have been promoted but they do not receive any type of payment or the corresponding social benefits. This situation is called *ad honorem*: The researchers and teaching staff work for the renown of belonging to the university institution, without obtaining any remuneration whatsoever.

As can be seen from the teaching staff census at the University of Buenos Aires, in 2000 there were 8,480 *ad honorem* members of the teaching staff out of 28,835 posts, that is 29.4 per cent of the total.

Some of the new state universities created during the 1990s have also changed their institutional and academic structures, and they have designed new schemes to establish their teaching staff’s categories, dedication, duty and salaries. The University of Quilmes, for instance, has introduced some reforms in its structural administrative design: new criteria for the management of its teaching staff, efficiency and productivity criteria as variables for salary improvement, grant of salary compensations due to experience, academic achievements, and technical assistance in projects, among others. This enables the teaching and research staff members to improve their position and their salary...
throughout their career. The salary scale can vary along 15 strata, which allows more flexibility than the five strata used by the hierarchical structure of most state universities.

Nevertheless, and leaving the exceptional case of the University of Quilmes aside, the salary question is not the only inconvenience that the state universities’ teaching staff are forced to face. Another problematic point is the demand for higher qualification levels in order to fulfil the duties that their posts entail, that is to say, the pursuit of postgraduate studies. The Law on Higher Education introduces this requirement, although it is made clear that the requirement is to be met gradually.

Moreover, many undergraduate courses have a hypothetical duration of five, six or seven years, but their actual duration is 1.5 times longer. The delay in concluding the undergraduate studies further hampers the possibility of accessing postgraduate studies.

**Entry schemes**

Over recent years, the issue of entry into higher education, and in particular to state university, has turned into a discussion topic in which the whole society has become involved.

Traditionally, non-restrictive entry has been associated with the democratic periods, whereas the periods of military dictatorship have been related to restrictive entry mechanisms. In this regard, non-restrictive entry without quota or test has become an essential feature of the system of higher education for many sectors of society.

Currently, and as established by law, access to state education has a single requirement: the completion of secondary studies. In addition, adults not meeting this requirement can, on certain conditions, enter the system. This means that a general mode of non-restrictive entry has been kept. However, in recent years, a certain trend towards the introduction of some sort of entry restriction has begun: In some cases through quotas, in others with level tests. The possibility of some type of final test to assess secondary education has also been put forward; this would serve as articulation and a monitor of entry to higher education.
Nonetheless, these proposals have not yet been sufficiently analyzed and agreed upon by the interested parties.

The different entry alternatives could be summed up as follows:

- **Non-restrictive entry, without pre-entry:**
  - without support or a levelling course;
  - with introductory cycles that are part of the course of studies;
  - with support and a levelling course, generally on orientation and reflection, and attendance-based pass (without test);
  - with courses and non-eliminatory tests, which are binding regarding the course of studies or which serve the purpose of setting pre-requisites.

- **Entry with tests, without quota:**
  - with levelling or pre-entry cycles with an examination (final);
  - with levelling cycles with partial and/or final examinations;
  - with course on thought skills (aptitude test) plus cognitive examinations for specific courses;
  - cycles with specific aptitude tests.

- **Entry with test and quota:**
  - preparation course with final examination.

At most state universities the non-restrictive entry mode prevails, either without a pre-entry course or with support courses. These courses have different names depending on each faculty or university: common basic cycle, cycles of general education, of preparation, of university readiness, of vocational confrontation, etc. Some are general and others specific. Most of them are pre-university, but in some cases they are part of the course’s curriculum.

Concerning entry, different situations can occur at each faculty, in particular within the same university. In the case of the University of Cuyo, for instance, there are several non-selective entry courses that serve as remedial courses. There is also, however, a wide range of selective courses for other study courses. In addition, in the case of the faculties of medicine, there are specific entry tests that are different from the entry procedures used for other courses.
It is worth highlighting that the universities that recently opened in the suburbs of Buenos Aires (University of San Martin, Gral. Sarmiento, La Matanza, Lanús, Quilmes, Tres de Febrero), despite their different institutional backgrounds, have two common features regarding entry systems: All have courses with selective entry, and many of these courses are organized with an emphasis on subjects such as mathematics, Spanish or study techniques. In this sense, they are clearly different from the University of Buenos Aires (UBA) entry system – both for its non-restrictive character and for the conceptual structure of the common basic cycle, the first year of almost all UBA courses.

It is also worth highlighting that at state universities, while non-restrictive entry prevails for undergraduate studies, it is not so with postgraduate studies. In contrast, the latter have a selectivity rationale (through interviews, curriculum submission, examinations, project submission, etc.) with quotas and fees.

With regard to entry to non-university higher education institutions, there is a wide offer too, made even more complex by the fact that these institutions depend on different provincial jurisdictions, with their own legislation and tradition concerning entry systems. In general, direct entry prevails, although there are exceptions such as preparation courses, entry examinations and quotas.

In 1985, the UBA – the main university in the country – organized its entry system by setting up the common basic cycle (CBC) – a curricular cycle with courses common to all the beginners, and others differentiated according to faculties and study courses. With almost two decades of experience, the CBC is still the focus of heated discussions. Their supporters insist that it contributes to a common general background which, in many cases, makes up for the flaws in secondary education. Their critics highlight its high budget cost, its organization and pedagogical deficiencies (which cause high drop-out rates), and its scant usefulness for the elected university study course.
Funding

Tertiary institutes depend on the different provinces and on the City of Buenos Aires. The central government is responsible only for funding the state universities and for the transfers to the jurisdictions concerning aid, training, salary incentive to the teaching staff, part of the infrastructure, equipment and expenses of the state education administration. In 1997, this participation reached 22.16 per cent of the consolidated public expenditure on education.

The percentage of the GDP allocated to the university budget can be an indicator of the place that education occupies in the state budget. The United States invests about 2.4 per cent of the GDP, the European Union countries invest about 1.3 per cent, and Argentina devoted 0.61 per cent of its GDP in 2000.

The percentage of funds allocated to the university budget from the consolidated expenditure on education (in which the expenditures of all the provincial jurisdictions and those of the central government for all levels and education modes are considered) has stayed constant recently at about 13 per cent.

The budget allocation and the ways of funding state universities have become, together with the issue of entry conditions, widely discussed topics within the academic community, political parties and society in general.

In the first place, these discussions take place year after year when the national budget is decided in National Congress. In that setting, chancellors, as representatives of the university community, have constantly pushed to obtain higher allotments. They are joined by many other educational and social actors who also strive to obtain a rise in the education budget and who demand better resource management.

However, these political discussions have been taking place in a context of crisis. The seriousness of the economic and social situation that the country has undergone for several years now has prevented any type of rise in the allotments; in fact, budget cutbacks have been put forward instead. Nevertheless, they have never been implemented.
### Table 1.6  Expenditure on non-university higher education of the provincial governments and by the city of Buenos Aires, 1993-1998. Figures in millions of pesos²

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Region of Buenos Aires</td>
<td>89</td>
<td>211</td>
<td>215</td>
<td>275</td>
<td>289</td>
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<tr>
<td>City of Buenos Aires</td>
<td>51</td>
<td>54</td>
<td>54</td>
<td>45</td>
<td>41</td>
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<td>Catamarca</td>
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<td>6</td>
<td>6</td>
<td>6</td>
<td>8</td>
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<tr>
<td>Chaco</td>
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<td>2</td>
<td>2</td>
<td>2</td>
<td>12</td>
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<td>3</td>
<td>4</td>
<td>4</td>
<td>6</td>
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<td>25</td>
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<td>21</td>
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<td>7</td>
<td>6</td>
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<tr>
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<td>17</td>
<td>16</td>
<td>19</td>
</tr>
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<td>13</td>
<td>13</td>
<td>14</td>
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<td>6</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>La Pampa</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
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<tr>
<td>La Rioja</td>
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<td>5</td>
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<tr>
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<td>San Juan</td>
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<td>San Luis</td>
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<td>7</td>
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<td>Santa Cruz</td>
<td>8</td>
<td>10</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Santa Fe</td>
<td>26</td>
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<td>Sgo. del Estero</td>
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<tr>
<td>Tierra del Fuego</td>
<td>8</td>
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<td>9</td>
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<td>7</td>
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<tr>
<td>Tucumán</td>
<td>11</td>
<td>13</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Consolidated</td>
<td>353</td>
<td>515</td>
<td>496</td>
<td>539</td>
<td>575</td>
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</table>

*Note:* Provisional figures subject to revision.


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² In 1998, the exchange rate was US$1 = $1. In 2004, the exchange rate was approximately US$1 = $3.
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Table 1.7  GDP, consolidated expenditure on education, national budget on education, budget for the university sector and ratios between these (expressed in millions of pesos)

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (A)</th>
<th>Consolidated expenditure on education (B)</th>
<th>National budget on education (C)</th>
<th>Budget for university sector (D)</th>
<th>Ratio D/A</th>
<th>Ratio D/B</th>
<th>Ratio D/C</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>236,504.98</td>
<td>9,369</td>
<td>1,696.0</td>
<td>1,252.23</td>
<td>0.53</td>
<td>13.36</td>
<td>73.83</td>
</tr>
<tr>
<td>1995</td>
<td>258,031.89</td>
<td>10,193</td>
<td>2,209.0</td>
<td>1,471.74</td>
<td>0.57</td>
<td>14.43</td>
<td>66.62</td>
</tr>
<tr>
<td>1997</td>
<td>292,858.48</td>
<td>11,592</td>
<td>2,571.5</td>
<td>1,592.50</td>
<td>0.54</td>
<td>13.73</td>
<td>61.94</td>
</tr>
<tr>
<td>1999</td>
<td>282,869.02</td>
<td>13,026</td>
<td>3,048.4</td>
<td>1,721.01</td>
<td>0.61</td>
<td>13.21</td>
<td>56.46</td>
</tr>
<tr>
<td>2000</td>
<td>285,045.00</td>
<td>13,330</td>
<td>3,089.1</td>
<td>1,743.87</td>
<td>0.61</td>
<td>13.08</td>
<td>56.45</td>
</tr>
</tbody>
</table>


In Argentina, it is common sense to maintain that education should be, above all, state, free and lay. Therefore, the proposed cutback caused an important reaction from wide sectors of the society. Moreover, the natural corollary to this opposition to cutbacks is the refusal to accept any type of fees on state education.

Nevertheless, some universities and faculties have introduced forms of indirect fees: fees for administrative procedures, recognition, registration, etc.

In other cases, state universities obtain supplementary funding through counselling services or internship agreements for services offered to public organizations or private institutions. Regarding advisory activities in particular, it is very difficult to give an accurate estimate. The myth goes that the figures are minor but a thorough understanding of the topic is missing. Given that control of teaching activities is so loose, it is likely that there are numerous unrecorded service and advisory activities.

However, a first approach to the above topic shows that the biggest universities receive most of what is collected (about 79 per cent) and
that the most favoured region is the centre-west. External funding accounted for 11.75 per cent in 1999 and 10.93 per cent in 2000.

At state universities, postgraduate studies are fee-paying. In some cases, the funding obtained is devoted to paying the salaries of the teaching staff.

In addition, some complementary licentiate degrees offered to tertiary graduates have had a fee imposed; in principle, funding obtained in this way is devoted to granting scholarships to students and to investments in academic equipment.

4. Situation of the private universities

In the private sector, there has also been an important development of university and non-university education institutions. These institutions can also be classified according to their origin and their organization.

Some of them are religious, either because they belong to the church or because they are confession-oriented. Most of them are Catholic, but there are also some that belong to Evangelist and Adventist groups. Others have arisen as the offshoot of a company, or from an organization’s project grouping several companies. In these cases, the courses offered are closely linked to promoting the company’s aims and ends. According to the applications submitted to CONEAU, an important number of institutions created since 1990 reflected this characteristic.

Concerning organization, there are private universities that operate in a decentralized way, which means that besides the headquarters, they have further facilities in other cities. Such is the case of the Open Inter-American University, whose headquarters are located in the city of Buenos Aires, but which has further facilities in the province of Buenos Aires and in Rosario. They can also be classified by size, and can be further classified as traditional or non-traditional according to their organizational features.

As has been explained above, both private university and non-university education has grown significantly recently. Table 1.8 shows this evolution.
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Table 1.8  Private university and non-university institutions

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Private university education</td>
<td>70,953</td>
<td>102,058</td>
<td>124,749</td>
<td>141,725</td>
<td>145,195</td>
</tr>
<tr>
<td>Private non-university higher education</td>
<td>93,332</td>
<td>128,646</td>
<td>188,189</td>
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</tbody>
</table>


In order to analyze the registration levels at private universities by branch of study, see Table 1.3.

Legislation on private universities

On university matters, the legislation on private universities makes up a chapter of the university law. In contrast, the regulations for higher non-university education institutions are part of provincial legislation, different in each province.

Chapter 5 of the law deals specifically with regulation for private universities: The articles in this section establish the terms and procedures for their creation and operation. The private university institutions have to be non-profit-making and obtain a provisional permit from the National Executive Power with a prior favourable report from the National Commission for University Assessment and Accreditation (Articles 62 and 63). After temporary authorization, and once the corresponding requirements are met, they obtain definitive recognition (Article 65). The Executive Power has the authority to keep on monitoring the operation of the above-mentioned institutions to make sure that they continue to abide by the stated aims, and meet the terms on which they are allowed to operate. The institutions operating without the corresponding authorization can neither use university denominations nor issue university degrees (Article 68).

Articles 66 and 75 of the law deal with economic questions, which will be discussed below.

The situation of private university teaching staff

Private universities sometimes offer more flexible academic structures and, in general, better salaries than those of the state. However,
many of them manage labour relations with the teaching staff through contracts, which often means that they are only paid for teaching hours or courses given. Most of the teaching staff members appointed are recruited from state universities, and they become part-time teachers, fulfilling activities both at the private and the state institutions. For this reason, there are very few full-time teachers in the private sector – barely 5 per cent, a figure similar to that of state universities.

**Entry to private universities**

Private university institutions have restrictive entry. They all have levelling courses and different forms of assessment (not always eliminatory) as regular steps for entry. In their entry courses, many private universities have recently begun incorporating more general subjects seeking to develop knowledge and general skills (reading skills, oral and written skills, study strategies, general culture), partly to compensate for the deficiencies of those coming from secondary school. On the other hand, they have also begun carrying out different collaboration agreements and programmes with certain private schools in order to grant direct entry to their graduates.

At the Argentinian Catholic University (ACU), applicants take three subjects: two common to all the courses (study methodology and introduction to university life) and a specific one. They have to pass both the partial and final examinations. At the moment, the ACU has agreements with about 50 private schools, granting their students direct entry to the university.

For its part, the University of Morón requires that candidates attend a compulsory induction course without eliminating the entry test. It is also carrying out different co-ordination activities with some schools, ranging from granting direct entry to a programme of invited students through which secondary students can attend some university courses and lessons, and supporting programmes in some areas.

In 2001, Saint Andrew’s University reformed its entry system and established two courses (one on mathematics and another on humanities) of about three-and-a-half months’ duration, with eliminating
Cross-border higher education: regulation, quality assurance and impact

tests. They can also be carried out full-time and online. This year, they have incorporated a ‘pre-university education certification’ programme. This programme includes general knowledge accreditation through examinations taken at the university. The schools interested in their students obtaining this certification have had to incorporate certain contents in recent years, for which they receive the university’s support. For students, this certification is optional. It costs about US$320 and it grants them – providing they have passed the test – direct entry into Saint Andrew’s University.

Private university funding

The main source of funding of private universities is student fees. They also obtain funding through private grants, service franchising and outsourcing, and rural rents (in the case of those institutions owning land).

Although the state does not make any commitment regarding the funding of private university institutions, Article 66 of the Law on Higher Education allows an articulation. The private universities that obtain definitive recognition are able to apply for state funding for scientific and technological research in the calls made by the National Council for Scientific and Technological Research (NCSTR). Furthermore, Article 75 of the law allows an exemption from taxes and national levies through a specific decree of the National Executive Power. There is no legislation limiting fee levels that private universities charge their students, either for registration or for the courses.

It is very difficult to evaluate private university funding and expenditures, basically because there is hardly any information. Neither at the Ministry of Education, the Ministry of Economy, nor at CONEAU is there any accurate record of the financial situation. Among others, the fact that private universities have to be non-profit-making organizations prevents the assessment of their profitability. However, it is possible to make some inferences, taking into account the available data.
University revenues obtained through fees (according to estimates of 1998, where certain universities were picked out to highlight differences in fee levels and revenues) can be seen in Table 1.9.

**Table 1.9 Private universities’ fees**

<table>
<thead>
<tr>
<th>University</th>
<th>Number of students</th>
<th>Yearly fee per student</th>
<th>Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentinian J.F. Kennedy University</td>
<td>16,678</td>
<td>1,628</td>
<td>27,151,784</td>
</tr>
<tr>
<td>University of Morón</td>
<td>16,278</td>
<td>2,292</td>
<td>27,321,931</td>
</tr>
<tr>
<td>Argentinian University of Management</td>
<td>14,730</td>
<td>2,614</td>
<td>38,514,220</td>
</tr>
<tr>
<td>University Del Salvador</td>
<td>11,980</td>
<td>3,700</td>
<td>44,326,000</td>
</tr>
<tr>
<td>University of Belgrano</td>
<td>8,665</td>
<td>4,477</td>
<td>38,793,205</td>
</tr>
<tr>
<td>University of Palermo</td>
<td>5,230</td>
<td>3,590</td>
<td>18,776,213</td>
</tr>
<tr>
<td>Saint Andrew’s University</td>
<td>597</td>
<td>8,664</td>
<td>5,172,667</td>
</tr>
</tbody>
</table>


Although fees are the main source of income, in some cases the grants received are an important funding source as well. For example, in 1999, Saint Andrew’s University received grants amounting to 3,770,909 pesos – about 30 per cent of its total funding. In other cases, there are foundations linked to the university, which regularly supply them with extra funds or grant them real estate property.

Another funding source is the supply of different services (see Table 1.10).

Without having accurate figures, it is known that the Argentinian Catholic University, the TIBA, the University of Belgrano, the Adventist University and others perform important advisory activities. The Jesuit universities of Córdoba and El Salvador own land from which they obtain rural rents. The University Hector Barceló and the IAU obtain additional funding from the sale of television spots and distance learning.

In some cases, the considerable patrimony of some institutions stands out, manifested mainly in facilities. Being non-profit-making organizations, they cannot bear profits to the partners, and for that
reason, a way to use the extra funding is to direct it towards facility building and acquisition. In many cases, it has been shown that the size and reach of these investments is higher than that required to perform the above-mentioned education functions.

Table 1.10 University funding

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Morón</th>
<th>AUOM</th>
<th>Palermo</th>
<th>Saint Andrew’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees</td>
<td>27,321,931</td>
<td>38,514,220</td>
<td>18,776,213</td>
<td>6,359,420</td>
</tr>
<tr>
<td>Sale of publications</td>
<td></td>
<td>7,696</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue for conferences and commemorations</td>
<td></td>
<td>354,636</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue for tourism services</td>
<td></td>
<td></td>
<td>297,490</td>
<td></td>
</tr>
<tr>
<td>Other fees</td>
<td></td>
<td></td>
<td></td>
<td>631,982</td>
</tr>
<tr>
<td>Revenue for direct services</td>
<td></td>
<td></td>
<td></td>
<td>487,279</td>
</tr>
<tr>
<td>Graduates’ contributions</td>
<td></td>
<td></td>
<td></td>
<td>128,122</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td></td>
<td></td>
<td>3,770,909</td>
</tr>
<tr>
<td>Minus grants</td>
<td></td>
<td></td>
<td></td>
<td>-418,751</td>
</tr>
<tr>
<td>Total revenue</td>
<td>27,978,753</td>
<td>38,431,590</td>
<td>18,803,017</td>
<td>10,283,338</td>
</tr>
</tbody>
</table>


For example, the University of El Salvador has an important group of real estate properties in the City of Buenos Aires, but also in Pilar, Mercedes, San Miguel, Venado Tuerto, Bahía Blanca (province of Buenos Aires), and Gobernador Virasoro (province of Corrientes). The Argentinian Catholic University is also the owner of different buildings in Buenos Aires. In 1992, it acquired four buildings on the east side of Dock 2 in Puerto Madero, which has become an important and exclusive urban area.

Concerning expenditure, it is more difficult to give a clear outlook. Each university has its own record and accounting system.
Table 1.11  Regular expenditure of the University of Morón

<table>
<thead>
<tr>
<th>Expense</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and contributions to social security</td>
<td>21,721,552</td>
</tr>
<tr>
<td>Fees and other contributions</td>
<td>1,222,982</td>
</tr>
<tr>
<td>Advertising</td>
<td>979,650</td>
</tr>
<tr>
<td>Others</td>
<td>3,500,677</td>
</tr>
<tr>
<td>Total (up to 31 March 2000)</td>
<td>27,424,861</td>
</tr>
</tbody>
</table>

*Source: Coraggio and Vispo, 2001. Data from the year 2000.*

Table 1.12  Operation expenditure of the Argentinian University of Management

<table>
<thead>
<tr>
<th>Expense</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure on teaching and university extension</td>
<td>20,804,800</td>
</tr>
<tr>
<td>Expenditure on support to teaching</td>
<td>12,533,566</td>
</tr>
<tr>
<td>Other</td>
<td>2,992,308</td>
</tr>
<tr>
<td>Total operation expenditure</td>
<td>36,330,674</td>
</tr>
</tbody>
</table>

*Source: Coraggio and Vispo, 2001. Data from the year 2000.*
II. Provision of commercial transnational higher education in the country

1. Characterization of the modes of transnational education that exist in Argentina

The following categories of transnational higher education can be distinguished in Argentina (García-Guadilla, Didou Aupetit and Marquis, 2002).

Foreign organization offices in Argentina

This refers to foreign institutions wishing to open offices in the country to offer courses to the local community. In general, in order to operate within the current legal framework, these institutions have to follow the same procedures as those for opening private universities: obtaining legal acknowledgement as a non-profit-making foundation and having their curricula assessed by CONEAU. The foreign institution’s possibility to open offices and operate with a provisional permit until the final decision is reached depends on the preliminary decision of CONEAU. So far, the University of Bologna is the only foreign university with offices in the country that has met this classification.

The University of Bologna began its activities in Argentina in 1998, and in 2000, after having met all the requirements set by the country’s regulation, it obtained a provisional permit from CONEAU (Resolution 202/00).

In 1999, the international Lynn University, with headquarters in Florida, United States, also requested authorization to open offices in the country, but CONEAU advised not to grant the permit (Resolution 336/99). Its reasons for rejecting the request were based on a thorough analysis by the assessment commission: The applicant did not meet the requirements set in Article 63 of the Law on Higher Education. It showed deficiencies in its institutional and academic organization, a doubtful economic position, confusion in its publicity, and deficiencies in its legal status as a foundation.
For its part, the University of Salamanca, through an agreement with the Association of Penal Law Studies from Mar del Plata, organized a Master’s in Penal Law. The courses were given in the city of Mar del Plata throughout the two years 2000-2002, and they were organized as intensive lessons given by European teaching staff. A final research project had to be carried out in order to obtain the degree.

So far, and through the overseas cultural centres, the University of Salamanca has established its Argentinian offices at the National Library in Buenos Aires. From there, different cultural and training activities were organized throughout 2002 and 2003. However (for different reasons), it has been impossible to offer either complete undergraduate or postgraduate studies. The University of Salamanca has not started the corresponding procedures at CONEAU.

There are also other foreign universities that have opened offices in the country: the University of Pennsylvania, that of Chicago and that of Pepperdine, although in the strictest terms they should not be regarded as cases of transnational education. These local offices offer courses for students of their own country wishing to supplement their studies with the experience of living abroad, and to deepen their knowledge of Argentinian and Latin American language, history and culture.

The University of Pennsylvania, through its International Programmes Office, has established links with different Argentinian universities. It has reached agreements with the University of Buenos Aires, the University Torcuato Di Tella, the University of El Salvador, the Argentinian Catholic University and the National University of Cuyo, which allow their students to study at these universities, enabling them to share the lessons with Argentinian students and to become integrated in the institutional life. Here, these foreign students are also offered the possibility to take courses on Argentinian culture, literature, society and state, among others. Furthermore, the University of Pennsylvania has an exchange agreement with Saint Andrew’s University through which the students from Pennsylvania can take courses at Saint Andrew’s and vice versa, notably courses on business management and economics. Pennsylvania local offices are based at Saint Andrew’s University.
In the case of the University of Pepperdine, the proposal has been articulated with the University of Belgrano, and they offer an exchange programme through which the students from Pepperdine can take courses at the office in Buenos Aires.

Finally, the foundation Ortega y Gasset has been established as the local office of the University of Chicago, where it offers different courses to American students. In none of the above-mentioned cases (Pennsylvania, Pepperdine, Chicago) are the courses and services aimed at Argentinian students; this means that the interest of these foreign institutions is to widen the offer available to their own students.

**Joint study programmes**

This scheme implies that the studies pursued at a national institution are acknowledged as credits to continue and finish the programme at the foreign institution’s headquarters. This can occur through different ways of co-ordination regarding entry: Either students have to succeed in being admitted to just one of the institutions, or they have to be admitted to both (the local and the foreign institutions). The situation concerning graduation may also vary. In some cases, a single degree is obtained when concluding all of the studies. In others, an intermediate degree may be obtained from the local university before proceeding to the foreign university. In a third case, students obtain two degrees, one issued by the Argentinian university and another issued by the foreign university (this option takes us to the case of a double degree).

**Double degrees**

These are programmes that, despite taking place in the country, have curricula, requirements and teachers similar to those of the foreign university with which the agreement has been signed. In addition, the foreign university is supposed to offer technical and academic support for the local teaching of the courses. Two degrees are obtained, one issued by the Argentinian university and another issued by the foreign university. The Argentinian state acknowledges only the one granted by the Argentinian institution. There are numerous examples of double degrees, even though there is no accurate information about
them, and in many cases double-degree programmes work instead as a co-ordinated programme.

The following examples of a double degree can be mentioned, and in some cases work like co-ordinated programmes.

Since August 2001, two state institutions, the University of Tres de Febrero and the University of Bologna, have been offering a joint Master’s in social research given entirely at Tres de Febrero’s facilities by both local and foreign teachers. Furthermore, this Master’s enables students to continue doctorate studies in other European institutions.

Among the examples of co-ordination between private institutions, we can mention the postgraduate courses offered jointly by the University of El Salvador and the Universities of New York, Georgetown, Deusto-Bilbao, Pisa, Carlos X, Paris X and Paris I. In addition, the University of Belgrano has signed co-ordination agreements with the Business School of Lyon, the University Alcalá de Henares and the Architecture School of Marcile-Luminy.

There are also examples of co-ordination between state and private institutions: the University of Belgrano (private) with the University of Barcelona (state) and with the University of Madrid (state), and the University of San Martin (state) with that of Georgetown (private). As for this last example, the agreements between both institutions began in 1998, and in 2000, postgraduate courses on state policies and management began. The professors in charge belong to both institutions, and sometimes other Argentinian or Latin American professionals are invited. Both institutions take part in the applicants’ admission.

The postgraduate programme is between 18 and 30 months long, depending on attendance mode – part-time or full-time – and targets graduates from different professions. In general, the education given qualifies those who finish to work in areas of the state and in international and civil organizations.

Overall, both the co-ordinated and the double-degree programmes have slightly higher fees than the courses without international links, but the differences are not very noticeable. The biggest differences
regarding each programme’s cost depend on what the local university offering the course is. See *Section 1* for the different fee levels charged by each university.

**Franchise agreements**

This scheme means that the supplying institution grants permission (the franchise), on certain conditions, to the local institution to offer the supplying institution’s degree. There is no information available to state that this mode has developed in our country.

However, there are some agreements between local institutions and foreign universities that take a similar form without actually being franchise agreements. For instance, the Asociación Argentina de Cultura Inglesa has signed agreements with Thames Valley University and also with King’s College, both in London, by means of which it has been giving a Master’s in the English language whilst the degree is given by the foreign institution. The School of Public Translators of the City of Buenos Aires has also signed agreements with City University in London to offer postgraduate courses in translation.

There are some further similar examples that could be mentioned, mostly relating to language courses or education in a foreign language. However, there is not a strong institutional link between the local institution and its foreign counterpart, and there are not enough elements enabling us to state that they work through franchising. It should be noted too that in the examples found, the local institution is always an institute or cultural centre, but never a university.

Let us suppose that an Argentinian university wants to give a postgraduate degree with a foreign university’s franchise. In order for this to be legal, in other words recognized by the Argentinian state, the course has to be given by an Argentinian institution – which, in the case of it being private, has to be recognized; the degree has to bear the name of the Argentinian institution; and lastly, the postgraduate course has to be accredited by CONEAU, just as is established by the Law on Higher Education. If any of these requirements is not met, the
degree will not be valid. In Argentina, the cases of irregularities are an exception rather than the rule.

With the undergraduate courses under the criterion of state-regulated professions, namely those whose practice could put at stake citizens’ health, security, rights or goods (as will be explained in Section 4), the situation is similar to the one just outlined. As in the case of postgraduate courses, the courses leading to state-regulated professions have to be accredited by CONEAU. This means that if a university gives one of these courses, whose degree is granted through a foreign university’s franchise, it will be obliged to subject the course to accreditation. If the course is one of those not regulated by the state, the institution will still need the Ministry of Education’s authorization in order to operate and for its degrees to be valid.

**Distance learning**

In this scheme, students enrol directly in the institution offering the distance learning programme. In some cases, it is necessary for students to travel to the university’s headquarters to take certain lessons, take part in group work and take tests.

At other times, the distance-learning programme is carried out with local support, through which students can access a local support centre. This can be organized and managed by the supplying university itself or it can be the result of an agreement between this university and some local state or private institution.

The development of Internet communication has meant a major transformation for this mode: administrative procedures, online enquiries, access to specialized libraries, virtual lessons and discussion forums in chat rooms are some of the contributions that computer technology has supplied to distance learning.

In Argentina, the Autonomous University of Barcelona, the UNED of Spain, the Polytechnic University of Madrid, the University of the West Pacific, the Ibero-American Open University, the University of New York, the University of Harvard and the University of Salamanca (these
last two specifically linked with research projects) carry out some programmes in the above-mentioned mode without local support. Unfortunately, at the moment there is not enough information to be able to assess the performance of these programmes.

For its part, the University of London offers, through its External Students Programme, a distance Master’s and study course in law, recognized within the European Union. It is thought to have, according to some estimates, 25,000 students throughout the world. The four-year undergraduate course includes six months’ training in London, and the only requirement is English language proficiency. To aid students in the understanding of the texts given, local teachers give lessons on the professional practice of lawyers. It also offers the possibility to move on to postgraduate studies. In this example, it seems that we are dealing with a group of Argentinian professionals who, resting on some relation with a European university, offer distance courses without any kind of participation from an Argentinian higher education institution.

2. Some discussions on the development of transnational education in Argentina

The growth in the presence of foreign institutions in the country through the different modes depicted should be paid critical and urgent attention.

On the one hand, it is necessary to continue advancing in the development of a specific legislation for this type of transnational presence in education. In general, just as has been said, foreign institutions have to comply with the same administrative and legal procedures as those requested of private universities following Article 68 of the Law on Higher Education. Decree 279/99 establishes the regulations that foreign university institutions have to meet if they wish to offer undergraduate and postgraduate study courses (the analysis on the legislation for transnational education will be looked at later). However, as has been explained, only two foreign institutions have requested a permit to operate: One obtained a favourable answer whereas the other one did not. Currently, the University of Bologna
is the only university with offices in the country devoted to offering postgraduate courses.

On the other hand, the growth experienced by co-ordinated and double degree programmes undoubtedly constitutes one of the concern-raising issues requiring some type of treatment by the legislation in order to regulate their development. Each university has the autonomy to decide with which universities partnerships or co-ordinated programme agreements are signed; the state is powerless to interfere in this matter. Nevertheless, the fact that a private university signs a double degree programme agreement with a foreign university does not mean that the foreign degree will be directly recognized by the Argentinian state. On the contrary, the only degree recognized as legal is the degree issued by the local institution.

Regarding academic design, the state has neither intervention nor monitoring power; as will be seen later, CONEAU only assesses the curricula of certain study courses deemed of general interest. The rest – certainly most of the courses – are only required to undergo a general consideration by the Ministry of Education regarding the minimum time load for each course. With this, each university can design the way in which its courses will be given, including the possibility of taking some courses abroad.

So far, no university offering courses considered of general interest, and requiring submission in order to be accredited by CONEAU, has carried out co-ordinated or double degree programmes. Therefore, CONEAU has had no experience in this field.

The responsibility for choosing which foreign institutions are co-ordinated or which double degree programmes will be carried out (and the terms on which they will be implemented) is that of the local university. The terms of each agreement are peculiar to each case, which makes it difficult to outline the terms according to which the programmes are carried out. In some cases, the foreign university demands participation in the admission process, or it requests that students meet certain requirements. In others they do not; they simply
offer technical and academic support for the courses. In other cases, they simply give their names for the degree.

The development of the above modes takes us to cultural and commercial issues. In other words, in some cases the fact of adding a foreign degree to the local one responds to commercial interests (perhaps to raise course fees) but also to cultural ones, since a foreign university's degree sometimes adds a symbolic bonus to the local degree (see Section 6). In this regard, the biggest commercial and cultural influence is passing to United States universities – with complete domination in areas such as management and economics, and with an important significance in the biomedical areas and the hard sciences. Europe keeps its renown and influence in the humanities and social sciences. Universities partly fall back on this to seek international partners and to organize co-ordinated and double degree programmes.

The possibility of the development of transnational education in the field of non-university higher education calls for a separate analysis. In this case, the situations are disparate since non-university education falls within the jurisdiction of the provinces. Each province has its own specific situation, its own system and legislation. This topic will be discussed in Section 6 when considering the impact of transnational education in Argentina.

From a different viewpoint, discussions on the limits within which transnational education should operate in the country are starting.

The discussion has established itself forcefully in the university community since 1998, when the World Trade Organization (WTO) included higher education as one of the services to be deregulated to facilitate its flow among countries. This would aim to eliminate any type of barrier or restriction hampering the free flow of education services.

The voices in favour of and against this decision were quickly heard. On the one hand, there are those who claimed that this decision would turn higher education into an ordinary commodity, susceptible of being exchanged without any type of control. According to some specialists, in the case of Argentina this is even more dangerous as
Transnational commercial provision of higher education: the case of Argentina

Transnationalization would take place in a context of fragmentation of the university system and institutional weakness. In this regard, they advised first to strengthen the local system, and to monitor carefully the introduction of foreign offers in education.

For other analysts, the possibility of transnationalization without restraints presents an opportunity to incorporate Argentina in the world scene, either as a supplier of education services – given the renown that its education system still holds – or as a host to foreign institutions. In this sense, many private universities that are building relations with foreign universities are requesting different state offices to speed up procedures and suppress restrictions in order for international bonds to be strengthened.

In all cases, there is agreement on the necessity to strengthen the national higher education system, offering both local and foreign students a choice of sound high-quality undergraduate and postgraduate courses. From here on, it will be possible to discuss seriously the way in which the incorporation of transnational offers will be carried out.

More particularly, transnational distance education brings up further issues demanding consideration – mainly on how to control and assess the quality of the programmes on offer. In this case, the discussion also includes issues related to distance learning offered by local institutions. In Section 5, these discussions will be pursued further.

While the supply of online courses keeps increasing and widening steadily, there are no actual data on either the number of courses taking place through this system or the number of students effectively taking part in them. In early 2004, a process of discussions and enquiries among analysts and technicians was launched. The purpose is to redesign the instruments available for assessing distance learning since, even though there are standards and criteria set by the Ministry of Education – and even by CONEAU for postgraduate courses – these are showing to be ever more rigid and less useful given the speedy development of distance learning. Furthermore, the regulation for these cases is not yet detailed enough. For example, the legislation does not acknowledge
credit for Internet-based upgrading courses for teachers; there are just a few counties that are changing this regulation (Municipality of San Fernando, the suburbs of Buenos Aires, and some towns in the provinces of Santa Fé and Córdoba).

The lack of these control and assessment mechanisms can undoubtedly become a problem if the situation is not changed. Experience in other countries shows that the possibility of ‘fraud’ – namely the granting of unrecognized degrees, or the easy obtention of them – can take place more easily in the virtual space without proper accreditation and assessment mechanisms.

What follows specifically refers to cases of distance learning offered by local institutions.

The local scene of Internet distance learning is motley and expanding. There are universities offering undergraduate and postgraduate study courses from a virtual campus, such as the Virtual University of Quilmes, the National University of Mar del Plata and the University of the Northeast. There are also institutions offering upgrading courses.

The University of Quilmes is one of the best examples of institutions with online courses, and it has obtained national and international recognition.

From the beginning, the Virtual University of Quilmes developed as an innovative education proposal as far as both its attendance mode and its curricula are concerned. The courses feature both online and compulsory attendance lessons, virtual classrooms in which exchanges can take place between teachers and students, access to digital libraries, and spaces of informal communication to encourage the socialization and integration of the virtual university community. It offers undergraduate and postgraduate courses with different degrees: technical certificates, and licentiate and Master's degrees in areas such as education sciences, social and human sciences, hotel management, tourism, science and technology, etc. Their courses target students throughout the country, of different ages and backgrounds. Currently, it has about 2,500 students.
A further case worth mentioning is that of the National University of Rosario, where a virtual campus with training and professional upgrading programmes has been opened (Puntoedu). In this case, it is the university that guarantees the quality of what is offered.

3. Transnational education in Argentina: the University of Bologna (Italy)

Within the framework of different co-operation agreements signed between Argentina and Italy in the late 1990s, in 1999 the University of Bologna (UniBo) established an institutional office (contact office) in Buenos Aires. The main aim was to strengthen the cultural bonds between Italy and Argentina, and Latin America.

The University of Bologna is the oldest in the world; it is state-owned and has an unquestionable international reputation.

UniBo does not have contact offices in other parts of the world. Its establishment in Argentina has not been casual though: The shared history, tradition and culture have fostered the opening of institutional offices aimed at reinforcing and deepening the relations.

UniBo’s office immediately began the accreditation procedures at CONEAU, and in 2000 it obtained a temporary permit to operate (Resolution 202/00).

UniBo’s project in Argentina is chiefly cultural and academic. Currently, there are postgraduate courses and different courses and seminars targeting companies and professionals. In addition, cultural extension activities take place, and the university maintains regular relations with other local institutions, which has allowed for joint research projects and even a joint Master’s.

The contact office’s research centre has encouraged research projects to be undertaken together with the Argentinian Government’s National Institute of Statistics and Censuses (NISC), as well as others that assist Italy in its co-operation and integration with the Mercosur countries. Recently, they have begun to sign co-operation and exchange agreements with other local institutions of education, such as Saint Andrew’s University.
The contact office has focused its academic offer on giving Master’s courses, and it does not plan to add undergraduate courses. In this sense, it does not strive to raise its enrolment beyond certain levels; it rather aims to consolidate a narrow yet high-quality offer.

Although the courses are fee-paying, the income is not enough to cover all the local offices’ expenses, which makes the contact office a recipient of funding from the Italian headquarters. In terms of the university structure, the contact office in Argentina works like a regular dependent office, despite it being in another country, and as such is incorporated in the budget allocations.

The contact office is under the authority of a Chancellor, a Vice-Chancellor and a General Secretary. It has its statutes and internal regulations. Each course has a head and its own statutes, which are freely available to the public.

Currently, three Master’s courses are offered. According to its web page, a Master’s in International Relations is

“... aimed at producing experts able to identify and tackle not only technical and management but also institutional, organization and strategic problems in the public and private sectors involved in international relations. The University of Bologna intends to become the support for political and economic integration processes. Therefore, the programme’s academic offer consists in a formative path which combines the traditional academic-disciplinary corpus (economics, law, political science) with an approach typical of region research (Latin America – Europe) and with the organization and institutional problems typical of the current integration processes.”

On the other hand, the Master’s in Social Research Methodology is a Master’s course targeting “people interested in carrying out social research”, both in the academic sector and in government and private company agencies. These are areas ever more dependent on the production, processing and analysis of relevant and reliable information as the basis for decision-making. This Master’s is given jointly with the University of Tres de Febrero.
Lastly, the Master's in Innovation Engineering aims

“... to produce professionals who are able to transform the most traditional productive sectors resting on the continuous innovation in products and productive processes, mainly achieved by the application of the modern communication and information technologies”.

With this Master's, the University of Bologna intends to contribute to the industrial development of those countries having a close bond with Italy.

It is worth highlighting that the contact office strives to produce graduates who have their professional project in Argentina (or in the country of origin in the case of students coming from another Latin American country). This is a distinguishing feature and is what differentiates it from other universities. In other words, even though exchange and contact with foreign countries – and chiefly with Italy – is fostered, the objective pursued is that the Master's graduates, once graduated, devote their knowledge to and become involved in professional projects to be fulfilled in Argentina. According to the contact office’s authorities, this is what allows an effective integration between the countries.

The Master's has a heavy timetable and requires passing different assessment rounds. The second year of the Master's courses in international relations and social research methodology includes a term in Italy and an internship in an official or private organization. Even though students can continue with further courses at the Italian headquarters, this does not usually happen since graduates are encouraged to apply their knowledge to local development projects.

In order to attend any of the postgraduate courses offered, Spanish, Portuguese, Italian and English proficiency is required since these are the university’s working languages. Nonetheless, this is not an excluding requirement. Furthermore, the contact office offers support courses in these languages.
The teaching staff at the Master’s level are Argentinian and Italian, and sometimes of other nationalities. The criterion for their selection is strictly academic. They are all regular lecturers, and in general are hired to give courses in certain terms. The Argentinians are lecturers who also give classes at other universities, outstanding researchers and professionals with a successful track record. The foreign lecturers need not necessarily be teachers at the university headquarters; they can also be members of other universities.

The applicants for the Master’s must have a university degree and have to go through different rounds for the final admission: personal interview, curriculum submission, essay submission (where they have to say why they want to undertake a Master’s and explain their professional goal following graduation). The selection is rigorous because the objective is by no means to develop mass courses. Even though the contact office practically does not advertise its courses, the number of entry applications has increased year after year. Currently, there are about 70 students per year, distributed throughout the three courses.

Though few, it is possible to find very different profiles among the students at the contact office: There are graduates from local state and private universities, from different branches, and also students from other Latin American countries.

The Master’s fees range from 10,000 to 12,000 Euros.\(^3\) There are different payment options, and scholarships are offered. So far, funding systems through loans to students have been implemented, as is current in many European universities. In this sense, the total Master’s fee is borne by the student, who is entitled to some type of allowance when obtaining a scholarship. The fees, given the Euro’s high exchange rate in Argentina, plus the demanding timetable, constitute obstacles to increasing enrolments.

The contact office has a research centre, where projects linked to the courses’ topics are pursued, a substantial library and different

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\(^3\) In March 2004: 1 Euro = $3.50.
facilities that back up the academic activities. It also has a Department of Professional Development, aimed at offering tools for job searching and encouraging students’ creativity through activities organized in workshops on areas of written and oral communication. It also offers advice to students on planning their career path, on strategies for bibliographical searches and online information recovery.
III. Approaches to control the policy regime for the regulation of commercial transnational education and to ensure its transparency

1. The Argentinian legislation faced with the development of transnational education

During the 1990s, the increase in demand for higher education asserted itself as one of the key features of the Argentinian education system. In this setting, and under the effect of the liberalization and free trade policies implemented by the state, some foreign institutions began to settle in the country to offer their educational services.

In addition, this process of incorporation of new suppliers of higher education came along with the creation of many state and private universities and tertiary study centres. The outlook was optimistic because of the quantity of institutions operating, the breadth of offers, the range of degrees; but there was also concern about how to legislate to ensure the quality of supply and how to articulate within such a heterogeneous system.

As outlined in Section 1, the Law of Higher Education (LHE), passed in 1995, has become a tool to begin to rationalize and regulate the system. Specifically, the CONEAU, created by the aforementioned law, was set up to assess the quality of the education supply, and to accredit courses and institutions of the university system. The non-university higher education system has come, following the LHE, under the provinces. Article 25 of the above-mentioned LHE has established that the Federal Council of Culture and Education will negotiate the adoption of common criteria and guidelines for the assessment of non-university higher education institutions, in particular those offering courses whose degrees enable the practice of state-regulated activities (courses to be discussed in Section 4). CONEAU is not in charge of non-university higher education; the authority to accredit and assess lies exclusively with the provinces.
In the mid-1990s, a concern arose on the likely increase in foreign institutions, and the scant tools available to ensure the quality of the education supply and the soundness of the projects and institutions. Therefore, the discussion was focused on how to implement monitoring and control processes for those new enterprises.

The Inter-university Council’s Plenary Agreement No. 314/98 reflected this concern. In addition, the University Council, CONEAU and the Chamber of Representatives' Education Commission expressed their concern about the increase in foreign institutions. Article 74 of LHE ruled “the possibility to authorize the creation and operation of different modes of university organization, subject to a special regulation made to those effects”.

The answer was the passing of Decree 276/99, which, resting on the Law on Higher Education and implementing Article 74, dealt particularly with the opening of foreign university offices.

Decree 276/99 dealt with the opening of a foreign university's local office. Article 1 reads:

“Foreign university institutions wishing to implement university education programmes in the country have to request the legal recognition as legal person by means of the mechanisms established by the current legislation, and to subject themselves afterwards to the applicable procedures for the issue of a permit for the operation of university institutions established in Chapter 5 of Title IV of Law N° 24.521 and in Decree N° 576/96”.

As can be seen, this decree deals with foreign institutions, but it follows another decree (576/96), which deals with the operation of private university institutions. Put differently, although there is a specific decree to regulate the opening and operation of foreign university offices, the regulation applied is the one set for local private universities.

This Decree 576/96, then applicable to local private universities and, by transposition, to foreign universities, regardless of whether they are
state or private, rests on Chapter 5 of the Law on Higher Education (LHE), which, in general, deals with private universities.

Decree 576/99 has 33 articles setting the requirements to be met in order to open an institution: applying an institution’s certification as a legal person; information on the institution’s representatives, as well as evidence of their moral, financial and economic responsibility; academic and professional track record of the government bodies’ members; commitment to proving own patrimony; submission of institutional projects (aims, action plans, research plans, etc.); submission of academic statute; documented description of the facilities; and a guarantee deposit paid to the Ministry of Education (which is refunded when the definitive permit is granted).

In addition, it states that to be able to use the denomination ‘university’, the institution must have organically structured faculties, schools, institutes or departments corresponding to non-related subjects. Even though the minimum required subjects are not specified, it is understood that they have to be several in order to be able to offer a certain selection of courses. Furthermore, universities are expected to train and qualify scientists, professionals, teachers and technicians who act soundly, responsibly, ethically, and with a sense of solidarity for the community’s well-being; to foster and undertake scientific and technological research, research in humanities, and artistic creations. Article 27 of the LHE, where the general features of the institution intending to operate as a university are established (whether state, private or foreign) states that:

“University institutions ... have as goal the production and communication of knowledge of the highest level in an environment of freedom, justice and solidarity, offering an interdisciplinary cultural formation targeting the integration of knowledge as well as specific scientific and professional training in each different course that is given there for the benefit of the person and the society where they belong. The institutions responding to the denomination ‘university’ have to carry out their activities in a variety of non-related subjects, organically structured in faculties,
departments or equivalent academic units. The institutions which limit their academic offer to a single subject area are called ‘university institutes’.

Once the project has been designed and all the documents gathered according to what is specified in the legislation depicted, the applicant has to submit them to the Ministry of Education in order to request a permit to operate as a university. From the submitted information, the ministry issues a preliminary report and it forwards all the procedures to CONEAU.

2. On CONEAU’s accreditation and assessment duties

CONEAU, as has been explained, is the organization created by the LHE in charge of assessing and accrediting institutions and study courses. It is important to stress that CONEAU fulfils three types of tasks: It carries out institutional and course assessments, generally at the institution’s own request and with the main aim of being able to implement improvements based on CONEAU’s reports; it is in charge of accrediting the new courses requiring accreditation, following what the law specifies (see Section 4); and lastly, it takes charge of assessing projects to create new institutions so that they can be accredited. The possibility of creating a private or foreign university is part of this last task. CONEAU’s report is binding on the Ministry of Education to reach a favourable decision and enable opening the institution.

In the event of an assessment, and according to what is established in Articles 27 and 28 of the LHE, a university is supposed to be a distinguishable institution, with distinct limits, which operates with a qualified academic body and which seeks to instruct a student population in order to grant certain credentials or certifications. In this sense, a university has to be, above all, an academic community since knowledge production needs a physical space to favour the exchange among all the components of the teaching-learning process. Moreover, it must provide an environment conducive to socialization where knowledge is acquired and certain rules of behaviour and social relations are implemented. Lastly, it is understood that a university must
operate as an institution (in the full meaning of the word) guided by missions and duties (Farinetti, Giorgini and Bogosían, 2001).

**Private and foreign universities’ institutional accreditation**

Concretely in the case of private universities and, by transition, foreign ones, CONEAU assesses the consistency of the institutional project and, in this respect, the possibility to operate as a university. This is an analysis in which each institution’s *raison d’être* and its creation and development rationale are considered; but it is also an ethical and responsible analysis in which the data and development strategies submitted by the applying institution are handled confidentially. The assessment is in the hands of experts devoted to assessment topics and familiar with the specific topics under analysis, who, abiding by the current regulations and respecting each institution’s background or project, assess whether the institution meets the academic requirements set in order to operate as a university.

**Moral, financial and economic responsibility of the members of the associations or foundations that promote the new university’s creation**

The following must be ensured: absence of breach of current legislation, absence of disqualifications, and evidence of a sound financial and economic position to ensure the proper operation of the institution put forward. The applying institution’s and its members’ academic, educational and cultural track records are also considered. The latter must have experience in university research and teaching as well as in managing education or research institutions. In addition, the project’s transparency and insertion in the jurisdiction proposed must be ensured. This refers to the public image that the institution gives to the local community regarding the future institution and its relations with other local, state or private organizations, among others.
The viability of the institutional and academic project and compliance with the LHE’s principles and regulations

The nature of the enterprise, its direct addressees, the type and reach of the commitments made in the project, the fundamental guidelines for its evolution in the short, medium and long run, and its particular contribution to educational and social development must be clearly defined, completely compatible with the Law on Higher Education, and included in the mission and the objectives of the projected institution. The physical development plan and that on human and financial economic resources, as well as the organizational and administrative ones, must be consistent to ensure achievements. In turn, the institution’s mission and objectives must ensure compliance with the basic duties established in Article 28 of the LHE and the general operation requirements established in Article 33. The project has to include the design of organically institutionalized bodies responsible for organizing and executing the university processes, ensuring academic freedom and the autonomy of the academic organs that constitute it.

When it comes to university institutes, the projects must explain clearly and in detail: the reasons and singularities which lead to proposing a university institution, limited to one realm of knowledge; the selected area’s legitimacy; the mechanisms to ensure the permanent contribution of knowledge coming from related fields; and the training of high-level professionals and scientists in certain high-priority or vacant areas. From this outlook, institutes are thought of as appropriate means for the achievement of certain objectives in society; in this case, certain capacities that are not provided by universities or which, being of the highest quality, are complementary to them. When it comes to postgraduate university institutions’ projects, they must have guarantees concerning the articulation with undergraduate education and with the production and transfer of scientific and technological knowledge.

Both articulations have to be included in programmes ensuring that the project guarantees the attainment of excellence. If we were dealing with postgraduate university institutes, besides possessing the
aspects previously pointed out, these should not only stand out for their focused character but for their higher level. The purpose in this case would not be to broaden the academic offer, but rather that its focused character contributes to guaranteeing its quality.

**The academic level of the teaching staff initially available and its track record in scientific research and university teaching**

The academic staff must have training and experience in keeping with a university project, and a successful track record in teaching and research. It has to be big enough in number, and with the necessary dedication, specialization diversity and academic level to ensure the starting up and operation of the institution. The institution has to ensure the effective participation of the proposed academic staff, together with the development of an appropriate plan, to meet the project's requirements throughout the first years of its operation. In turn, it must have procedures for assessing the teachers' performance, and use the results for their promotion and upgrading.

**Quality and upgrading of the proposed curricula and research plans**

The curricula have to respond to current standards in the respective subjects or professions, and be in keeping with the profile sought for graduates. The project has to detail the procedures for admission and the assessment of students’ academic performance. The teaching-research staff must have an academic level suitable for the proper delivery of the courses, programmes and teaching and research projects. The creation of centres, institutes or research groups, the research areas encouraged, and the launch and development of university extension activities and services have to be included in plans where the link with the teaching programmes is made clear. Their heads must have suitable qualifications for their tasks, and the projects must have real prospects of getting funding.
Economic means, equipment and infrastructure available to allow the performance of their teaching, research and university extension functions

The resources that the institution has – particularly the building infrastructure, equipment and libraries – have to be suitable for the commencement of the activities and their pursuance throughout the stipulated period. Otherwise, they must have incontestable means to have them at the institution’s opening. Whatever the case, the project must have a detailed investment and maintenance plan, as well as a sustainable financial plan to face such requirements.

International linkages and the feasibility to reach agreements with other world centres

Formal bonds with local and foreign universities and research centres are crucial for academic, scientific or financial assistance. The expected achievements and benefits of these exchanges are also important for the teaching programme and the intended research.

Once this detailed analysis has been performed, CONEAU forwards its decision to the Ministry of Education. If the report is unfavourable, the applying institution is granted a lapse in which it will be able to either impeach the report or to implement the suggested changes to the submitted project, and then request a second assessment. If the report is favourable, the institution obtains a six-year permit. After that period, it will be able to request the definitive permit.

With this temporary permit, the institution is able to begin operating, abiding by the duties and rights corresponding to private university institutions. It is forced to make clear in all publicity and advertising that the permit is provisional, and to submit annual reports showing compliance with the stated objectives and plans. CONEAU will assess these reports considering the following: the academic organization and the adequacy of the teaching plans to the profile sought for graduates; the results obtained, product of the plans, programmes, research and development projects, and university extension and transfer activities; the policies to ensure the proper endowment and permanent training of
human resources; the network established with other world university centres; the adequacy in quantity and quality of the available facilities and equipment; the endowment and upgrading of libraries, newspaper sections or documentation centres; and the progress made in self-assessment. The reports issued by CONEAU on these submissions can provide advice aiming at improving those institutional aspects that show weaknesses or difficulties.

Once all the annual reports, internal or external assessments, submitted balances and memos (among other documentation) are seen, CONEAU will submit its decision to the ministry recommending or warning against definitive accreditation. If it is favourable, the ministry will grant the definitive permit. This process requires constant monitoring by CONEAU before the institution is definitively authorized. The purpose of this lapse is for the institution to improve those weaker aspects discovered during the assessment and to conform to CONEAU’s recommendations. Concerning the state, the provisional lapse enables it to ensure that definitive authorization will only be granted when all the required standards are met.

Here it is important to highlight the following: CONEAU is just a counselling agency for the ministry, which in the end is the body empowered to give or deny authorization. CONEAU takes charge of certifying the declared institutional and academic aspects through visits to the institution. During these visits, the facilities, equipment, etc., are verified. The rest of the submitted documentation is checked directly by the ministry (building qualification, tax issues, patrimony statement, etc.). The case might arise in which CONEAU approves the institutional project and recommends temporary authorization, but the ministry does not, due to other legal requirements not being fulfilled. In such an instance, CONEAU’s report is binding only when unfavourable, namely when it recommends not authorizing the institution’s operation. When the report is favourable, all other documentation has to be approved too. In many cases, the permit that the ministry grants is considered as ‘institutional accreditation’ for the new university.
If the foreign institution has accreditation in its country of origin or other accreditations by international organizations, this is seen as an extra item to be assessed, but does not mean that the foreign institution is exempt from undergoing the accreditation processes established by law. The main criteria with which CONEAU assesses foreign universities’ institutional projects relate to the quality and consistency of the local office’s project, the characteristics of the foreign university, and the real link that the local office has with the headquarters. The Argentinian state retains the power to carry out its own assessment and accreditation.

On the other hand, there is evidence that the Argentinian agency works autonomously and follows its own regulations when performing its duties. Although it has close links with other international accreditation organizations – as will be seen in Section 4 – this does not mean either official recognition of their decisions or their approval.

The qualifications granted by private institutions or foreign university offices with a temporary permit will be issued by the Ministry of Education; those that have the definitive permit will be able to issue them themselves.

As stands in the Law on Higher Education, the fees charged are: 10,000 pesos to request either a temporary or a definitive permit, and 2,000 pesos to request a permit to open a new office, faculty, school, course of study, or degree.

The inspection and the academic monitoring of private or foreign institutions lie within the realm of the Ministry of Education, which has the authority to warn or summon the institution, oblige it to suspend its activities, and to intervene for a certain time or shut down the institution, having in these last two cases the support of the National Executive Power.

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4. The favourable decision obtained by the University of Bologna can be consulted on NCUAA’s web page. There, it is expressed that the features valued to approve the project refer to its quality, the University of Bologna’s prestige and the incontestable bonds that were foreseen between the local offices and the headquarters in Italy.

5. In March 2003, the effective exchange rate was: US$1 = $2.93 pesos.
If a local private university, or a foreign university with offices in the country, did not conform to the above regulations, it would be considered an unauthorized institution and it may be sanctioned according to Resolution 206/97. According to this resolution, a sanction is established for those institutions which, without having fulfilled the required authorization processes and without having conformed to what is set in Article 27 of the LHE, usurp the denominations ‘university’, ‘university student’, ‘faculty’ or related terms (even in a foreign language), as they are reserved for the legally authorized institutions. Those unauthorized institutions advertising their educational offer as a ‘university’ are also liable to sanctions. The promotion and advertising of the education services offered have to be clear and accurate, and make clear the nature, scope and certification of what is being offered. Only specifically authorized cases are exempt from these measures.

It is necessary to make clear that all the punitive measures specified in this resolution are meant to be applied to the local institutions and, by transposition, to the foreign ones. Put differently, also in the case of checks and punitive measures, a specific legal corpus concerning transnational education is missing.

The assessment of state universities

CONEAU also deals with the institutional and academic assessment of state universities, although the steps of the process are different from those regarding private universities.

According to Chapter 4 of the LHE, state universities are created by a law of the nation, with provision to the corresponding budget credit and based on a feasibility appraisal endorsing the proposal. Afterwards, the Ministry of Education appoints a Chancellor-organizer, who leads the process of setting up the institutional project and statutes. The institutional project is submitted to CONEAU for appraisal, and the statutes are submitted to the ministry for approval. In this case, CONEAU is appraising an institutional project of an already created institution.

Once CONEAU has issued its assessment report and it is ensured that the statutes conform to current regulations, the ministry authorizes the
new university, establishing a four-year lapse for the normalization of its operation.

In this case, it is important to highlight that even though the creation of a new state university institution is the state’s right through its parliament, it is also the state, through CONEAU, that assesses the institutional project’s quality and consistency. This means that even though it is the state that creates the university, it is the subsequent report by CONEAU that allows (or not) the operation of the new university. If this report is unfavourable, the new institution will have to make the suggested changes in order to begin its activities.

The criteria with which CONEAU appraises state universities’ institutional projects are similar to those used to appraise the private universities’ projects. However, there are some differences: When CONEAU receives the project of a state institution, the latter has already been created, and the requirements regarding its institutional features are not the same.

At CONEAU, there is a specific area called ‘Institutional projects’, which is devoted to appraising the institutional projects submitted, both of private and of state institutions, and to issuing the corresponding reports for submission to the ministry.

Some issues concerning transnational education that the law does not regulate

What has previously been said on the accreditation of institutions applies to transnational education in the form of the establishment of a local office representing foreign universities. However, there are other situations of transnational education in which different measures and legal procedures are applicable.

In the case of double degree or co-ordinated programmes, the foreign institution is exempt somehow from having to subject itself to authorization, accreditation, and such procedures. They are undergone by the local institution with which the programme has been signed. In this case, whether the courses or degrees offered by the foreign university
are valid will depend on whether the local institution is authorized and meets the requirements set. Argentina only acknowledges the degree granted by the local institution, whereas the foreign degree is valid in the foreign institution’s country of origin.

In the case in which foreign universities, without specifically establishing offices or without reaching agreements with local institutions, offer accredited courses to attend in the country to then move on to some course at the headquarters, the regulation establishes that such courses cannot be advertised as ‘university’ or as a different related denomination, and that they have to state clearly that the certificates issued are not valid locally. This takes us to Resolution 206/97 on the restriction in the use of the word ‘university’ or related terms, which was mentioned previously.

There are no further specifications concerning financial monitoring of foreign institutions. Operating as non-profit-making organizations, they have the same liabilities and rights as any national organization, and regarding money repatriation, this depends on the country’s financial regulations. In the LHE, there are no specifications on the other modes of transnational education. For example, in the case of co-ordinated programmes, the state only takes into consideration the local institution’s patrimony statements and its financial balance, but it does not have any means of finding out or regulating whether the foreign institution is making a profit. Neither are there regulations on the economic agreements that may be signed between the local and the foreign institution. As has been previously explained, the agreements to carry out co-ordinated programmes are the local institution’s exclusive responsibility. No state intervention whatsoever is allowed, which, as will be seen, is an important weakness of the national legislation on education.

There is no specific legislation on students’ use of language, or political activism, because they are under the same legislation as the national private institutions.
3. Some comments on the limits and outlook of the Argentinian legislation faced with transnational education

If we consider a future scenario with a steep growth in transnational education, the Argentinian legislation will probably not be enough. Currently, the state has just a few resources to control the transnational education supply, partly because there are not many problematic cases or issues such as accusations of fraud or the establishment of unauthorized institutions, calling for further legislation.

From a different viewpoint, it can be said that the Argentinian legislation on transnational education is generous and generally allows the incorporation of new and varied educational offers.

In this regard, and bearing in mind the likelihood that transnational education will gather momentum in the next few years, it is important that the state proceed with measures that balance what Argentina offers to the institutions with what it receives many times from abroad – a sort of most-favoured nation clause: in other words, with the possibility that Argentina can also exert influence on education in those countries that want to gain a position here, or perhaps by signing agreements that make Argentina not only a host country but also a supplier of education services.

It will also be necessary that the state take into consideration the development of double degree programmes, which is the most widely spread mode of transnational education, and encourage some type of legislation on this matter, bearing in mind that confusion about the local validity of foreign degrees is common.

It will be important to focus on the case of overseas offices as well, since the fact that they are considered as local private institutions does not always make the procedures easier. In this regard, CONEAU will have to develop further instruments to get to know better the foreign applying university, its insertion in its home education system, whether it has other international offices, and its character as a public or private institution. It will also be important to develop a collaboration network with the main accrediting agencies from the main exporting countries.
in higher education to enable the revaluation of previous accreditations or assessments.

The inadequacy or generosity of the legislation on education has undoubtedly repercussions on the system of higher education: On the one hand, it adds confusion to an already heterogeneous, motley and disjointed system, as is the case in Argentina; on the other hand, it leaves those wishing to access transnational education unprotected.

Nevertheless, it should not be stated that growth in fraudulent offers is a feature of the Argentinian system. In the postgraduate area, the foreign supply is trifling, and graduates are usually careful in their choice. If they choose to take Internet courses, they would take the necessary precautions and check the information available on the institution offering the course. There are indeed accusations of fake degrees being issued by local and foreign institutions, but these are isolated cases. Furthermore, in most cases, the enquiry into these situations was started by the state itself and not on the basis of accusations by people who had been swindled. Indeed sometimes those who were being swindled knew so beforehand. However, systematic cases of fake undergraduate degrees could not be established.

As an example, and rather as an exception to the rule, we could mention the case of a piece of information from an anonymous source received at CONEAU: A certain business school offers international postgraduate programmes in partnership with two official Spanish bodies. The programme, as the publicity goes, comprises three types of course: one on strategic marketing, another on management, and yet another on business management, which is advertised as a Master's (MBA). The problem arises with this last programme because, as it is structured as a postgraduate course, it compulsorily requires accreditation by CONEAU in order to be officially acknowledged, and according to the files at CONEAU, this procedure has not even been started.

Even though the information was received by CONEAU, this organization is not endowed with police power to act in irregular
situations. It is the responsibility of the Ministry of Education to intervene in this situation and to suspend the Master's programme activities until the steps established by legislation are taken.

In fact, the problem of academic fraud appears more as a risk (given the legislative weakness) than a reality. Although the legislation does not help, some aspects of the system and the country’s situation itself seem to be acting as a kind of natural curb.

The social and political crisis of recent years, together with the devaluation, has not encouraged the establishment of new foreign institutions. However, despite everything, the Argentinian system of higher education maintains some renown, which forces education offers from abroad to fight for their place in a competitive market. This topic will be expanded upon in Section 6.
IV. Quality assurance and/or accreditation for transnational commercial supply of higher education

1. The accreditation processes of study courses in Argentina

As was explained in the previous chapter, there is an accreditation round for study courses, and another one for institutions, with each working as an independent process. In Section 3, the institutional accreditation and assessment processes were explained. In this section, we will focus on the accreditation of the study courses.

Institutional accreditation is a compulsory requirement for private and foreign universities in order for them to be allowed to establish themselves (see Section 3). Regarding the accreditation of the courses, there are different situations.

The LHE set the accreditation procedures for undergraduate and postgraduate courses, given either by the state or by private universities and, by transition, foreign universities’ offices. Even though there is no specific legislation on the accreditation of courses offered by foreign institutions, they are not exempt from regulation since, for their legal operation, they have to comply with the accreditation procedures set in the Law on Higher Education, which treats a foreign institution as a local private university.

State-regulated course accreditation

The institutional and academic autonomy consecrated in Article 29 of the LHE endows university institutions with the power to create study courses, design their curricula, and issue the corresponding degrees. However, it is the state, through the Ministry of Education and in accordance with the University Council, which is empowered to grant official acknowledgement of degrees. This acknowledgement conveys nationwide validity to degrees and, in the case of state-regulated professions (those whose professional practice could directly put at stake the inhabitants’ health, security, rights, goods or education), professional qualification to their holders.
This process of official recognition is not a discretionary power held by the Ministry of Education, but is regulated by previous agreements reached between the ministry and the University Council. On the one hand, these agreements have established the list of study courses requiring state regulation, and on the other, the basic criteria for granting recognition.

In the case of state-regulated professions, the agreements establish the professional activities reserved exclusively for the qualification holders, the minimum time load that the qualifying courses must have, the basic curricular contents, and the criteria on training. In the case of non state-regulated ones, the agreements only refer to the minimum time load for each course.

In addition, the LHE sets out that state-regulated courses have to be accredited by CONEAU in order to be offered; put differently, if an institution wishes to offer a state-regulated course, it has to apply to CONEAU so that this agency assesses the course to be given. As in the case of institutional accreditation, CONEAU’s assessment report is binding. Only authorized courses are entitled to issue official and qualifying degrees. The non-state-regulated courses need not have CONEAU’s accreditation; it suffices with the fact that they are authorized by the ministry, and fulfil the minimum requirements regarding the time-load set by the aforementioned agreements for each case.

Somehow, the compulsory character of state-regulated course accreditation works retroactively since even the courses included in this measure that were already underway have to be submitted to CONEAU for assessment and accreditation. If the course does not meet the standards, and obtains an unfavourable report from CONEAU, the ministry is empowered to disqualify the course concerned and to refute its degrees.

The accreditation processes for state-regulated courses performed by CONEAU are carried out following technical/academic standards set by the Ministry of Culture and Education and previous consultation with the University Council. They aim mainly at supplying an academic
quality assessment that should complement an institutional one. Even though the assessment’s goals are chiefly academic, CONEAU’s decisions regarding the appraisal of courses are binding on the Ministry of Education so that official recognition is granted to the new course.

The process of undergraduate course accreditation comprises two steps: first, a self-assessment by the party submitting the study course; and secondly, an appraisal by a committee of peers.

According to each academic unit’s features, self-assessment can take between one and four months. At its conclusion, a self-assessment report is issued, which has to provide systematized and comparable information, as well as a detailed appraisal of the conditions under which the courses are unfolding and their results. The document may also include a plan for improvement, which, in the future, will ensure compliance with the minimum standards set.

Afterwards, the committee analyzes the self-assessment report together with other relevant information, pays a visit to the course’s head office, and makes a final decision. In it stands the committee’s evaluative opinion, and the recommendation either for temporary accreditation, or for rejection of the application.

Both the self-assessment and the committee’s appraisal are carried out following certain specially designed methodological instruments. The ‘Self-assessment guide’ was designed to organize and co-ordinate the academic unit’s self-assessment task. The ‘Peers’ guide’ outlines a logical appraisal sequence, laid out in sections and cores, which enables the assessment of the course’s current status, and to check compliance with standards.

In August 1999, Resolution 238/99 added the degree in medicine to the list of state-regulated professions, and Resolution 535/99 established the corresponding standards. Within this framework, CONEAU launched a voluntary call and, later, a compulsory one targeting all the already existent courses in medicine, and it began assessing new projects for such courses. The decisions corresponding to the 24 courses and the
three new projects submitted can be consulted on CONEAU’s web page (www.coneau.gov.ar).

In December 2001, Resolution 1232/01 added different engineering degrees to the list of state-regulated courses, and corresponding standards were set. Then a voluntary call was launched, followed in 2003 by a compulsory call.

Since February 2003 (through Resolution 254/03), the Ministry of Education, through a previous agreement with the University Council, has added new courses to those included by Article 43 on state-regulated professions (pharmacist, biochemist, veterinarian, agricultural engineer, architect and dentist). The next step, in 2003, was grouping the corresponding academic communities so that they settle the criteria with which the accreditation processes are going to be carried out.

Furthermore, in the same resolution it is requested that the University Council continue to evaluate whether other courses should be added for state-regulated professions (e.g. psychologist, lawyer, notary, public accountant and actuary).

In the case of agronomy, the accreditation process fits into the framework of Mercosur’s regional agreements.

How are the accreditation processes applied in the case of courses offered by foreign universities established in the country? Once the institutional accreditation has taken place, the institution is able to offer the courses that its project proposes; and if that course is one of those regulated by the state, it has to be submitted for CONEAU’s accreditation. If the courses belong to those not regulated by the state, they only have to be authorized by the ministry - without CONEAU’s participation - complying with the requirements set in the LHE with regard to time load. So far, there has been no case of a foreign university being set up in the country to give undergraduate courses. If the foreign institution wants to offer postgraduate courses, it has to apply to CONEAU for accreditation of the courses concerned.
Postgraduate course accreditation

As was explained in Section 1, the growth in postgraduate supply has been one of the most outstanding phenomena in the last decade: Between 1994 and 1999, postgraduate supply rose by 168 per cent, and specializations rose by 123 per cent. For this reason, the implementation of accreditation processes actually began with postgraduate courses.

Resolution 3223/94 created the Postgraduate Accreditation Commission (PAC) in 1994. This institution took charge of starting the Master’s and Doctorate assessment processes through voluntary applications. During 1995, the commission assessed submitted postgraduate courses, summoning specialists from the corresponding subjects for the job. Of the work appraised, 99 Master's and 77 Doctorates were accredited – overall, 59 per cent of the submitted courses.

With the passing of the LHE, the postgraduate accreditation processes reached greater proportions: On the one hand, because the LHE established the compulsory character of accreditation for all postgraduate studies, and on the other hand, because it conferred on CONEAU all the power necessary to carry out assessment and accreditation. The PAC was suppressed and its duties and activities were transferred to the new CONEAU.

Undoubtedly, CONEAU’s work on the matter has yielded its biggest fruits in several ways: On the one hand, it has been able to legitimize its function as accrediting agency, thereby ensuring that all postgraduate courses given in the country comply with the minimum quality standards. On the other hand, its concrete activity has yielded the following result: 379 doctorates, 1,090 specializations, and 902 Master’s courses accredited in mid-2003. Even though a definitive decision has not yet been made regarding some of these courses, they have already been assessed and approved, leaving only the administrative step that assigns them a decision number yet to be taken. The details of accredited courses can be consulted on CONEAU’s web page.

In addition, it is necessary to note that some of the submitted postgraduate courses have an inter-institutional organization. This
scheme allows postgraduate courses to be offered in institutions with insufficiently specialized teaching staff. This presupposes synergy among the universities. In order for a course to be considered inter-institutional, all the institutions engaged should contribute, even if to varying degrees.

If the institution offering the postgraduate course is foreign, the same procedures described will be applied: All the postgraduate courses have to be accredited by CONEAU in order to have legal recognition. As was explained in Section 2, the University of Bologna is the only legally recognized foreign institution that offers postgraduate courses.

The process of accreditation for Bologna’s postgraduate courses unfolded normally, following the steps set in the regulation. Nonetheless, this was no simple task, since it was the first time a foreign institution had been accredited.

The University of Bologna, as an applying institution, submitted all the requested documentation: from the balances up to the financial provisions, its statutes, reports made at the headquarters in Italy, which endorsed the project, all the required legal information and a thorough description of the academic project. For CONEAU, the reasons that warranted the recommendation in favour of accrediting the institution and its postgraduate course in international relations (the first one, with which its activities began and to which others were later added) were based on the soundness of the institutional and academic project, the strong support given by headquarters, the consistency between the aims and ends stated and the means proposed for their achievement, the articulation with headquarters and the links with other local institutions, the quality of the teaching staff proposed and, concretely, the design of the Master’s course (its relevance and interest, its timetable, curriculum, contents’ sequencing and relevance, flexibility in attendance, interdisciplinary and inter-institutional approach, among other aspects). The decision recommending accreditation can be consulted on CONEAU’s web page (Decision 202/00).
It is worth re-iterating that in the case of double degree postgraduate courses (a local and a foreign degree), CONEAU only accredits the local degree, which will be acknowledged by the Argentinian state. The foreign degree will be valid in the institution’s country of origin but not in Argentina. The validation procedures applied to undergraduate degrees would not apply in this case, namely, when a person requests the Ministry of Education to acknowledge the degree obtained in a foreign country.6

For many institutions, mainly for those local ones with newer institutional traditions or weaker structures, the possibility of accrediting their postgraduate courses through the processes carried out by CONEAU has meant the possibility of competing in better conditions, resting on the acknowledged quality of the courses which they offer. For others, the accreditation process has allowed a deep appraisal of their own situation, finding in many cases flaws that had not been perceived previously, and encouraging changes to improve the level of their courses.

The institutional accreditation processes are independent from those of course accreditation. This could lead to a paradoxical situation in which a private or foreign institution is authorized to operate provisionally, but later on, the postgraduate courses that it wishes to offer do not obtain a favourable decision. This has not yet happened, but it could.

2. Some reflections on the difficulties in ensuring the quality of education when dealing with foreign institutions

Some of these difficulties are technical. In particular, if we are dealing with distance learning, the country receiving that mode of education has enormous difficulties – e.g. to find out the value of the degrees issued. It is necessary to highlight that other difficulties relating

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6. The validation processes are under the Ministry of Education’s charge, which hires a national university to assess the study-course curriculum, content, time-load, etc., and reaches a decision on the validation of the degree. It is worth clarifying that these processes are limited to the one who requests the validation. In other words, they serve as an authorization for the person who applies but they do not for any other degree issued by a foreign institution.
to distance learning that are sometimes pointed out are not necessarily so. For example, the receiving country can get to know the curricula perfectly, enter the classes and assess whether they are being delivered correctly, if the testing system is adequate and suitably demanding, if the entry system is appropriate, etc. Of course, these activities can be performed only as long as the issuing institution has a respectful attitude towards the current measures in the receiving country.

This is what for distance learning is called police power, and it depends largely on the issuing institutions' goodwill, and on the current agreements between the receiving country and the country where the institution offering distance learning operates.

If transnational education is not provided at a distance, or in other words, if in fact the course and the degree are given in the issuing country, and the receiving country is such only as far as the course is advertised there, the problem arises only if there are not adequate regulations in the receiving country regarding the value of its degrees. Put more clearly, if the citizen of country X wishes to obtain a degree in country Z, this should be possible; country X should simply have a clear regulation regarding the requirements in order for that degree to be valid in country X. Furthermore, if one or several citizens of country X are swindled with promises of country Z's degrees (like what happens when one acquires non-authentic products from foreign countries), either the swindled citizen or country X's consulate must make the corresponding claim in country Z.

The difficulties begin when there is no regulation whatsoever in the receiving country regarding the circulation of professional degrees, or when any existing regulations are weak in front of the prestige of a degree obtained abroad, or else unknown, at least for part of the population.

Moreover, the weakness of regulations concerning the prestige of a degree obtained abroad takes us directly to what we all already call globalization, a phenomenon through which the national states seem to recede in front of international transactions.
Cross-border higher education: regulation, quality assurance and impact

In general, it tends to be claimed that technological development allows exchanges to transcend national boundaries. Typical examples concern financial transactions. However, many countries are also powerless when it comes to regulating the flow of their rivers when they originate in another country; or what happens in the atmosphere belonging to their own territory. Moreover, we could assert that the level of smuggling is an excellent indicator of a country’s administrative strength.

Nevertheless, this is not only about technological development. The countries adhering to the WTO deem it indispensable to advance in the reduction of tariff barriers on goods. It is still more a promise than a reality (cf. the enormous subsidies to agricultural production currently made in the powerful countries which hinder the trade of these goods worldwide). The possibility of free trade in services, including education, is also discussed.

Throughout this work, we have already mentioned that, in this field, Argentina does not create obstacles for foreign education services based on their origin. This means that foreign university institutions have to conform to the same regulations as private Argentinian universities.

In the case of Argentina, these regulations are not weak: Bologna, the oldest university and transnational provider to Argentina, complies with them. The existence of some isolated cases of non-compliance has marginal significance and does not imply any alteration in the national market of professionals. Of course, it is possible that a sector of the population who are not properly informed can fall victim to some deceptive offers, but the figures in this regard are trifling.

Nevertheless, the difficulty increases when it comes to double degree or shared programmes, namely when part of the course is delivered abroad. In this case, it is ideal to arrive at some complementary scheme between the accreditation institutions of both countries. However, sometimes it is impossible because, for example, there is no accreditation institution in one of the countries. In such a case, a first safeguard is that the degree offered be valid in both countries. This ensures that the
supply, which this country cannot control, has nevertheless important acknowledgement in the other country.

A second step is to analyze very carefully what is done in this regard: It is difficult to imagine a partnership between a party that is controlled and is appropriate and proper, and another party that cannot be controlled because it is situated abroad, and which is inadequate and absolutely below standard.

At this point, it is important to remember that all accreditation is preceded by an assessment of inputs (facilities, equipment, etc.), processes (curricula, didactic features, demands, etc.) and results (graduate proportion, theses, features, etc.). It is true that transnational education cannot always be assessed in relation to all its inputs, processes and results, but some of these inputs, processes and results can always be appreciated.

The right thing to do would be to find out whether the available indicators are significant or not at the time of accreditation.

3. On the creation and operation of other assessment and accreditation agencies

The LHE in Article 45 allows for the creation of private institutions set up with the purpose of assessing and accrediting university institutions. Decree 499/00 and Ministerial Resolution 1807/97 establish the minimum requirements that these institutions have to meet, and it organizes the way in which CONEAU and the ministry have to supervise their operation. There have been two initiatives to set up a private assessment and accreditation agency, but neither was able to conform to the requirements, and they were disqualified. To date, there is no private assessment and accreditation organization, but it is expected that, given the development of the assessment policies and the importance that accreditation is acquiring, such institutions will eventually appear in the future.

Leaving aside the accreditation bodies anticipated by the law (CONEAU and eventually a private agency), some universities obtain acknowledgement from other non-national institutions. For example,
the Adventist universities have their own assessment and internal accreditation bodies but, naturally, this does not exempt them from having to apply for the institutional accreditation requested by the state. A similar situation happens with the universities that are called ‘papal’: Also in these cases, there are organizations that work independently, and whose purpose is to accredit certain universities as papal after making sure that certain requirements are met.

On the other hand, a few cases are known in which a university has requested an external assessment from an international organization. As an exceptional example, we can mention the case of the Veterinary Faculty of the University of La Plata, which was assessed by the Organisation for Economic Co-operation and Development (OECD).

4. Accreditation: between quality standards and relevance criteria

It is worth highlighting that in the case of both institutional undergraduate and postgraduate course accreditation, the assessment rests fundamentally on quality – and not on relevance – standards. When CONEAU undertook its activities, its members and technical teams heatedly discussed this issue. For some people, CONEAU had only to reach a judgement on the project’s quality, independently of any effect that its unfolding may have on other institutions or on the academic and scientific field overall. The decision of whether it is pertinent or not to open this or that institution or course of study should lie with other government agencies. On the other hand, there were those who considered that the evaluation of an institutional project or of a certain course must not neglect its relation with the existent academic offer or its contribution to academic and scientific development, and in this sense, they suggested incorporating relevance criteria into the assessment.

During 2003 and early 2004, the national government’s current administration7 put forward some proposals to foster the development of certain study courses deemed to be of high priority for national

7. In May 2003, Doctor Néstor Kirchner took office as President of Argentina and appointed Lic. Daniel Filmus as Minister of Education.
economic development. In principle, the plan consists of granting scholarships to 1,000 students studying some of these courses in any of the state universities. This will enable students with economic needs, but with good academic performance, to fund and conclude their studies.

The list of these high-priority courses includes those that qualify human resources demanded by the most dynamic sectors in the economy, which have been defined by the Ministry of Economy through the creation of nine national industrial competitiveness forums: wood and furniture, leather and its manufactures, textile and clothing, agricultural machinery, cultural industries, vehicular gas industries, biotechnological industries, software and computer services, and industries of materials for civil construction.

The courses linked with these development areas are: bioengineering, graphic design, industrial design, statistics, microbiology, veterinary science, etc. The engineering courses include: aeronautics, surveying, agronomy, civil engineering, computer science, materials, renewable natural resources in arid areas, electrical-electronic, food, telecommunications, forests, geophysical, agricultural industries, naval, chemistry, rural, textile, etc. In addition, there are licentiate degrees in systems and computer science, biology, physics, mathematics, chemistry, renewable energy, soil sciences (e.g. geophysics, geology, etc.) genetics, etc.8

This initiative is setting precedents, naturally favourable, related to the design of university policies. Faced with little articulation of the system of higher education, the overdevelopment of some courses and the underdevelopment of others, the government is taking a more active and committed stance regarding the future of universities and their relation to society and the country’s economic development. Although the measure has not laid explicit relevant criteria for assessment and accreditation – in the sense explained before – it may well have repercussions in the medium term.

8. The complete list of high-priority courses can be consulted at: www.ses.me.gov.ar/pnbu
5. International assessment and accreditation faced with the challenge of transnational education

Recent globalization processes have influenced and transformed practically all nations’ ways of life. The traditional systems of higher education, resting on university or tertiary institutions with compulsory attendance, are being challenged by the development of transnational education in all its forms. This includes the technological applications to education and the different political projects aiming at removing the barriers that bar the free flow of education services among different nations – a situation which many people are already calling ‘the education market’.

Faced with these changes, it has not always been possible to set up accreditation and assessment organizations as well as appropriate regulations for the control of the explosive growth in the number of new suppliers of higher education, and at the same time, the quality of the services offered.

In this regard, the situation is not the same in every country, and in general, the nations with weaker education systems easily become receivers of transnational education without being able to develop effective mechanisms (through organizations or laws) to protect the local systems on the one hand, and, on the other, to warrant a certain supply quality. On their part, some of the countries exporting education have developed control mechanisms for the programmes that are exported, either through accreditation agencies and audits, or through quality certification processes; in general, they have a legislative corpus on the matter.

In the United States for instance, the Council for Higher Education Accreditation (CHEA) is a non-governmental organization that co-ordinates different accreditation activities for institutions that offer education services either in the United States or elsewhere. At the end of 2003, CHEA grouped about 3,000 institutions, including schools and universities, and 60 national and international organizations specialized in accreditation. The accreditation processes that it carries
out are voluntary and are at the disposal of the government authorities, the general public and the international community interested in the American education offer.

Several times, the issue of transnational education regulation and the need to create a legal corpus on the matter that is operative at the national level but also serves as an international legal framework, has been the subject of discussions, forums and declarations worldwide. This confirms the phenomenon’s dimensions and the concern of many countries about the situation.

On the one hand, we can take the WTO’s Declaration in 1998, where the need to de-regulate the flow of education services among the countries is mentioned. The reactions for and against are considered in Section 2 of this work. On the other hand, the ‘World Declaration on Higher Education in the 21st Century: Outlook and Action’ also mentions the need to work for the integration of the education systems, while highlighting that this integration must take place on the basis of co-operation and solidarity in order to reduce the gap between the richest and the poorest countries, between the most developed ones and those with poor scientific development. This stance goes against the one that claims that the most developed countries should be allowed to take the less developed ones as markets for their services.

In particular, we can analyze certain steps taken with the aim of creating international control and accreditation bodies.

In 1998, education authorities from different European countries began a number of activities aiming to join efforts in order to achieve higher convergence levels among their higher education systems. These initiatives materialized in different events: the Sorbonne Declaration (1998) and the Bologna Declaration (1999) confirmed the commitment to work in order to integrate the higher education systems, and they introduced a number of steps to follow in order to succeed. The process begun in Bologna continued in the European Conference of Secretaries of Education, which took place in Berlin in October 2003. Then, the
European countries advanced in more concrete definitions and steps to attain the integration of their systems of higher education.

Since 1995, representatives from higher education institutions, companies and some governments have been meeting to organize an international accreditation body. As a result, in 1996, the Inaugural Conference of the Global Alliance for Transnational Education (GATE) took place. It is an organization targeting different sectors connected with transnational education and different functions. It is worth highlighting the elaboration of a code of practice or principles for transnational education and the development of a certification service warranting that the programme offered meets these principles. Also in 1996, the Accrediting Council for Independent Colleges and Schools (ACIS) was born. This is an American accreditation agency, which assesses and accredits private independent institutions, both from the United States and from abroad.

From a different viewpoint, it is also necessary to consider that the development of Internet services has enabled the creation of virtual organizations that discuss and work on issues of regulation, accreditation and legislation for transnational education.9

In addition, UNESCO has developed an Internet portal related to topics of accreditation and quality control of transnational education. The Global Forum on International Quality Assurance, Accreditation and the Recognition of Qualifications in Higher Education aims to be a space to make contact and exchange information and experiences with representatives from all over the world, and it has offered conferences requiring attendance and international encounters.

6. The international linkage of the Argentinian accreditation and assessment agency

The processes that gave rise to higher education assessment and accreditation activities are relatively new in Argentina. The LHE, which established the creation of a national accreditation and assessment

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9. For example, the site www.elearningaccredit.org is a virtual forum whose purpose is to explore the steps to be taken in order to reach agreements regarding the quality of online education, to exchange experiences, and to allow the flow of information on this subject.
Transnational commercial provision of higher education: the case of Argentina

agency, CONEAU, dates from 1995. This organization took up its duties the following year.

While it was being organized internally and started its specific activities, CONEAU began integrating and taking part in different international spaces concerning assessment and accreditation questions. The international linkage has taken place at different levels.

In the first place, co-operation and exchange with other assessment agencies have been crucial – mainly in the first years – for the construction of conceptual and procedural frameworks for university assessment and accreditation. Between 1997 and 1999, it established institutional bonds with the International Network for Quality Assurance Agencies in Higher Education (INQAAHE). CONEAU incorporated this organization as a full member together with GATE and Columbus Partners. It also linked with national organizations from the following countries: Brazil (Fundacao CASTRATES and Secretary of Ensino Superior); Canada (Commission d’évaluation de l’enseignement collégial); Chile (Higher Council of Education); Colombia (National Council of Accreditation); the United States (New England Association of Schools & Colleges, Accreditation Board for Engineering and Technology, Liaison Committee on Medical Education); France (Comité national d’évaluation); Mexico (Council of Engineering Teaching Accreditation); New Zealand (University Academic Unit); and the United Kingdom (Higher Education Quality Council).

On the other hand, CONEAU’s members and technicians often take part in congresses, conferences and international gatherings on assessment and accreditation. This allows a regular exchange of experiences and constant upgrading. In the same sense, and also since its first years of existence, CONEAU has encouraged internships for its members in different foreign accreditation agencies.

It is also worth highlighting the participation of international experts in the local accreditation and assessment processes, both in peer appraisal and process observation. In the case of the accreditation of medicine and engineering courses, the participation of international
observers allowed a more objective and critical look at the activities being carried out.

Currently, CONEAU takes part in different international spaces related to the topic of assessment and accreditation.

CONEAU is a full member of the INQAAHE, and technical teams and specialists take part in the bi-annual workshops and conferences through dissertations that reflect the Argentinian experience, both at a national and sub-regional level within the Educational Mercosur. In 2001, CONEAU’s President was a member of INQAAHE’s board. It also participates in programming the Network’s activities and organization.

In addition, CONEAU participates and represents Argentina in research projects co-ordinated by international institutions. This is the case of the project ‘Regional System of Doctorate Accreditation’, co-ordinated by Colciencias/Mercocyt (Common Market of Scientific and Technological Knowledge), and the project ‘Research on Health in Postgraduate Programmes’, co-ordinated by the Pan-American Health Organization.

At regional level, meeting mechanisms among Latin-American countries have also begun to appear; this is to promote the discussion of a work schedule regarding higher education accreditation and assessment problems. Many of these projects are being established and organized. There has been no advance yet on a more political terrain in which co-operation and integration imply the acknowledgement of degrees or curricula. Argentina participates actively in some of these organizations.

Within the framework of Mercosur, a programme linked with education issues has been established: the Educational Mercosur. Within this programme, the Mercosur countries, together with Chile and Bolivia, are developing discussion spaces on accreditation and assessment matters. CONEAU participates with voice and vote in the meetings of the national accreditation agencies, and in the joint meetings of the Regional Committee of Higher Education Co-ordination and the working group of experts in university assessment and accreditation.
The aim of these meetings is to harmonize university assessment and accreditation criteria and processes among the countries comprising Mercosur, with the purpose of contributing to the process of sub-regional integration, encouraging permanent improvement in the national education systems, and facilitating the free flow of students, teachers and professionals.

Within the above framework, in 1998, the ministers of education from the Mercosur countries (together with Chile and Bolivia), signed the ‘Memorandum of Understanding on the Implementation of an Experimental Mechanism for Course Accreditation for University Undergraduate Degree Recognition in Mercosur’, which designed an experimental mechanism for the development of the activities related to university assessment and accreditation (MEXA). In the following years, there was intense work on the joint elaboration of the appropriate instruments for its implementation, and on questions concerning the articulation of this regional process with the national processes and human resource training.

The task began with the accreditation of courses in agronomy. In 2004, they were working on the call for engineering and medicine courses.

Accreditation is understood as the process through which public validity is granted, bound to academic quality and, in accordance with the national laws, to the university degrees. Accreditation takes place regularly, following quality standards previously defined for Mercosur in the document ‘Size, components, criteria and indicators’. All the standards, including those for engineering and medicine, were settled by the advisory commissions and approved when this accreditation mechanism was launched. The National Accreditation Agencies such as CONEAU carry out this procedure in their respective countries.

Membership of MEXA is voluntary and it looks after those courses that are officially recognized in the country, and have graduates. In the case of agronomy, 18 courses were submitted, of which five were selected.
This process includes the submission of an institutional report and of a self-assessment, which is done in a period of up to four months following the rules set in the instruments prepared by CONEAU, and in accordance with what MEXA has approved. A second stage is the selection, training and participation of peer committees, who appraise those reports and other pertinent information, visit the head office where the course is held and issue a judgement regarding its quality. The peers must have at least 10 years of professional experience, be recognized as experts in their area, and be recommended by a representative from a prestigious institution in the academic world or that of the corresponding profession. The peer committee has to include at least two representatives from different Mercosur member states or associated countries; these must not be from the country to which the course belongs.

In this setting, the National Accreditation Agency analyzes the decisions issued by the peer committees, and it grants or denies accreditation following the procedures set by the agency itself and in accordance with the quality criteria established by MEXA. The decision of the National Agency is transmitted to the Meeting of Secretaries of Education of Mercosur, Bolivia and Chile. If the course does not satisfactorily comply with any of the essential criteria, they can decide to postpone the decision, and if an acceptable improvement plan is not submitted, the course is not accredited. The institution will not be able to submit the same course for accreditation again for two years. The dissemination and publication of the decisions will only refer to the accredited courses.

Except for Brazil and Uruguay, the respective accreditation agencies forwarded the peers’ preliminary reports on the courses analyzed in March 2004. In April 2004, the peers worked on the final report, before submission to the above-mentioned Meeting of Secretaries of Education.

According to the work schedule agreed upon, the accreditation agencies then prepared the peers’ workshop for the engineering courses. Each country makes this call to MEXA for the engineering
courses, which have to be six per country in three specializations. In this first call, Argentina selected the following specializations: electronic engineering, chemical engineering and industrial engineering. Meanwhile, the call for the second semester of 2004 concerned the medicine courses.

MEXA is one of the first concrete measures to give greater fluidity to the academic contact among the countries of Mercosur, Bolivia and Chile. These measures are crucial to maximize the quality of education in these countries and to adapt to the requirements of the current information society. Besides, MEXA makes it possible to become acquainted with the educational realities in the countries of the region, integrating and sharing problems and solutions. It engages about 20 peer appraisers per country.

Currently, they are working towards the establishment of standards and common criteria for assessment and accreditation. Reaching the necessary agreements to facilitate the recognition of degrees and credentials will be the task of the political bodies.

Also at regional level, the Ibero-American Network for Higher Education Quality Accreditation (RIACES) has been recently created. It is comprised of the accreditation agencies from Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Spain, Mexico, Nicaragua, Panama, Paraguay, Peru, the Dominican Republic, Uruguay and Venezuela. In addition, some international organizations such as the International Institute for Higher Education in Latin America and the Caribbean (IESALC), and the Ibero-American States Organization (ISO) take part.

The main objective of RIACES is to create an environment of reciprocal knowledge, technical co-operation and human and intellectual exchange among the university systems, strengthening the common goals that motivated the creation of the assessment and accreditation units and agencies in each of the countries. On the other hand, it aims to become an integration tool for the Ibero-American countries that will facilitate the design and implementation of joint
and co-ordinated answers to the challenges of globalization in higher education.

To attain these aims RIACES has launched an Internet portal (www.riaces.org), which, besides facilitating communication and interaction among member countries, also enables the creation of reflection, discussion and information spaces for all parties interested in the subject of higher education.

All these activities in which CONEAU is taking part are strengthening it nationally and internationally as a prestigious and legitimate assessment and accreditation agency. The number of consultations and invitations that it receives to offer its experience is remarkable – evidence of the international renown that it has gained.
V. E-learning and degree-granting education

1. The Internet revolution reaches education

According to a recently published report of the United Nations Conference on Trade and Development (La Nación, 25 November 2003), Latin America is the region where the number of Internet users has risen the fastest: 35.5 per cent in the period 2001-2002. This means two things: on the one hand, that ever more people are connected to the Internet to use its services; and, on the other hand, that there are already 35.4 million Latin Americans who regularly log on to the web.

These data are even more remarkable in that the report states that in the industrialized countries, Internet growth is slowing down: In Europe, the number of users in the period 2001-2002 grew by only 15.6 per cent, and in the United States and Canada just 8.5 per cent.

In the case of Argentina, also according to the report’s outcome, the number of users also grew steadily. Even though 2002 was one of the most critical times in recent years, access to the Internet kept rising. In 2001, there were about 3,650,000 users; in 2002, the figure reached 4,100,000, that is an increase of 12.33 per cent. In November 2003, some local consultants estimated that the number of people regularly connected to the Internet was already 5,600,000.

Taking a not-very-optimistic diagnosis of the situation in the Latin-American countries – from the point of view of their economic situation and their technological development – the question that arises is: What reasons explain this outstanding increase in Internet users in the region?

According to specialists, Latin America is still a market in expansion, and still to be completely conquered with regard to Internet services. While many people maintain that in developed countries a ceiling has already been reached (those who are not yet connected being those who do not want to despite being able to), in Latin America there is still a wide range of users to incorporate. Since costs keep dropping,
through free connections, booths or cyber-cafés, the likelihood that more people will join in keeps increasing.

Humankind has already witnessed technological revolutions in communications: the press, telephone, radio, cinema, and television have given rise to changes in modes of expression and communication that have influenced people’s way of life. The development of the Internet and new technologies is one more such revolution, although, given its globalized character, its speed and capacity to bring about further knowledge, its impact on people’s lives will probably be even more decisive.

In this context, education has incorporated new technologies little by little, though with different results. In the particular case of distance learning, the use of the Internet and new technologies have become facilitating tools of utmost importance, and in fact some general trends show that the relationship between distance learning and new technologies will continue to deepen.

The never-ending demand for new and different types of education quickly exhausts the possibilities offered by the traditional modes of distance learning. In that sense, distance learning stimulates a constant development of technologies to be applied to education. The quantity and variety of courses offered on the Internet confirm this trend. On the other hand, the expansion and the progressive ease in Internet access allows courses and studies to be offered to ever more people, independently of where they live or their socio-economic background.

Though many people find this new setting very encouraging, it is also true that others are somewhat more critical and wonder if these are radical changes or just changes in form.

From that stance, the following issue is raised: the need to avoid making the use of new technologies a goal in itself, since they are not any warranty of success whatsoever. Ultimately, one has to analyze on what pedagogical and educational model the technologies are being applied.
It is also important to consider the impact that the incorporation of the new technologies produces at an institutional level. Often, it is the higher education institutions themselves that show resistance and objections, making it hard to take advantage of the new situation.

2. The situation of Internet distance learning (virtual education) in Argentina

We will base this section on the research done by María Teresa Lugo and Mariana Rossi (2003), *Trends and problems of virtual higher education in Argentina*. It was done with the sponsorship of IESALC-UNESCO, in cooperation with ORCILAC and the Ibero-American University Portal UNIVERSIA.

In the authors’ opinion, the concept of virtual education refers to the group of mediating capacities which the new technologies, and specially the Internet, have to produce powerful and enriching educational meetings. These technologies are assumed to mediate the meeting of teachers, students, tutors and other actors of the virtual education proposals, fostering new types of relations (Lugo and Rossi, 2003).

From this outlook, research was carried out analyzing 26 state universities (70 per cent of the total) and 14 private ones, considering the cases where virtual education programmes were offered. The inquiry aimed to find out the origin and the evolution of virtual education at each institution, the impact produced, the materials and platforms used, the obstacles and the future prospects, among other questions.

The Argentinian universities have incorporated virtual education in three ways:

- a bimodal system of face-to-face and virtual teaching (Virtual University of Quilmes, of La Rioja and of Tres de Febrero);

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10. ‘New technologies’ refer to the group of processes and products derived from the new tools (software and hardware), information supports and communication channels, related to the digitized storage and processing and transmission of information (González Soto et al., 1996).
• virtualization of some undergraduate courses, postgraduate programmes, or technical, training or university extension courses (Faculties of Engineering and Law of the University of Buenos Aires, University of Entre Ríos, del Litoral, of Mar del Plata, of Flores, of the Patagonia, Blas Pascal, among others);
• virtualization of the contents and administration of subjects or courses.

At 36 per cent of the consulted institutions, the incorporation of new technologies has taken place mainly through students’ demand for education, whilst at 22 per cent of them, the incorporation has been related to the educational potential that the use of the new technologies entails. At others, the adoption has been linked with the need to find solutions to student overpopulation in the attendance-requiring systems, the improvement in material delivery and submission, etc.

About 53 per cent of the virtual supply corresponds to training courses, 17 per cent to licentiate degrees, 14 per cent to postgraduate courses, 5 per cent to Master’s degrees, 4 per cent to undergraduate courses, and 2 per cent to levelling courses. Besides, it has also been established that 27.9 per cent of the courses or postgraduate courses are related to education and 25.58 per cent to management. Following are economics with 13.9 per cent, computer science with 11.6 per cent and environment and social sciences with 13.9 per cent.

Of the institutions, 50 per cent work with their own platforms, 10 per cent with commercial platforms, and 40 per cent share them with other institutions.

The conclusions state that virtual education in Argentina appears as a setting in permanent construction, where it is difficult to tell the design from the implementation stages. Often, while a programme is underway, its redesign is already being worked on.

Besides, there are neither clear regulations nor clear standards, and they are set as the events occur. The lack of general and particular planning delineates a heterogeneous and unstable mosaic.
The obstacles are economic, both on the institutions’ part, which frequently undergo budget cutbacks, and on the students' part, who cannot always dispose of the necessary technical resources. However, there are also obstacles related to teachers’ resistance, who many times find it difficult to work in the new context. Another obstacle relates to the uneven training of the teachers in charge of the virtual programmes or courses. In fact, there is no provision for virtual teachers.

Nevertheless, it is possible to see great enthusiasm and an active participation on the part of the actors involved. In many cases, universities have begun developing specific virtual programmes, but they aim to implement a broader and more complex innovation programme, which involves the academic system and also the administrative one.

The study under discussion does not offer data on the number of students who are taking distance courses to date. However, this is not a weakness of the work, but a more global problem regarding the development of distance education: the difficulty to obtain and process actual and reliable information.

At the Department of University Policies, dependent on the Ministry of Education, there is a programme on distance learning for a higher level. It has not been possible to find quantitative information on this subject. According to the office’s authorities, the information problem relates not only to the fact that universities often do not declare this information (regarding the way that some of their courses evolve), but also to certain weaknesses in the way in which the Direction of University Administration, in charge of approving undergraduate courses, works when it analyzes them.

In principle, according to the regulation, which will be explained below, the universities that wish to offer virtual courses have to declare them to the Direction of University Administration; the distance programme demands a particular authorization since it will be given under different conditions from those expected in attendance-requiring courses. However, it has been proven that sometimes universities offer
distance courses without previous authorization. Only once the course is underway do they start the corresponding procedures, which often make it difficult to get to know since when and under what conditions they have been offering the courses in question.

There has also been the case of courses that are authorized to operate in the attendance mode but which, when one sees the advertising, are offered as distance courses. Even though from the legal viewpoint the value of a degree obtained in a distance course is exactly the same as that of one obtained in an attendance course, the steps to authorize each one are different because the evaluation criteria are different in each case.

The reverse side of this problem concerns the few tools with which the direction of university administration has to control this situation. When it comes to assessing and authorizing undergraduate courses, there is a strong tradition to pay attention chiefly to the contents and not necessarily to the format of those contents. Due to this, there are no standardized rules on the minimum requirements to demand regarding the way courses are delivered. In this regard, it is important to remember that all the courses require approval by the Ministry of Education, but only those corresponding to state-regulated professions are accredited by CONEAU through a thorough technical and academic assessment. The rest of the courses only have to comply with a minimum timetable and other formal requirements to be approved (see Section 3).

However, it is very difficult for the direction of university administration to control and, given the case, to intervene in irregular situations. On the one hand, the autonomy principle is used by many institutions as a kind of barrier against the Ministry of Education to prevent it from intervening. On the other hand, the ministry’s policy is not to act as an inspector – despite having that power – regarding universities, but rather to be able to work jointly, and when there are irregular situations, to come to agreed solutions.

Taking into consideration the above situation the direction of university administration’s distance learning programme has been
working since late 2003 on a project to reform the current legislation on distance learning. Consultations with experts from Mexico, Brazil and Spain, and also with the ILO, are taking place. These legislative reforms aim to make it more specific and relevant to the concrete situations that it must regulate. This bill – which in early 2004 was still being discussed among the technicians and authorities of the ministry – intends to specify the requirements that an institution will have to meet in order to offer distance or non-attendance courses, regarding both their administrative and academic operation. It establishes the degrees’ characteristics and validity, the corresponding assessment and accreditation procedures, among other issues.

In addition, and complementary to the above, an agreement on distance learning quality is being encouraged through the development of an Internet portal. The agreement aims to make the distance course offers more transparent and to open a permanent discussion forum on these events. It is assumed that the institutions signing the agreement will have duly authorized their courses, and in this regard, the total number of courses and study courses, students, etc. participating in the distance mode will be known more accurately. This portal will also be useful for students and the community overall, who will be able to know whether the courses are duly authorized.

3. The current legislation to regulate distance learning

Leaving the above matters aside, and even though it is going to be modified shortly, there has been legislation on distance learning in the country for several years now.

First, Decree 81/98, conforming to what is established in the Federal Law on Education and the Higher Education Law, provides the general framework to regulate the supply of distance learning. On the one hand, it acknowledges the possibility that university institutions adopt the distance mode or other specific modes; and on the other hand, it establishes the criteria by which the Ministry of Education will control and regulate the education services offered. These rules and guidelines seek to ensure that in all cases the offers are effectively of university
character and that they intend to foster innovative experiences for the development of university education by means of differentiated models of institutional organization and pedagogic methodology. On the other hand, the ministry will also see to it that the feasibility as well as the quality and excellence of the education supply characteristic of the university level are properly ensured. It will check that the institutions’ organization, operation and academic proposals conform to LHE’s regulations as far as possible, only being able to move away from them in those aspects calling for a special regulation, and as long as it does not distort fundamental principles contained in that regulation. Leaving aside the particular features of the mode adopted, the degrees issued are subject to the rules on degrees and institutional assessment set by the LHE.

Resolution 1716/98 deals with defining what will be considered as distance learning and with establishing the accreditation and official recognition procedures. For this purpose, the institution that requests a permit to offer distance courses has to submit the detailed foundation of its education proposal – its organizational, administrative and procedural design. It also has to submit the design of the production of materials and student assessment, and of the ways in which they will be distributed, frequency, and the forms of access that the students will have. It has to state whether it will have support centres, and specify the nature and regularity of the funding modes, as well as other general requirements. This resolution also enables the Department of Education Programming and Assessment to assess the unfolding of non-university courses or programmes externally. This resolution is one of the legislative points that are bound to be modified since the virtual modes are currently not taken into consideration.

Finally, Resolution 236/01 establishes that the postgraduate courses given in the distance mode also have to apply for accreditation from CONEAU. Otherwise, its degrees will not be recognized by the Ministry of Education.

In recent years, a considerable number of the postgraduate courses submitted for the processes of accreditation by CONEAU have offered
distance curricular designs some of which include a face-to-face component. In principle, CONEAU appraises them abiding by the standards and criteria applicable to face-to-face postgraduate courses, which are set by the Ministerial Resolution 1168/97, and by the reports issued by the advisory commissions from the different areas. However, since the distance mode has specificities, the requirements set by CONEAU for the institution offering distance postgraduate courses are somewhat different from those set for face-to-face courses.

The application form that the institution has to fill out when it applies for accreditation requests additional information to that requested for postgraduate courses:

- Outline of the university’s administrative and academic track record in the design of distance education activities.
- Formulation of the institutional postgraduate policies for the future.
- Justification of the convenience and viability of the use of part-time attendance or distance mode, and an outline of the conditions that make it possible to reach the qualification sought through that mode.
- Existence or lack of a team responsible for the technical-pedagogic administration: If it exists, description of its composition, track records and duties.
- Existence or lack of tutors: If they exist, describe their responsibilities and duties.
- Existence or lack of their own or associated centres for the fulfilment of face-to-face activities, such as tutorials, tests or practicals.
- In the case of designing activities, explain how they are supplemented by the distance ones.
- Detail the timetable planned for face-to-face and distance activities. Describe the concrete activities in each mode. State whether there will be tutorial meetings and tests regarding presence during face-to-face activities.
- Attach all the materials (in their different supports) with which students will work.
• Detail the tutors’ and teachers’ track records in distance learning activities. State how the work is co-ordinated between tutors and teachers.
• Explain the mechanisms through which the materials are sent to the students.

In addition, CONEAU called together a commission of experts on the subject of distance learning to make a report that supports the peer reviewers of distance courses. This document is available on CONEAU’s web page. In it, the commission advises the reviewers to pay particular attention to certain aspects:

• the explicit mention of the reference approach to education, in which it has to be clear what, how, where, by what means, when and how much will be taught and tested, and therefore, the justification of the technology adopted to put this model in practice;
• the administrative and academic-administrative organization to ensure the institutional administration;
• the appraisals planned;
• the role of teachers and tutors;
• the physical facilities and the physical or virtual ones for the interaction between teachers and students;
• the use of new technologies; the description and justification of the didactic materials, their function and insertion in the course’s unfolding;
• the access to a virtual library, with digital catalogues and links to other sites of academic interest among other questions.

Based on the information supplied in the application, the above general criteria and the common standards, the assessment commission, which will also include some specialists in distance learning matters, will proceed following the steps set for any accreditation process, as explained in the previous chapters.

However, all that has been said is valid when the institution’s office that offers the distance mode is located in the country. The biggest problem is that if the institution is not in the country and, for example,
is managed over the Internet, the Argentinian State does not have any possibility whatsoever to regulate, control or ban its activity. The most serious thing is that the market for transnational education services is indeed full of distance mode offers. In this case, and given the current legal framework, the state can do no better than to make clear that the degrees offered are not legally valid in the national territory, and that the state does not have any responsibility whatsoever for the quality of what is being offered. In the case where a person pursues a distance course with an institution located abroad, requests for local recognition of their degree might arise. In this case, the process would also imply a validation procedure, as was explained in Section 4. There is no particular organization in the area of the Ministry of Education in charge of recognizing degrees obtained for distance courses taken with foreign institutions.

Regarding online training or upgrading of courses or study programmes, which grant certificates but not necessarily a degree, the possibility that they be recognized and validated depends on the jurisdictions to which, and the contexts in which they are submitted. For example, some provinces and municipalities recognize certain Internet distance courses only so long as they have been previously approved or authorized and they comply with certain requirements (timetable, teachers’ qualifications, work submission, etc.). However, often, the certificates issued do not have legal value for the state.
VI. Current impact of commercial transnational supply on the system of higher education

1. The impact of transnational education expansion in Argentina

In the 1990s, transnational education made its appearance as an outstanding feature in the Argentinian system of higher education: The country was opening up and higher education seemed to be following suit. Some foreign universities established local offices, and many others set links with local institutions to start double degree programmes.

However, one decade later, one cannot claim that this process of transnationalization has had more than a relative impact on the development of the Argentinian system of higher education. It has opened a horizon of innovative possibilities – sometimes positive, sometimes risky – rather than bringing about deep changes.

The establishment of foreign universities’ offices and the implementation of double degree programmes

In early 2004, only the University of Bologna had kept its offices in the country, operating regularly, offering postgraduate studies and courses, and developing different activities and links with local institutions. It was the only one to have been accredited by CONEAU to offer postgraduate courses.

The University of Salamanca has maintained its offices, but it has not programmed academic courses for 2004, focusing rather on culturally-oriented university extension activities.

In late 2003, the University Pompeu Fabra from Barcelona opened an office of its Institute of Continuous Education (ICE) in Buenos Aires. Although its activities are still in their early stages, currently they are only planning to give professional training courses and different services for companies; the postgraduate programmes that it plans to give are going to be developed jointly with local institutions, namely in a double degree mode. Put differently, even though the university will have offices in the country, it will not have to accredit its courses
since this will be the responsibility of the local institution with which it establishes links.

Among the double degree and co-ordinated programmes, it is possible to find many more cases (already mentioned in Section 2); however, it is necessary to bring some aspects of this evolution into perspective.

On the one hand, the local universities’ profile continues to be crucial in the students’ decision. This means that, even though it is very important for many students to have a foreign degree, they are not going to choose it without considering the local university that offers the programme. In fact, it is just the other way around: They choose first the local university and they then analyze the foreign universities with which the former is connected; it would be strange if this happened conversely. The Argentinian universities – at least most of them – continue being a decisive factor in the partnership established between the local and foreign institutions.

The state system of higher education, despite its fragmentation and disarticulation, retains a certain prestige and solidity, at least in the imagination of a great part of society. No foreign institution will be able to beat the local ones. Besides, from the point of view of foreign universities’ interests, the option of the double degree is an alternative way for them to enter the country without having to undergo the accreditation and assessment processes (as was explained in Section 3). This has probably been what has stimulated the spread of this scheme instead of the establishment of an office.

However, it is worth noticing that the development of transnational education in the modes depicted above has meant a change regarding the way in which the relations between the local education system and overseas institutions traditionally took place. For decades, it was common for students to do the undergraduate courses in the country and the postgraduate ones abroad, which caused the linkage with foreign universities to be more personal than institutional. Put differently, in general, there were no agreements between universities and graduates; in order to be admitted to foreign universities, one needed personal
contacts or recommendations from tutors or local professors who were linked with the international academic world. Nowadays, and as the relations are likely to continue, the links with the world are more institutional than personal, with an ever-stronger presence of American universities.

Undoubtedly, recent economic crises have hindered foreign institutions’ projects to settle in the country: The devaluation, political uncertainty and social tensions were considered as clear signals discouraging any university that considered settling in Argentina.

Effects on the state and the private education systems: competition with foreign institutions

Leaving aside the scarce impact that transnational education has had on the system of higher education overall, one could assume that the effects on the state education system have not been the same as those on the private system.

In Argentina, there are 36 state universities. Most of these offer free undergraduate courses and many have unrestricted entry (as was explained in Section 1). In addition, many of these universities, despite the repeated economic crises, have a very good academic level, and maintain their renown. This, in principle, would protect the state system against the competition that transnational education could mean, which generally entails fees and entry restrictions (interviews, tests, letters of recommendation, etc.).

The ones who choose the state system, despite being able to afford a private university, probably appraise a foreign university’s offer with the same criteria with which they decide between a state and a private university – the quality of courses and teaching staff, university resources, etc. In this case, the state system would not be greatly affected.

On the other hand, there are many other students who choose state universities because they cannot afford to go to a private one. In this case, transnational education will never be a real choice for them, and this will ensure the state system a certain and constant enrolment.
level. However, in the medium or long term, the establishment of more foreign universities will probably also affect the state system.

In this regard, in the short run, it is the private system that would be the most affected by the arrival of foreign institutions: Those who choose a private university because they can afford it would probably also consider the foreign universities’ offer.

However, there is no direct relationship, and finally, coming to the conclusion that transnational education will have a greater impact on the private system partly depends on the way transnational education is defined. If we are referring to relations with the world, many state universities show an articulation with foreign institutions that the private ones do not have, either at the level of research or of teacher exchange. If we are referring to current agreements between foreign and Argentinian institutions, this also depends on the size, age and academic recognition of the latter. If we are referring to transnational education suppliers, the situation also deserves an analysis. For example, in virtual education, the main agreement between a Spanish university and an Argentinian university was signed with a state university.

Hence, one thing is the bias that regards the private sector as more open to external influence, and another is the reality. Quantitative research should be carried out to provide a clearer idea of the import of this type of relation.

Overall, it could be stated that the most modern institutions show a higher inclination towards international relations than the most traditional ones. In contrast, the weakest institutions are more easily influenced by prestige elements to give them strength. Therefore, there is tension between one orientation and the other. On the one hand, we find that transnational education should ideally be connected with the most dynamic institutions. On the other, we can expect this influence to be felt on the most precarious ones.

For instance, the co-ordinated or double degree courses are more common at institutions that need external prestige. Moreover, it is likely
that this is more common in the private sector, not because of being private but because it is the sector with newer institutions.

The influence of transnational suppliers in the sector of non-university higher education can be understood similarly. In areas such as hotel management, management and gastronomy, foreign names, preferably English or French, have great renown. Therefore, the rise of associate institutions is more common. This is also the case in foreign-language teaching. The features and size of this phenomenon are beyond the scope of this work, but they are important in order to be able to evaluate its real significance.

It is worth highlighting that the opinions of some university representatives on this subject are widely different. For some of them, the arrival of foreign universities can be beneficial, since the private ones are able to compete with them and, finally, it will be the students who choose the best options. Even from this outlook, it is stressed that somehow competing with foreign universities is fairer than having to compete with the state system, chiefly because the latter is free, which is often a decisive factor when deciding where to study.

There are also those who claim at least some provision on the state’s part, allowing for the possibility that foreign universities settle in the country and cause a reduction in registration at the private universities. Nonetheless, this claim has been merely a statement so far, and there have never been concrete actions to press the state to take a more active role.

The situation is different in the case of postgraduate courses since they are fee-paying also at state universities. Here it could be thought that the foreign institutions’ supply competes with the courses offered by both the state and the private systems. The difference in this case is that in order for postgraduate degrees to be recognized, they have to be accredited by CONEAU, and as has previously been said, the foreign institutions established in the country have avoided that procedure (except for the University of Bologna). This means that although they offer courses, seminars and other activities, they do not have official recognition, nor are they structured as academic study courses. The local
system of postgraduate courses, requiring compulsory accreditation in order to be able to operate, is consequently a bonus compared to foreign institutions.

On the other hand, and due to the crisis, no postgraduate course can charge fees as high as those charged abroad because they would quickly run out of students. This curbs foreign institutions: To ensure a certain number of students, they will have to agree to charge lower fees than they would receive in their countries of origin, so as to compete with the local supply. If they charge higher fees, many of those who can afford it are likely to choose to pursue their studies directly abroad.

Certain fees charged by universities for postgraduate courses are given below. The sample selected includes the institutions that charge the highest fees; there are others that offer courses and studies for much lower fees.

- University Torcuato Di Tella: The MBA costs $28,360, which can be paid in instalments throughout the two years of study. They also offer yearly courses and programmes, which cost about $6,000.
- UCEMA: The fees to undertake the Master’s courses vary according to the course chosen, and they range from $12,000 to $24,000. They too can be paid up in instalments throughout the two years of the course.
- Saint Andrew’s University: Also in this case, fees vary according to the course in question. The most expensive one is the MBA in Business Management, whose fees total $27,000; but a Master’s in Education or in History Research costs between $7,000 and $9,000.
- University of Bologna’s sub-office: The fee for the Master’s in European Union-Latin America International Relations is 12,000 Euros, which includes enrolment, the use of its scientific structures, and lodging and board during the period in Italy (the second year).

Complementary relations between the state and the private systems and the foreign institutions

What has been said on the effects that the expansion in transnational education would have on the national education system in the
medium or long term are more assumptions than a sustained reality. Actually, when one concretely analyzes how the expansion of foreign institutions and their relations with the local system have taken place, the situation is somewhat different: It reveals a complementary rather than a competitive relationship.

Both in the case of co-ordinated and double degree programmes and that of the University of Bologna, what we have to highlight first is that the relations between the local system and the foreign institutions are complementary. The co-ordinated and double degree programmes are by nature situations that avoid any form of competition. Rather, the competition continues taking place among the same local private universities, and between these and the state system.

The University of Bologna’s case is also more a situation of complementarity rather than one of competition with the local system. On the one hand, it fulfils many joint activities with local institutions; it has even begun giving a postgraduate course jointly with the University of Tres de Febrero (see Section 2). On the other hand, its own institutional project aims to become a specific choice within the higher education system rather than a proposal which, by rehashing content, aims to capture more students. One can think, for example, of the university’s insistence in targeting graduates wishing to establish their professional projects in Argentina instead of abroad. This is an important difference since many universities focus their postgraduate offer on the possibility of obtaining contacts and jobs abroad (see Section 2).

2. The demand for transnational education

Considered from a different viewpoint, one could also analyze up to what level the local system is able to cope with students’ aspirations and demands and, on this last point, what type of demands transnational education caters for.

As was explained in the first chapters, enrolment levels in the system of higher education have grown steadily throughout the last decade, and the courses offered have increased in number and become more diverse.
In this setting, it was possible to think that foreign institutions came to the country to cater for part of that expansion and diversification.

Things have not turned out to be exactly like this; fewer institutions have appeared, and the local system has not been renewed very much. They have mostly combined with institutions and courses that already existed, which makes the target audience practically the same as the one concerned by private universities: students from high and high-middle sectors, who aim to obtain a degree issued by a renowned institution. The contact with the foreign university is a plus, and provides the possibility of establishing international contacts.

In the case of the University of Bologna, one could indeed think that it targets a very specific and clear-cut sector of the university graduate population. Just as has been previously explained, their entry system is quite restrictive since there are tests and interviews of candidates that ensure a specific student profile. On the other hand, and despite its scholarship system, its fees are higher than those in the rest of the local institutions. Moreover, its course structure is very intensive for students. Therefore, in order to be able to comply in time and form, students should not have a job requiring many work hours. Lastly, it is also worth noticing that by no means does the university aim to become a mass university; it hardly advertises its courses, and it has very low enrolment levels. It is intended to make the difference by offering a high-quality service with a clear-cut and specific profile.

**The conditioning of the labour-market**

An important conditioning of expansion in foreign institutions in the country regards labour market demands.

In recent years, the labour market in Argentina – just as has also happened in other countries – has become smaller and, consequently, more competitive. In particular, qualifications and capacities have become mandatory for any job, but they work in a contradictory way. On the one hand, they are ever more important for job entry and it is practically impossible to get a job without any kind of studies. On the other hand, however, this requirement makes degrees less and less
valuable because, in principle, everybody must have one. Therefore, those with the greatest chances are those who have more than one degree or a higher qualification.

For many companies, the fact that the degree has been issued by a foreign university can make the difference in a positive way. Moreover, although companies do not often know exactly which university it is or whether it is accredited, they value the fact that it is foreign.

Since the growth in double degree programmes is relatively new, there are no processed data on how these double degree programmes have concretely impacted when it comes to getting a job or to developing a career.

As some foreign universities have stated, their double degree graduates have been successful in their job search. At the same time, they have stated that many times the initiative to organize double degree programmes has been fuelled by the demand of the students themselves, who were concerned about upgrading their qualifications on the labour market.

In Bologna's case, there are as yet no professional records that monitor their graduates, but it is known that many of them have important jobs, both in the private and managerial sectors, and in government and NGOs. In particular, and in accordance with the institution's project, their graduates fulfil their professional and work activities in the country.

Nonetheless, the University of Bologna's graduates are too small and specific a population: The course on international relations is starting its sixth cycle and has 35 students per class; the course on innovation engineering is starting its third cycle and currently has a registration of 24 students per class. On the other hand, given Bologna students' academic and economic background, it could be thought that their graduates, even if they had done a postgraduate course in another institution, would have still found a good job.

Just as it is possible to conclude that the impact of transnational education on the system of higher education has been superficial, it is
also true that the labour market is affected by deeper, more decisive and basic tensions (job deregulation, labour power over-qualification, job under-qualification, unemployment, etc.) which weaken even more the impact of transnational education on the labour market.

3. Argentina faced with education globalization

Considering all that has been discussed, what are the prospects of foreign institutions for development in the country?

Contradictory trends need to be considered to provide a tentative answer. In late 2003, the country was relatively stable both in political and in social terms, and despite the devaluation, the brunt of the crisis seemed to be over. This would lead us to think that, little by little, other academic institutions will seek to establish themselves here. Furthermore, as has been published recently, at the state University of Buenos Aires, the most important university in the country, the number of enrolled students has dropped for the first time since the restoration of democracy. In contrast, private institutions have apparently seen a noticeable growth in their enrolment numbers. The better prospects have probably encouraged many people to bear the cost of a private university, which would allow us to think that in all likelihood they are also economically able to evaluate a foreign university proposal seriously.

However, these are assumptions too, and leaving aside the economic good news, what is certain, just as we have attempted to show, is that the Argentinian market for higher education cannot easily be conquered. The benefit that private universities are able to obtain in the new setting may not necessarily profit the foreign ones.

It is also worth highlighting that the discussions on the transnationalization problem are gaining currency in the local agenda, rather as a repercussion of what is happening in the international context than because of the concrete situation of transnational education in the country. The repeated calls made by WTO for de-regulating education, and the pressure exerted by the big suppliers (e.g. the United States)
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are clear threats. However, the local system has not yet been concretely affected by this situation.

Even though the state universities’ chancellors have pronounced themselves against any type of commercialization in the Porto Alegre Declaration, it is also true that there has not been much further progress since. There is a verbal defence, a declaration against the WTO intentions, but this has not given rise to legislative projects or more concrete actions encouraging changes in the treatment received by foreign institutions in the country.

Nevertheless, in principle one could think that the Argentinian system of higher education has a legal safeguard: The LHE establishes that every education institution has to be created as a non-profit-making organization. Despite the breadth and confusion that can be argued – regarding how to regulate the supply of transnational education services – this appears as a clear check to trade in education. Whether the institution makes a profit or not is a different issue, for other control bodies to assess, but in principle no local or foreign institution is able to register as an incorporated or commercial society. In this regard, the compulsory character of accreditation as an education institution is serving the purpose of some kind of checking and regulating measure against the possibility of commercialization.

This means that, at the moment, Argentina would be free from the establishment of universities belonging to, for instance, Sylvan International Universities (SIU). SIU is a university consortium organized by Sylvan Learning Systems, Inc. It is a company of education services based in Baltimore, United States, which also offers tutorial assistance, academic contacts, distance courses, etc. It is self-evident that it is a company which has set up a network of universities, probably resting on the academic renown of each of them but without overlooking the economic aspect. Currently, SIU is comprised of eight higher-level institutions with facilities in Mexico, Spain, Chile, Switzerland, France, Costa Rica and Panama. The benefits of studying at any university belonging to SIU are advertised identically the world over: valid certification in the home country of the institution and recognition from
the other network’s institutions, English certification, and international education. As we were saying, it would be unlikely that the Argentinian education system gave place to proposals like the above both due to its legislation and the local system’s renown in comparison with this type of project.

Nevertheless, the state should stay one step ahead of any problems and upgrade legislation on education to allow for the various schemes through which education transnationalization takes place. In this regard, it would be desirable to have legal safeguards to control double degree programmes, and to advance within agreements that allow the co-ordination of services with other nations, for instance, through the ‘most-favoured nation’ clause.

4. The limits to university globalization

Since its birth in the eleventh century, the university has tended to be universal and internationalist: teachers, students, research and knowledge have always flowed from one institution to another, sometimes more fluently, other times with restrictions.

Therefore, the process of education transnationalization is not something so out of the ordinary or outstanding. Rather, technology’s mediation and particular political directives are shaping a new international scenario for the development of higher education.

What is the reach of globalization regarding university structures? There are people who think that the steady advance of education globalization, asserting itself in the form of education transnationalization, will put an end to local institutions and will give rise to identical and global universities the world over. A rude idea of multinationals, manufacturing identical products all over the world, underlies these speculations.

Despite this concern-raising phenomenon, we do not share the view that transnationalization can cause such effects. Before this happens, the university’s essence itself would have perished.
The university has always striven to be universal, but this has never meant abandoning its specificity. Each university is characterized partly by its difference from others, and from there it builds its profile and in the best of cases, its renown. For that reason, there are universities that boast their uniqueness in the world; if there were more than one like them, they would lose this quality and their profiles would lose their character. This means that the university thrives on difference rather than standardization.

Let us think about a counterexample: If the prestigious university of Harvard opened sub-offices in Latin-American countries, would the degrees issued by these offices have the same value as those granted at the historic headquarters? Perhaps they would have the same legal value but they would never have the same symbolic importance. Most prestigious universities in the world will probably not advance with projects of sub-office creation, which would only erode the elitist character that sustains their institutional and academic projects. In this regard, it seems that the interest to ease transnationalization procedures is related to small or new universities, which need to establish themselves somewhere and build their own image, rather than to the most traditional and renowned ones in the world.

On the other hand, it is clear that education transnationalization takes place at other levels: teachers, students, congresses, publications, research agendas, etc., and not necessarily at the institutional level.

In Argentina, transnationalization faces one more obstacle, for despite everything, the Argentinian university system maintains its renown. Therefore, none of these new foreign universities will find it easy to establish itself successfully. Probably the mode – currently hegemonic – of transnational education development will be through double degree programmes. This is precisely the one that enters the national system, combined with (or perhaps ‘hidden’ by) local institutions.
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et al., *Redes de comunicación, redes de aprendizaje*. EDUTEC 95 (pp. 409-422). Palma: Universitat de les Illes Balears.

Las Heras Bonetto, J.; Rosselot Jaramillo, E. (Eds.). 2004. *Calidad en medicina: Criterios para la acreditación de programas de facultades de ciencias de la salud*. Santiago de Chile: Universidad de Chile; CIDAFAM; OSDE.


Web sites of interest

Università di Bologna, representación en Buenos Aires:
   http://bsas.unibo.it/
Comisión Nacional de Evaluación y Acreditación Universitaria:
   www.coneau.gov.ar
Ministerio de Educación, Ciencia y Tecnología de la Nación Argentina:
   www.me.gov.ar/mercosur
International Network for Quality Assurance Agencies in Higher Education:
   www.inqaahe.nl
Regulation and quality assurance mechanisms for transnational (commercial) providers of higher education in Kenya

Festus Kaberia, Joyce M. Mutinda
Margaret K. Kobia
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List of abbreviations

ABE  Association of Business Executives
ACCA  Association of Chartered Certified Accountants
AKU  Aga Khan University
AUSI  Australian Studies Institute
AVU  African Virtual University
BCTC  British Council Teaching Centre
BTC  British Teaching Centre
CCK  Communication Commission of Kenya
CHE  Commission for Higher Education
CIPS  Chartered Institute of Purchasing and Supplies
CPA  Certified Public Accountants
DCHM  Diploma in Computer Hardware Maintenance
ECU  Edith Cowan University
EDEXEL  A unitary awarding body offering both academic and vocational qualifications
GCE  General Certificate of Education
GPA  Grade Point Average
GTI  Government Training Institute, Maseno
HELB  Higher Education Loans Board
IATA  International Air Transport Association
ICPAK  Institute of Certified Public Accountants of Kenya
ICT  Information and communication technology
IGCSE  International General Certificate of Secondary Education
IMIS  Institute for the Management of Information Systems
INQAAHE  International Network for Quality Assurance Agencies in Higher Education
ISP  Internet service provider
JAB  Joint Admissions Board
JKUAT  Jomo Kenyatta University of Agriculture and Technology
KANU  Kenya African National Union
KASNEB  Kenya Accountants and Secretaries National Examining Board
KATC  Kenya Accounting Technicians
KCAC  Kenya College of Accountancy
<table>
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<tr>
<th>Abbreviation</th>
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<tr>
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<td>Kenya College of Communication Technology</td>
</tr>
<tr>
<td>KCSE</td>
<td>Kenya Certificate of Secondary Education</td>
</tr>
<tr>
<td>KENET</td>
<td>Kenya Education Network</td>
</tr>
<tr>
<td>KSPS</td>
<td>Kenya School of Professional Studies</td>
</tr>
<tr>
<td>LAN</td>
<td>Local Area Network</td>
</tr>
<tr>
<td>LIA</td>
<td>Letter of Interim Authority</td>
</tr>
<tr>
<td>MBA</td>
<td>Master’s of Business Administration</td>
</tr>
<tr>
<td>MIBA</td>
<td>Master’s of International Business Administration</td>
</tr>
<tr>
<td>MOD</td>
<td>Master’s of Organization Development</td>
</tr>
<tr>
<td>MOEST</td>
<td>Ministry of Education, Science and Technology</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>NARC</td>
<td>National Rainbow Coalition</td>
</tr>
<tr>
<td>PIBT</td>
<td>Perth Institute of Business and Technology</td>
</tr>
<tr>
<td>POP</td>
<td>Point of presence</td>
</tr>
<tr>
<td>TOEFL</td>
<td>Test of English as a Foreign Language</td>
</tr>
<tr>
<td>TTI</td>
<td>Technical training institutes</td>
</tr>
<tr>
<td>TVET</td>
<td>Technical and vocational education and training</td>
</tr>
<tr>
<td>UFS</td>
<td>University of the Free State</td>
</tr>
<tr>
<td>UNISA</td>
<td>University of South Africa</td>
</tr>
<tr>
<td>USIU</td>
<td>United States International University</td>
</tr>
<tr>
<td>VoIP</td>
<td>Voice over Internet Protocol</td>
</tr>
<tr>
<td>VSAT</td>
<td>Very small aperture terminals (satellite)</td>
</tr>
<tr>
<td>WECO</td>
<td>Western College of Science and Technology</td>
</tr>
<tr>
<td>WEUCO</td>
<td>Western University College of Science and Technology</td>
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</tbody>
</table>
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Executive summary

The purpose of this case study was to examine the current regulation and quality assurance mechanisms for transnational (commercial) education providers of higher education in Kenya. The objectives of the study were:

- to analyze the principal forms and distinctive features of transnational commercial higher education in Kenya;
- to identify current approaches and good practices in regulation and quality assurance for opening, functioning as well as ongoing accreditation mechanisms of transnational commercial higher education;
- to identify the impact of these new provisions on the entire higher education system in terms of quality, access, equity and funding.

A literature and document review was conducted to identify nine institutions involved in the provision of transnational commercial higher education in Kenya. A questionnaire and an interview guide were used to collect data on the provider’s short history, governance, programmes offered, fees charged, faculty and their qualifications, regulations governing quality assurance and the graduate performance in the labour market. Results of the case study indicate that:

- no data or records were kept by the Ministry of Education, Science and Technology or any other government ministry or department who is providing transnational education in Kenya;
- from the surveyed institutions providing transnational education, only the United States International University (a branch campus) was found to have fulfilled the requirements for a local accreditation mechanism, which led to the award of a Charter;
- most of the institutions participating in the provision of transnational education are located within urban centres, mainly in the capital city, Nairobi;
- the patterns of the programmes desired by the learners are in areas of specialization such as computer science, information technology,
business studies, law and accounting. The programmes offered seem to be market driven and not necessarily related to national work force needs;

- the physical facilities, financial resources and human resources of the surveyed institutions varied considerably. Some of the institutions were found endowed with resources while others lacked adequate facilities or resources;

- all of the institutions surveyed, most of which were private, were found to be collaborating/twinning with foreign institutions, which were recognized/accredited in the country of their origin;

- the quality assurance/control mechanism was the responsibility of the transnational provider for all the institutions surveyed, except for the United States International University, which had fulfilled the Commission for Higher Education (CHE) requirements. It was found out that there is a mechanism in place for accreditation and quality assurance in starting and operating universities, but there were no regulations in place for operating branch campuses. As regards non-university-level institutions, it was found that there was no co-ordinated mechanism for quality assurance. These institutions, however, were collaborating with national or international universities in offering university-level programmes alongside diploma programmes. This suggests that there is a need to think of ways of harmonizing the procedures for accreditation and quality assurance mechanisms to ensure that the quality of education provided by transnational commercial providers through collaboration with post-secondary institutions is of a high standard.
Introduction

Reasons for the development of transnational commercial provision of education

The major reasons for the development of provision of transnational commercial education in Kenya are:

• increased social demand for higher education and training at a time when the government is not in a position to satisfy this demand through its public institutions;
• the increase in unemployment and the need to seek employment in other countries, hence the yearning for international qualifications;
• the need for studying in foreign countries. This leads to acquisition of the relevant qualifications, especially in languages and aptitude tests that are set as part of the admission requirements by the foreign institutions;
• hosting a relatively large number of refugees who yearn for internationally recognized qualifications.

The transnational commercial higher education context in Kenya

Higher education in Kenya encompasses all post-secondary education and training institutions, both university and non-university. There are three modes of transnational commercial higher education and training in the country.

• Cross-border supply. Education and training programmes that are conducted in the country by other countries through distance learning by correspondence or information communication and technology (ICT); and the African Virtual University;
• Consumption abroad. Nationals studying abroad through self-sponsorship, self-solicited scholarships, government scholarships and government solicited scholarships;
Commercial presence. This is depicted through: (a) foreign language training companies; (b) private training companies that prepare students for studies in foreign countries; (c) collaboration between
local and foreign institutions; and (d) establishment of a local
campus of a foreign university.

This case study focuses on the cross-border supply and the
commercial presence modes of transnational commercial higher
education and training in the country.

Providers of transnational commercial education

In this study, the following three types of transnational commercial
education providers were explored: (a) private institutions operating at
transnational level; (b) educational services and brokers; and (c) virtual
and e-learning institutions.

Challenges arising from transnational commercial provision of higher
education

The following challenges arising from transnational provision of higher education were noted:

• instituting sufficient legal provisions for regulating the registration
of the different providers of non-university-level institutions;
• monitoring the operations of the various providers of transnational
commercial higher education;
• ensuring the delivery of quality education and training by the
transnational commercial providers of higher education;
• recognition and equation of foreign certificates awarded by these
institutions;
• guarding against the exploitation of the consumers especially
through the charging of exorbitant fees;
• protecting the local providers of higher education and training
services.

Existing basic approaches in the regulation of transnational commercial
provision

The government recognizes and appreciates the existence of
transnational commercial provision of education and training. In
the recent past, there has been concern that the existing regulatory
framework for education and training does not cover transnational commercial provision fully. The government is in the process of defining specific legislative and regulatory measures for this provision. The country has adopted an interventionist approach as is expounded in this case study. The regulatory measures that are currently in place are discussed. These include: (a) regulation governing collaboration between local institutions and transnational commercial providers; (b) legal framework for university education, which governs branch campuses; and (c) the various pieces of regulations that govern aspects of e-learning.

**Objectives of the study**

- To analyze the principal forms and distinctive features of transnational commercial higher education in Kenya.
- To identify current approaches and good practices in regulation and quality assurance for the opening, functioning as well as the ongoing accreditation mechanism of transnational commercial higher education.
- To identify the impact of these new provisions on the entire higher education system in terms of quality, access, equity and funding.

**Methodology**

**Target**

Data was collected from institutions and organizations that offer/co-ordinate transnational commercial higher education through cross-border supply or commercial presence modes.

**Instruments**

Questionnaires and an interview guide were developed to gather information regarding the providers’ short history, governance, programmes offered, mode of delivery, student enrolment, financing, academic staff and their qualifications.
Procedure for data collection

The procedure for data collection involved:

• document reviews from the Ministry of Education, Science and Technology, the Ministry of Justice and Constitution Affairs, the Commission for Higher Education, the Kenya Bureau of Statistics, and the Department of Immigration;
• visit of the web sites of the institutions and organizations involved in the provision of transnational commercial higher education;
• sending the questionnaire to the institutions and following up with visits, e-mails and telephone calls;
• site visit to examine documents and conduct interviews with the personnel in charge of the institutions/organizations to establish quality assurance mechanisms used for quality control;
• with the help of the Ministry of Education, Science and Technology and the Commission for Higher Education, the United States International University (USIU) was identified as the case-study institution.

Data analysis

Both qualitative and quantitative methods of data analysis were used to achieve the case-study objectives.

Case-study process

The case-study process consisted of three sequential phases.

• First, a comprehensive literature and document review was conducted to establish the presence of transnational commercial providers in Kenya. This involved reviewing any transnational education literature from the Ministry of Education, Science and Technology, papers presented at workshops/conferences, and the review of six months’ daily print media on transnational education advertisements appearing in the local newspapers.
• Second, from the review, institutions were identified that had substantial experience and were providing transnational educational
services that awarded foreign diplomas/degree qualifications to learners pursuing their studies locally.

- Third, the author visited these institutions to interview the heads of institutions or their representatives to assess the degree to which these institutions were involved in offering transnational commercial education in Kenya. Results of the field visits and from the advertisements in print media indicated that there were over 150 legally recognized commercial colleges and IT academies in Nairobi offering foreign qualifications. Most of them were not considered for the study as they offered qualifications or diploma courses (e.g. computer packages), which took less than one year for a full-time course.

Finally, nine institutions all within Nairobi were identified for data collection. Two of the institutions offer education services to prospective students wishing to enrol in transnational education, while the rest facilitated tuition within the country, either through conventional face-to-face learning, distance education, or both. The institutions that are facilitating tuition mostly through collaboration with foreign institutions were found to have a basic infrastructure. A questionnaire was administered to the identified institutions to collect data on their short history, governance, programmes offered, student enrolment, fees charged, faculty and their qualifications, regulations governing quality assurance, and graduate performance in the labour market.

**Limitations of the case study**

The results of the literature review established that institutions and organizations for transnational commercial provision of education were located in all the cities (Mombasa, Nairobi and Kisumu) and the major towns in Kenya such as Eldoret, Nakuru, Nyeri, Kakamega and Machakos. Due to time and financial constraints, and the fact that the author's duty station is in Nairobi (the capital city), the case study focused on institutions and organizations within Nairobi.
The selection criteria

For the purposes of this case study, institutions such as schools provide regular instruction and/or training (tuition) for transnational commercial education providers. Organizations offer education and/or training support services, such as providing information on educational programmes, registration of candidates and administration of examinations to people seeking and also pursuing transnational commercial education. Organizations do not offer tuition, but some institutions were found to offer the services that are ideally offered by organizations.

Institutions and organizations

The criteria used in the selection of institutions and organizations were the following:

- The institution was operating within a legally recognized framework.
- It was assisting students to pursue studies leading to an award of at least a two-year diploma or degree from a foreign institution or organization.
- It had institutional support, including physical facilities and technological equipment, which indicated that some learning was going on.
- It had course materials to indicate the curriculum that the institution was offering.
- It had a course structure, including policies and procedures that support and relate to the learning/teaching process. These include course objectives, library resources or materials provided to students to aid learning.
- It provided student support, including an array of services such as advice, guidance and counselling.
- It provided instructor support including any support that is given by the institution to facilitate the instructors to improve their teaching performance.
• There was some form of evaluation and assessment to establish how the institution evaluates the programmes as well as learning outcomes.
• The institution was willing to participate in the case study.

*Justification for the selection criteria*

The selection criteria were used to identify institutions and organizations that would be rich in the requested data and information on transnational commercial education in terms of variety of programmes and country of origin.

*Selected institutions and organizations*

The following institutions and organizations met the described criteria, and therefore participated in the case study:

**Institutions**

• Graffins College;
• Kenya School of Professional Studies (KSPS);
• Kenya College of Communication Technology (KCCT);
• Australian Studies Institute (AUSI)*;
• Kenya College of Accountancy (KCA)*;
• African Virtual University (AVU);
• United States International University (USIU).

**Organizations**

• British Council Teaching Centre;
• Charles Kendall Kenya Education Services;
• Australian Studies Institute*;
• Kenya College of Accountancy*.

* These institutions offer tuition for courses leading to an award of a foreign diploma and/or a degree qualification. They also act as organizations for offering education services to people seeking transnational education.
I. Trends in higher education, 1993-2003

1. Broad government policy on higher education

In the Sixth Development Plan (1989-1993), the government’s policy on higher education was then geared towards the production of skilled labour to meet the growing demand for technically and professionally qualified personnel. In the plan periods 1994-1996 and 1997-2003, this policy was upheld. The government has been promoting and facilitating the expansion of local public and private universities to meet the ever-increasing demand for technically and professionally qualified personnel, and also to save the country’s foreign exchange used by those who study abroad. At the same time, the government has also created an enabling environment for the expansion of non-university-level higher education.

With the introduction of cost-sharing in the social sector in 1988, the government encouraged the public institutions of higher learning, particularly the universities, to diversify their sources of income in order to expand their enrolments *inter alia*. This led to the launching of degree programmes for self-sponsored students in public universities. This move has greatly expanded access to university education in the country.

The rapid expansion of higher education in the country has led to questions on the quality of education and training offered in these institutions. The government has been keen on the accreditation of private universities for quality assurance.

With the advent of gender activism, the government has also been promoting the closing of gender gaps in education in general, and in particular at the university level. In this regard, modalities have been put in place for promoting gender equity in higher education.

The broad government policy on higher education mainly focuses on the expansion of access and provision of quality education and training in institutions of higher education. This broad policy is expounded by the recent trends in institutions of higher education and training in the country, as highlighted in this chapter.
2. Trends in post-secondary education and training institutions

Public institutions

Government ministries and/or departments and local communities establish public post-secondary institutions. The establishment of such institutions is normally prompted by the need to develop human resources for a given sector. It is noteworthy that, in the process of expanding higher education in the country, the government converted some of the public post-secondary institutions into fully pledged universities or university colleges. The affected institutions include: the Government Training Institute, Maseno (GTI) and Siriba (Diploma) Teachers' Training College, which are now part of Maseno University; Egerton College (offering a diploma in Agriculture), which was converted to Egerton University; Jomo Kenyatta College of Agriculture, Science and Technology, which was converted to the current Jomo Kenyatta University of Agriculture and Technology; and the Western College of Science and Technology (WECO), which is now the Western University College of Science and Technology (WEUCO), a constituent college of Moi University. This move, coupled with the abolition of high schools (forms five and six) prompted the rapid expansion of private post-secondary institutions in the country. Indeed, this may also be the cause for the rapid expansion of transnational commercial education in the area of non-university higher education and training.

Type of institutions

The government ministry and/or sector or the community that establishes an institution determines its type. For example, the Ministry of Education, Science and Technology establishes the public post-secondary institutions that train teachers. The Ministry of Health establishes the public medical training colleges. Some institutes of technology were established by communities to train skilled labour to undertake a number of tasks prevalent within the communities (such as welding, fabrication and baking). In view of the foregoing, it should be noted that courses that are related to business studies and information
and communication technology have not been very much encouraged in the public institutions.

Student admission criteria

In the public institutions, the body that establishes the institution sets the student admission criteria. For most of the institutions, the criteria include:

- a pass at the Kenya Certificate of Secondary Education (KCSE). Most of the institutions admit applicants who have an aggregate grade of C plain;
- a specified grade for given subjects that are seen as pre-requisites for undertaking the courses for which an applicant is being admitted. For example, for one to be admitted to a primary school teacher training college, they are required to have passed in the English language test. This is because English is the medium of instruction in schools;
- availability of vacancies in the relevant institutions.

Student enrolment

Student enrolment is mainly based on the availability of vacancies and the ability of the learner to pay the specified fees. Due to this, in a number of incidences, qualified applicants who are admitted to public institutions are not enrolled due to their inability to pay fees. It must also be noted that in the mid-1990s, the government sector-specific institutions based their enrolments on the availability of jobs in the sector to some extent. This is better demonstrated by the education sector where, due to the freeze of employment in public service in 1997, the teacher training colleges stopped student admission for a period of two years! This explains the low student enrolments during the 1998/1999 and 1999/2000 academic years in Table 1.1.
Regulation and quality assurance mechanisms for transnational (commercial) providers of higher education in Kenya

Table 1.1  Enrolments in public primary teacher training colleges, 1992/1993 to 2002/2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
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<tbody>
<tr>
<td>1992/1993</td>
<td>10,169</td>
<td>8,823</td>
<td>18,992</td>
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<tr>
<td>1993/1994</td>
<td>8,578</td>
<td>7,843</td>
<td>16,421</td>
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<tr>
<td>1994/1995</td>
<td>8,440</td>
<td>8,021</td>
<td>16,461</td>
</tr>
<tr>
<td>1995/1996</td>
<td>8,651</td>
<td>8,227</td>
<td>16,878</td>
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<tr>
<td>1996/1997</td>
<td>9,134</td>
<td>8,977</td>
<td>18,111</td>
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<tr>
<td>1997/1998</td>
<td>9,343</td>
<td>9,064</td>
<td>18,407</td>
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<tr>
<td>1998/1999</td>
<td>4,549</td>
<td>4,380</td>
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<tr>
<td>1999/2000</td>
<td>3,194</td>
<td>3,434</td>
<td>6,628</td>
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<tr>
<td>2000/2001</td>
<td>6,896</td>
<td>7,330</td>
<td>14,226</td>
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<tr>
<td>2001/2002</td>
<td>8,310</td>
<td>7,398</td>
<td>15,708</td>
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<tr>
<td>2002/2003</td>
<td>8,140</td>
<td>7,590</td>
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</tr>
</tbody>
</table>

Source: Economic survey, various issues.

Table 1.2  Total enrolments in technical training institutions, 1993-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>National polytechnics</th>
<th>Institutes of technology</th>
<th>Technical training institutes (TTIs)</th>
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<td>1993</td>
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<td>5,281</td>
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<td>1995</td>
<td>7,927</td>
<td>5,418</td>
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<td>1996</td>
<td>8,649</td>
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<td>1997</td>
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<td>1999</td>
<td>9,603</td>
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<td>2002</td>
<td>13,759</td>
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</tr>
</tbody>
</table>

Source: Economic survey, various issues.

As is evident from Table 1.2, enrolments in the public post-secondary technical and vocational education and training (TVET) institutions were not adversely affected by the freeze of public employment. This was because of the rapidly expanding non-formal sector (commonly referred to in Kenya as the *Jua kali* sector) requiring skills acquired from the TVET institutions. Although the national polytechnics and the technical institutes (TTIs) are mainly operated by the government,
and the institutes of technology are operated by local communities, the trend of enrolments in these institutions is more or less the same.

**Trends in staff development**

Most of the public post-secondary education and training institutions do not have a staff development policy. Most of their staff access training through the central government just like other public servants. Most of the officers seek employment elsewhere after their training, although a few stay on and continue to teach as they further their studies. This group also finds its way to different employment. The staff turnover therefore is rather high. One should also not lose sight of the fact that a number of members of staff in these institutions serve as part-time staff in private institutions as is expounded in *Trends and staff development* in Section 1.2.2.

**Mode of funding**

In the last decade, public post-secondary institutions have been funded by: (a) government grants through exchequer releases; (b) contributions by the learners through the payment of fees (payment of fees was introduced in 1988 with the advent of the cost-sharing policy); and (c) contributions were made by the communities mainly through fundraising functions (commonly referred to as *harambee*). The institutions organize these functions mostly for capital development.

**Private institutions**

In the last decade, private post-secondary institutions have been expanding rapidly in terms of the number of institutions, courses offered and student enrolment. This expansion has mainly been occasioned by the introduction of information technology (IT) courses and the increased demand for graduates of business-related courses. This expansion has also been due to collaboration between local institutions and transnational commercial education providers, and the introduction of virtual learning.
**Type of institutions**

Private institutions can be classified according to their area of specialization. The types of institutions include the following: (a) teacher training colleges - these offer certificate and diploma-level qualifications for the teaching career; (b) business schools - these schools offer courses such as accounting, management; (c) information technology colleges - these are mainly computer schools/academies; and (d) professional colleges. These offer professional courses in areas such as insurance or banking.

**Student admission criteria**

The admission criteria are similar to those of public institutions insofar as academic qualifications are concerned. However, at times, the private institutions admit applicants who have lower grades than those admitted in public institutions for a similar course.

The concerned institution or international organization that offers examinations for courses that are offered by a private institution sets the admission criteria. For example, the Institute for the Management of Information Systems (IMIS) in the United Kingdom sets the admission criteria for all the IMIS courses, which at times includes the age and experience of the applicant.

**Student enrolment**

Student enrolment is mainly based on the ability of the learner to pay the specified fees. In a number of incidences, applicants with lower academic grades are enrolled for bridging courses, where they are prepared for enrolment into specific courses - provided they can afford the required fees.

Although data is not readily available from 1993-2003, available data show that enrolments in the private institutions have been rising steadily. *Tables 1.3 and 1.4* demonstrate this.

It should be noted that both Graffins College and Kenya College of Accountancy also offer national courses such as the Kenya Accounting Technicians (KATC) and Certified Public Accountants (CPA) that
are examined by the Kenya Accountants and Secretaries National Examining Board (KASNEB).

**Table 1.3 Enrolments in Graffins College, 2000-2003**

<table>
<thead>
<tr>
<th>Course</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air travel &amp; tour operations (IATA)</td>
<td>38</td>
<td>40</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td>Institute of management information systems (IMIS)</td>
<td>31</td>
<td>34</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>Computer electronics engineering (city &amp; guilds)</td>
<td>46</td>
<td>50</td>
<td>54</td>
<td>60</td>
</tr>
<tr>
<td>Telephone reception (ICM)</td>
<td>31</td>
<td>35</td>
<td>37</td>
<td>31</td>
</tr>
<tr>
<td>Business technology (EDEXEL)</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business administration (ABE)</td>
<td>91</td>
<td>100</td>
<td>109</td>
<td>120</td>
</tr>
<tr>
<td>Association of chartered certified accountants (ACCA)</td>
<td>40</td>
<td>43</td>
<td>46</td>
<td>50</td>
</tr>
<tr>
<td>Sales management and marketing (ICM)</td>
<td>75</td>
<td>82</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>English for foreign students (Pitman)</td>
<td>40</td>
<td>43</td>
<td>46</td>
<td>50</td>
</tr>
<tr>
<td>Diploma in secretarial and computer studies (Pitman)</td>
<td>75</td>
<td>83</td>
<td>91</td>
<td>100</td>
</tr>
<tr>
<td>Hotel and institutional management (city and guilds)</td>
<td>46</td>
<td>50</td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>Public relations management (ICM)</td>
<td>25</td>
<td>25</td>
<td>27</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>538</td>
<td>585</td>
<td>631</td>
<td>731</td>
</tr>
</tbody>
</table>

*Source: Graffins College.*

*Table 1.3* shows that the total enrolment in Graffins College rose from 538 students in 2000 to 731 students in 2003. It also shows that within this period, most of the disciplines recorded increased in student enrolments with the exception of telephone reception (ICM).

*Table 1.4* supports the idea that IT courses have been very popular in the recent past. For example, the enrolment for Jomo Kenyatta University of Agriculture and Technology (JLUAT) courses that are mainly IT grew from 709 in 2001 to 1,631 in 2003, while those for the Diploma in Computer Hardware Maintenance (DCHM) grew from 34 in 1999 to 60 in 2003. This table also demonstrates that enrolments on courses offered by transnational commercial education providers had expanded very rapidly. For example, enrolment in University of South Africa (UNISA) courses that stood at only 79 students in 2000 rose sharply to 1,243 by 2003! Unfortunately, this table also shows a downward trend in enrolments for local (national) courses such as KATC and CPA. This scenario affirms the fact that while the transnational commercial education providers may be providing Kenyans with the
opportunity to access education, this may cripple the national provision of non-university-level higher education if it is not well regulated.

Table 1.4  Enrolments at Kenya College of Accountancy (KCA), 1996-2003

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified Public Accountant (CPA)</td>
<td>2,263</td>
<td>3,056</td>
<td>3,057</td>
<td>2,880</td>
<td>1,899</td>
<td>1,219</td>
<td>1,824</td>
<td>1,921</td>
</tr>
<tr>
<td>Kenya Accounting Technicians Certificate (KATC)</td>
<td>1,518</td>
<td>1,931</td>
<td>2,246</td>
<td>1,995</td>
<td>2,057</td>
<td>989</td>
<td>741</td>
<td>1,045</td>
</tr>
<tr>
<td>Institute for the Management of Information Systems (IMIS)</td>
<td>402</td>
<td>582</td>
<td>825</td>
<td>719</td>
<td>848</td>
<td>551</td>
<td>523</td>
<td>523</td>
</tr>
<tr>
<td>• Foundation certificate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Diploma</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Higher diploma</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Graduate diploma</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Certificate in information technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Diploma in information technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• BSc in information technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• B.Com</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Bridging course in mathematics (JKUAT)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Association of Chartered Certified Accountants (ACCA)</td>
<td>148</td>
<td>168</td>
<td>291</td>
<td>398</td>
<td>191</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Diploma in financial management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Professional accounting course</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Pre-university</td>
<td></td>
<td>79</td>
<td>361</td>
<td>373</td>
<td>1,243</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Bachelor’s degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Master’s degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Doctorate degree (UNISA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Association of Business Executives (ABE)</td>
<td>48</td>
<td>98</td>
<td>77</td>
<td>57</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diploma in computer hardware maintenance (DCHM)</td>
<td>34</td>
<td>66</td>
<td>47</td>
<td>38</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Kenya College of Accountancy.
Cross-border higher education: regulation, quality assurance and impact

*Trends in staff development*

Most of the institutions do not have a staff development policy. They rely mainly on part-time staff who are generally from public institutions. In such institutions, the academic staff turnover is very high. For example, Graffins College has a total of 41 lecturers, of whom 27 are part-time staff. While Kenya College of Accountancy (KCA), Nairobi Campus also has 41 lecturers, only 9 are full-time.

*Mode of funding*

Private institutions are funded mainly through fees collected from the learners. In a number of instances, the proprietor(s) or sponsors of the institution offer some contributions for the running of the institutions. Sponsors’ contributions may be in the form of waivers for rent when an institution is situated in a building that they own, or else giving their own land for the construction of the institution. In a few instances, proprietors offer special scholarships to a limited number of students.

*Trends in university education*

In 1993, Kenya had five public universities, three private chartered universities, one university operating with a Letter of Interim Authority (LIA) issued by the CHE and about seven institutions of higher learning offering university-level education recognized by the government through registration by the CHE. To date, there are six public universities, six chartered private universities, five universities operating with LIAs, and six registered institutions of higher learning offering university-level education.

Despite this increase in the number of universities, there has been marked growth in university enrolments. There has also been diversification in the academic programmes offered by the local universities.

*Public universities*

Between 1993 and 2003, the public universities witnessed a rapid expansion in enrolments. During this period, the universities have expanded their financial resource base through the enhancement
of cost-sharing in fees paying for government sponsored students, the launching of academic programmes for self-sponsored students (commonly referred to as parallel programmes, or alternative programmes, or Module 2) and increased income generated from materials and goods from teaching and research activities.

From independence in 1963 and until 2002, the Kenya African National Union (KANU) was the ruling party. During its tenure, the President of the Republic of Kenya also doubled up as the Chancellor of all the public universities. However in December 2002, the National Rainbow Coalition (NARC) defeated KANU and its government changed this management structure by appointing a Chancellor for each public university. The following paragraphs expound on these trends for the public universities:

**Regulation for establishment and operation**

A public university is established through an Act of Parliament. The Act establishing a public university stipulates its operation. In 1993, Kenya had five public universities. Since then, it has only established one more public university – Maseno University, and each public university has its own chancellor as appointed in 2003 (as shown in Table 1.5).

**Student admission criteria**

While the Universities Act mandates the CHE to deal with university admissions, the various acts establishing public universities entrust this responsibility to the university senates. To avoid the confusion in the legal framework, the CHE and the vice-chancellors of all public universities (who are also commissioners of the CHE by virtue of their offices) set up the Joint Admissions Board (JAB) for public universities. The JAB sets the admission criteria for all public universities. The criteria include: (a) at least a mean grade of C+ in the KCSE; (b) a specified number of points in any given cluster of subjects that are viewed as pre-requisites for the various university courses; and (c) availability of vacancies in an applicant’s preferred area of study.
Cross-border higher education: regulation, quality assurance and impact

**Student enrolment figures**

As shown in Table 1.6, student enrolment in the public universities has grown steadily from 39,571 in 1993/1994 academic year to 62,875 in 2002/2003. This clearly depicts the ever-increasing demand of university-level education in the country.

Table 1.5  **Public universities, legal provisions, key academic programmes and respective chancellors**

<table>
<thead>
<tr>
<th>Name of university</th>
<th>Legal provisions and date of establishment</th>
<th>Key academic programmes</th>
<th>Chancellor (from 2003)</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Nairobi</td>
<td>University of Nairobi Act Cap. 210 of 1970</td>
<td>• Medicine</td>
<td>Joseph Wanjui</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Engineering</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Architecture</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Law</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Sciences</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Social sciences</td>
<td></td>
</tr>
<tr>
<td>Moi University</td>
<td>Moi University Act Cap. 210 A of 1984</td>
<td>• Technology</td>
<td>Bethwell Ogot</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Engineering</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Medicine</td>
<td></td>
</tr>
<tr>
<td>Kenyatta University</td>
<td>Kenyatta University Act Cap. 210 C of 1985</td>
<td>• Education</td>
<td>Harry Mule</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Arts</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Commerce</td>
<td></td>
</tr>
<tr>
<td>Egerton University</td>
<td>Egerton University Act Cap. 214 of 1987</td>
<td>• Agriculture</td>
<td>Bethuel Kiplagat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Engineering</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Education</td>
<td></td>
</tr>
<tr>
<td>Jomo Kenyatta University of</td>
<td>Jomo Kenyatta University of Agriculture and Technology (Legal Notice) of 1994</td>
<td>• Agriculture technology</td>
<td>Ali Mazrui</td>
</tr>
<tr>
<td>Agriculture and Technology</td>
<td></td>
<td>• Engineering</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Computer science</td>
<td></td>
</tr>
<tr>
<td>Maseno University</td>
<td>Maseno University Act, 2001</td>
<td>• Education</td>
<td>William Wamalwa</td>
</tr>
</tbody>
</table>

*Source: CHE.*
Table 1.6  Total student enrolment for public universities

<table>
<thead>
<tr>
<th>Academic year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993/1994</td>
<td>39,571</td>
</tr>
<tr>
<td>1995/1996</td>
<td>40,065</td>
</tr>
<tr>
<td>1996/1997</td>
<td>37,973</td>
</tr>
<tr>
<td>1997/1998</td>
<td>43,591</td>
</tr>
<tr>
<td>1998/1999</td>
<td>40,613</td>
</tr>
<tr>
<td>1999/2000</td>
<td>41,825</td>
</tr>
<tr>
<td>2000/2001</td>
<td>42,508</td>
</tr>
<tr>
<td>2001/2002</td>
<td>52,906</td>
</tr>
<tr>
<td>2002/2003</td>
<td>62,875</td>
</tr>
</tbody>
</table>


Trends in staff development

Although most of the public universities have a staff development policy, due to lack of adequate financial resources, this policy has almost become redundant. Members of staff struggle to get scholarships from both national and international organizations for further training. Others finance their studies from their own resources, while a few access loans from the Higher Education Loans Board (HELB). Despite this, the public universities have most of the highly qualified staff in the country, a good number of whom work as part-time lecturers in private universities and non-university-level higher education institutions.

Mode of funding

All public universities receive government grants from the Exchequer. Through the cost-sharing policy, they receive money remitted as fees by the students. They also collect fees from self-sponsored students who pay commercial rates as opposed to the government-sponsored students who pay subsidized fees. During the period under study, the universities were also financed through income generated from materials and goods from teaching and research activities, which include agricultural products from university farms.
Private universities

In 1993, Kenya had only three private chartered universities: the University of Eastern Africa, Baraton, established in 1991; the Catholic University of Eastern Africa, established in 1992; and the Daystar University, established in 1993. Since then, three private universities have been chartered: Scott Theological College in 1997; the United States International University in 1999; and the Africa Nazarene University in 2002.

Apart from the chartered universities, from 1993 to 2003, six universities were issued with LIAs to offer university-level education. These are: Africa Nazarene University in 1993 (this university was granted a Charter in 2002); Kenya Methodist University in 1997; Kabarak University in 2000, Kiriri Women’s university of Science and Technology in 2002; Strathmore University in 2002; and Aga Khan University in 2002. There are also six other institutions that offer university-level education using certificates of registration issued by CHE in 1989. These institutions are theological or Bible colleges. With the guidance of CHE, these university-level institutions are currently working towards the grant of charters. From the foregoing, it is evident that private universities have spread tremendously since 1993. The demand for this level of education and the government policy on the same are mainly responsible for this expansion.

Regulation for establishment and operation

The Universities Act Cap 210B governs the establishment of private universities. The charters of the specific universities established under this Act specify the operations of a given university. Each chartered private university has its own charter.

Student admission criteria

The admission criteria include:

• a specified mean grade in the KCSE or its equivalent. Most of the universities use a mean grade of C+. (In some cases, students who have lower grades are admitted to pre-university programmes or bridging
courses in preparation for admission to the degree programmes in the university. These courses have increased tremendously within the last 10 years. Previously, there were no pre-university courses in the country;  

- specified mean grades in chosen subjects that act as pre-requisites for given courses. For example, one is expected to pass in English and mathematics in order to be admitted for a degree course in business administration;  
- attaining specified passes at certificate or diploma level (for admission to a degree programme). Before 1993, very few diploma and certificate holders were admitted to the university. Currently, many diploma and certificate holders are being admitted in both public and private universities;  
- agreeing to abide by the rules and regulations governing student discipline and conduct set by the university;  
- ability to pay tuition fees.

**Student enrolment figures**

As shown in Table 1.7, student enrolment in private chartered universities grew from 2,868 in 1995/1996 to 8,750 in 2002/2003. This was a growth of almost 400 per cent.

**Table 1.7  Student enrolments for private accredited universities, 1995/1996 to 2002/2003**

<table>
<thead>
<tr>
<th>Academic year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995/1996</td>
<td>1,389</td>
<td>1,479</td>
<td>2,868</td>
</tr>
<tr>
<td>1996/1997</td>
<td>1,617</td>
<td>1,762</td>
<td>3,379</td>
</tr>
<tr>
<td>1997/1998</td>
<td>1,812</td>
<td>1,834</td>
<td>3,646</td>
</tr>
<tr>
<td>1998/1999</td>
<td>2,072</td>
<td>1,816</td>
<td>3,888</td>
</tr>
<tr>
<td>1999/2000</td>
<td>3,149</td>
<td>3,771</td>
<td>6,920</td>
</tr>
<tr>
<td>2000/2001</td>
<td>3,297</td>
<td>3,702</td>
<td>6,999</td>
</tr>
<tr>
<td>2001/2002</td>
<td>3,476</td>
<td>4,163</td>
<td>7,639</td>
</tr>
<tr>
<td>2002/2003</td>
<td>NA</td>
<td>NA</td>
<td>8,750</td>
</tr>
</tbody>
</table>

*Source: Economic Survey, various issues.*
**Trends in staff development**

Each of the chartered private universities has a staff development policy. The policies allow for the further training of staff. Although no figures were readily available, a good number of academic members of staff working in private chartered universities have benefited from further training offered by, or facilitated by their respective employers.

The private universities have also drawn highly qualified academic staff from public universities. For example, three of the six vice-chancellors of the universities that are operating with LIAs have been drawn from public universities. Apart from full-time academic staff such as the vice-chancellors, most of the part-time academic members of staff are drawn from public universities.

It is also worth noting that a number of the members of academic staff are foreigners. Some of this faculty work as volunteers (most of the staff in this category are missionaries or evangelists); others are on an exchange programme, while the university employs others periodically.

**Mode of funding**

Private universities are funded through: (a) various fees paid by the students; (b) contributions from their sponsors; (c) donations from friends and well-wishers; (d) earnings from services offered to the public by the university; and (e) earnings from goods produced during the teaching-learning process.

**Conclusion**

Although the government policy focuses on the expansion of higher education, the non-university-level higher education public institutions have not been expanding, as is the case of the private ones. The expansion of public universities has also led to the closure of a number of non-university-level higher education public institutions. This scenario has given way to a very rapid expansion of private institutions of higher education. Most of the courses offered in the private institutions are geared towards preparing the students for jobs in the private sector. This has also been the main target of the transnational commercial providers of education.
II. Provision of transnational commercial higher education in Kenya

Preamble

The demand for higher education in Kenya has continued to increase due to rapid changes taking place in the job market. Both the young and older population are continuing with lifelong higher education as a strategy for remaining competitive in the world of work. This trend is likely to continue, especially in developing countries where government resources can no longer support the rapid expansion expected in higher education. The government effort to increase public and private universities has not been able to keep pace with the rising demand. To respond to the new demand for higher education, transnational commercial higher education providers have emerged. The next section presents descriptions of transnational commercial providers in Kenya. The survey was limited to those institutions awarding at least a two-year foreign diploma or degrees.

Types of transnational commercial providers/institutions in Kenya

Results of the survey indicate that there are two branch campuses (United States International University and Aga Khan University). There were no corporate institutions awarding foreign qualifications in Kenya. Institutions that were found dealing with transnational education are IT academies, virtual universities, and foreign institutions that are twinning/collaborating with local educational institutions to award foreign qualifications. The institutions may be categorized as public and private institutions dealing with provision of transnational higher education. Some of the public and private institutions facilitating provision of transnational commercial education are described below.

Public institutions

*Kenya College Communications Technology (KCCT)*

Kenya College Communications Technology is a government institution that provides training in the areas of communications
Cross-border higher education: regulation, quality assurance and impact

engineering and information technology. It was founded in 1948. The college has been offering two-year diplomas in management studies, information technology, telecommunications engineering, telephone operations and postal studies. In the year 2000, KCCT formed a limited company with the aim of broadening their training programmes to degree level.

In 2001, the college sought partnership with internationally recognized universities to offer degree courses through an Internet-based online mode of learning. The foreign university awarding the degree develops the curriculum offered.

Admission criteria

• KCSE, mean grade C+;
• Kenya Advanced Certificate of Education, two principal passes, credit in English ‘O’ level;
• Kenya Certificate of Education ‘O’ level with six credits in at least four subjects, one of which must be English;
• holders of a two-year diploma certificate.

Table 2.1 Programmes offered by the Kenya College of Communications Technology

<table>
<thead>
<tr>
<th>Programme</th>
<th>Enrolment</th>
<th>Duration</th>
<th>Fees charged</th>
<th>Qualifications by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor of Law</td>
<td>18</td>
<td>4 years</td>
<td>KSh.480,000</td>
<td>University of Free State (SA)</td>
</tr>
<tr>
<td>Bachelor of Commerce</td>
<td>34</td>
<td>3 years</td>
<td>KSh.300,000</td>
<td>University of Free State (SA)</td>
</tr>
<tr>
<td>Bachelor of Management and Leadership</td>
<td>12</td>
<td>4 years</td>
<td>KSh.274,000</td>
<td>University of Free State (SA)</td>
</tr>
<tr>
<td>Master of Business</td>
<td>48</td>
<td>2 years</td>
<td>KSh.274,000</td>
<td>University of Free State (SA)</td>
</tr>
</tbody>
</table>

Note: US$1 = K.Sh77

Source: Kenya College of Communication and Technology (KCCT) data.

Private institutions

Kenya College of Accountancy (KCA)

Kenya College of Accountancy (KCA) is a non-profit organization founded in 1989 by the Institute of Certified Public Accountants of Kenya (ICPAK) to offer specialized training in accountancy. The
Ministry of Education, Science and Technology registered the college as an educational institution in 1991. The courses offered are both local qualifications, as well as transactional qualifications in accountancy, information technology and business-related areas. The international professional qualifications (ACCA, IMIS, ABE, CIPS) are franchised from professional institutes in the United Kingdom.

A board of directors and a college management team, headed by an Executive Director, are in charge of all operations of the institution. The programmes listed in Table 2.2, leading to foreign qualifications, are offered through convectional and distance learning modes of teaching.

### Table 2.2 Enrolments at the Kenya College of Accountancy, 1996-2003

<table>
<thead>
<tr>
<th>Programme</th>
<th>Enrolment 1996-2003</th>
<th>Duration</th>
<th>Fees charged</th>
<th>Collaborating institution</th>
<th>Qualification by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma in Financial Management</td>
<td></td>
<td>2 years</td>
<td>KSh.80,000</td>
<td>Association of Chartered Certified Accountants (ACCA) United Kingdom</td>
<td>ACCA</td>
</tr>
<tr>
<td>Diploma in Professional Accounting</td>
<td>1,196</td>
<td>2 years</td>
<td>KSh.80,000</td>
<td>ACCA, United Kingdom</td>
<td>ACCA</td>
</tr>
<tr>
<td>Higher Diploma in Management Information System</td>
<td></td>
<td>2 years</td>
<td>KSh.80,000</td>
<td>Institute for Management of Information System (IMIS) United Kingdom</td>
<td>IMIS</td>
</tr>
<tr>
<td>Graduate Diploma in Management Information System</td>
<td>4,973</td>
<td>3 years</td>
<td>KSh.120,000</td>
<td>Institute for Management of Information System (IMIS) United Kingdom</td>
<td>IMIS</td>
</tr>
<tr>
<td>Advanced Diploma in Business Administration and Business Information System</td>
<td>311</td>
<td>2 years</td>
<td>KSh.80,000</td>
<td>The Association of Business Executives (ABE) United Kingdom</td>
<td>ABE</td>
</tr>
<tr>
<td>Degree courses: law, commerce, psychology</td>
<td>2,056</td>
<td>4 years</td>
<td>Ksh.800,000</td>
<td>University of South Africa (UNISA)</td>
<td>UNISA</td>
</tr>
</tbody>
</table>

*Note: US$1 = K.Sh77
Source: Kenya College of Accountancy data.*
The table above indicates that there is demand for diploma programmes from IMIS followed by degree programmes from UNISA and accountancy programmes from ACCA.

Data was not available for the number of students who have graduated from various transnational programmes offered in the college.

**Table 2.3 Academic staff of the Kenya College of Accountancy**

<table>
<thead>
<tr>
<th>Full Time</th>
<th>Qualification</th>
<th>Part-time</th>
<th>Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>First degree and above</td>
<td>102</td>
<td>Diploma = 12</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Degree = 90</td>
</tr>
</tbody>
</table>

*Source: Kenya College of Accountancy data.*

There is heavy reliance on part-time lecturers from public universities, tertiary institutions, the private sector.

*African Virtual University*

The World Bank founded the African Virtual University (AVU) in three public universities in Kenya as a pilot project in 1997. The pilot phase ended in 1999 when the second phase was launched with its headquarters in Kilimani, Nairobi. The second phase entailed the establishment of the AVU as a sustainable independent organization under African leadership. A Board of Trustees is drawn from leading African academician heads of institutions.

AVU collaborates in teaching and research with universities and training institutions in the United States, Australia and Canada through satellites and Internet technologies to deliver undergraduate degree programmes in computer science, computer engineering, and electrical engineering. Since its inception, more than 24,000 students from 17 African countries had completed at least a semester-long course in technology, engineering, business and the sciences by July 2003. Besides the learning centre at the AVU headquarters in Nairobi, four public universities are operating learning centres where students have enrolled for various diplomas and degrees. The universities that are participating are Kenyatta, Maseno, Egerton and Moi. No data were
available for the number of Kenyan students who have completed diploma or degree programmes provided by AVU.

Cognizant of the underdeveloped ICT in Africa, the foreign universities use a variety of modes of delivery to include VHS videotaped lectures, CD-ROMs, DVDs, a WebCT platform with a variety of e-mail, online chats, and occasionally videoconferencing. The foreign universities are responsible for the quality assurance mechanism of the programmes that they offer.

**Australian Study Institute (AUSI)**

The Australian Study Institute was established in Kenya in the year 2000. At this time, it was registered as a company. Later, the Ministry of Education, Science and Technology registered it as an educational institution. It is worth noting that during the time of this study, the two certificates of registration were still valid.

AUSI provides tuition for transnational education as well as offering education services to prospective students. The institution is made up of a consortium of two Australian universities, namely Perth Institute of Business and Technology (PIBT) and Edith Cowan University (ECU). The management team includes the Principal, a Business Manager and a Marketing Director who reports to a Board of Directors of the founding universities based in Australia.

**Admission criteria**

The admission criteria to AUSI programmes include: (a) Kenya School of Secondary Education, mean grade C+; (b) GCE/IGCSE ‘A’ level (two passes at C or above); (c) International Baccalaureate 24 points; and (d) a recognized one-year diploma certificate.

**Courses offered**

As Table 2.6 shows, the courses offered at AUSI are: (a) a diploma in computing and information technology; (b) a diploma in business (c) an advanced diploma in computing and information technology; and (d) an advanced diploma in business.
Curriculum content

The curriculum offered in AUSI is similar to that offered in the two Australian universities. The institution conducts the entire programme through a convectional face-to-face mode of delivery. The institute is well equipped in the area of information technology. As regards quality assurance, AUSI and the two universities are responsible for ensuring the quality of the programmes offered.

Table 2.4  Enrolments at AUSI, 2000-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Programme</th>
<th>Enrolment</th>
<th>Tuition charged</th>
<th>Number of graduates</th>
<th>Qualifications from</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Diploma in business administration</td>
<td>32</td>
<td>KSh. 39,000</td>
<td>Nil</td>
<td>-</td>
</tr>
<tr>
<td>2001</td>
<td>Diploma in information technology</td>
<td>233</td>
<td>KSh. 39,000</td>
<td>48</td>
<td>PIBT/ECU</td>
</tr>
<tr>
<td></td>
<td>Advanced diploma in information technology</td>
<td>80</td>
<td></td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>Diploma in business</td>
<td>338</td>
<td>KSh. 39,000</td>
<td>63</td>
<td>PIBT/ECU</td>
</tr>
<tr>
<td></td>
<td>Advanced Diploma in business</td>
<td>80</td>
<td></td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>Diploma</td>
<td>186</td>
<td></td>
<td>26</td>
<td>PIBT/ECU</td>
</tr>
<tr>
<td></td>
<td>Advanced diploma</td>
<td>27</td>
<td>K.Sh. 41,250</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>162</td>
<td></td>
</tr>
</tbody>
</table>

Source: Australian Studies Institute data.

Faculty

AUSI has a pool of over 20 lecturers to draw on for their programmes. Most lecturers are seasonal; therefore, they are teaching in other national and private universities and institutes. They have many years of teaching and practical experience within Kenya and are closely monitored by the Edith Cowan University. ECU supports the lecturers with course materials, online assistance, and visits to Kenya for guest lectures and in-service training. This continual upgrading keeps the lecturers at the forefront of development, especially in the ever-changing field of computers.

There are 21 members of staff, of which 90 per cent were drawn from local public institutions.
Payments

- Registration fees KSh.100,000;
- withholding tax on royalty paid to PIBT/ECU.

Educational services offered

In addition to facilitating tuition, AUSI offers the following educational services to students of transnational education:

- course counselling and advising;
- university application procedures;
- visa applications advice for those who would like to go for further education in Australia.

Private institutions in Kenya offering educational services leading to the awarding of foreign qualifications

Charles Kendall educational services

Charles Kendall Kenya Ltd was established in Kenya in 1999 to offer educational services to students wishing to seek international education abroad or those wishing to enrol in universities abroad through distance learning. The registrar of companies has registered it as a private company.

(a) Types of services offered

- Educational counselling;
- information meetings on education abroad;
- application processing;
- co-ordination and administration of examinations.

(b) Universities abroad that are linked with an institution

- University of Leicester (United Kingdom);
- University of Melbourne (Australia);
- Northwood University (United States);
- Saginaw Valley (United States);
- Johnson and Wales University (United States).
(c) Graduates facilitated

Through the facilitation of Charles Kendall Ltd, 18 students graduated after following their studies through distance education. Three of the graduates obtained diplomas, while the rest were awarded degrees by a transnational commercial education provider, namely Leicester University of the United Kingdom.

**British Council Teaching Centre (BCTC)**

The British Council Teaching Centre started offering transnational educational services in 1992. It is a branch of the British Council Office in Kenya. The office is managed by a teaching centre manager.

(a) Services offered by the centre

- Registration for examinations for students learning through distance learning, including online registration;
- receiving of the examination papers from the foreign universities;
- invigilation of the examinations;
- posting of the scripts abroad for marking;
- facilitating the checking of results;
- organizing information meetings with students.

The students register for programmes directly with the university or examining body in the United Kingdom. The study materials are mailed directly to the students. The examination materials are sent to the British Council Training Centre, which administers the examinations and mails the scripts to the relevant institutions. The students pay the relevant United Kingdom institution, which in turn pays the BCTC for the services rendered. The following are the universities and institutions that are working with the BCTC to award their diploma/degree qualifications:

- University of Warwick;
- University of London;
- Heriot-Watt University;
- University of Leicester;
- University of Wolverhampton;
Regulation and quality assurance mechanisms for transnational (commercial) providers of higher education in Kenya

- Durham University;
- Henley Management College;
- University of Southern Queensland;
- Deakin University of Manchester;
- University of Bangor;
- Association of Chartered Certified Accountants (ACCA);
- Chartered Institute of Purchasing and Supplies (CIPS).

(b) Students facilitated by the centre

The centre indicated that it had processed examination results for 600 students at diploma level and 220 students at a degree level since it started operations.

Academic resources

Physical facilities, financial and human resources of the participating institutions varied significantly. For example, AUSI has well-equipped computer laboratories and a well-stocked library. However, the institute is located on the top of a building, which makes it difficult for students to access sporting and recreation facilities. The Graffins College has fewer academically qualified staff compared to those of AUSI and USIU.

Case-study institutions: United States International University (USIU)

Short history

USIU was established in 1952 in San Diego, California, United States. It started operating in Kenya in 1970 as a branch campus. Student enrolment grew from five students in 1970 to 300 in 1990, and to 2,500 in 2003. Although the university was accredited with the United States, it underwent the accreditation process with the CHE, Kenya. It was granted a Charter in Kenya in 1999. The university awards diploma and degree qualifications of the United States International University.

The university is governed through the Board of Trustees, the Board of Directors, the Management Council, and the University Senate.
The Board of Trustees, which is the top governing body, includes two representatives from Kenya.

The university makes a good case study since it started as a branch campus and has also conformed to the conditions set by the Kenya Government: that institutions offering degrees in Kenya should be accredited by the CHE, ensuring the quality of higher education. Therefore, the university enjoys dual accreditation from the Commission for Senior Colleges, Universities of the Western Association of Education in the United States, and the CHE, Kenya.

**Mission and vision of USIU**

**Overall mission of the university**

The mission of the university is to promote the discovery and application of knowledge, the acquisition of skills, and the development of intellect and character in a manner that prepares students to contribute effectively and ethically as citizens of a changing and increasingly technological world.

The mission is achieved through selected high quality undergraduate and graduate academic programmes, which result in the following outcomes:

- higher order thinking: the ability to collect, analyze, and evaluate information and to formulate conclusions. Students develop and demonstrate the ability to think critically, analytically and creatively;
- literacy: competence in oral, written, quantitative, and technological skills. Students develop and demonstrate competence in oral and written communication, as well as demonstrate scientific, quantitative, and technological literacy;
- global understanding and multicultural perspective: awareness of knowledge and appreciation of both the diversity and commonality of cultures. Students acquire these perspectives through the formal study of languages, history, literature, and the arts and through working, studying, and living co-operatively in a racially, ethnically, and culturally diverse environment. Further, students acquire an
understanding of economic, historical, political, geographic and environmental relationships on a global basis;

- preparedness for a career: mastery of a field of knowledge and its multicultural application. Such mastery is accomplished through formal and various experiential forms of learning, such as internships and field experiences. As part of their growth and development, students formulate and articulate the ethical standards, which will guide their personal lives;

- community service: a sense of being part of the community and a desire to be of service to it. Students are given opportunities to participate in community service, citizenship, or social action projects or activities.

This is carried out in an environment that encourages intellectual and scholarly development, fosters an openness to a wide range of ideas, cultures and people, and enhances personal growth.

**Vision**

USIU will be the premier institution of academic excellence with a global perspective in East Africa.

*University infrastructure*

USIU sits on 120 acres in Kasarani, which is approximately 12 kilometres from Nairobi city centre. The university campus contains an administrative block, 21 classrooms, two student hostels, a health centre, a Laundromat, three faculty blocks, a student recreation centre, visiting-faculty houses, a maintenance yard, an auditorium, and a computer laboratory.

The university’s library is fully automated and its holdings are constantly updated. It has a multimedia centre that offers non-printed and electronic data, including video and audiocassettes and CD-ROMs. The library has 84,000 books, 7,000 periodicals, 1,400 CDs, 700 video and audiocassettes, and access to electronic data online.

*Recruitment of students*

The university advertises its programmes in print and via electronic media to recruit students. The university also participates in educational
exhibitions where prospective students get information on admission criteria. The forum is used to distribute brochures, university calendars, and other details regarding application procedures. The alumni and staff also act as marketing agents for the programmes.

**Admission criteria**

**Undergraduate**

Applicants for admission to undergraduate programmes must meet one of the following criteria:

- Kenya Certificate of Secondary Education (four-year High School), mean grade of C+ and above;
- five Credits in any five subjects at ‘O’ level, and a principal C at ‘A’ level.
- twelve grade, G.P.A of 2.5 or higher;
- International General Certificate of Education, five upper level passes;
- General Certificate of Education, five upper level passes at ‘O’ level and/or ‘A’ level passes of C;
- International Baccalaureate, five upper-level passes.

In addition to the above criteria, a TOEFL score of 550 (computer-based score of 213) and above, or a Cambridge Certificate of Proficiency in English of grade C or better is required for those applicants whose language of instruction is not English.
Table 2.5  Trends of annual fees charged and students graduating from undergraduate programmes in USIU, 1993-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual tuition fees charged K.Sh</th>
<th>Number graduating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>403,740.00</td>
<td>38</td>
</tr>
<tr>
<td>1994</td>
<td>427,800.00</td>
<td>134</td>
</tr>
<tr>
<td>1995</td>
<td>531,774.00</td>
<td>218</td>
</tr>
<tr>
<td>1996</td>
<td>541,260.00</td>
<td>254</td>
</tr>
<tr>
<td>1997</td>
<td>565,254.00</td>
<td>287</td>
</tr>
<tr>
<td>1998</td>
<td>568,416.00</td>
<td>320</td>
</tr>
<tr>
<td>1999</td>
<td>596,874.00</td>
<td>440</td>
</tr>
<tr>
<td>2000</td>
<td>596,874.00</td>
<td>524</td>
</tr>
<tr>
<td>2001</td>
<td>614,730.00</td>
<td>522</td>
</tr>
<tr>
<td>2002</td>
<td>614,730.00</td>
<td>370</td>
</tr>
<tr>
<td>2003</td>
<td>633,120.00</td>
<td>494</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>3,601</td>
</tr>
</tbody>
</table>

Source: USIU data.

Student enrolment and programmes offered

In the 2002/2003 academic year, the total student enrolment was 8,750 as shown in Table 1.7. Of these, 2,828 were enrolled at the USIU as shown in Table 2.6. This makes USIU the largest private accredited university in the country.

From Table 2.6, it is clear that the International Business Administration Programme is the most popular course in the university. The table indicates that information system technology is the second most desired course after international business administration. It is a demonstration that most students desire programmes in disciplines that have international orientation.

Financing

Students finance their education through the payment of tuition fees and other general fees. This is the main source of funding for the university. In addition, the university receives donations from friends, alumni, and well-wishers. The Finance Officer indicated that USIU is a
non-profit institution where all excess revenues are recycled into the development of the university.

The university has provision for scholarships for needy students. Students must demonstrate their financial need to be considered for vice-chancellor’s grants for 25 per cent of their tuition fees. The scholarship is renewable if a cumulative grade point average (GPA) of 3.5 out of 4 is maintained. In addition, there were work-study programmes in various departments of the university where needy students work between 10 and 15 hours per week. A student must maintain a cumulative GPA of 2.5 out of 4 for continued eligibility.

**Curriculum**

The university faculty develops the curriculum, which is first approved by the CHE. The curriculum is then also approved by USIU (United States) for the purpose of consistency with other sister universities in the United States.

**Table 2.6 Student enrolments per programme, 2003**

<table>
<thead>
<tr>
<th>Programme</th>
<th>Number of students</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Undergraduate programme</strong></td>
<td></td>
</tr>
<tr>
<td>BA International Relations</td>
<td>295</td>
</tr>
<tr>
<td>BA Psychology</td>
<td>128</td>
</tr>
<tr>
<td>BA Journalism</td>
<td>107</td>
</tr>
<tr>
<td>BSc Hotel and Restaurant Management</td>
<td>141</td>
</tr>
<tr>
<td>BSc Business Administration</td>
<td>232</td>
</tr>
<tr>
<td>BSc International Business Administration</td>
<td>1,106</td>
</tr>
<tr>
<td>BSc Information Systems Technology</td>
<td>384</td>
</tr>
<tr>
<td>BSc Tourism Management</td>
<td>35</td>
</tr>
<tr>
<td><strong>Graduate programmes</strong></td>
<td></td>
</tr>
<tr>
<td>MA Counselling Psychology</td>
<td>44</td>
</tr>
<tr>
<td>MA International Relations</td>
<td>45</td>
</tr>
<tr>
<td>Master of Business Administration (MBA)</td>
<td>175</td>
</tr>
<tr>
<td>Master’s in International Business Administration (MBA)</td>
<td>111</td>
</tr>
<tr>
<td>Master’s of Organization Development (MOD)</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,828</td>
</tr>
</tbody>
</table>

*Source: USIU data.*
Faculty

Table 2.7 shows both full- and part-time members of staff at USIU and their qualifications.

Table 2.7 Faculty and their qualifications

<table>
<thead>
<tr>
<th>Full-time</th>
<th>Employer</th>
<th>Part-time</th>
<th>Qualifications</th>
<th>Current employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>PhD</td>
<td>28</td>
<td>PhD</td>
<td>Nairobi University</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Kenyatta University</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Private consultants</td>
</tr>
<tr>
<td>19</td>
<td></td>
<td>71</td>
<td></td>
<td>Nairobi University</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Kenyatta University</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Consultants</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Kenya Polytechnic</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Private companies</td>
</tr>
</tbody>
</table>

Source: USIU data.

From this table, it is evident that the university relies heavily on part-time academic staff from public universities. This suggests that there could be interaction between academic members of staff from USIU and public universities/institutions.

Quality control mechanisms

From the data gathered, quality assurance is maintained through internal quality assurance mechanisms. This involves a set of admission criteria, adhering to a recommended student/lecturer ratio, provision of teaching materials and equipment, library, rules and regulations governing examinations, and students’ evaluation of their instructors. The CHE has approved all the programmes taught in the university. The university maintains an active alumni association that participates in job search and mentoring programmes. The alumni mailing list indicates that graduates from the university have secured jobs, mostly in the private sector and a few in the public sector.

Research undertaken by the institution

No data was available to indicate the types of research done in the institution. However, academic members of staff are involved in
supervising students’ research projects. As a requirement for graduation, in the final undergraduate and graduate classes, each student is required to conduct an independent research project under the supervision of an academic adviser. This involves identification of the research problem, collection and analysis of data, and writing a report.

Feedback from the industry

There was no data available to indicate how graduates from the university are performing in the world of work/industry.

Uniqueness/specificity of USIU in comparison to other public and private universities

Results of the case study indicate that USIU, as a transnational provider, plays both a supplementary role as well as offering programmes that are tailor-made (unique) to reflect the needs of their clients (students).

It was noted that USIU was the first institution to mount university programmes that considered people with diploma certificates in hotel, restaurant and tourism management and diplomas in business-related areas for admission to degree courses. Those with diploma certificates in related areas enter the degree programme in the second or third year, depending on the depth of the courses they are certified in. By broadening the admission criteria and introducing flexible learning to cater for the working population with diploma-level education, USIU identified a niche for itself for prospective mature learners. Today, several other public and private institutions have copied what USIU started over a decade ago.

Furthermore, USIU has programmes in international business administration, which have proved very popular with students who wish to go out of the country, either for graduate education or in search of work. There is a perception by Kenyan people that international programmes give a global competitive advantage when it comes to looking for job opportunities outside the country. As regards the processing of immigration documents, such as the United States visa, the university has been assisting their students to travel out of the country for further education in those universities that are
associated with it. Many students prefer to enrol in the university to get international exposure that gives them a competitive advantage as concerns getting employment with multinational companies and bilateral organizations.
III. Policy regime for the regulation of transnational commercial education

1. The overall rationale for regulation

The survey has revealed that transnational commercial higher education is expanding rapidly in the country. The government has especially expressed concern on the quality of education offered by these providers. Consequently, the government, through the CHE, has embarked on reviewing the existing regulations on quality assurance to cover, *inter alia*, university-level transnational education. In this regard, the Universities Act Cap 210B has been revised. The new Bill, however, is yet to be passed by Parliament. The Universities (Establishment of Private Universities) (Standardization Accreditation and Supervision) Rules of 1989 have also been repealed this year (2003); they are awaiting gazettement by the Minister for Education Science and Technology.

2. Rules and regulations related to the opening of transnational commercial provision

There are no specific rules and regulations governing the opening of transnational commercial provision of education. The affected institutions register with the Ministry of Education, Science and Technology (MOEST) like local private educational institutions. A few of them, such as AUSI, however, start as companies and are registered by the registrar of companies. It is worth noting that AUSI has also been registered by MOEST.

Requirements for registration

The requirements for the establishment of a private university as stipulated in the Universities Act Cap 210B are expounded in Part Three of the Universities (Establishment of Private Universities) (Standardization, Accreditation and Supervision) Rules of 1989. These are the same ones used for branch campuses of foreign universities. They include:
• making a written application to CHE in Form ACC/CHE3;
• presenting a written proposal setting out the proposed name, location, academic character, the aims and objects, the form of governance, proposed academic programmes, academic resources, and a timetable indicating the schedule of activities for the first three years;
• payment of application fees. This was revised from Ksh.1,000 to Ksh.50,000 (in 2002 through Legal Notice Number 160);
• payment of the requisite fees for all activities leading towards an award of a charter. These include evaluation of academic programmes, inspections, issuance of an LIA, evaluation of a draft charter and the awarding of a Charter. (The fees were revised in 2002 through Legal Notice Number 160.)

According to the information gathered for this case study, several bodies, which include the Ministry of Research, Technical Training and Technology (this ministry was merged with the Ministry of Education to form the MOEST), and the Registrar of Companies, register transnational commercial providers of non-university-level higher education. In this regard, the requirements for registration are stipulated in the Education Act Cap 211 or the Companies Act Cap 486, respectively. It is worth noting that some public post-secondary institutions that are collaborating with transnational commercial providers, such as the Kenya College of Communication Technology (KCCT), are registered as companies.

MOEST registers institutions of higher learning under Part IV of the Education Act Cap 211. This part deals with the registration of unaided schools. Section 14 gives one of the requirements for registration as making an application to the minister in charge of education. Under Section 17, it is stated that, “the Minister may make regulations with respect to the registration of unaided schools ...” This is rather vague, but the Handbook for inspectors of educational institutions gives the basic requirements for starting a school (which are also the requirements for registration) as: (a) having a registered manager; (b) existence of appropriate physical facilities; (c) having an appropriate number of
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qualified teaching staff; (d) an inspection report from school inspectors and a Public Health Officer; and (e) making an application to the Minister for Education.

Once the relevant government ministry has registered the institution, the letter is required to obtain an annual trading licence from the city authority. The institution presents registration documents, and pays the fees to the licensing office to process the licence. This means an institution cannot get a licence before it has been registered.

The requirements for registration under the company’s Act include: (a) having a company name (a search has to be conducted at a fee to ensure that the proposed name is not in use by any other company); (b) making an application to the registrar of companies indicating the type of business to be transacted by the proposed company and providing names and identification of the directors of the proposed company; and (d) payment of the requisite application fees.

Policy regime on twinning with local organizations

The survey revealed that there is no specific policy on twinning between local institutions and transnational commercial providers of education. The transnational commercial providers are not required to twin with local institutions. However, if they choose to twin with post-secondary public institutions established by the government, authority on twinning is sought from the mother ministry or government department. In the case of twinning with private post-secondary institutions and universities, this is handled by the respective institutions through the signing of a Memorandum of Understanding (MOU) between the respective institutions and the transnational commercial education provider.

Limitation on equity stakes in foreign institutions

In the case of this survey, no limitations on equity stakes in foreign-owned education institutions were noted. It appeared there was no policy on equity stakes in foreign institutions.
The existing regulation on the restriction of the name ‘university’

The Universities Act Cap 210B restricts the use of the name ‘university’ to public universities and private universities established under this Act. Section 15, sub-section 2, of the Universities Act Cap.210B prescribes the penalty for the improper usage of the name, ‘university’. Any person who commits this offence is “liable to a fine not exceeding thirty thousand shillings or to imprisonment for a term not exceeding twelve months or both”.

3. Rules and regulations related to the functioning of transnational commercial provision

The survey results indicate that there are no specific rules and regulations related to the functioning of transnational commercial provision. The functioning of institutions and/or organizations dealing with transnational commercial education provision operates under the rules and regulations that are mainly meant for the operation of local private educational institutions.

Regulations/rules governing the marketing of courses

In Kenya, there are no regulations/rules governing the marketing of courses. Individuals, organizations and institutions are at liberty to market their courses using any means as long as they do not indicate that a university, which is not legally recognized, will offer the course.

Tax regime and regulation regarding the repatriation of earnings

Most of the transnational educational providers are classified as not-for-profit institutions or organizations. Due to this fact, the government is yet to make a policy and/or regulations on taxes and repatriation of profits.

Fees/taxes for licensing and royalty payments

The annual subscription fee for a private university is Ksh. 20,000 (this was introduced through Legal Notice No. 160 of September 2002).
Cross-border higher education: regulation, quality assurance and impact

One of the transnational education providers, AUSI, indicated that they paid Ksh.100,000 for registration as a company. This institution was later registered by the MOEST. Other charges include payment of an annual trading licence fee of Ksh.45,000 to the Nairobi City Council, and withholding tax to the government in respect of royalties paid to PBIT, an Australian institution with which they are collaborating.

Charles Kendall Kenya Limited indicated that they paid an annual subscription fee of Ksh.20,000.

Graffins College indicated that they paid an annual training levy of Ksh.2,500 to the Directorate of Industrial and Technical Training (DITT); an annual trading fee of Ksh.90,000 and Ksh.49,900 to the Nairobi City Council for their sign board.

Kenya College of Accountancy (KCA) indicated that they paid an annual training levy of Ksh.2,500 to the Directorate of Industrial and Technical Training, and an annual trading fee of Ksh.45,000 to the Nairobi City Council. KCA also indicated that they repatriate 90 per cent of the fees paid by distance learners to the University of South Africa (UNISA).

From this information, it is evident that, while the fees for various activities of university-level transnational providers of education are regulated, this is not the case for non-university-level transnational education providers. In addition, whereas the providers of university-level education have one regulatory body, providers of non-university-level education are handled by a number of government ministries and departments.

**Regime/restrictions on the medium of instruction and compulsory content**

In Kenya, English is the medium of instruction in higher education. All the transnational education providers that were identified for this study were found to be using English as a medium of instruction. However, it is worth noting that there are no restrictions on the medium of instruction or compulsory content in any area of study.
Policy regime on student’s political activism

Kenya is a multiparty democratic country. There has not been any policy regime on political activism of students in the institution of higher learning for either local or transnational providers of education. One cannot, however, lose sight of the fact that before a private university is awarded a charter, they must present to the CHE their rules and regulations governing the discipline and conduct of students. Through this document, CHE is in a position to check issues that may hinder the provision of quality education in private universities, such as the existence of political activism among the students.

Nationality requirements in matters of examinations

Examinations for transnational commercial education providers are managed and administered by education brokers and established local educational institutions. For all the examinations, students are expected to identify themselves using a student identification card carrying a stamped photograph. Most of the identification cards do not indicate the student's nationality, but a few do. It should, however, be noted that this study did not explore the question of the registration of students for foreign (international) examinations. It was, therefore, not possible to check whether the students declare their nationality in the registration forms or not.

Regulations governing issuance of work permits to foreigners working in the country, especially in the education sector

Any foreigner who wishes to work in Kenya is expected to obtain a work permit from the immigration department. Some foreigners apply for the work permit while outside the country, but others do so after entering the country using a visitor’s visa. In both situations, the requirements for issuance of a work permit for foreigners wishing to work in an educational institution are as follows: (a) a letter from the educational institution where the foreigner will be offered a job (this letter should be addressed to the Principal Immigrations Officer...
requesting the issuance of a work permit to the foreigner); (b) a Curriculum Vitae; (c) a clearance letter from the Director of Education requesting issuance of a work permit to the foreigner; (d) copies of academic certificates certified by the Director of Education; (e) a duly-filled application form (Form 3) for a work permit; and (f) payment of fees for the work permit. This fee (Ksh.50,000) is paid after the approval of the issuance of the work permit.

A work permit is issued for a period of two years only. For renewal, a request is made through MOEST before the expiry of the two-year period. The procedure for renewal is more or less the same as that of the initial application.

4. Policy regime and the objectives of higher education

The government is keen to ensure that institutions of higher learning offer quality education and training: This includes the transnational commercial providers of education. The government is also committed to the expansion of access to higher education. These two objectives have largely been achieved in university-level higher education mainly through the operations of the CHE. This study has, however, revealed that non-university-level higher education is yet to realize these objectives due to lack of co-ordination in issues relating to the opening and operation of institutions and organizations providing this level of education. There is also no clear policy on twinning and/or collaboration between transnational commercial education providers and local institutions. Due to this, some non-university-level institutions of higher education link up with transnational commercial providers offering university-level education – in essence making it difficult for the CHE to check the quality of the university-level education that is offered through such linkages. This situation can, however, be remedied by matching the government policy with the objectives of higher education.
IV. Quality assurance and accreditation for transnational commercial provision for higher education

1. National accreditation mechanism applicable to transnational commercial provision of education

There is no specialized agent or process for the accreditation and quality assurance of transnational commercial providers of education in the country. These functions are undertaken by various institutions, which include the CHE and individual public (state) universities that are established through Acts of Parliament mainly through collaboration and individual post-secondary institutions, both public and private, through collaboration arrangements.

Usually, the transnational commercial provider of education ‘determines’ the process of accreditation and quality assurance. Most of the providers who wish to operate as offshore campuses of foreign universities have approached the CHE for accreditation since this is the national body that is mandated by the government to accredit private universities. Providers who wish to have their curriculum administered through an existing public university approach the management of their preferred university. This is the same procedure that is followed for private post-secondary institutions.

Accreditation of campuses of foreign universities

The CHE undertakes the accreditation and quality assurance of branch campuses of foreign universities. The latter undergo the same process of accreditation and quality assurance as locally established private university-level institutions. Since the establishment of the CHE, two institutions that are branch campuses, USIU and Aga Khan University (AKU), have been subjected to this process.

USIU in Kenya is one of the eight campuses of Alliant International University in the United States. The Western Association of Schools and Colleges in the United States has also accredited it.
AKU is an international university chartered in Pakistan in 1883. Currently, AKU operates in seven countries. The AKU in Kenya is still in the early stages of accreditation by the CHE. It was issued with a Letter of Interim Authority on 15 July 2002. It is working towards full accreditation, which is formally marked by the awarding of a charter.

**Collaboration between transnational education providers and recognized institutions of higher learning**

Recognized institutions of higher learning include all the public universities, chartered private universities, and public post-secondary institutions, usually established by government ministries and/or departments and institutions that have been registered by various government ministries and/or departments. It is worth noting that there is no accreditation for post-secondary education institutions in Kenya.

*Collaboration with public universities*

Collaboration between any public university and a transnational education provider is initiated through the signing of MOU between the concerned institutions. The Acts of Parliament that establish various public universities allow for collaboration between universities and other institutions or organizations for the purpose of fostering the objects of the universities. Under these circumstances, it is the duty of the collaborating local university, through its senate, to ensure that the educational services offered are of good quality and that the institution that they are collaborating with are accredited and/or recognized in their home countries.

*Collaboration with chartered private universities*

Chartered private universities are not allowed to collaborate with transnational education providers, especially for purposes of introducing study courses. In such circumstances, the private university is expected to submit the proposed curriculum to the CHE to be subjected to the formal process of evaluation, which involves evaluation of the content (appropriateness, adequacy and relevance for
the specified level) and the academic resources (staffing levels, learning, teaching materials and equipment) to support the proposed programme. Quality assurance then becomes the duty of the CHE. The curriculum thus submitted is taken to be for the local university but not for the transnational education provider. However, it is worth noting that these are the provisions in place. The CHE is working with a national private university (Daystar University), which wishes to collaborate with the Maastricht School of Management in the Netherlands and the East African School of Aviation to offer an Executive Master of Business Administration (MBA) programme in Aviation.

**Collaboration with public post-secondary education and training institutions**

Once a transnational education provider approaches a public institution requesting collaboration, the request is referred to the relevant government ministry/department (under whose portfolio the institution lies) for consideration. The local institution is authorized to collaborate with the institution in question after the government is satisfied that the transnational education provider is recognized in its country of origin, and that the educational programme to be offered would be beneficial (is in great public demand and the government cannot satisfy the demand, such as those in ICT and business administration) to the country. The collaboration between the two institutions is then formalized through the signing of a MOU.

**Collaboration with private post-secondary education institutions**

Collaboration between private post-secondary institutions of training is sanctioned through the signing of a MOU between the institution and the transnational education provider. Usually the two parties involved seek the services of legal personnel in formalizing their collaboration. Quality assurance under such collaboration is the duty of the local institution. In some instances, where the collaboration involves the implementation of curriculum that hinges on a particular profession, the local institution seeks the services of the relevant national professional body in setting their quality assurance mechanisms. For
example, the Kenya School of Professional Studies employs the services of the Council for Legal Education in the recruitment of lecturers to implement the curriculum for the Bachelor of Law, ILEX Professional Diploma in Law, and ILEX Professional Higher Diploma in Law, which are provided to them via collaboration with the University of London. In other cases, the institution in question uses its own discretion in determining whether the transnational education provider is credible.

**Content and format of a Memorandum of Understanding (MOU)**

The post-secondary institution and the transnational provider sign the MOU, whose aim is to legally protect the interests of the two parties. From the three MOUs that were reviewed, the following elements of content and format were found to be similar:

- definitions and interpretation;
- commencement and duration of agreement;
- copyright, licence, and infringement;
- reservation of right;
- integrity of the provider;
- use of materials and trademark upon termination of contract;
- trademark licence;
- trademark protection;
- confidentiality;
- protection of database;
- authorization to offer tuition and registration;
- committee for monitoring of implementation;
- student agreement;
- appointment of tutors;
- provision of study materials;
- regulation on assignments and examinations;
- infrastructure and resources;
- evaluation of standards and infrastructure;
- medium of instruction;
- subsidies;
- advertisement of programme;
- indemnity;
• cession and assignment;
• termination;
• disputes.

Collaboration with institutions that are not accredited or recognized

In Kenya, post-secondary institutions are not accredited, but the government recognizes almost all of the private post-secondary education institutions since they are registered as either private companies, non-governmental organizations or schools. The government establishes the public post-secondary education institutions, and therefore they have automatic recognition. Therefore, there is no collaboration between unrecognized post-secondary institutions and transnational education providers that was noted during this study.

There are six unaccredited university-level institutions. These institutions were offering university-level education before the establishment of the CHE, in 1985. In 1989, the CHE issued these institutions with Certificates of Registration. This is the equivalent of a Letter of Interim Authority. The institutions are working with the CHE towards the awarding of charters.

Collaboration between these institutions and transnational education providers would be sanctioned through the signing of memoranda of understanding. However, in the course of this study no such case was encountered.

Publication of information on recognized/accredited institutions of higher learning

The CHE publishes information on recognized and accredited universities in the local print media from time to time. The Commission has a brochure containing information on recognized universities, which is given to the public free of charge. The Commission has also put this information on its web site for public consultation.

Since 2002, the commission has been organizing an annual exhibition for the recognized and accredited universities. During these
exhibitions, the public is informed of the accreditation status of local private university-level institutions.

The commission is also in the process of preparing a directory of post-secondary institutions in the country. This is viewed as the first step toward accreditation of post-secondary institutions, or validation of some of the courses offered in these institutions. It is hoped that accreditation and/or validation would place an institution at a level where its graduates would be eligible for university admission, or the institution could be allowed to offer some university-level programmes.

2. The functioning of the Commission for Higher Education

The CHE is the national quality assurance body for higher education in Kenya as established by an act of parliament, the Universities Act Cap. 210B of the laws of Kenya, in 1985. It is one of the specialized agencies of the Ministry of Education Science and Technology.

The commission is a full member of the International Network for Quality Assurance Agencies in Higher Education (INQAAHE). Through regular attendance of INQAAHE meetings and conferences, the CHE collaborates and shares its experience with other bodies whose mandate includes quality assurance in higher education in their respective countries.

The mandate of CHE

The functions of CHE as stated in Section 6 of the Universities Act are to:

- promote the objectives of university education, namely the development, processing, storage and dissemination of knowledge for the benefit of humankind;
- advise the Minister on the establishment of public universities;
- accredit universities;
- co-ordinate the long-term planning, staff development, scholarship and physical development of university education;
- promote national unity and identity in universities;
• liaise with government departments and the public and private sectors of the economy in matters relating to the overall national work-force development and requirements;
• co-operate with the government in the planned development of university education;
• examine and approve proposals for study courses and course regulations submitted to it by private universities;
• receive and consider applications from persons seeking to establish private universities in Kenya and make recommendations thereon to the Minister;
• make regulations in respect of the admission of persons seeking to enrol in universities and to provide a central admissions service to public universities;
• ensure the maintenance of standards for study courses and examinations in the universities;
• advise and make recommendations to the government on matters relating to university education and research requiring the consideration of the government;
• collect, examine and publish information relating to university education and research;
• plan and provide for the financial needs of university education and research, including the recurrent and non-recurrent needs of universities;
• determine and recommend to the Minister the allocation of grants of money for appropriation by parliament to meet the needs of university education and research and review expenditure by universities of money appropriated by parliament;
• advise the government on standardization, recognition and equation of degrees, diplomas and certificates conferred or awarded by foreign and private universities;
• co-ordinate education and training courses offered in post-secondary school institutions for the purposes of higher education and university admission;
• arrange for regular visitations and inspection of private universities.
From these functions, it should be noted that the CHE has a wide scope of work, which ranges from accrediting private universities, making regulations on university admission and providing a central admissions service to public universities for the certification of academic credentials. It is worth noting, however, that due to legal provisions for public universities, the CHE has not been able to discharge its duties in these institutions. The government is now in the process of harmonizing the legal framework for higher education to allow for inter alia quality assurance duties to be performed in all institutions of higher learning, without any hitches.

The quality assurance model

The quality assurance model used by the CHE is based on an institutional review and a review of academic programmes. The institutional review focuses on:

- the resources: physical facilities; library services; financial and human resources;
- governance: organizational and management structures; legal instruments; and rules and regulations governing the conduct of students and staff.

The review of academic programmes focuses on:

- the content: appropriateness, adequacy and relevance;
- the academic resources: staffing levels, learning and teaching materials and equipment.

For the institutional review, although the commission sets standards for resources and guidelines for the governance structure of private universities, it encourages innovation by allowing the institution to draw its governance structures and to justify the same.

The commission has developed curriculum standards, guidelines for the development of curriculum, and a few model curricula. These instruments are strictly viewed as guidelines. Each institution is at liberty to develop its own curriculum, giving a rationale and justification, and get it approved. It is worth noting that curriculum for a similar
programme differs from institution to institution depending on the emphasis for each institution.

The institutional review is done with the programme evaluation. The valuators keep on checking whether the institution has adequate infrastructure, materials and equipment to support the proposed programmes.

**The accreditation process**

The accreditation process of the CHE consists of the following steps:

- **Application for the establishment of a private university.** The application is made through completion of form ACC/CHE 3. The completed form is returned together with the requisite application fees and a proposal detailing the historical background, mission, vision, proposed name, location, academic character, aims and objects, form of governance, academic programmes, resources, and the plan on how the proposed university will be established.

- **Evaluation of the proposal and the items contained in the proposal.** This involves the evaluation of the documents, visits to the site of the proposed university and holding meetings between the commission and the applicants or their representatives.

- **Granting of a Letter of Interim Authority (LIA).** When the CHE is satisfied that the proposed university has made the necessary requisite arrangements to start launching university-level education, the commission, through its chairperson, issues the institution with an LIA, which is recognition by the government that the institution has the ability to offer university-level education. This is also an indication that the institution is working towards full accreditation.

- **Preparation of institutional legal documents.** On issuance of an LIA, an institution starts mobilizing its resources in preparation for the awarding of a charter. The institution also expands its academic programmes and physical infrastructure. During this period, the commission guides the institution in preparation of the relevant
legal documents: the charter and the statutes. The institution holds the LIA until they meet the entire requirement for the award of a charter. There has been no specified period for this process as it mainly depends on the speed at which the institution mobilizes its resources. Although the commission feels that they are partners in helping institutions with LIAs to graduate to full accreditation, some institutions may take too long. The commission plans to hold consultative meetings with the concerned institutions to come up with a reasonable duration for operating with the LIA.

• Final inspection. When the proposed university feels that it has what it takes to become a fully pledged university, it prepares its internal evaluation report. The commission examines this report critically, and if it is convinced that the institution appears to be ready, it arranges a final inspection. If the inspection reveals that the institution is ready, the commission recommends to the government that the institution be awarded a charter. The commission then prepares an accreditation report for the institution.

• Award of a charter. A charter is only awarded by the Head of State. During the ceremony for the awarding of a charter, the institution is also issued with an accreditation report prepared by the commission. The symbols of authority – the official logo, the mace and the seal – are then handed over on this occasion.

Quality assurance after the award of a charter

The commission makes follow-ups on accredited private universities. Whenever such institutions wish to launch new academic programmes, the commission must approve them. The commission also inspects these institutions periodically to ensure that they are maintaining the set standards.

Benefits of an accredited private university

Students who are admitted to accredited private universities have access to government loans just like other students who are admitted in public (state) universities. Accredited institutions are more respected and tend to attract more students. Lecturers from these institutions are
appointed to a number of quality assurance functions, just like their counterparts in the public universities. Chartered universities tend to get more donations, especially for scholarships, research and academic resources.

**Recognition of degrees awarded by transnational education providers**

At the moment, there is no specific policy on the recognition of degrees issued by transnational education providers. Such degrees are generally treated as degrees issued by foreign institutions of higher learning. Recognition and equation of such degrees is undertaken by the CHE. The key considerations for this recognition is whether or not the institution that has issued them is recognized in Kenya or its country of origin and/or internationally. If the institution is recognized, then the degree gets local recognition. This also applies to non-degree certificates issued by transnational education providers. Anyone holding a certificate from a foreign institution and seeking local employment in both the public and private sector is required to have his/her certificate recognized by the CHE.
V. E-learning and degree-granting distance education

1. National accessibility to the Internet

Access to the Internet in Kenya is through dial-up and leased lines to Internet service providers (ISPs). ISPs are connected to the international Internet backbone, run by the Ministry of Transport and Communication through a state corporation: Telkom Kenya Limited. The Communication Commission of Kenya is a state corporation charged with the responsibility of regulating all services regarding ICT in the country.

Table 5.1 Lines and teledensity per region

<table>
<thead>
<tr>
<th>Region</th>
<th>No. of lines</th>
<th>Population</th>
<th>Teledensity (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>21,837</td>
<td>4,193,403</td>
<td>0.52</td>
</tr>
<tr>
<td>Coast</td>
<td>40,184</td>
<td>2,800,659</td>
<td>1.43</td>
</tr>
<tr>
<td>Eastern</td>
<td>16,645</td>
<td>5,215,383</td>
<td>0.32</td>
</tr>
<tr>
<td>Nairobi</td>
<td>191,202</td>
<td>2,413,304</td>
<td>7.92</td>
</tr>
<tr>
<td>North Eastern</td>
<td>2,380</td>
<td>1,083,373</td>
<td>0.22</td>
</tr>
<tr>
<td>Nyanza</td>
<td>12,840</td>
<td>4,945,620</td>
<td>0.26</td>
</tr>
<tr>
<td>Rift Valley</td>
<td>35,590</td>
<td>7,867,402</td>
<td>0.45</td>
</tr>
<tr>
<td>Western</td>
<td>6,948</td>
<td>3,781,981</td>
<td>0.18</td>
</tr>
<tr>
<td>Total</td>
<td>327,626</td>
<td>32,301,125</td>
<td></td>
</tr>
</tbody>
</table>


Table 5.2 Number of licensed ISPs, 2000-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of licensed ISPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>44</td>
</tr>
<tr>
<td>2001</td>
<td>66</td>
</tr>
<tr>
<td>2002</td>
<td>69</td>
</tr>
<tr>
<td>2003</td>
<td>75</td>
</tr>
</tbody>
</table>

Source: *Licensing Compliance and Standards Department, CCK.

As shown in Table 5.2, the Communications Commission of Kenya had licensed 75 ISPs by October 2003.
Telkom Kenya offers licensed ISPs leased with high-speed connections to the Internet backbone through Jambonet. Jambonet has points of presence (POP) in Nairobi, Mombasa, Nyeri, Nakuru, Kisumu, Kericho, Kapsabet, Kabarnet, Eldoret, Karuri, Ngong Garissa and Kahawa.

### Table 5.3  Estimated number of Internet users, 1998-2002

<table>
<thead>
<tr>
<th>Description</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Internet users</td>
<td>15,000</td>
<td>35,000</td>
<td>200,000</td>
<td>500,000</td>
<td>600,000</td>
</tr>
</tbody>
</table>

*Source:* Telkom Kenya Limited.

### Table 5.4  Number of providers and Internet users

<table>
<thead>
<tr>
<th>Data item</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of registered ISPs</td>
<td>75</td>
</tr>
<tr>
<td>Number of active ISPs</td>
<td>16</td>
</tr>
<tr>
<td>Number of mobile operators</td>
<td>2</td>
</tr>
<tr>
<td>Number of cyber cafés and telephone bureaus</td>
<td>1,000</td>
</tr>
<tr>
<td>Internet users</td>
<td>60,000</td>
</tr>
<tr>
<td>Wireless solutions</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note:* National Population = 30,000,000.

*Source:* Telkom Kenya Limited.

Telkom Kenya, through Jambonet, accounts for 100 per cent of the outgoing international bandwidth and about 80 per cent of the total incoming international Internet bandwidth.

### Factors hindering access to Internet use

A study conducted in Kenya (2002) to establish e-readiness identified the following issues as hindering access to the Internet:

- very low fixed network penetration, especially outside Nairobi.
  Closely related to this is the very low penetration of Internet POP and limited capacity of the Internet backbone;
- fixed network still provided by a monopoly operator that is wholly owned by the government;
- non-availability of ICT facilities in educational institutions;
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- low level of awareness of the usefulness and perceived limited utility value of ICT in business and everyday life in Kenya;
- limited availability of commercial information, such as catalogues, price lists and industry-based price and quality comparisons;
- the incumbent has a monopoly over critical services, such as fixed-line services within the capital city, trunk lines, Internet gateway, and very small aperture terminals (VSAT);
- absence of legislation relating to e-commerce.

It should be noted that most critical issues are linked to network access. It therefore means that if the network access issues were addressed, most critical issues in the other areas would simultaneously be addressed, therefore facilitating access to the Internet.

School access to ICT

Table 5.5   Numbers of educational institutions

<table>
<thead>
<tr>
<th>Type of educational institution</th>
<th>No.</th>
<th>Source of information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public universities</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Private universities</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>National polytechnics</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Technical training institutes (TTIs)</td>
<td>20</td>
<td>**</td>
</tr>
<tr>
<td>Institutes of technology (ITs)</td>
<td>17</td>
<td>**</td>
</tr>
<tr>
<td>Youth polytechnics</td>
<td>&gt;600</td>
<td>**</td>
</tr>
<tr>
<td>Public and private commercial institutes and technical training institutes</td>
<td>&gt;1,000</td>
<td>**</td>
</tr>
<tr>
<td>Public primary schools</td>
<td>17,356</td>
<td>***</td>
</tr>
<tr>
<td>Private primary schools</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Public secondary schools</td>
<td>3,081</td>
<td>***</td>
</tr>
<tr>
<td>Private secondary schools</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Teacher training colleges</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Total number of educational institutions</td>
<td>50,127</td>
<td>*</td>
</tr>
</tbody>
</table>

Source/key:  
* Economic survey 2002  
** National Development Report, 2002-2008  
*** Education Statistical Booklet, April 2000 (1998 figures)  
NA Not available
Table 5.6  Number of telephones in categories of educational institutions

<table>
<thead>
<tr>
<th>Institution type</th>
<th>No. of telephone lines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public educational institutions</td>
<td>3,674</td>
</tr>
<tr>
<td>Private educational institutions</td>
<td>2,352</td>
</tr>
<tr>
<td>Total telephones in education sector</td>
<td>6,026</td>
</tr>
<tr>
<td>Public educational institutions</td>
<td></td>
</tr>
<tr>
<td>Universities</td>
<td>926</td>
</tr>
<tr>
<td>Colleges</td>
<td>313</td>
</tr>
<tr>
<td>Polytechnics</td>
<td>69</td>
</tr>
<tr>
<td>Secondary schools</td>
<td>1,715</td>
</tr>
<tr>
<td>Primary schools</td>
<td>575</td>
</tr>
<tr>
<td>Other institutions</td>
<td>76</td>
</tr>
</tbody>
</table>

*Source: Telkom Kenya Limited.*

**Explanatory comments**

*Availability of telephone lines.* The survey data shows that the percentage of schools with a telephone line is 81.3 per cent, 57.2 per cent and 64.3 per cent in Nairobi, outside Nairobi and nationally, respectively. However, data from Telkom Kenya shows that telephone penetration in the education sector is very low. There is, on average, less than 0.2 telephones per institution overall, while there is on average 154, 0.6 and 0.03 telephones per public university, public secondary school and public primary school respectively. These figures show a high telephone penetration (and by extension, high ICT penetration) in public universities and very low penetration in schools, especially in primary schools. The large difference in secondary and primary data is mainly because the schools that were sampled were very few (80) and most of these tended to be in urban areas where telephone penetration is high.

*Availability of computers.* Most educational institutions sampled had at least one personal computer. In general, there were fewer institutions outside Nairobi with at least one computer, except in schools. The latter looks like an unexpected anomaly. In addition, almost 50 per cent of institutions within Nairobi had at least five Pentium-type computers,
although very few institutions (about 10 per cent) had more than five computers. The number of laptop computers in an institution is limited, with an overall 22.9 per cent of respondents having laptop computers. Again, as argued above on the availability of telephones, these figures are not representative of the actual situation, as the sampled institutions were largely from Nairobi and urban areas, as well as some rural areas where we had very few sample organizations.

**Access to computers.** More than three quarters (78 per cent) and less than half (44.5 per cent) of educational institutions in Nairobi and outside Nairobi respectively have computers available to students Monday to Friday from 8 a.m. to 5 p.m. About one half (57.5 per cent) and about one third (34.1 per cent) of the institutions in Nairobi and outside Nairobi respectively have computers available to students Monday to Friday after 5 p.m. About half (49.2 per cent) of the institutions in Nairobi have computers available to students over the weekends, while very few institutions have computers available at all times. The availability of computers to staff generally follows the same pattern as that of the students, except that computers are more available to students Monday to Friday (both 8 a.m. to 5 p.m. and after 5 p.m.), while computers are generally more available to staff over the weekends. With respect to access to computers by outsiders, there is very little access (overall 19.5 per cent, with Nairobi institutions having 30.5 per cent).

**Computers in laboratories.** A majority of the institutions in Nairobi have computers in laboratories (81.4 per cent), while less than half (43.2 per cent) of the institutions outside Nairobi have computers in laboratories. For the majority of the institutions, the total number of computers in laboratories is 5-10 (20.5 per cent) and 20-50 (21 per cent). In most institutions, a maximum of two students share a computer in the laboratory.

**Local area networks.** Overall, only about a quarter (26.3 per cent) of the institutions have a local area network. The institutions in Nairobi are more likely to have LANs than those outside Nairobi (37.3 per cent and 23.2 per cent).
Access to e-mail and Internet. Students have access to e-mail and Internet in more than half (57.6 per cent) of the institutions in Nairobi, while in a majority of the institutions outside Nairobi (84.9 per cent), students do not have access to e-mail and Internet. In general, staff have better access to e-mail and Internet than students, with staff in Nairobi-based institutions having better access than students (> 65 per cent). The dominant mode of access to e-mail and Internet is via a dial-up link. Indeed, the number of institutions outside Nairobi with a dedicated Internet connection is negligible (about 3 per cent) and this is likely to be restricted to institutions in the tertiary sector.

Web servers and other servers on LAN. There are a significant number of web servers in Nairobi institutions (39 per cent) and less than 10 per cent (9.6 per cent) in institutions outside Nairobi. The limited institutions with LANs and access to the Internet can explain this. Similarly, the number of institutions with other servers in their LANs is limited outside Nairobi (10-15 per cent).

Connection to larger educational networks. There is limited connection to larger educational networks (less than 10 per cent overall). Those institutions connected to larger educational networks are likely to be those that are members of the Kenya Education Network (KENET).

Desktop applications. Where computers exist, there is a high level of use of desktop applications (word processing and spreadsheets) by teachers or lecturers for institutions in Nairobi (over 80 per cent) and a significant level of use for institutions outside Nairobi (over 40 per cent). The level of use of computers by teachers/lecturers for e-mail, browsing and teaching is more than 50 per cent, and between 10-20 per cent in institutions within Nairobi and outside Nairobi respectively. In universities, lecturers use computers heavily for both desktop operations, as well as for communication, Internet browsing and teaching.

ICT literacy skills. Most schools have teachers or lecturers who have basic ICT literacy skills (93.2 per cent and 67.2 per cent in Nairobi
and outside Nairobi respectively). In most institutions, there are, on average, 1-5 teachers with ICT literacy skills. ICT literacy includes word processing, spreadsheets, e-mail, etc. (over 90 per cent and over 60 per cent in Nairobi and outside Nairobi respectively).

**ICT integration.** The integration of ICT into education processes is limited. Overall, only about 30 per cent of the institutions sampled had integrated ICT into different aspects of teaching and learning, with institutions within Nairobi leading (40-50 per cent).

**Online access.** A low level of online access to training does exist, though this is mainly limited to institutions within Nairobi. The level of access to international ICT professional certification is high for institutions within Nairobi (69.5 per cent) and significant for institutions outside Nairobi (38.3 per cent). This can be attributed to the high prevalence of vendor-based certification programmes, which in turn can be attributed to the presence of manufacturers and representatives locally. However, there is a low level of availability of e-learning courses locally (18.4 per cent and 5.4 per cent for institutions within and outside Nairobi respectively).

2. **National restrictions of access to Internet**

The legal environment that governs the communications industry in Kenya includes the Kenya Communications Act 1999, the Kenya Communications Regulations and the Telecommunication and Postal Sector Policy. The ISP licence has the following restrictions in Internet access service provision:

- The licensee shall notify its customers in writing or in the service contract that the use of its facilities and services for the transmission of voice telephony over the Internet and call-back is prohibited in the meantime by regulation of the Communication Commission of Kenya (CCK), and shall take reasonable measures to prevent such use of its facilities and services.
- The licensee shall only utilize the facilities of licensed operators for the interconnection of its systems to the international data gateway, national and local network.
3. **Challenges in provision/regulation of Internet services**

Many Kenyans now make international telephone calls via the Internet by using Voice over Internet Protocol (VoIP). These services are growing in popularity as more and more people have access to Internet services. VoIP allows for choice and affordability offering cheaper tariffs than the conventional means, usually only one tenth of the cost. The spread of these services coupled with the rapid pace of innovative technology on the Internet is in many respects outpacing national policies, laws and regulations in many countries, Kenya being no exception. The CCK has no control over what is brought into the country via the Internet.

Additionally, the geographical spread of the telecommunications infrastructure is tilted in favour of urban areas with teledensity in rural areas being 0.16 lines per 100 people, compared to four lines per 100 people in urban areas. Due to poor infrastructure, most rural areas are underserved in respect to Internet services. This means that only institutions and populations in urban towns can benefit from e-learning. The CCK seeks to correct this through the implementation of universal access mechanisms, including the establishment of the universal service fund and enforcing compliance to universal service obligations given to licensed networks and service providers.

4. **Quality assurance/accreditation requirements**

From the survey, some institutions are facilitating e-learning, leading to the awarding of diplomas and degrees. However, it was difficult to establish the number of students participating in distance education through online and other modes of distance learning. Institutions offering e-learning diplomas and degrees through distance education include the following:

- The Kenya College of Communication and Technology, offers a Bachelor’s of Commerce, a Bachelor’s of Law, a Bachelor’s of Management Leadership, and a Master in Business Administration, all of the University of Free State, South Africa.
- The African Virtual University is offering diplomas and degrees in computer science, information technology, business studies,
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engineering, and business communication. The programmes are provided by the New Jersey Institute of Technology and Georgetown University, both from the United States, and the Royal Melbourne Institute of Technology, Australia.

- Agustana College is collaborating with the National American University to provide online instruction to award diplomas in business administration, information technology, and management and information technology.

From the interviews held with the heads of the institutions and review of documents, it was found that the local colleges are only facilitating e-learning by providing facilities and support services – such as computer laboratories, classrooms and site personnel. The transnational providers develop the programmes, teach, evaluate and award their degrees. The question of the quality assurance mechanism is left to the transnational providers. The diploma or degree certificates awarded to e-learning learners are the same as those awarded to learners under convection face-to-face mode. Currently, the transnational education provider does not go through the CHE if it is collaborating with a recognized public or private institution.

5. Recognition of virtually delivered qualifications

The CHE is charged with the responsibility of recognizing qualifications awarded by both national and transnational institutions of higher learning. Employers and prospective employees wishing to have the qualifications recognized present their academic transcripts, diploma, or degree certificates for the purpose of recognition or equation of the credentials. Qualifications are subjected to a thorough search (to check the authenticity of the certificate and transcripts), checking with the relevant authorities and documents to determine if the institution awarding the qualification is accredited and or recognized either nationally or internationally. Appropriate advice is then communicated to those concerned.
VI. Current impact of transnational commercial provision on higher education

1. Quality and relevance

Information gathered from the case-study institution indicated that 3,601 students had graduated from the university with degrees in international relations, business administration, and areas related to information technology. Although the institution did not keep data on graduate students’ employment, they felt that most of their students secured jobs in both the public and private sectors, using the credentials awarded from the institutions. The fact that the number of students graduating each year was increasing indicated that the programmes offered in the institution were in demand and relevant to the job market. The institution indicated that there were more applicants every year than the institution was able to admit. This could lead to the conclusion that the credentials offered by the institution are perceived as relevant to the labour market.

From the data gathered, there seems to be no interaction between traditional providers of higher education and the new providers. The new providers are more inclined to business, and therefore provide courses that are in demand. Students seemed to prefer the new providers, especially in the areas of information technology where the new providers were more equipped and had more efficiency in the delivery of the courses. Due to the constant closure of public universities, some students opt to join or transfer to new transnational commercial providers, so that they can complete their studies on time.

The results of this study indicated that most of the instructors were drawn from public institutions such as the universities and tertiary institutions. Up to 70 per cent of the staff in transnational commercial education-providing institutions are part-time instructors. Part-time members of staff who were full-time staff in public institutions were benefiting from the strength of ICT found in transnational commercial education-providing institutions, while the transnational commercial
education providers were benefiting from the long experiences of the staff drawn from public institutions.

2. **Access to higher education**

Access to higher education is one of the fundamental questions of education in general. Despite the expansion of higher education since the 1990s, lack of access to higher education continues to persist in Kenya. Considering the Kenya Government’s declining budgets for higher education, public and private universities in Kenya can no longer meet the demand for higher education. Currently, public and private universities can only accommodate about 30 per cent each year of all the students qualifying and applying for university education. This percentage does not include adult learners who are looking for opportunities to improve their level of education. Results from this case study indicate that since 1993, over 10,000 students have acquired diploma and degree qualifications from transnational commercial education providers. The figures from the case-study institution (USIU) show that there has been increased access to higher education as a result of the transnational education providers filling a gap that the local institutions were unable to fill. The ability of transnational education providers to use ICT has opened, and will continue to open opportunities for access to higher education for more learners.

Transnational higher education providers seem to have come up with programmes that are flexible for those seeking lifelong education, and those who prefer keeping their employment as well as acquiring knowledge and skills necessary for the ever-changing world of work.

Both private and public universities have felt the impact of transnational education to varying degrees. There seems to be competition for student enrolment as evidenced by educational exhibitions and numerous print-media advertisements where all the public, private, and new providers are competing. Because of more opportunities for higher education opening up, the students have many choices in terms of programmes, cost and flexibility. The demand for higher education in private universities is declining as more students opt for transnational education. The impact of transnational education
on student enrolment in public universities has been negligible since most students admitted in public universities opt to join the institution as the cost of education is highly subsidized. A few students admitted to public universities may opt to join the new providers for their own personal reasons, but the numbers involved are insignificant.

Another significant finding of this study indicates that access has only been widened within urban centres and more so within the capital city. There are very few transnational education providers located outside Nairobi. Therefore, the opportunities for access to higher education are still low in the rural areas.

3. Equity

The Kenyan Government, through education policies, reaffirms its commitment to provide higher education to all students who qualify for it. This means that, in principle, higher education must be equally accessible to all who qualify. To join public universities, one may be admitted on merit through the Joint Admissions Board or as a privately sponsored student who must have met the minimum criteria for university admission. However, due to high demand for higher education, only those learners who have the means to pay for the cost of education are joining private universities and transnational institutions for diploma and degree qualifications. The alternative route to higher education is currently benefiting only students who have financial resources to pay for their education.

The findings of this study indicate that fees charged by the transnational commercial sector are comparable to fees charged by private universities in Kenya. Public universities charge much lower (about 50 per cent) tuition fees per programme since the government subsidizes the cost of education in the universities.

Considering the amount of tuition fees charged by transnational commercial education providers in Kenya, it is clear that only students from middle and upper social economic origin will continue to benefit from accessing higher education. It was also reported that students enrolling for transnational education do not qualify for financial aid in
the form of government loans, except USIU (the case study institution), which has also been chartered by the government. This means that only students who are financially able may access this type of education. This has social implications as it means only people who can afford higher education are also likely to qualify for better jobs either in Kenya or elsewhere, and have perhaps a stepping stone for better jobs and quality of life.

4. Funding

Results from the case study do not indicate if the presence of transnational commercial provision has an impact on public funding. Transnational commercial providers operate purely on a commercial basis and students pay for all the services that they receive. However, it was not possible to establish the profit made by the private providers. No public funding is allocated to transnational commercial education providers. It was noted that the Kenyan Government provides financial assistance loans to students through the Higher Education Loan Board. However, the loan is given to students enrolled in public or accredited private universities. Although private providers are not obliged by law to make provision for scholarships, almost all of them make provision for a limited number of scholarships. No government financial aid is given to students enrolled in transnational commercial institutions. It is unfortunate that only students from higher income groups are able to access transnational higher education. Kenya is experiencing unemployment, as there are many graduates from both public and private institutions of higher learning. With such levels of unemployed graduates, the extent to which the government will continue funding public universities is not well understood. The impact of cutting down public funding in the public universities would have a negative impact on students from the low-income bracket who rely on government financial aid to access higher education.
VII. Main findings and conclusions

Data gathered from the participating institutions revealed the following:

1. Registration of transnational commercial education providers

   - No data or records were kept by the Ministry of Education, Science and Technology or any other government ministry or department regarding who is providing transnational education in Kenya. Most of the institutions used in this study were identified through print media advertisements or private education directories.
   - The transnational providers do not seem to be registered by any one government body, nor do the institutions fall under the jurisdiction of the local accreditation mechanism. The programmes are franchised courses through collaboration with post-secondary institutions.
   - Kenya does not have foreign university campuses, as the law governing higher education does not provide for it. Therefore, most transnational education providers were found to be collaborating/twinning with locally recognized tertiary institutions in Kenya. However, there is a bill awaiting enactment by Parliament, which will facilitate the registration of foreign universities under that law.
   - Only the USIU was found to have fulfilled the requirements for the local accreditation mechanism, which led to the awarding of a charter.

2. Distribution of institutions involved in transnational commercial education provision

   - Most of the institutions participating in the provision of transnational education are located within urban centres, mainly in Nairobi.
   - A number of institutions were not willing to share information regarding provision of transnational education. Some of the institutions that were identified, such as the Kenya School of Professional Studies (KSPS), flatly refused to co-operate.
3. **Main programmes offered**

The patterns of the programmes desired by the learners are in the areas of specialization such as computer science, information technology, business studies, law and accounting. The programmes offered seem to be market-driven, and not necessarily related to national labour needs.

4. **Performance of graduates in the labour market**

No information was available regarding the performance of the graduates in the labour market.

5. **Quality assurance/control**

The quality assurance/control mechanism is the responsibility of the transnational provider for all the institutions surveyed except the USIU that has fulfilled the CHE requirements. Different non-Kenyan accreditation bodies using different accreditation procedures accredit transnational providers. This suggests that there is a need to think of ways of harmonizing the procedures to ensure that the quality of education is maintained.

6. **E-learning**

- It was difficult to obtain data on students who partake in e-learning. The numbers given by the British Teaching Centre (BTC) and the Africa Virtual University indicated that the number could be significant. There could be other participants in e-learning who do not necessarily take examinations through the BTC.
- The quality-control mechanism in e-learning was difficult to assess. However, those partaking in e-learning and taking examinations through the British Council Teaching Centre adhered to rules and regulations that govern the conduct of the examinations set by the examining university.

7. **Faculty**

- Faculty staff was primarily drawn from public institutions such as universities and colleges.
• There was professional interaction between full-time and part-time staff through the faculty board or departmental meetings, workshops/conferences, and the use of teaching-learning resources.

8. Recognition of qualifications

• Recognition of foreign qualifications by the CHE is based on the accreditation status of the providers in their country of origin. The certificate and transcripts awarded to the learners are brought to the CHE for verification. The commission scrutinizes the document to establish if the awarding institution is internationally accredited. The CHE recognizes the qualifications so long as the institution is recognized in the country of origin.

• All of the institutions surveyed were found to collaborate with foreign institutions, which were accredited from the country of origin, meaning that the qualifications would be recognized in Kenya. However, some qualifications awarded through e-learning may be misleading to the public, as not all qualifications are brought by students or the employer for recognition. Some certificates have been found not to be genuine, either for further education or for employment. In most cases, the holder of the certificate has nowhere to launch a complaint as the provider is not registered within the country.

9. Fees charged

• Fees and tuition charged by the institutions varied from one institution to another. However, the tuition fees were comparable to what was charged by private institutions in Kenya. There is no national rule on the maximum amount of tuition fees to be charged by the private providers of education. Each private provider sets the fees to be charged by their respective institutions.

• The amount of annual fees charged per degree programme is relatively high compared with what is charged in public institutions, therefore, only students from well-to-do families are able to access transnational education.
10. Physical facilities

Physical facilities, financial resources and human resources of the surveyed institutions varied considerably. Some of the institutions were found endowed with the resources, while others lacked adequate facilities or resources.

11. Comparison of curriculum offered locally with what is offered abroad

It was difficult to establish or confirm whether the curriculum offered to Kenyan students was the same curriculum as offered in the country of origin.

12. Summary of the findings

In summary, the main findings can be grouped into three categories as follows:

• The transnational educational providers in Kenya are categorized into branch campuses (e.g. USIU and Aga Khan), virtual university learning centres (e.g. the Africa Virtual University), business/professional tertiary institutions (e.g. Kenya College of Accountancy, Kenya College of Communication and Technology, and Graffins College) that twin/collaborate with foreign institutions, and IT academies that are used by foreign institutions to franchise education programmes in Kenya.

• There is a legal framework that guides regulation and quality assurance for the opening, functioning and accreditation mechanism of transnational commercial education providers of higher education at the university level. However, there is no regulation that guides quality assurance concerning the opening and functioning of post-secondary institutions. The results revealed that transnational commercial education providers choose to twin/collaborate with post-secondary school institutions to offer degrees or diplomas, perhaps to avoid being subjected to the accreditation process required for setting up a branch campus.

• The transnational commercial education programmes were found relevant to the employment needs of the learners. Information
gathered from the case study institutions indicates that their graduates were finding employment in both the private and the public sector. Further, provision of transnational commercial education has increased access to higher education as evidenced by the number of students seeking admission and graduating from such institutions. As regards to equity, it was noted with concern that only learners with the financial capacity and those who live in the city/urban areas can access higher education offered by transnational commercial education providers.

**Strengths and weaknesses of transnational commercial higher education**

Higher education is increasingly in demand in Kenya. Due to rapid changes taking place in the world of work, where new knowledge and skills are continually required, the demand for higher education will continue to be a concern for all those involved in planning and designing higher education. The enormous investment from both the government and the case study initiatives in the provision of higher education and training is evidence of the crucial role of education in national and individual development. Increased demand for higher education has led to significant changes and supply by both national and transnational providers. The process and the substantial expansion in higher education are bringing new challenges. The new learners’ needs and aspirations are extremely diverse and difficult to satisfy without considering new paradigms for higher education. Technological developments have changed the way knowledge and skills are delivered to the learner. It is clear that despite the efforts made by the traditional higher education institutions for changing the course structures, training design, admission criteria, and making the programmes more flexible, it will remain difficult to meet the demand for higher education. Therefore, new providers of higher education in the form of transnational commercial education providers will continue to fill the gap that national providers are unable to handle.

The emergence of transnational commercial providers of higher education in Kenya may be seen as an interventionist approach, where
the international providers have collaborated with local institutions to operate in the country under specific conditions to ensure that a minimum level of quality and the interest of the consumer are observed. However, the greatest challenge faced by the recipient country is that of quality assurance. To ensure the quality of education provided, there is a need for the institutions to show evidence of adequate physical, human and financial resources, viable programmes, and a sound structure of governance. How to address such a challenge becomes critical in ensuring that quality is not compromised because of unchecked expansion.

Globalization and the market ideology (knowledge as a commodity) has necessitated a shift from closed to open systems in higher education. The open system has widened access to higher education through flexible multi-faceted admissions. In other words, transnational commercial education providers will continue to provide much sought-after knowledge and skills using diverse modes of delivery. It is difficult, if not impossible, for any country to plan for higher education without considering the impact of globalization in the provision of higher education. In the age of a globalized economy, institutions for higher learning are forced not only to compete, but also to collaborate with each other in order to survive. Alliances, partnerships and networks are growing between institutions on local, national, regional and international levels. These current trends in higher education have both strengths and weaknesses.

Strengths

As the country cannot meet the demand for higher education, transnational providers have assisted more students to access higher education. The fact that the transnational education providers use their physical facilities, human and financial resources to provide higher education means that some students get opportunities to advance their academic qualifications while pursuing their careers locally.

Another notable advantage is the cross-fertilization of knowledge and the obtaining of international qualifications and experiences
enabling the graduate to seek employment opportunities outside the country. Furthermore, the interaction between the local faculty, learning materials, and international staff may result in the sharing and transfer of knowledge and skills that are beneficial to all parties. It could also be argued that learning locally and acquiring international qualifications may reduce brain drain. Currently, over 20,000 students are studying abroad, and it is known that some of the students may not come back to Kenya upon completion of their studies.

**Weaknesses**

The results from this study indicated that there were wide differences among transnational commercial providers of higher education in terms of physical, human and financial resources. It was noted that the calibre of students admitted at the institutions due to alternative modes of admission might compromise the quality of graduates if appropriate remedial measures are not taken care of at the point of entry. In addition, the providers were not subjected to any national quality control system, due to the lack of a law guiding such a process. The current legal framework does not cover the establishment of a foreign university in Kenya. However, there is a higher education bill that has been proposed that will deal with quality assurance issues relating to the establishment of foreign universities and distance learning.

Another weakness associated with transnational educational providers is the lack of consumer protection. Some providers may award qualifications that are not recognized in Kenya, yet the students have nowhere to file their complaints. In addition, some institutions admit students without disclosing all the information. One institution was awarding associate degrees and yet they had advertised a four-year Bachelor’s degree. In some cases, where the number of students is low and a programme cannot be mounted profitably, programmes are changed or cancelled without consulting the students.

In summary, although the transnational provision of higher education has increased access to higher education in Kenya through expansion by collaborating with local institutions, many challenges remain to be
addressed regarding the contextualization of the curriculum of foreign higher education providers, and quality assurance and enhancement. This calls for a deliberate effort to work out national and international quality standards that will guide the provision of higher education in a globalized economy.

**Strengths and weaknesses of the regulatory regime and the quality assurance mechanism**

*Strengths*

The country has witnessed a diverse number of new higher education providers in the recent past. Therefore, as a social responsibility, there is a need for an accrediting body to work with a regulatory regime that would check on the quality of the education provided. The rules and regulatory regime ensure that the various parties involved in the process of providing higher education are clear about their respective roles and responsibilities. The standard guidelines in the regulatory documents spell out the expectations that the institutions are required to adhere to in order to meet and maintain high-quality education. Further, the policy regime for the regulation of higher education guides the institutions and the accrediting body in making judgments about academic quality in a transparent manner. It should also be noted that the regulations are developmental and are reviewed from time to time to respond to emerging demand issues in higher education.

*Weaknesses*

The policy regime for regulating the provision of higher education, although well intentioned, has some weaknesses. The regulatory regime may fail to respond to challenges brought about by the liberalization of education services; for example, where a foreign university wishes to operate branch campuses, the regulations in place do not cater for this. While a bill has been prepared to cater for such needs, transnational higher education providers are collaborating with post-secondary institutions to offer university-level education. It is also noted that higher education providers have to deal with several government offices that handle different sections of the regulatory regime. For instance, they
Regulation and quality assurance mechanisms for transnational (commercial) providers of higher education in Kenya

have to visit one government department for registration, a different government department for licensing, and yet another department if they have to recruit expatriates. In this case, the whole process may be cumbersome and may discourage a transnational provider from investing in higher education. In addition, there are weak links between the various departments that handle the regulatory regime, such that the transnational education providers take advantage of these weak links and flout some of the regulations. Perhaps this could be the reason why several transnational providers have chosen to collaborate with post-secondary institutions to offer university-level education.

**Final conclusions**

From the data gathered, it can be concluded that there is a relatively well-conceived system of regulation and quality assurance mechanisms of private providers of both national and international university education in Kenya. The regulation is very clear on the opening and functioning of a university in Kenya. It appears that transnational providers find it easier to collaborate with an existing post-secondary institution rather than to go through the process of starting a new university in Kenya. However, the regulation in place does not prohibit post-secondary institutions from collaborating with transnational providers of university education (rather it is silent on the matter). It should be noted, however, that some of the public post-secondary institutions have legal provisions that indicate that they cannot offer university-level education. The government is concerned about the large number of post-secondary institutions that are collaborating with foreign universities to offer higher education qualifications. This cannot be allowed to go on for long, as the quality of higher education offered through such arrangements may be questionable. The CHE is reviewing the current regulation to cover post-secondary institutions that may wish to collaborate with universities to offer university-level education.
References


Transnational commercial provision of higher education: the case of Russia

Katya M. Gorbunova, Konstantin S. Fursov, Elena A. Karpukhina
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<tr>
<td>AMBA</td>
<td>Association of MBAs</td>
</tr>
<tr>
<td>ANE</td>
<td>Academy of National Economy</td>
</tr>
<tr>
<td>AEE</td>
<td>Association of Engineering Education of Russia</td>
</tr>
<tr>
<td>CIS</td>
<td>Commonwealth of Independent States</td>
</tr>
<tr>
<td>DEA</td>
<td>Diplôme d’Études approfondies (French post-graduate diploma)</td>
</tr>
<tr>
<td>ECBE</td>
<td>European Council for Business Education</td>
</tr>
<tr>
<td>EUSP</td>
<td>European University at St. Petersburg</td>
</tr>
<tr>
<td>GAAP</td>
<td>Generally Accepted Accounting Principles</td>
</tr>
<tr>
<td>GATE</td>
<td>Global Alliance for Transnational Education</td>
</tr>
<tr>
<td>GATS</td>
<td>General Agreement on Trade and Services</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross domestic product</td>
</tr>
<tr>
<td>GMAT</td>
<td>Graduate Management Admission Test</td>
</tr>
<tr>
<td>GPA</td>
<td>Grade point average</td>
</tr>
<tr>
<td>GTS</td>
<td>General Tariff Scheme</td>
</tr>
<tr>
<td>HEI</td>
<td>Higher education institution</td>
</tr>
<tr>
<td>HSE</td>
<td>Higher School of Economics</td>
</tr>
<tr>
<td>IAC</td>
<td>International Accreditation Centre</td>
</tr>
<tr>
<td>ICBS</td>
<td>Thessaloniki Business School, Greece</td>
</tr>
<tr>
<td>ICEF</td>
<td>International College of Economics and Finance</td>
</tr>
<tr>
<td>IMARS</td>
<td>International Master’s Programme in Russian Studies</td>
</tr>
<tr>
<td>KBS</td>
<td>Kingston University Business School</td>
</tr>
<tr>
<td>KRMBIA</td>
<td>Kingston Russian MBA</td>
</tr>
<tr>
<td>LLM</td>
<td>Master of Laws</td>
</tr>
<tr>
<td>LSE</td>
<td>London School of Economics</td>
</tr>
<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
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<tr>
<td>MS</td>
<td>Master of Science</td>
</tr>
<tr>
<td>MSSES</td>
<td>Moscow School of Social and Economic Sciences</td>
</tr>
<tr>
<td>MSU</td>
<td>Moscow State University</td>
</tr>
<tr>
<td>MUH</td>
<td>Modern University for the Humanities</td>
</tr>
<tr>
<td>MUT</td>
<td>Moscow University Touro</td>
</tr>
<tr>
<td>OSI</td>
<td>Open Society Institute</td>
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<tr>
<td>RDM</td>
<td>Diploma in Russian Management</td>
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</table>
List of abbreviations

RF       Russian Federation
SSE Russia Stockholm School of Economics in Russia
SU-HSE   State University Higher School of Economics
TNHE     Transnational higher education
TNHEP    Transnational higher education programmes
TPU      Tomsk Polytechnic University
WTO      World Trade Organization
YUKOS    Second-largest Russian oil company
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Introduction

Transnational commercial education is a relatively new phenomenon in Russian higher education, having appeared after the political and economic opening of the Russian Federation to the Western world. Transnational higher education is a phenomenon that has led to a variety of manifestations in the higher education landscape, such as new types of institutions and programmes. These manifestations are a function of the internal difficulties of the system itself, regulatory policies that are themselves an answer to national policy objectives and newly arising opportunities from the outside.

This case study explores the status of, and existing mechanisms for, the regulation and quality assurance of transnational higher education. It looks at the impact of transnational commercial provision on the higher education system in Russia.

In order to set the scene, the structure and the different forms of organization of the Russian higher education system are described. The country’s higher education has traditionally been a mixed public/private system, with the state having higher status and a larger share of the market. Most of the higher education institutions (HEIs) in Russia, until the beginning of the 1990s, were non-commercial state organizations. Then the process of commercialization of higher education began and the quantity of non-state, private and commercial HEIs rapidly increased. In 2000, the total number of students in Russia’s HEIs (including privately-owned institutions) amounted to 4,739,500, including 2,624,300 daytime students.

With regard to the qualification structure, the Russian system of higher education is in a period of transformation as a reaction to the Bologna process. The Russian system of science degrees (specialist, candidate, doctor), however, cannot be easily transformed into the qualification structure favoured by the Bologna process (Bachelor’s, Master’s, PhD). The reasons are that the study durations and academic titles in Russia are different to those in Western European traditions.
At the same time, most HEIs in Russia have many active linkages with foreign institutions. Most of these linkages are, however, for academic and cultural exchanges that do not fall within the definition of transnational education produced by UNESCO and the Council of Europe for the Code of Practice in the Provision of Transnational Education.

The emphasis of this study is on transnational commercial higher education that can be related to one of the categories used in the current international discussion led by the World Trade Organization (WTO) on the liberalization of services under the General Agreement on Trade and Services. GATS distinguishes four modes of transnational higher educational (TNHE) provision. This study will relate particularly to GATS Mode 3 ‘commercial presence’, which, according to the GATS definition, is when the service crosses the border and not the students. In Russia, ‘commercial presence’ of transnational higher education takes place through partnership with local HEIs and via branch campus operations with the help of representatives. Partnerships with local HEIs are presented in the following forms of collaboration: course validation, joint programmes (direct partnership), sub-contracting or franchising, as well as strategic alliances.

Examples of TNHE providers with branch campus operations are the Stockholm School of Economics in Russia (Sweden), the Moscow University Touro (United States), and the Technical University of Delft University Campus in Siberia (Netherlands). Among the TNHE providers with local partners are the Moscow School of Social and Economic Sciences and Manchester University (United Kingdom), the European University at St Petersburg in partnership with Georgetown University, the University of California (both Berkeley and Santa Cruz), Harvard University, Institut d’Etudes Politiques de Paris, Free University-Berlin, the Academy of National Economy and Kingston University (United Kingdom). Tomsk Polytechnic University has international and transnational relations with the scientific institutions of the United States, the United Kingdom, Germany, France, Japan, Cyprus, Republic of Korea, China, India, Pakistan and other countries. The
State University Higher School of Economy in Moscow provides some joint programmes in economics, law, and management with the United Kingdom, Germany, France and the Netherlands.

Since the end of the 1990s, franchise programmes have spread widely and become more and more popular. The advantage of such programmes is that they provide opportunities for a probation period in the provider country, as well as opportunities for job placement overseas. However, the technical and material base of many franchise programmes is often insufficient.

In contemporary Russian legislation, there are no particular legal regulations related to the starting and functioning of transnational higher education programmes. However, any transnational education programme has to obey the Russian legislation for local educational organizations. Thus, regulatory measures include: (a) registration and ownership procedures; (b) licensing and attestation; (c) accreditation; (d) compliance with professional regulations through the process of certification; and (e) compliance with the requirements for customer protection. Measures 1, 2 and 5 are compulsory for all TNHE providers, and the other points are mandatory for those providers who want to work with the Russian standard system. Business-education programmes have been regulated since 1999 and now have a separate series of requirements.

Imported transnational commercial education is perceived to have both positive and negative impacts on the level of the whole higher education system, the institutions and individuals. Positive factors on all levels include the impact on intergovernmental relationships in terms of developing relations between different countries, the impact on public economy; working out public policy in the sphere of higher education; the benefits of international academic partnerships for Russian educational institutions, etc.

Negative impacts include unequal access of Russian regions to TNHE programmes, which exist only in big cities where there are the greater, consolidated universities. This increases the isolation
of Russian regions from the centre. The impact in terms of quality particularly means that the Russian market of TNHE is expanding. Many programmes of doubtful quality have appeared, providing second-grade education under the ‘mask’ of a prestigious TNHE programme, creating competition between Russian HEIs and TNHEIs as well as some others.

Since data, statistics or materials about transnational commercial higher education in Russia are hardly available, the emphasis of this report is placed on the analysis of a case of franchise education. Qualitative research techniques (such as expert interviews, document analysis, web and press information analysis) have been supplemented by quantitative research techniques (analysis of statistical data and of data from the opinion polls). A more detailed list of sources of information is listed under Appendix 1.
I. **Russian higher education: structures and trends**

In order to set the context of Russian higher education, it is necessary to present the different layers of the Russian system of higher education. One of the particularities is its high degree of specialization, in particular in relation to professional higher education. This situation is a legacy of the Soviet system, where higher education was organized in tight relationship to the perceived needs of the labour market, and where institutions of higher education were organized to correspond to very specific professional profiles. Despite a policy declaration to create a higher education system where study programmes are of broader scope through mergers and restructuring, such policies have not yet been implemented.

1. **The Russian system of higher education today: main trends and transformations**

The Russian system of higher and postgraduate education has primordially been organized according to the German system: A qualified specialist qualification is given after five to six years of higher institute education. After this, three more years are required to deliver the ‘Candidate’ of science degree (postgraduate course), and three years more for the Doctor of Science degree (doctoral course).

At present, the graduates of higher education institutes can get a Bachelor's degree, a qualified specialist diploma, or a Master's in a corresponding specialty. Educational programmes can be realized continuously, as well as grade by grade.

Total student numbers and the structure of the student body to be accepted into the first year of a course offered by a state institute are determined by planned figures. These figures are scheduled annually by a proper federal executive power body, under whose jurisdiction the institute is placed. In addition to this plan, the institute has a right to train specialists on the basis of a contract, when the cost of the course is paid off by a physical and/or moral person.
The Russian education system is now passing through a rather tough and painful period of transformation and modernization. Today, there is constant and rather rapid growth in demand for educational services, which manifests itself in an increasing number of both students and HEIs.

Table 1.1 Number of universities

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<td>No. of universities</td>
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<td>519</td>
<td>535</td>
<td>626</td>
<td>710</td>
<td>762</td>
<td>817</td>
<td>880</td>
<td>914</td>
<td>939</td>
<td>965</td>
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<td>519</td>
<td>535</td>
<td>548</td>
<td>553</td>
<td>569</td>
<td>573</td>
<td>578</td>
<td>580</td>
<td>590</td>
<td>607</td>
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<tr>
<td>Non-state</td>
<td>-</td>
<td>-</td>
<td>78</td>
<td>157</td>
<td>193</td>
<td>244</td>
<td>302</td>
<td>334</td>
<td>349</td>
<td>358</td>
<td>358</td>
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In 2000, the total number of students in the HEIs of Russia (including private institutions) amounted to 4,739,500 people, including 2,624,300 people for daytime courses. To compare, in 1992, this number was 2,638,000 people, including 1,657,000 for daytime courses. The growth in the number of students studying in the private higher education sector is particularly interesting.

Table 1.2 Number of students

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<td>2,762.8</td>
<td>2,638.0</td>
<td>2,612.8</td>
<td>2,644.5</td>
<td>2,790.7</td>
<td>2,964.9</td>
<td>3,248.3</td>
<td>3,597.9</td>
<td>4,073.0</td>
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<td>2,542.9</td>
<td>2,534.0</td>
<td>2,655.2</td>
<td>2,802.4</td>
<td>3,046.5</td>
<td>3,347.2</td>
<td>3,728.1</td>
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<td>State universities per 10,000 people</td>
<td>190</td>
<td>186</td>
<td>178</td>
<td>171</td>
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<td>179</td>
<td>190</td>
<td>208</td>
<td>229</td>
<td>256</td>
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<td>Non-state universities (thousands)</td>
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<td>-</td>
<td>69.9</td>
<td>110.5</td>
<td>135.5</td>
<td>162.5</td>
<td>201.8</td>
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<td>344.9</td>
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<td>1,628.8</td>
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<td>202</td>
<td>222</td>
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<td>Day departments</td>
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<td>1,667.9</td>
<td>1,658.3</td>
<td>1,661.2</td>
<td>1,668.4</td>
<td>1,752.6</td>
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<td>1,218.7</td>
<td>1,450.6</td>
<td>1,761.8</td>
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Educational boom

It is important to point out that, after 1981, there was first a decrease in the number of students, which caused serious concern. However, in 1984, student numbers started to grow again, and in 1997, they already exceeded the 1981 level (the highest until then). Correspondingly, the ratio of student numbers per 10,000 people (the so-called intellectualization coefficient) also increased.

According to the surveys carried out by the ‘Public Opinion’ Foundation in 2001, 74 per cent of the population now believed that it was important to have a higher education. The share of respondents under 35 years of age that were of this opinion was even higher – 80 per cent of those surveyed.

Correspondingly, the competition for the entrance examination is growing. In 2000, the average ratio of applicants to admitted students to universities amounted to 3:1 (1999, 2.68 :1; 1997, 2.28 :1).

There are several reasons for this phenomenon of growing competition. More and more people from various social groups see higher education as a prerequisite for professional growth and social mobility. The former Soviet educational models – self-sufficiency of school education, professional secondary education – are a thing of the past. Special secondary institutions – colleges, formerly called ‘technicums’, are more and more becoming just a step towards entering a university. The level of interest in higher education is very high and has little dependence on the social group. However, the nature of motivation for getting a higher education naturally varies depending on the social background of students. In big cities, in ‘advanced social groups’, higher education has a self-sufficient value and is a necessary sign of maintaining and sustaining the social status. There is also a big group of applicants and students for whom obtaining a higher education is the only channel of social mobility and further employment. This group is usually very highly motivated to enter a university. Finally, motivation for obtaining a higher education (no matter which) has

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1 See Table 1.2.
become very widespread. Here we should consider separately the problem of postponing army service, which is the source of intense emotional stress, and is the subject of speculation and bargaining between universities and army agencies.

It is noteworthy that students from low-status families (especially those whose status has gone down in the past decade) and children of inhabitants of small towns and villages face the most difficult problems of access to higher education. They have neither the material resources, nor the necessary connections to have easy access. Therefore, where they fail to enter a HEI, they are threatened with a considerable narrowing of social horizons (Bocharova, 2002: 106-107).

‘Privatization’ of higher education

Another important feature of the condition of the Russian higher education system today is its ‘privatization’, i.e. emergence and spreading of the commercial forms of education.

The term ‘privatization’ of higher education means there is a necessity for universities “to get their students to pay into the wage fund of the teachers and administrative staff, for their hostel accommodation, for food, medical and other services provided to them at minimal prices within socially fair volumes, as well as for additional educational and social services provided to them beyond the standard volume” (Sheregi, 2001: 91-92).

“Paid education is seen by the public opinion of the Russians as a problem for two reasons: the first and foremost is that the majority of the population have no money to pay for university education, the second – non-acceptance of this approach from the ethical point of view, renouncing the possibility of paying for spiritual activities” (Sheregi, 2001: 93). However, the enrolment of students to universities is expanding.

In 2002, the symbolic level of 50 per cent of non-public funding was exceeded (the actual figure was 54 per cent). The average fee for one semester of studying in a university in 1997/1998 was US$1,200.
Cross-border higher education: regulation, quality assurance and impact

However, after the financial crisis (August 1998) it decreased, and in 2000 averaged US$480 throughout the country (Sheregi, 2001: 96).

As for the students who are funded by the state, some of them cannot fully avoid paying a ‘tuition fee’, which, unfortunately, does not go to the state budget. Of the surveyed students, 6.8 per cent pointed out that prior to entering university they had to give a bribe, another 7.1 per cent “found it difficult to respond”. “Privatization of the functions of the educational system manifests itself in such phenomena as private tutoring of secondary school students on commercial terms, but without licensing and paying taxes.” In addition, there are unofficial fees (in some instances) for the students’ second attempt to pass credit tests and examinations, or fees charged by scientific boards responsible for the defence of dissertations. Fees are also charged for the use of recreational and social infrastructure.

Paid education is associated among a considerable part of the population with bribes and irregular payments of formally non-fixed sums. The quality of paid education is thus not highly valued. More than a third of the respondents believe that the quality of paid education is worse than that of free education. The same number of respondents think that it is the same, and only 13 per cent of the respondents assess the quality of paid education as better than that of free education.3

Commercial activities of state universities

Commercial activities of state universities need special attention.

“[The] reorganization of economic relations has had a negative impact on the financial situation of higher educational establishments in the country. In order to replenish their scarce budget, many state universities have to resort to commercial activities, which are not always utilitarian in nature. Quite often, it appears to be a

2. Material from the research conducted by the Center for Sociological Research of the RF Ministry of Education, 1998-2000. In each case, 2,200 students in 72 universities were surveyed. They were students from Moscow, St. Petersburg, North-West, North, Volga-Vyatka, Central, Central-Black Soil, Volga Basin, North Caucasus, Urals, Western Siberia, Eastern Siberia and Far East regions.

prerequisite for funding auxiliary services and scientific departments of universities, a form of adaptation to market conditions.

Today, extrabudgetary resources are a considerable part of the funding for many universities: 47 per cent of them are engaged in their own economic activities, 31 per cent get regular orders to carry out scientific projects with extrabudgetary funds, 22 per cent receive subsidies from the regional budget, and 17 per cent from industrial sources; 9 per cent receive money from foreign foundations, 5 per cent as donations from local entrepreneurs"4 (Sheregi, 2001: 100).

The types of economic activities that state universities are involved in are as follows: (a) introduction of paid training; (b) students’ payment for retaking credit tests and examinations; (c) selling the university’s scientific, academic and methodological literature; (d) selling the products of experimental laboratories; (e) selling the products of intellectual work (computer software, special methods); (f) commercial and intermediary services; (g) receiving interest from their scientific and production co-operatives, partnerships, share-holding companies; (h) renting their space to commercial organizations and firms (Sheregi 2001: 101); and (i) alongside the above-mentioned, universities also use private tutoring of applicants as a form of additional financing. The average cost of a training course in a college is US$75; US$200 for short-term courses (Sheregi, 2001: 102).

**Establishment of private universities**

Another sign of the new university system is the emergence of private universities. They started mushrooming in 1993-1994 (22-25 per cent of all universities), and already six years later (in 2000) they amounted to more than half (54 per cent) of all universities in Russia.

Today, the so-called ‘commercial’ universities make up 40 per cent of the total number of universities, with a take up of a little over 10 per cent of applicants:

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4. Research material, Center for Sociological Research, RF Ministry of Education, November-December 1999. The research was based on expert evaluation by 54 faculty deans of 168 state universities in 11 territorial-economic regions.
“When they emerged at the turn of the 1990s, they met almost half of the demand for paid educational services. However, the process of privatization in state universities started developing, and now state universities and academies have won a victory over commercial universities for the market of paid services. In 2000, the amount of paid vacancies in commercial universities was a little over 20 per cent” (Bocharova, 2002: 108).

Considerable fluctuations in different years in the numbers of students of private universities testify that “firstly, non-state universities are still at the stage of searching for their ‘niche’ in the market of training intellectuals; secondly, their specialization fully depends on the changes in the labour market” (Sheregi, 2001: 108).

On average, the tuition fee in private universities amounts to US$1,140 (Sheregi, 2001: 112).\(^5\)

The reputation of commercial universities is not very high. It is generally believed that the state diploma is valued more highly by employers. State universities made their name in the Soviet period or during the ‘perestroika’. When demand for education started growing in the mid 1990s, the state universities reacted to this by offering paid services of ‘guaranteed’ quality. The underlying reason was the trust that exists in the minds of the public for everything provided by the state – the presence of the word ‘state’ in the name of a university automatically raises its status in the eyes of the potential applicants and their parents. It legitimizes the education and qualifications received there, although it does not necessarily provide high quality education.

It appears that the commercial universities meet the requirements and expectations of getting some higher education, thus satisfying social demand. The university graduate gets entry into some kind of employment, a higher education qualification and

\(^5\) Survey of the heads of 48 non-state universities in Moscow, 20 in St Petersburg and 8 in Stavropol, carried out through an expert questionnaire.
the corresponding formal social status. Probably, commercial universities perform another function by delaying for some time the problem of finding a job and entering the adult life” (Bocharova, 2002: 108).

The demand for education by correspondence, especially in private universities, has been growing particularly fast in the past few years. At the same time, the demand for evening classes is practically unchanged. The facts above once again confirm that there is a huge gap between the volume of demand for higher education and the opportunity to receive it, limited not only by the money factor, but also by territorial, social, and other factors.

**The phenomenon of a second higher education**

The phenomenon of a ‘second education’ has become widespread for several reasons. First, there used to be tight interrelation between the labour market and the system of higher education formed in the soviet industrial era (based on the principle ‘one education – for life’). This resulted in a system where education and practical activities were interlaced and gave rise to a multi-stage system of education, differing from that of the traditional ‘school-university’ system.

At present, there are other reasons for multi-stage education. A ‘good’ university is difficult to enter, due to the high competition for vacancies. As a result, there have appeared a number of formal higher education institutions, which in fact are a step towards entering those universities that are believed to really provide quality education. In other words, in reality, the stages of education above high school have been naturally sorted. The spread of correspondence and other secondary education can be considered, first, to be a reaction to the fast-changing labour market and its requirements. Second, they are a channel of vertical mobility for people from groups whose chances to get a full-time (day) education are limited (Bocharova, 2002: 110).
Regional spread of higher education

Another current concern in Russian higher education is its uneven regional spread. The growth of demand for higher education can be observed mainly in the provinces. Consequently, the participation of central regions in providing educational services is diminishing. Indeed, a great number of affiliates of central universities crop up in small towns and the quality of education in these affiliates is very uneven. Therefore, the affiliates are viewed as either a real opportunity ‘to receive a higher education qualification’ (in this case the quality of education is unimportant), or as a step towards entering a ‘real university’. Quite often, the affiliates of central universities and the provincial universities are connected through the so-called profile classes, which in fact are a variant of preparatory courses to enter a university.

The regional spread, the growth of affiliates, and the related profile classes meet the social demand for higher education. At the same time, they contribute to a process of differentiation among higher education institutions. Universities are divided into prestigious, elite, and the rest, which partially coincides with the regional division and generally with the processes in society as a whole (Bocharova, 2002: 110-111).

Receiving a higher education as deferment from army service

In the course of the 1990s, the gender structure of new students changed noticeably mostly because students were awarded delay from army service if they entered into higher education. The number of men entering the day department grew by 56 per cent (compared to 1985), while it decreased by 15 per cent for the evening department.

When the war in Chechnya started, service in the army became a real life threat. Evading the call to military service became the actual norm. There are several ways to find protection from military service: a direct bribe to the military commission agency, medical contraindications and, finally, the most legitimate and reliable one, entering a university. For the great majority of male applicants, the possibility of deferment from army service is the necessary, and sometimes only criterion for
choosing a university and motive for getting a higher education. This factor introduces changes into the way we understand the functions of higher education. In Russia, higher educational institutions also perform the role of mechanisms of social protection, which for a large part of their customers is the most important one (Bocharova, 2002: 111-112).

2. Problems internal to the higher education system and reasons for its reform

Insufficient financing of higher education

The GDP share that financed education in budgets of all levels decreased between 1995 and 1998. The situation was particularly worrying in the sphere of professional education where, by 1998, the GDP share was cut by three compared to 1992.

In order to understand the financial situation of the Russian education system, we must consider a few more factors, while also bearing in mind the decrease in financing as a percentage of GDP:

- Year after year, the amount of GDP had been decreasing, meaning that overall financing had also been decreasing.
- While overall financing was decreasing, real expenses on educating one person at all levels (from pre-school to postgraduate) of the education system were increasing.
- As higher education has become increasingly dependent on the use of modern methodology, the costs of creating material, technical and other conditions have been rising (Zhukov, 1998: 50-51).

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<tr>
<td>GDP, US$million (before 1998- US$billion)</td>
<td>445.5</td>
<td>484.1</td>
<td>633.5</td>
<td>217.5</td>
<td>273.4</td>
<td>152.8</td>
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<tr>
<td>Volume of GDP per capita, US$ (before 1998- thousands US$)</td>
<td>3.0</td>
<td>3.3</td>
<td>4.3</td>
<td>1.5</td>
<td>1.9</td>
<td>3.1</td>
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6. Exchange rate was taken for December of each year.
Beginning with 1999, expenses on education in terms of volume of GDP per capita started to grow again. Their share increased from 3.34 per cent of GDP in 1998 to 3.58 per cent in 2000, which equals the level of 1992. The budget share for general and professional education in 2000 was 3.6 per cent of the GDP for the state and municipality; 1.7 per cent\(^7\) of GDP for financing companies and individuals.

**Figure 1.1 Budget expenditure on education in different countries (percentage of GDP)\(^8\)**

Education is financed through both budgetary and extrabudgetary resources. The basic source of financing is the consolidated budget. The volume of the planned budget for education in 2004 amounted to 531.2 billion roubles. This represents only 22 per cent of all charges on education. The remaining 78 per cent originates from extrabudgetary resources - families and the extrabudgetary income of a HEI, first of all, but also from sponsorships, etc. The share of charges on education in the consolidated budget gradually grows. In 2000, it amounted to 9.8 per cent, and in 2004 to 11 per cent. However, it cannot be concluded that education has become a priority in budgetary policy, because the change of the share to 12 per cent within five years is not indicative

\(^7\) From the documents for the State Council meeting 29 August 2001.

\(^8\) From the documents for the State Council meeting 29 August 2001.
(How much Russia costs, section 13 “Education”. The joint project of
REN TV broadcasting company, audit-consulting company FBK and
Vedomosti newspapers, Moscow, 2004).

Besides budgetary support of educational services, there are two
basic forms of financing education:

• Payment for those educational programmes in which national and
  multinational companies are interested. These are short programmes
  of additional vocational training and preparation of the personnel
  in average and initial professional educational institutions.
• The sponsors’ support: open (about 400 million roubles in 2000)
  and shadow (on a rough estimate, up to 5 billion roubles). The latter
  exists in two forms. In one form, money resources are spent from
  sponsors’ accounts; in the other, they are masked under payments
  of educational services. Shadow sponsors’ resources are effective
  enough in comparison with other kinds of ‘shadows’ by virtue of a
  special-purpose character of expenses (more than 80 per cent). The
  shadow form is simply used for exemption from taxes. It is necessary
  to take into account that both streams include up to 30 per cent of
  the means being disguised by family investments.9

Low quality of the teaching staff in universities mainly as
a result of low pay

Beggarly pay in the 1990s had a devastating effect on teaching staff.
Due to the fact that teachers are getting older, and the most active of
them are leaving schools, less than 15 per cent of all teachers in higher
education are men, and the average age of teachers is getting closer
to the age of retirement. This is the main reason why the quality of
education has dropped and why sluggish tendencies are prevalent.

While the problem of competitive pay is not solved, all attempts to
develop and reform the system of education will be met with the silent
resistance of the teachers. It is necessary to radically increase teachers’
pay, but this measure alone can lead to contrary results: The conservative

teaching staff will stay fixed. Raising the pay will be effective only in combination with introducing a system of stimuli to raise the quality of education (Kuzminov, 2002a: 92).

Financial situation of university teachers10 (Sheregi, 2001: 404-409)

In 1997, the average salary of a university teacher was approximately US$110. Due to the financial crisis of August 1998, it went down to 2,033 roubles, i.e. approximately US$75. In 1999, the monthly pay of university teachers further deteriorated to 1,256 roubles (about US$50).

The average pay of 50 per cent of university teachers is less than 1,500 roubles. Today, only 10 per cent of teachers can be considered as earning an acceptable amount (4,753 roubles). In order to increase the family budget, 85.5 per cent of teachers have a second employment (82 per cent in 1999). That includes 43.7 per cent of teachers on a regular basis, 31.8 per cent from time to time, and 10 per cent rarely.

The additional pay of teachers from their second employment amounts to half the pay in the first place of employment; those who work a second job on a regular basis get 65 per cent, those who do so sporadically, 45 per cent, and those who do so rarely, 25 per cent.

An assistant professor, with a Candidate of Science, who earns more due to his degree (15th category of the General Tariff Scheme – GTS), earns 1,974 roubles. A professor, with a Doctorate of Science, which earns him a higher salary (17th category of GTS), earns 2,453 roubles.11

The financial situation of some university teachers is made worse by delays in the salary payment. In 2000, 13 per cent of teachers had delays in salary payment, and 28 per cent in 1999. This negative phenomenon, however, is gradually disappearing. Table 1.4 shows the evolution in

10. This is based on research conducted in 1994-2000 by the Center of Sociology Studies of the Russian Ministry of Education.
the number of staff from 1990 to 2000, which is clearly slower than the evolution of student numbers, which doubled in the same period.

**Table 1.4  Number of staff (state universities, thousands of people)**

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<tbody>
<tr>
<td>Total</td>
<td>219.7</td>
<td>239.8</td>
<td>239.5</td>
<td>240.2</td>
<td>243.0</td>
<td>247.5</td>
<td>249.6</td>
<td>255.9</td>
<td>265.2</td>
</tr>
<tr>
<td>Doctors of Science</td>
<td>13.7</td>
<td>17.6</td>
<td>18.7</td>
<td>20.1</td>
<td>21.4</td>
<td>22.8</td>
<td>24.3</td>
<td>25.8</td>
<td>28.0</td>
</tr>
<tr>
<td>Candidate of Science</td>
<td>115.2</td>
<td>117.4</td>
<td>114.6</td>
<td>117.5</td>
<td>118.5</td>
<td>119.1</td>
<td>120.2</td>
<td>122.4</td>
<td>125.4</td>
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**The influence of the demographic situation**

Over the past decade, a lowering of the birth rate could be observed in the Russian Federation. According to forecasts, by 2008-2010, the number of students in day secondary schools is expected to fall by 30 per cent compared with 1999. The reduction will begin to slow down in 2005 and will fully stop by 2010. However, the drop in graduates from the general and full secondary schools will continue from 2004 to 2015 (Dneprov, 2002: 113).

The activity of educational establishments of professional education will be affected mostly as the demand for educational services decreases, and the overall number of those wishing to enter universities (graduates of general and full schools) becomes equal to or lower than the present number of students.

“Admission to universities in 2010 compared with 2000 may reduce by 40 per cent and the number of students will reduce accordingly. At the same time, the number of students in postgraduate education (postgraduate studies, extension courses, additional training, improving qualification, etc.) will increase up to 12-20 million people a year. Besides, there will be a greater demand for a second higher education of up to 0.2-0.8 million people a year and this will force the state to solve the problem of full or partial support by the state of this process. Developing this sphere will facilitate raising the social mobility of the labour forces and create conditions for effectively satisfying the demand of the labour market for qualified specialists” (Dneprov, 2002: 117).
Social inequality and unequal access to education

Modern society requires a transition to new levels of accessibility to quality professional education. According to the report, *Modernization of Russian education: documents and materials*, the post-industrial society needs no less than 30 per cent of the working population with higher education. In Russia today, about 20 per cent of the working population have higher education qualifications. However, the existing system of professional education is incapable of satisfying educational requirements of this scope (Dneprov, 2002: 117).

Due to the development of market relations, the issue of social inequality has become paramount because quality higher education is currently accessible mainly to children from well-off families. Due to the inaccessibility of universities in the capitals, locked-up territorial systems of education have appeared, which reproduce local-oriented elites (Kuzminov, 2002a: 92).

The result is a phenomenon of social and regional ‘fencing off’ of universities. “The research carried out in the past five years shows an intensive reproduction of ‘intelligentsia’, as opposed to the soviet period when the ‘intelligentsia’ was formed artificially from a heterogeneous group of the population” (Sheregi, 2001: 290).

In addition, the high transportation costs that are a heavy burden for most students, teachers, and for the budget, have led Russia to a real fragmentation of the educational environment. Forming the system of federal districts will create a good opportunity for co-ordinating financial flows, taking into account real requirements of the regional labour markets (Grebnev, 2001).

Archaic system of transmitting knowledge (the more, the better) instead of purposeful preparation

At all levels of education, especially in secondary schools and universities, an archaic system of knowledge transmission prevails instead of purposefully developing qualities necessary for life. Contrary to the requirements of society and to the position of modern
pedagogical science, teaching in our schools and universities is based on the principle that the more varied the knowledge, the better. This principle works to a certain extent in the preparation of scientists, and in this sphere our education is competitive (hence the myth about ‘the best education in the world’), but from the practical point of view it has become outdated and needs radical transformation of the content and organization.

**Graduate unemployment**

Over the past decade, a problem of graduate unemployment has appeared due to an insufficient connection between the system of higher education and the labour market, both at the federal and regional level. With the change towards a market economy, companies are no longer interested in organizing traineeships for young specialists or offering them jobs. In addition, there is no modern system of employment for university graduates in a situation where the previous system of employment for young specialists was abolished. This has led to a low percentage of employment of graduates in accordance with specialization (the problem is especially acute for university graduates in country areas) (Dneprov, 2002: 140).

3. **Reform initiatives underway**

In line with the recommendations made in the report (Dneprov, 2002: 223-224), priorities in education with a view to modernizing society should be as follows:

- *Facilitating social adaptation to the market environment through forming a set of values*, that is, people’s responsibility for their own welfare and for the state of society, which involves the younger generations acquiring the main social and practical skills.
- *Combating negative social processes*, such as rising level of alcohol and drug abuse, as well as the increasing crime rate among young people; fighting anti-social behaviour and child homelessness.
- *Ensuring social mobility* in society by supporting the most talented and active young people, irrespective of their social background, by giving the young generation an opportunity to change social and
economic roles fast, which includes developing special education for people with poor health.

- **Supporting the process of introducing new generations in the globalized world, in the open information community.** With this aim, developing communication abilities should take a central part in education, that is, information technologies, foreign languages, and intercultural education.

- **Education should give a variety of choice or freedom of choice to every person.** The social order for education should not be only or mainly the order of the state, but it should also be the sum of private interests of families and companies. In order to reach these aims, the following interconnected policy objectives need to be addressed urgently:
  - Providing state guarantees of accessibility to, and equal opportunities for obtaining, a good-quality education.
  - Attaining new modern high-quality primary, secondary and professional education.
  - Creation, in the education system, of statutory, organizational and economic mechanisms of attracting and using extrabudgetary financing.
  - Raising the social status and professional level of the teaching staff, increasing their state and public support.
  - Developing the system of education as an open state-public system based on the “distribution of responsibility among the subjects of the educational policy as well as reinforcing the role of all the participants in the educational process: the student, the teacher, the parent and the educational establishment” (Government of Russia, 2001: section 1.4).

4. **Internationalization of higher education in Russia**

   In the present Federal Act on Higher and Postgraduate Professional Education (22 August 1996), one of the main government policy principles in the higher and postgraduate professional education field is:
“the integration of higher and postgraduate professional education into the worldwide higher education system along with the conservation and development of Russian higher school achievements and traditions” (paragraph 2).

In accordance with this act, higher education institutes in the Russian Federation have the right to take part in international co-operation in the field of higher and postgraduate professional education by means of:

• “participating in bilateral and multilateral exchange programmes of students, postgraduate students, pedagogical and scientific specialists;
• conducting joint scientific research, as well as congresses, conferences, symposiums and other arrangements;
• conducting fundamental and applied studies in international networks;
• participating in international programmes of higher and postgraduate professional education” (paragraph 33).

For participating in international activities of the Russian Federation, higher education institutes have the right to:

• “enter a non-governmental international organization;
• conclude with foreign partner agreements (which, however, cannot be considered as international agreements of the Russian Federation);
• establish new structures with foreign partner participation (centres, laboratories, technical parks, and others)” (paragraph 33).

The basic forms of international scientific and technical co-operation in Russia can be distinguished by:

• joint research and educational programmes;
• direct investment in progressive sector development;
• transfer of technologies;
• licensing and obtaining patents;
• joint enterprises;
Cross-border higher education: regulation, quality assurance and impact

- intellectual capital (highly-qualified specialists) mobility between countries;
- high-tech production exporting and importing (Atoyan and Kazakova, 2002: 3-4).

As of 1991, initiated by universities and supported by the federal education administration, inter-university and regional centres of international co-operation and academic mobility have been created and developed; this contributes to effective international and external economic activity in the education field. Centres are present in the following regions in Russia: (a) the south of Russia; (b) Tatarstan; (c) the north-west; and (d) the far east.

Basic purposes of international co-operation development are: (a) the creation of new collective forms for Russian regional education institutes’ interaction with foreign partners; and (b) the support of institutes’ initiatives in raising the effectiveness of autonomous rights of education institutes, as well as their joint actions aimed at the creation of regional and inter-institute centres of international co-operation and academic mobility networks, contributing to the strengthening of Russian higher school positioning on the world education market.

According to Act No. 254 of the Ministry of Education (6 September 1999) “about creation of regional and inter-institute centres of international co-operation and networks of academic mobility” (with the corrections of 20 March 2000), the government supports institutional efforts in the field of international activity and academic mobility development initiatives.

In September 2003, the ministers of 33 countries responsible for higher education met at the “All-European Higher Education Space” in Berlin with the aim of forming an all-European higher education space in the shortest possible time. At this meeting, Russia adhered to achieving the goals of the Bologna process by 2010, which comprises:

- setting up quality assurance structures;
- establishing quality assurance systems;
Transnational commercial provision of higher education: the case of Russia

- degree structure: adoption of a system essentially based on two main cycles;
- promoting student and staff mobility;
- establishing a system of credits;
- recognition and degrees: adoption of easily readable and comparable degrees;
- a united system of commensurable and easy to understand degree acceptance;
- higher education institutes and students: active participation;
- promotion of the European dimension in higher education;
- emphasis on lifelong education (realizing the European Higher Education Area. Communiqué of the Conference of Ministers responsible for higher education, in Berlin on 19 September 2003).

The Minister of Education, V. Filippov, presenting the Russian Ministry of Education’s views on the process of Russian integration into European education community, emphasized that “Russia entering into the European education community is not only the next step in the process of all-European integration, but also it satisfies internal needs of the Russian education market. According to the Bologna declaration signed by Russia, our country has to solve a number of important tasks which require considerable changes in Russian education and its modernization”.12

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II. Transnational education in Russia

The aim of this chapter is to analyze the principal forms and distinctive features of transnational commercial higher education. Transnational higher education will be understood according to the definition given by UNESCO and the Council of Europe Code of Practice:

“All types of higher education study programmes, sets of study courses, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based. Such programmes may belong to the educational system of a State, different from the State in which it operates, or may operate independently of any national system”.

The chapter is divided into two parts, where the following questions will be covered:

- The first part refers to the conditions of TNHE foundation in Russia, in terms of context and processes, main players, and its role in the system of Russian higher education.
- Then, a typology of transnational provision of higher education will be developed and a description given about students studying via trans-border supply, forms and types of commercial presence, including information in terms of institutions, and particular providers. Different TNHE forms and their implications will be illustrated with case examples with a focus on the distinctive features.

It should be mentioned that there are many more linkages of international character. They are for academic and cultural exchanges (student, staff and information exchanges), neither of which fall within the definition of transnational higher education given above.

1. The conditions of transnational education in Russia

The first forms of transnational education appeared in Russia at the beginning of the 1990s (1991-1995) in the period of a new course of
economic policy: The borders were opened, integration with Europe and the world was one of the political priorities, and the image of Russia as a part of the world community became popularized. The ideology of borders opening and professional streams interlacing received public and government support, the necessity of which becomes evident in the conditions of an uncontrollable globalization tendency.

Transnational commercial higher education in Russia has taken prominence in this context due to the following factors:

• transition to a market economy and emergence of new market segments;
• increasing presence of interest in foreign capital in Russia’s economy;
• burgeoning market for a new breed of professionals possessing the skills and expertise to be successful in a market economy;
• higher appeal of Western diplomas to employers, primarily joint or foreign-managed firms, as an assurance of prospective employees’ high level of skills and expertise;
• growing propensity among young people to seek Western-level education without leaving the country.

Since 1990, any transnational activity of the universities has ceased to be the competence of the Ministry of Education and specialized structures only. The independence of universities in the selection of forms and methods of international co-operation has appreciably expanded. In April of 1989, the universities received the right to independent external economic activity, and the right to accept and teach foreign students on a contractual basis. As a result, the range of contacts with overseas partners increased (Zornikov, 2002). In this context, transnational higher education programmes (TNHEP) appeared as a commercial initiative of Russian HEI.

In Russia, TNHEP started to develop specific educational and professional standards – especially for programmes in newly developed specialties (such as MBA programmes, which have international standards for training people in business studies).
In most cases, the creation of the TNHEP foundation was initiated by a Russian higher institution, generally at the initiative of certain persons. In addition, a charismatic leader was involved, ready to take the responsibility and to carry the project through.

Therefore, TNHEP responded to the need of universities to get into new niche markets. The universities realized the situation very quickly and tried to address it. At the very beginning of the 1990s, a great amount of juridical, managerial, and economy faculties and universities were founded (and today there is an overproduction in this field). TNHEP, on the one hand, was necessary not for the future generation, but for the institute’s survival: for its reputation, prestige growth, and an ‘extra point to the university’s rating’. Having a TNHEP became a quality label: If the French, the British or the American considered the programme as an adequate one, it meant that it was of good quality.

On the other hand, TNHEP became a catalyst for the financial development of Russian higher education institutions. It was created initially within commercial institutions (MSSES), the European University in St Petersburg, the Russian School of Economics, and others). State institutions joined the process a little later (because of their complicated, rather rigid bureaucratic structures. One even greater complexity was the need to overcome obstacles such as the cultural gap and the need for the co-ordination of standards. Even when the TNHEP was initiated by state institutes (MSU, HSE, etc.), the Ministry of Education never intervened in the process of its creation. Here institutions were initially intensively supported by overseas funds (Ford Foundation, Macarthur Foundation, OSI, etc.), but also by Russian ones.

2. **Main transnational education programme forms/types**

The GATS distinguishes four modes of international supply of educational service: cross-border supply (distance education, etc.), consumption abroad (where the student crosses the border), commercial presence (where the service crosses the border), and presence of natural persons (where higher education teachers cross the border). Transnational commercial higher education, as it is defined
for the sake of this study, relates to Mode 3 ‘commercial presence’ when the service crosses the border and not the consumer of the service.

Mode 3 ‘commercial presence’ exists in Russia:

• through partnerships with local HEIs in certain educational and professional standards, connected to professions and specializations which either have not yet appeared, or are poorly developed within the Russian education infrastructure (for example, programmes). Such partnerships are presented in the following forms of collaboration (each of them will be further elaborated): (a) foreign validation of joint programmes; (b) joint programmes (direct partnership); (c) sub-contract or franchise; and (d) strategic alliances to set up consortia for different purposes;

• via branch campus operations with the help of representatives, which are not popular in Russia, primarily due to their expensive cost to open.

Further, we will try to describe all forms of the mode through a few exhaustive examples. For full information on projects realized under transnational partnerships, see the appropriate part of the appendix.

Validation of one or several overseas institutes (for example, the Russian School of Economics), through validation by the international universities’ consortium, offers credentials of international standard. Educational programmes are designed by the granted institute, and the validator at the same time confirms the programme quality and grants the diploma. Such form is more suitable for programmes in the humanities. In this case, there are two main providers: the Moscow School of Social and Economic Sciences (MSSes) and the European University at St. Petersburg (EUSP). Offering validated programmes is interesting for HEIs, primarily for the expansion of their own social and geographical base in a context where there is competition for students. Any HEI with self-esteem has programmes with validation from overseas. This type is interesting especially for academically-oriented (non-profit) HEIs.
The Moscow School of Social and Economic Sciences

The MSSES is a Russo-British postgraduate university, which offers Master’s degrees to students of the Russian Federation and other countries. It is a research-led institution, and undertakes research in the social sciences at the highest levels of international standing.

Both Russian and British qualifications are available for taught postgraduate programmes. The MSSES is licensed to award Russian diplomas of professional retraining. Five postgraduate programmes are currently validated by the University of Manchester and lead to Master’s degrees (the initial process of validating the educational activity of the School by the University of Manchester, that is to say, the recognition of the adequacy of the level of the educational programmes, took place in 1995/1996). A further two new programmes have been submitted for validation. The MBA is validated by Kingston University. At the same time as submitting the programmes for validation in the United Kingdom, the MSSES applied for and obtained a licence from the Russian state structures in accordance with Russian standards for education.

The Manchester School of Law validates a number of law degree programmes in overseas institutions. This enables students in these institutions to obtain a Manchester law degree through a programme of study that, whilst not taught by Manchester staff, is supervised by the University of Manchester to ensure teaching and examination standards are of a high standard. Currently, the Manchester School of Law validates an LLM programme at the Moscow School of Social and Economic Sciences.

The MSSES aims to integrate the best aspects of British and Russian academic traditions and does this using the latest teaching methods and learning facilities. All students may obtain both Russian and British postgraduate qualifications in law, counselling, political science, sociology, social management and social work, cultural management, and educational management. Tuition fees range from US$2,000 up to US$4,000 a year.
Most of the staff of the MSSES are Russian, and are eminent scholars who have considerable experience in their fields. In addition to this, they have undertaken additional training in leading British universities. External examiners and academic advisers from British universities play a key role in the development and monitoring of programmes.

**The European University at St Petersburg (EUSP)**

The EUSP is a private educational institution for further professional education founded in 1994 by the St Petersburg City Government, the Russian Academy of Sciences, and several learned societies with support from the MacArthur, Ford and Soros foundations. The university has five departments (faculties): political sciences and sociology, ethnology, history, economics and finance, and history of the arts (in co-operation with the State Hermitage Museum).

EUSP offers unique programmes such as:

- graduate/postgraduate-level courses in history, history of arts, political science and sociology, economics, ethnology;
- further education within the framework of the Open Graduate courses in major disciplines as well as specialized professional programmes;
- programmes of distance education in economics;
- international Master’s Programme in Russian Studies (IMARS, taught in English);
- international summer schools in history, culture, art history, economics.

IMARS is a graduate programme for students who already hold a BA degree or an equivalent and wish to continue their study of Russia or other successor states of the Soviet Union. Those reading for an MA in Russian studies at the EUSP are expected to achieve a solid interdisciplinary understanding of the region. IMARS is offered by the faculty of political science and sociology.

The academic fees for the two-semester MA programme in 2004/2005 is expected to be US$7,000 per annum (US$3,500 per residence unit payable during the first four weeks of each semester).
One residence unit allows students to take up to four courses during the semester of registration, apart from language courses. Extended residence, which is allowed only after two semesters of full residence, will cost US$1,400 per semester.

International partners of the programme include Georgetown University, the University of California (both Berkeley and Santa Cruz), Harvard University, l’Institut d’études politiques de Paris, and Free University-Berlin. The programme is organized on the basis of the credit system.

Joint study programmes are those of two universities that collaborate on the basis of credit transfer. The graduate of the programme gets either two diplomas simultaneously, or one diploma from two universities. It may be the case that joint diplomas are neither recognized in Russia nor overseas. Here is a great problem of uncertainty and a lack of co-ordination: The educational quality of such programmes may be high, but the programme contents may comply neither with Russian nor with European standards.

This form of partnership is rather expensive and very difficult to regulate. Therefore, it can be offered only by very large HEIs located both in the capital and the economic centres of the regions. Sometimes major national companies (e.g. YUKOS, Russia’s second largest oil company) are engaged in the financing of the training of their own personnel. Such programmes, however, appear to be rather fragile, and function as long as the financial support exists. The main players from the HEIs’ side here are big state universities oriented to transnational forms of education and the business community, such as Tomsk Polytechnic University (TPU), State University Higher School of Economy (HSE), and others.

**Tomsk Polytechnic University (TPU)**

Founded in 1896 and opened in 1900, the TPU is the higher technical educational institution in the Asian part of Russia with the greatest tradition in engineering education. Since its foundation, more than 100,000 specialists have graduated from the university, over 300 of
which became academicians, Lenin and State Award winners, and the winners of other prestigious awards.

At present, TPU includes 8 institutes, 17 faculties, 3 research institutes and other departments. It has 7 branches and 12 representative offices in various cities of Russia, countries of the Commonwealth of Independent States (CIS) and abroad, including Karlsruhe (Germany), Prague (Czech Republic) and Nicosia (Cyprus). The university pursues a policy of integration in the international education area, develops international relations with the scientific institutions of the United States, the United Kingdom, Germany, France, Japan, Cyprus, the Republic of Korea, China, India, Pakistan and other countries.

The high academic level of TPU is approved by ratings: It ranks first in the rating of the Russian Association for Engineering Education, and fourth in the rating of the Technical Universities Association of Russia. The university holds the Certificate of State Accreditation; nine educational programmes have been accredited through the Independent Accreditation Centre for Engineering Education. First in Russia, the TPU, and five educational programmes in English have been certified by the Global Alliance for Transnational Education (United States). The quality management system has been developed, assessed and registered by National Quality Assurance Ltd (United Kingdom).

In December 2000, a contract was signed between YUKOS oil company and two universities: TPU and Heriot-Watt University. This contract was the beginning of a joint training programme for petroleum engineering experts. Training is delivered at the Heriot-Watt Approved Support Centre, established at TPU, especially for the implementation of this project.

For 12 months, students (trained on a full-time basis) study cutting-edge technologies in oil and gas field development, using educational materials developed at Heriot-Watt University. Those who have successfully concluded their studies obtain both the TPU diploma and the diploma of Heriot-Watt University. Nowadays, since YUKOS has
had problems with the Russian Government, this programme has lost its financial support and is under the threat of collapse.

**Higher School of Economics (HSE)**

The HSE was established in 1992 and, in 1995, it was awarded university status. In co-operation with major European universities such as Erasmus University Rotterdam, the Sorbonne in Paris and the London School of Economics, it has become a leading university in Russia in the fields of economics and social and political sciences.

HSE is one of the most transnationally-oriented universities. Since 1992, the school enjoyed the support of the European Commission and the French Government. At present, HSE actively co-operates with international agencies and foreign universities through dozens of international educational and research projects. Some of them can be identified as transnational (see Table 2.1).

The International College of Economics and Finance (ICEF) was set up in Moscow in 1997, jointly sponsored by the Higher School of Economics – State University in Moscow and the London School of Economics. Its objective was to teach undergraduate students for both the University of London degree for external students and the Russian State Economics degree. A joint committee of academics from the LSE and HSE and the ICEF directorate manages the teaching programme. The bulk of teaching at the college takes place in English.

The college was set up in response to the high demand in the professional and academic labour markets for graduates with internationally recognized Bachelor degrees in economics, and in response to the lack of effective reform achieved in earlier programmes. While some projects to upgrade the economics degree were successful in introducing a number of reformed courses, the degree structure itself was not reformed to an acceptable extent. This experience shows that greater effectiveness in developing programmes of international standard in Russia can be achieved with a more active role of Western partners in the reform venture, including academic co-ordination and management, monitoring and teaching.
The founding principle of ICEF was that students should be examined externally by the University of London (during the study process and at the end of the academic year), which already had a degree programme for external students. This ensured that the students were assessed according to exactly the same standards as students elsewhere throughout the world. It prevented any dilution of standards to accommodate the competence of existing teachers (which has undermined most of the previous reform programmes) and has ensured that students achieve an internationally recognized qualification.

ICEF admits applicants having a Russian high school leaving certificate or any equivalent accepted by the Russian Ministry of Education, through entrance examinations and competition procedures. Transfers from other higher educational institutions are possible for the second year students admitted to the University of London External Programme (specializations: banking and finance, economics and management, or economics). The transfers are possible only if the places are available.

Applications to ICEF can be one of two channels:

• The applicants, having passed entrance examinations in mathematics, social science (economics), English and Russian, and admitted to the SU-HSE economics department are to sit an additional interview in English and compete for 12 places with the highest discount in fees.
• Candidates may apply directly to ICEF, pass the examinations in mathematics, English and Russian, and sit an additional interview in English. These applicants compete for places, except the 12 mentioned above.

The annual tuition fee varies according to the results of the entrance examinations and the further rating of a student. In the next three years, the level of payment is eligible for revision and depends on the student’s place in the rating. In 2004, there were the following quotas and levels of payment at ICEF: from US$2,500 a year (maximum
discount) to US$7,500 a year (no discount). Foreign applicants are to follow the same entrance procedure.

Table 2.1 Main HSE joint programmes

<table>
<thead>
<tr>
<th>Name of the programme</th>
<th>Partner Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Double degree programmes for Master’s and PhD students in:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Economics</td>
<td>University of Paris-I, Pantheon-Sorbonne and University Paris-X, Nanterre (France)</td>
<td>On completion of one semester of studies in France and having defended the Master’s thesis both in French and in Russian, the HSE students receive two diplomas: the HSE Master Diploma and the French National Diploma – DEA. According to a more recent agreement between the HSE and Sciences Po, after one year of studies in Paris, the students of the HSE political science faculty are awarded the Sciences Po International Diploma.</td>
</tr>
<tr>
<td>2. Law</td>
<td>University of Paris-I, Pantheon-Sorbonne (France)</td>
<td></td>
</tr>
<tr>
<td>3. Management</td>
<td>University of Paris-XII, Val-de-Marne (France)</td>
<td></td>
</tr>
<tr>
<td><strong>The second diploma along with the Russian Master’s Degree</strong></td>
<td>The Erasmus University (The Netherlands)</td>
<td>Students who successfully pass the examinations of the External Board are awarded the Diploma of Erasmus University, which is important for their future career.</td>
</tr>
<tr>
<td></td>
<td>London School of Economics &amp; Political Sciences (United Kingdom)</td>
<td>The college curriculum includes courses required by the Russian standard, leading to a Russian National Diploma, and the University of London Degree of a Bachelor of Science in Economics of the University of London.</td>
</tr>
<tr>
<td></td>
<td>International College for Economics and Finance (ICEF)</td>
<td>The information on the ICEF programme will be further elaborated.</td>
</tr>
<tr>
<td><strong>Master of Arts in Economics and Management Science</strong></td>
<td>Humboldt University in Berlin (Germany)</td>
<td>The programme offers an opportunity to obtain two prestigious degrees, which are equivalent to the German Diploma and the Master’s Degree from the Higher School of Economics. This programme prepares students for leading positions in international business, public administration and research.</td>
</tr>
</tbody>
</table>

The continuous upgrading of the intellectual environment within the college is achieved by: teacher retraining in Western universities; peer-reviewed research activities among the college teachers; regular teaching visits by Western academics; and teaching method workshops...
(which bring together local teachers and Westerners to discuss both the research context of teaching, and delivery mechanisms to encourage students to develop their critical and analytical faculties). In all these areas, the success of the programme relies heavily on Western involvement.

**Franchise**

Under the arrangement, the overseas university determines all the conditions (curriculum, total hours, teaching staff, etc.) and quality standards (certification). The owner of the programme controls only the proper realization of the process of implementing the programme. Frequently, however, the disadvantage is that such programmes, based on a Western system of values, are not suited to the Russian specifics. If the Russian university manages to cope with the requirements for national standards, a Russian diploma may also be given.

Such programmes are ideal for business education (MBA especially) and mostly presented by European (United Kingdom, Belgium and some others) and other Western countries (United States and Canada). The Modern University for the Humanities (MUH) is an example of a non-business franchise programme.

**The Modern University for the Humanities (MUH)**

The MUH is one of the largest institutions of higher education in Russia. The university has set up 560 branches in Russia and other CIS countries (the former Soviet Union), in which more than 140,000 students study. The MUH was founded in 1992 as an independent non-profit institution of higher education, which conducts its activity in conformity with state licences.

**Introduction to English law and the law of the European Union**

The programme, which is conducted in English, normally takes two years and consists of eight modules (four modules per year). Each module includes eight lectures and two seminars conducted with the help of MUH satellite educational television. Upon the completion of
each module, the student completes a written assignment. Disciplines in the curriculum are presented in Table 2.2.

Enrolment in the programme is designed for a broad audience of lawyers, university graduates and students. To be enrolled, an applicant must provide the examination board with documents confirming his/her education, information on his/her knowledge of English, an application, and a document confirming payment for one semester. The tuition fee for the programme is US$200 per semester.

### Table 2.2 Disciplines in the curriculum

<table>
<thead>
<tr>
<th>Year</th>
<th>Disciplines</th>
</tr>
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</table>
| 1st year | Contract law (1 module)  
          | Criminal law (1 module)  
          | Introduction to the English legal system (1 module)  
          | Civil law (1 module) |
| 2nd year | Introduction to the European legal system (2 modules)  
          | International trade law (1 module)  
          | Business law (1 module) |

Upon acceptance by the examination board, an applicant receives a student card from the Cambridge University Board of Continuing Education, as well as educational materials and a timetable.

Upon completion of the course, including successful completion of all eight written assignments, programme participants receive a diploma from the Cambridge University Board of Continuing Education. The diploma confirms the successful completion of the courses ‘Introduction to English law’ and ‘Law of the European Union’. The diploma is equivalent to 120 credits according to the European Credit Transfer System (ECTS).

**Strategic alliances**

The Academy of National Economy (ANE) and Kingston University joint MBA programme represents an example of two legally independent partners who have joined their course offerings (beginning from a material and technical basis to fund-raising systems) for a new third organization, while preserving their status as independent players.
This can produce very high educational quality, as well as total coordination of two types of national education standards.

**Campus operations with the help of representatives**

Branch campuses represent a relatively rare form of TNHE available in Russia. Principal causes of the given situation are the following:

- A branch campus is a form of ‘transported educational service’ that requires a significant amount of money. Self-support in this case requires high tuition fees, which, in conditions of low solvency of the population, are difficult to raise. Business education for example is carried out through a significant number of MBA programmes whose joint organization with existing institutions is much more profitable than the campus foundation.

- It is rather difficult to establish a campus (in form of material charges upon opening, the decisions of the legal issues connected to the opening of a campus, confirmation of its status, passage of registration and licensing procedures, etc.).

- In Russia, there exists a considerable potential of high academic programmes. Therefore, foreign presence is less required for knowledge transfer than for exchange of experience. To achieve this purpose, campuses are less effective than other forms of co-operation.

These reasons, and others (a high competition on the part of joint educational programmes) make campuses less attractive to providers and inaccessible (in the financial sense) to the population.

Without doubt, there are very few branch campuses in Russia. We can identify three main representatives: (a) Stockholm School of Economics in Russia; (b) Moscow University Touro; and (c) TU Delft University Campus in Siberia.

The descriptions below concern the first two projects only, as information on the third project was not available.
The Stockholm School of Economics in Russia

The Stockholm School of Economics in Russia (SSE Russia) started its activities in 1997. The first campus was established in St Petersburg, and a second was opened in Moscow in 2003. SSE Russia is part of the Stockholm School of Economics group. The opening of the Russian business school was made possible due to a generous donation from the Raising family. Additional financial assistance for the successive development of the school was obtained from the af Jochnick family and from the Prince Bertil Research Foundation.

SSE Russia aims at supporting ‘the development of sustainable business in Russia’. This is done by offering additional training, related support activities, and upgrading management competence.

SSE focuses on supporting the development of the human resource base, and is working within a few strongly interrelated fields, including: (a) international executive MBA programmes; (b) specialized training programmes (company specific and open); (c) events and seminars for Russian and international audiences; (d) publication of contemporary texts on international management; and (e) applied research and development in Russian business.

The first group of our International Executive MBA Programme graduated in March 2001. Since then, one new group has joined the two-year part-time programme every year. From 2004, new corporate MBA programmes have been introduced in the area of academic offerings.

In the area of specialized training programmes, the school offers shorter courses on topics such as sales, marketing, project management, etc., as well as more comprehensive programmes, e.g. ‘entrepreneurship essentials’.

Intervals between the modules are filled with evening seminars, management training, and topical round tables with experts in different areas that are of interest to the participants.
At the training course, participants develop their business plans. While doing so, the trainees may take advantage of the information resources and school library, and consult with tutors, experts and instructors of SSE.

**Trainers**

The training course is implemented by SSE specialists and Russian trainers with hands-on business experience. The training is provided in Russian. Translations of presentations by Western trainers are provided.

**Diploma**

The graduates shall be granted a diploma of SSE St. Petersburg. The participation fee in 2004 was 4,100 euros. The fee included training, training materials, books, accommodation and meals (during field modules).

**The Moscow University Touro (MUT)**

MUT (the oldest American university in Russia) was established in 1991. The goal is to prepare Touro students for a bright future as leaders, not only in Russia, but also in the global community. At MUT, students acquire the intellectual tools necessary to function effectively in business, industry, trade or government. They gain the skills needed to understand and to participate in the rapidly changing world around them.

Moscow University Touro admits students based on: (a) the applicant’s academic performance in secondary school, university, institute or college; (b) the ability of the applicant to pass a university entrance examination designed to measure his/her analytical, mathematical, English language and problem-solving skills; and (c) the recommendation of the enrolment selection committee.

The decision of the committee of admissions is based on an assessment of the candidate’s ability to benefit from the MUT academic programme, and of the candidate’s potential to contribute to academic and student life at the university.
MUT offers a Bachelor of Science in business and management in co-operation with Touro College of New York. MUT also offers English as a second language programme and other training programmes. Also presented are MBA, MS in Health Science, Law, GAAP, GMAT and language programmes. Online courses are foreseen.

Tuition, fees and expenses are up to US$3,050, depending upon the time of the session, number of credits and additional payment, for transfer, registration, reference, graduation, etc. To be eligible for graduation, transfer students must complete a minimum of 45 credits for the business and management programme. A minimum of 50 per cent of the credits toward a major should be taken at MUT.

_programme leading to a Russian accredited diploma_

To qualify, the student must be in his or her second year of full-time study at MUT and complete at least 30 semester credits with a grade point average (GPA) of 3.8 or higher. This scholarship is renewable providing the recipient maintains a consistent 3.8 or higher GPA based on a minimum of 30 semester credits.

Corporate students must compete for different scholarships, which have their own eligibility requirements and funding stipulations. These scholarships may be based on financial need, capacity for business leadership, academic promise, or any combination of these. Conditions of award are determined by the company or association sponsor in consultation with MUT.
III. Case study of a transnational education programme in Russia

1. Introduction

Business education in Russia has undergone a substantial change of context in management practices over the past 20 years – throughout the world, but in particular in Russia.

- The growth of the service sector, changes in the public sector, and the emergence of a substantial not-for-profit, and small and medium enterprise sector, have changed the context of management, away from a dominant focus on manufacturing.
- The implication of this is that there is an increasingly diverse group of entrants into middle and senior management, including a variety of highly educated professionals from all sectors, and increasing numbers of women and ethnic minorities.
- The growing diversity of organizational structures in business to include matrix, network, virtual and ‘adhocratic’ organizations, means that the traditional bureaucratic organization exists in only a limited number of businesses, and many organizations exhibit multiple organizational structures.
- In consequence, the practice of management no longer involves mainly the management of vertical lines of reporting and standard operating procedures. Managing project teams and cross-functional work groups, even across organizational boundaries, is increasingly common.
- This means that management increasingly involves the achievement of balance between control and commitment, between the use of internal markets and reliance on regulation.
- In addition, few organizations can completely escape the effects of globalization, either in terms of the implications for their financial viability or for the internationalization of their operations.
- Managers are therefore faced with an ever-changing world of greater discontinuity, risk and uncertainty, in terms of not only where and
how they practice management, but also in their managerial careers. Therefore, as well as the technical knowledge base, the skills of leadership, teamwork, communication, influence, negotiation and cross-cultural awareness are essential.

- Finally, the imperatives of good business practice are also no longer immediately apparent. Corporate social responsibility and a concern with corporate reputation place ethical dilemmas at the centre of everyday management activity. Managers therefore require ethical sensitivity and reasoning.

**Transnational presence**

All these changes became important factors for the appearance of MBA programmes in Russia, which were developed majoritarily in co-operation with Western universities. The total number of programmes on the Russian education market amounted to 54 in 2004. The MBA education market in Russia can be divided into the following groups by suppliers of the services, based on the country of origin (Shipilova, 2003):

**Factors that influence the decision about an MBA programme choice**

The analysis of factors that influence the decision made by students about the choice of an MBA programme in Russia is presented below:

- **Country of origin.** This is the most important factor when choosing an MBA programme. It is thus clear that different countries have better or worse reputations for their quality of education.

- **Reputation of institution.** This is an extremely important factor again, but less obvious. Indicators to assess reputation are present in various ratings, reputation of selected professors, famous students, average rates of a student’s salary, etc. The country of origin, as we said before, is an important factor of reputation.

- **Delivery system.** This factor is of extremely high importance. People tend to value distance learning possibilities. This form of education gives the chance to combine MBA education with work (which is very important for students from other regions). Perhaps evening
or distance forms of education are the most popular in Russia for a variety of reasons. Full-time MBA programmes usually take much time and students find it difficult to combine both education and work. Firstly, people in Russia are not ready to give up their job for business education, as they are not sure whether they will be able to obtain career advancement. Secondly, as our sample information tells us, MBA students tend to be relatively young in Russia, so most of them cannot ‘afford’ to give up their job (Shipilova, 2003).

Finally, it needs to be mentioned that the only source of funding for business education in Russia is student tuition fees. None of the funds working in the Russian Federation currently provide grants for the development of business education. It is indeed extremely difficult to find additional financial resources for these educational programmes.

Moreover, money that Russian partners pay to Western universities is often not enough for the effective implementation of a programme. That is why Western partners also resort to additional fund-raising. Consequently, much of the provision of business education remains somewhat fragile because of its dependence on external resources.

### 2. The case study

The following case study is focusing on exploring the evolution of co-operation between the Academy of National Economy (Russia) and Kingston University Business School (United Kingdom): a partnership that developed from co-operation between the two institutions on a general management training programme for Russian managers in the mid 1990s (the International Managers’ Programme), into an MBA programme jointly taught at the Academy in Moscow, which began in 1998.

The programme is taught under the auspices of two faculties of the respective institutions: Kingston University Business School (KBS), and the Moscow School of Social and Economic Sciences (MSSES). The Kingston Russian MBA (KR MBA) is an open-learning programme that matches the United Kingdom model in all-important respects: syllabus, teaching, and aspiration. It is a 21-month course in two stages, taught
mainly by visiting Kingston academics. Stage one has five main blocks of teaching, each lasting six days, including a weekend. Stage two has four blocks of study of shorter duration. In total, students are required to be absent from work to study for less than 35 days. The programme includes an MBA diploma in Russian Management (RDM), which is taught by Russian staff in the evenings. The RDM complements the KR MBA in important ways; it extends the Russian dimension of the KR MBA, and meets important criteria for MBA programmes required by the Russian Ministry of Education. Students are expected to undertake between 15 and 20 hours of private study per week, averaged over the year – so the programme is very demanding. The drop-out rate is around 12 per cent and this occurs mainly in the very early stages.

The programme has distinct characteristics over and above the fundamental aspects of the Kingston University Business School model upon which it is precisely modelled. Distinct characteristics include cross-cultural aspects of learning, teaching and communicating in a foreign language, mixing different traditions and modes of thinking, together with strong interdisciplinary elements, plus the synergies that emerge from interaction between the two academic components of the programme, the Russian Diploma of MBA and the Kingston University Business School MBA.

Students are highly qualified: All have a first degree, most have a Master's degree, and one third of students have a PhD. Many applicants hold very senior positions in Russian or international firms (CEO, finance/marketing director), forming an executive as well as an MBA programme, and many take up such positions after graduation. It includes leaders of entrepreneurial firms and start-ups. Approximately half are women. In general, the seniority of managers on the programme is higher than in the United Kingdom, and the average age is around 32. Applicants mainly come from Moscow, but also from other regions in the Russian Federation. The KR MBA is taught and examined in English, so the language demands on participants are high. The programme began in 1998, and approximately 100 students had graduated by 2004. The programme is financially viable, has earned a high reputation,
gained Russian and important international accreditation,\textsuperscript{13} and student numbers have climbed to around 50 per cohort. Academic performance is exceptionally high, and the practical component is strong.

**Functioning of the programme**

A joint MBA programme of Kingston University and MSSES started in 1993. After visiting Russia, Margaret Thatcher (former British Prime Minister) charged the fund named after her to organize a charitable programme for training Russian managers. Staff of the fund began to search for the university. One of the employees in the past was a member of the Board of Trustees of Kingston University. In a word, Kingston was chosen. In 1995, the Future Managers for Russia programme appeared. At first, it started in the leading high school in Russia – an academy by the name of G.V. Plehanov. The programme incorporated a Russian management course that was accompanied by two months’ management study at Kingston University. The graduates informed that the knowledge received in the United Kingdom was rather useful, but the course was “inadmissibly short” (Cikura, Ostaicher and Rodulgin, 2002). Under the initiative of the Future Managers for Russia graduates, the present joint programme has appeared. For the convenience of readers, a special chronicle follows:

**1993-1997**

Future Managers for Russia started based on the Academy of National Economy. The long-term co-operation agreement with Kingston University was signed.

During the five years of existence of the Future Managers for Russia, more than 100 Russian managers were trained in the United Kingdom. About 35 per cent of students had a chance to be seconded to British companies for several months’ work experience after the training. They were the first in Russia to be awarded the Certificate in International Management of Kingston University.

\textsuperscript{13} From the Association of MBAs (AMBA) in July 2000.
The programme was sponsored by British charitable funds and the United Kingdom Government. However, by autumn of 1997, the charitable funds for grants ended, and the programme finished.

March 1998

In the development of Future Managers for Russia, a new MBA programme from the MSSSE at the Academy of National Economy and Kingston University started with financial support of the Margaret Thatcher Foundation, and the De Rothschild and Soros foundations.

July 2000

KR MBA was accredited by the Association of MBAs (AMBA) for a period of 7 years. The first release of students of the programme took place at the Embassy of the United Kingdom in Moscow: Over 30 graduates received their MBA diplomas. The high academic success of the Moscow Programme has been especially marked: 5 out of 10 excellent diplomas of Kingston University have been awarded in Moscow. Two degree projects have been singled out with a special prize from the Dean of Kingston University.

Nowadays

So far, more than 100 managers have successfully graduated from the programme. Over 80 graduated with MBA diplomas and about 20 graduated with British diplomas in management (Materials to Quality Assurance Committee of ANE, 2002).

Partners

The following abstract gives a brief description of those who raised the programme: their major services, age and location, revenues with recent trends, other information relevant to the case topic.

Kingston Business School

The Kingston Business School is one of the top United Kingdom business schools with an excellent reputation. The teaching activities and research work conducted by KBS were awarded with the title of ‘centre of excellence’ by the Institute of Personnel and Development.
of the United Kingdom. KBS consists of six faculties: Accounting and Finance; Business Information Technology and Quantitative Methods; Business Strategy and Operations; Human Resource Management; Law; and Marketing. It unites 80 full-time academics and 50 visiting professors and industrial fellows. The Kingston MBA programme has been accredited by AMBA in the United Kingdom. KBS is involved in joint MBA international programmes with universities in Greece and Holland. Kingston is famous for working with Russian managers since 1992, when the Future Managers for Russia programme was hosted by the university. The Russian MBA is the next step in international activities.

**Academy of National Economy of Russia**

The Academy of National Economy of Russia was founded in 1977 as the first ‘School of Ministers’ for Soviet managers. More than 30,000 managers have graduated from the academy since it was set up, and many Russian governmental executives have been trained in the academy. ANE was rated by the World Bank among the three top Russian business schools. It consists of large number of schools and faculties: nearly 100 full-time faculty members and many researchers. The academy has links with major universities and business schools in Europe and the United States. There are programmes on joint research, training and exchange between academic staff, and several foreign business schools. ANE is running postgraduate short-term courses for managers, bankers, and other civil servants and is involved in consultancy work in the fields of economy in a transitional period, privatization, business strategy and restructuring, ecology and social sciences. Most of the faculty members combine teaching with consultancy work.

Two paths were selected: developing Russian analogues of international MBAs; and creating educational alliances and joint programmes to adhere to Western standards.

**The Moscow School of Social and Economic Sciences (MSSES)**

MSSES operates as a faculty within ANE that focuses on partnerships with United Kingdom universities (the universities of Manchester,
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Cambridge, Essex and Kingston). It was founded in 1994 and the first cohort of 35 students was recruited in 1995. All lecturers had training in leading United Kingdom universities and business schools. MSSES was validated by Manchester University in 1995. The graduates receive a Russian diploma in management, together with a diploma from Manchester University. Now the school has five faculties: General Management; Management in Culture; Management in Education; Social Sciences; and Law. It hosts several international Master’s programmes, including the Kingston MBA programme. MSSES has a good infrastructure, partly funded by the Soros Foundation, including a Western-style library (additional to that in ANE) and IT support.

Idea and motives, initial conditions

At the beginning of the 1990s, a tremendous need for managers and specialists to guide the economy through the difficult transition period arose in Russia. The decision to transform Soviet state-run industries into privately-owned companies meant that someone was required to make these industries competitive. The obvious solution was to transform Soviet-era economic institutes into business training institutes for the future executives in the real sector of the Russian economy. The Academy of National Economy under the Government of the Russian Federation has become one of the first Russian HEIs to develop and launch brand new MBA programmes.

Favourable business environment

In 1997, the Russian economy was slowly showing signs of development; the future looked more optimistic. The purchasing power of the Russian population was increasing; the middle class was developing in the new Russian society; there was growing interest in Western management education. Foreign (mainly United States) universities started offering their MBA programmes in Moscow; several MBA graduates, who were lucky to study abroad in famous business schools, had become the elite among top Russian managers. There was a sign of growing demand in such management education; therefore, the idea to offer a Kingston MBA programme was timely and viable.
An idea to offer a joint MBA programme

The idea to offer an MBA programme in Russia was voiced in autumn 1997 after the last group of Russian managers attended the Kingston session under the Future Managers for Russia programme. These managers asked for a possibility to continue their education at Kingston University and asked about an MBA extension. This idea was discussed between the Academy of National Economy and Kingston University. By that time, some executives from the Academy had already been involved in the management of the Future Managers for Russia programme.

Motives

In order to learn about concerns, motivation and approaches to partnership, research had been carried out to identify the motives of the two parties. The empirical research demonstrated that there were the following motives for entering into a partnership:

**Figure 3.1  KR MBA relationships**
Motives of the partners

Kingston Business School
- Entering new international markets
- Creating an international profile and enhancing Kingston MBA
- Acquiring new skills
- Social mission of being part of the reform for Russia
- Academic development
- Strong demand for KBS’ product in Russia

Academy of National Economy
- Resource extension by creating a business faculty
- Acquiring new skills and methodologies
- Increasing the ratings of MSES and ANE
- Academic development
Initial conditions

The initial conditions for setting up an educational alliance were favourable. There was a demand for Western (especially United Kingdom) management education in Russia. ANE and KBS had co-operated previously in teaching and research; the Future Managers for Russia Programme (1993-1998) had been successful; there were clear and established goals. KBS managed to obtain sponsorship: Non-monetary benefits and long-termism featured strongly. The programme was supported by top executives of both institutions. There was mutual enthusiasm and belief in the possibility of success. Determination to keep faith with the alliance by the institutions after the crisis of 1998, despite losing some 40 per cent of the students, was perhaps one of the strongest factors promoting co-operation.

As the programme evolved, it became clear that a differentiating factor (important to competitive advantage) was delivery in English by United Kingdom staff. This exacerbated the cost issue that was partly resolved by a price increase of 10 per cent in 2002. It also changed the original strategy, which was for KBS to take on a purely monitoring role. The shortage of suitably experienced Russian staff has partly been resolved by employing outstanding graduates as co-teachers on the programme. Legal issues of matching the United Kingdom and Russian laws and concluding a formal agreement of co-operation were temporarily solved in January 2001. Changes in key personnel had caused anxiety on both sides. Although there are many outstanding problems, frequent meetings and open discussions have resulted in resolution, or at least a sense that they are being taken seriously and thus alleviated.

Evolution of partnership and the programme

In the view of one Russian key stakeholder, the evolution of the alliance could be split into three stages:

• The pre-alliance period (May 1996 to January 1998), characterized by partners learning how to work together, the team for a future alliance being set up, different conditions and success factors tested, etc.
• The learning period (February 1998 to August 2000), where partners were experimenting with the programme to find the best possible way forward, the procedures were being established, the alliance and its participants were tested for sustainability and compatibility, and co-operation was tested by the crisis. It was a huge learning experience, which resulted in the programme being well recognized by media in Russia and in the United Kingdom. The programme was becoming an established one with a very good reputation. It was a move towards the establishment of technological processes in relationship between partners. The alliance has reached the stage where, apart from willingness to work together and to make a joint product, technologies of relationships have been established. The period of spontaneous partnership is finished.

• The mature development period (September 2000 to present), where the new cohort of 45 students enrolled for the course, and where the stakeholders, using the sustainable status of the programme, are thinking of expanding it in the future. The programme has a status; it has settled and has passed the learning curve period. Student satisfaction is growing. The programme has become recognizable. The parties consciously know what to expect in the future. The alliance can guarantee the quality of the programme for students. The problems are being solved by the use of established procedures. The programme has reached a sustainable stage. External conditions can influence the programme, but it has become much stronger to survive this shock (Leontenkov, 2001).

It is possible to draw a clear conclusion that, although KBS and ANE had several motives for entering into the alliance, the main rationale for creating a strategic alliance was to join the skills and resources of both partners, which were essential for creating the programme. Either partner acting alone would not succeed.

The programme's mission, general aims and basic principles

The mission of KRMBA is “to contribute to Russian economic and social development through management education in Russia” (ANE/MSESS KRMBA, 2002). That means that Russian managers are taught
to be capable of making administrative decisions in all sectors of the economy in conditions of dynamically-developing realities of business.

The Kingston MBA aims to provide general management education at the Master's level to professional managers with very different backgrounds of academic and management experience. In so doing, it has taken into account the changing world of management theory and practice at the turn of the twenty-first century.

The main aims of the MBA project are to enable students to: (a) develop further the skills and knowledge gained from the course by applying them to the analysis of a specific business problem or issue, via a substantial piece of independent work carried out over an extended period; and (b) demonstrate proficiency in the design of a research project, application of appropriate research methods, collection and analysis of data, and presentation of results, as well as a critical evaluation of their recommendations and their implementation.

**Learning outcomes**

On successful completion of the MBA programme, students should be able to:

- critically appraise a range of relevant theoretical business management knowledge, and apply it to the solution of business problems;
- demonstrate proficiency in the analysis and interpretation of a wide range of business data;
- synthesize knowledge from across a range of business disciplines, and apply it to the analysis of complex business issues in a rapidly changing international business environment;
- demonstrate the key personal and inter-personal skills required for effective management and implementation of solutions at all levels within and outside organizations;
- operate as an autonomous learner in a supported but flexible learning environment;
- show a critical appreciation of the significance of recent advances and theoretical developments in business, and their strategic implications;
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• demonstrate the clarity of problem definition and scope, critical evaluation of a focused review of relevant literature, selection of appropriate methodology, proficiency in the collection, analysis and interpretation of data, and the ability to synthesize material in making relevant conclusions and recommendations for action. (ANE/MSESS KRMBA, 2002)

The KRMBA programme is very demanding. Students must ask for leave from work for specific periods of study and the period of examinations. During the first year, students have to write 11 assignments in English and read a minimum of 10 books, not to mention additional literature. During the second year, the graduation thesis (some 20,000 words) has to be written in English. In 2000, only half of the students reached graduation.

Features of the programme structure

It was agreed that one of the distinct features of the KRMBA programme (see Figure 3.4) would be a modular structure and the United Kingdom lecturing professors who deliver the course. That was unique among MBA programmes and allowed the Russian students to study in Russia and thus to stay in their jobs and with their family, and at the same time enjoy the benefits of getting the first-hand experience and exposure to the best British professors from one of the best British business schools. In order to deliver this product, ANE and KBS decided to set up a strategic alliance KRMBA programme structure.

As much as possible, students are encouraged to apply European management concepts to the Russian context, especially in their dissertations. Often, assignments explicitly ask for Russian applications in business and finance, economics, strategy, marketing and accounting, for example.

The Russian component of the programme complements the KRMBA in addressing distinctively Russian issues. Additional value added from RDM includes:

• additional education in specific areas that require Russian expertise, including Russian law, accounting, and taxation;
• supplementary teaching on the KRMBA that adds continuity to the block mode of delivery;
• provision of a bridge between the requirements of Russian and British education. The RDM adds to the student’s marketability in Russian business.

The RDM enables the partners to meet the requirements set by the Russian Ministry of Education that are required for the recognition of Master's courses (ANE/MSESS KRMBA, 2002).

The Kingston University and the MSSES MBA programme harmoniously combine an open learning principle with the internal form of education, which is realized as modular sessions with the English teachers, and evening lectures and consultations with the Russian teachers.

Figure 3.3 The KRMBA programme

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Stage one

- Marketing
- Human resource management
- BFE (Management economics)

Operations management

- Integrated case studies
- Strategic management I
- Methodology
- Information management (data/statistics)
- Information management (systems)
- Personal development
- BFE 2 (Finance)
- Financial accounting

Stage two

- 3 specialist electives
- Strategic management (2)
- Personal development
The principles of open learning are the following:

- **Parallelism:** an opportunity to study in parallel with basic professional work;
- **Flexibility:** an opportunity to study at a convenient time, in a convenient place and at a convenient rate;
- **Open specialization:** freedom in drawing up the individual training programme by choosing from a set of independent training courses;
- **New role of the teacher:** cognitive process co-ordination, updating the discipline contents, consultation in drawing up the individual curriculum and educational project management;
- **New role of the student:** increased requirements regarding self-organization, motivations, independent work and diligence;
- **New forms of quality assurance:** carrying out individual written work under the special task;
- **Introduction of information technologies;**
- **Internationality:** an opportunity to export and import some educational services.

The programme is constructed on active training methods which promote the students’ participation in all that occurs during the educational process. *Case technologies* are actively used in the training process: Such forms of training as case analysis, preparation of case presentation, case presentation and the critical thinking method develop the critical reasoning of students and stimulate them to search for and accept optimal decisions.

Another feature of the programme is the great volume of independent work of students, which constitutes about two thirds of the course. Preparation of each written task or ‘assignment’ (first year, 11; second year, 5) should take 40-45 hours.

There are features of approaches to the organization of the independent work of students. Right at the beginning, a group of 40-45 people are divided into subgroups of seven or eight people. Students with varying basic education and professional experience
(economists, financiers, experts in marketing, IT managers, top managers, etc.) come together in one small group.

Work in small groups is one of the training methods used during the English sessions. Another method is the independent work of students. In small groups, case studies and common approaches to writing up assignments are discussed. Work in small groups fosters teamwork, enables closer communication between students, and provides a reciprocal enrichment of experience. Frequently, relationships in small groups develop into businesses of communication.

Much attention is paid to the maintenance of scientific and methodical help at all stages of independent work. In educational processes, videoconferences with the British teachers are actively used, whereby students can clear up difficult questions. Consultations with the Russian teachers are also carried out.

One more programme feature is work with the programme alumni who are actively involved in lecturing together with the British professors, especially when the question is practically oriented. The best graduates carry out consultancies as a part of their work for assignments; some of them are also involved as ‘shadows’ in the course of their research and graduation projects.

**Material resources**

The KRMBA is delivered at the ANE/MSSES campus. The campus has three buildings, housing conference, training, research and hotel facilities. On an adjacent plot, the academy is constructing a modern Business and Training Centre; the work will be completed when additional funding is made available.

All KRMBA teaching rooms are fully modernized, many with air conditioning and IT connections. The standards of teachers’ accommodation are being continuously upgraded. A dedicated office and secretarial support is available for visiting KBS faculty. There are two libraries of the ANE and the MSSES. The ANE library has 200,000 books, monographs and course books, and approximately 200 different journals and other periodicals. The MSSES library was constructed using
monies from Soros Foundation grants. It has 15,000 books, monographs and course books, and over 180 different journals and periodicals.

The programme is designed for those with significant work experience. Successful candidates must have high intellectual capability and high standards of English. Successful applicants must satisfy the conditions for entry to the Kingston University MBA. All eligible applicants will normally be invited to an interview. Students already studying the programme at our networked institutions (Kingston and Haarlem) would be able to transfer to KR MBA to complete their studies. This option is not available to students at the Thessaloniki Business School of Greece (ICBS).

_Tuition fees_

Requirements are already high for those who enter: It is necessary to have the diploma in higher education, acceptable English language skills, and the main requirement – the desire to study. The cost of training is US$11,000 for the entire course. In the Russian context, the programme is one of the most expensive in Moscow, but at the same time is one of the most prestigious. However, this cost does not reduce the number of students.

Every year, the percentage of corporate students increases (accordingly, the company pays for their training). In the past, 25 per cent of first-year students’ training was paid by companies; now it is more than 40 per cent. This shows that companies have started to understand the importance of business education and have become interested in it. Besides, companies do not want to lose their staff. It may also happen that the company is ready to pay for the employee’s training, but the employee decides to pay himself because he does not want to be tied to the company in the future.

_Comparability of standards and student experience_

The measures that seek to assure comparability of standards are:

- the use of identical assessment instruments;
• moderation of a sample of assignments, examinations and MBA projects;
• detailed liaison and consultation through the KR MBA course directors with reference to other staff in the Faculty of Business of Kingston University. In addition to this, the Field Liaison Director (Academic Director) based at Kingston has administrative support from the International Office at Kingston. Both have frequent contact with colleagues at ANE/MSESS;
• ANE/MSESS faculty members, including the executive and academic directors or appointed deputies, are invited to attend all Examination Board meetings. The Field Liaison Director attends all Examination Board meetings, as do the British members of the KR MBA teaching team;
• the KR MBA Staff Student Consultative Committee meets at the end of the last day of every KR MBA session in Moscow. It is made up of all students in the cohort, directors of the programme, and KBS staff teaching during the session. Students give feedback on delivery, course content, and complete questionnaires;
• the KB MBA programme staff meeting consists of the Vice Rector of ANE/MSESS, KR MBA directors, and visiting staff. It is usual for the Dean of Kingston University Business School (or his/her appointed deputy) to attend the meeting at least once a year, where issues raised by the KR MBA Staff Student Consultative Committee are discussed together with matters arising from the KBS Board of Study.

Course delivery features of KR MBA are:

• *British lectures and teaching methods*;
• *Russian lectures and ‘shadow’ work*. The group of co-teachers (shadows) for the KR MBA programme draws on outstanding KR MBA graduates and professors from other prestigious institutions in Moscow. For each subject on the KR MBA programme, there is a shadow member of staff at ANE/MSESS available to help students with their studies on a continuous basis. In many cases, shadows are drawn from the increasing pool of KR MBA graduates and they
are usually active in business or research or both. Shadows regularly attend KR MBA lectures and case-study presentations in Moscow;

• **complementarity.** The RDM and KR MBA are in many ways complementary. As stated above, the diploma course enables the business subject matter to be given a local context. Teachers of both courses meet regularly on a formal and informal basis, and an increasing number of teachers on the RDM are KR MBA graduates;

• **video conferencing.** Regular one to two-hour video conferencing sessions are held between staff at Kingston and Moscow students at both stages of the programme;

• **special seminars.** “Business seminars are given by Russian and foreign managers, civil servants, consultants and politicians” (ANE/MSESS KR MBA, 2002).

• **study groups.** Five to six members are selected during the induction programme to provide a forum for small group interaction and ‘peer support’. They have the further advantage of providing a vehicle for students to develop their teamwork and leadership skills. The MBA programme demands constant use of the experience accumulated by the student. Groups may subsequently be reformed as a means of spreading ideas, experience and multicultural understanding. Experience has shown that study groups are an important means of providing the motivation to complete a challenging and intensive assessment programme;

• **group presentation goes after group work.** The results are critically evaluated by shadows and other students, then the recommendations follow;

• **dissertation project preparation.** The MBA project is a substantial Master’s level dissertation of 15,000 to 20,000 words, which tests the student’s ability to develop and sustain a critical argument on a business topic. It is also normally an important source of information for the student’s employer. In addition to the support provided through the business research module and support workshops, the student is also allocated a personal MBA project supervisor and seven hours of personal supervision.
Flexible learning on the MBA is enhanced by the use of the Blackboard Learning Management System. This is used by teaching and administrative staff as a means of communicating with all members of the cohort and also as a repository for basic documents. Blackboards are also used to support communication within study groups through the use of threaded bulletin boards and discussion groups. In addition, teaching staff continue the current practice of responding to individual e-mail enquiries from students. The use of e-mail has become a very important tool to support individual students, especially with regard to MBA project supervision. It is also intended that the use of video-conferencing between Kingston staff and students in overseas partner institutions will be further developed.

**Figure 3.4 Learning support for MBA students**

- **Study groups**
  - Between 5 and 8 students per group - based on geography and prior experience
- **Projects**
  - Course directors
    - Advice re suitability
    - Direction to appropriate supervisors
    - Oversee the process
  - A specific supervisor
- **Workshops**
  - Problem
  - Methodology
  - Analysis
- **Video conferencing**
- **E-resources**
  - Kingston University
  - AMBA
  - IOM
- **Selection**
  - Advice at interview about any weaknesses - is this the appropriate course?
- **Specific modules**
  - Hotlines: guaranteed access to relevant staff at a specific time
  - Email/Fax: questions direct to lecturers
  - Manuals and other materials
  - Blackboard electronic support/materials (as of 2002/3)
  - Library, MBA, and IOM e-resources and books
  - External speakers, especially in electives
- **Course directors: one cohort per year**
  - Year 1
  - Year 2
  - Advice about general issues/difficulties with the course
  - Course directors present at weekends
- **Administrators**
  - Year 1
  - Year 2
  - Administrative issues relating to enrolment, timetabling, assessment and communication with course directors and lecturers
**Staff development**

Staff development is essential to the enhancement of the quality of the staff teaching on the KR MBA programme. For academic staff, this is achieved through research, consultancy, seminars, courses and conferences. Staff development enhances the delivery and reputation of the joint programme. As stated above, the KR MBA programme is complemented by the RDM. Regular meetings will continue to be held between visiting KBS staff and teachers of parallel subjects at ANE/MSESS. ANE/MSESS staff regularly visit KBS.

In addition to KBS arrangements for British staff, regular staff development seminars are held in Moscow for ANE/MSESS staff and shadows teaching on the joint programme. ANE/MSESS staff and shadows will continue to attend KR MBA lectures and case-study presentations in Moscow regularly. As noted above, there is a programme of joint research and publication by staff from the respective institutions. A number of former KR MBA students are reading for the Kingston PhD programme. The journal *Economic Strategy* regularly publishes details of joint and individual research work.

The existing activities designed and led by Kingston University on more generic aspects of pedagogy (which will include approaches to classroom teaching, design of teaching programmes, approaches to marking and implementation of moderation procedures, and supervision of dissertations) will be continued.

As well as such structured events, informal one-to-one discussions between the Faculty of Business of Kingston University and ANE/MSESS staff is encouraged and facilitated by mutual visits. Dialogue with shadows, project supervision, joint teaching, and complementarities between RDM and KR MBA enhance the experience of staff from both institutions.

The academic staff of the KR MBA are paid an hourly rate six times higher than in an ordinary high school; that is why teachers are interested in participating in the programme.
Students

The student group is made up of academically well-educated Russian managers. There are also some foreign students who work in Russia. They hold middle or senior management positions in firms, ranging from major international companies (ABB, BAT, Novo Nordisk, Ernst and Young, Global USA, Chevron Texaco, 3M) to Russian companies (Gazprom, Bank of Foreign Trade, Sberbank, Central Bank, some pharmaceutical companies), to small- and medium-sized entrepreneurial firms. In many cases, they already hold postgraduate qualifications. About half of the students are female. Today, more than 100 of the programme graduates work in the largest Russian and foreign companies: Some had worked in those firms before, but in lower positions, whereas others began their career there thanks to the MBA. About 60 per cent of graduates have raised their professional status as a result of training on the programme. About 15 per cent of graduates stay in their positions (including groups of young women who combine study with rearing a family). All the students can communicate in English fluently.

Motives

There are different motives for choosing the Kingston MBA programme. They can be summarized as follows:

• To receive an internationally recognized MBA diploma from a reputable British business school and a Russian diploma in management from a famous Russian business school valued in Russia.
• To improve their careers in and outside Russia.
• To develop managerial, analytical, decision-making and strategic skills.
• To build a strong theoretical foundation for the best management practices.
• To test and expose the existing skills and practices in an international environment and get professional advice from the international business experts.
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- To develop new contacts and build a network of relationships among alumni and international businesses.
- To participate in joint research activities with the Kingston Business School (Leontenkov, 2001).

The main advantages of the KR MBA programme are the following:

- The programme is provided completely ‘first hand’. It is the only MBA programme in Russia where 100 per cent of the courses are taught by English professors.
- The programme’s lecturers are not only professors, but also experts, working in the business sphere.
- In the programme, high emphasis is placed on individual work with students, and much attention is given to their personal development.
- About 60 per cent of the programme alumni (due to acquired education) raise their professional status to a considerable degree.
- Students talk about ‘a special atmosphere of the programme’, and the relations between students and professors.
- Relations between students are well established. On the programme, people usually find associates with whom they later work, and put into practice new ideas and new business approaches.
- There are unique courses in the programme that no other MBA programme has in its curriculum (e.g. methodology of writing projects).

The programme’s competitors

The main (and only) competitor of the joint ANE-MSES-KBS MBA programme is the joint MBA programme of the Institute of Business and Economics and the University of California. There are several reasons for that: (a) it is also a general management MBA programme; (b) it was the first MBA programme in Russia (existing already for 10 years); (c) they have many very good Russian professors (lecturers); (d) they have many alumni; and (e) this programme is better promoted.
In conclusion, some key factors of success for a joint international educational programme in Russia can be elaborated (see Table 3.1).

**Table 3.1  Factors of success for a collaborative study programme**

<table>
<thead>
<tr>
<th>Tangible factors</th>
<th>Intangible factors</th>
</tr>
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<tbody>
<tr>
<td>• Co-operation agreement</td>
<td>• Partners’ respective repute</td>
</tr>
<tr>
<td>• A system or internal and external operating procedures</td>
<td>• Trust between programme participants</td>
</tr>
<tr>
<td>• Equal sharing of risks and benefits between partners</td>
<td>• Participants’ enthusiasm, strong motivation, and dedication to the cause</td>
</tr>
<tr>
<td>• Involvement of the top administrators of the partner institutions</td>
<td>• Mutual understanding and flexibility between partners</td>
</tr>
<tr>
<td>• A strong leader able to work in a multicultural environment</td>
<td>• Communication, accessibility and transparency of information</td>
</tr>
<tr>
<td>• A team</td>
<td>• Informal relations, personal compatibility between people</td>
</tr>
<tr>
<td>• Involvement of teachers and medium-level administrators in joint programme activities</td>
<td>• Mutual awareness of the need to learn from each other</td>
</tr>
</tbody>
</table>
IV. Policy regime for the regulation of transnational commercial education

At present, there are no specific legal regulations for the starting and functioning of international educational programmes in the legislation of the Russian Federation, including higher and postgraduate education. There are, however, an important number of constraints arising mainly from tax regulations and regulations relating to foreign currency that impact negatively on the development of transnational higher education. As noted earlier, TNHE provision in Russia is organized at the Russian HEI level. Therefore, any educational activity (national, international or transnational) has to comply with the requirements of Russian legislation in order to become part of the recognized system.

1. Rules and regulations related to the opening of a TNHE institution

When a new educational institution or branch (either national or foreign) is founded, a series of procedures must be passed. Today, there are three kinds of institutions in Russia: institutes, academies and universities. The order of creation and functioning of higher schools is adjusted by the federal law (dated 22 August 1996) on higher and postgraduate professional education. Depending on the status of the founders, educational establishments can be public or not.

Under the federal law on higher and postgraduate professional education, Article 10 determines procedures that all educational establishments, irrespective of pattern of ownership, should pass while establishing registration and state approval. The procedure of state approval consists of three stages: licensing, attestation and accreditation. In addition to the mandatory state approval process, institutions are also able to go through a voluntary independent professional accreditation process. State approval assures the minimum standards of higher education, and voluntary accreditation evaluates and enhances the excellence of the HEI. Both processes are conducted every five years. In addition, the main indices of quality are evaluated annually in order to determine ratings.
Step 1: Registration

Item 1. An “institution of higher education is established and reorganized by the founder (founders)” following the procedures of application to the Ministry of Education or appropriate authorities, and its terms and conditions of constituent agreement and registration in accordance with the legislation of the Russian Federation. General questions of establishing and reorganizing the institution are regulated by the law of the Russian Federation on education.

Item 3. An institution of higher education gains the rights of a legal entity concerning running financial and economic activities, corresponding to the profile of the institution, at the moment of its state registration. The right to realize educational programmes of higher and postgraduate professional education and the right for privileges provided by the Russian legislation become legal at the time of getting a licence.

Registration is thus a procedure that relates to the financial viability of the HEI and its legal status.

Step 2: State approval

To simplify processing and to reduce costs for higher education institutions, Russia’s Ministry of Education issued an order to combine the three state approval procedures into one single process known as ‘complex assessment’, effective on 1 January 2000. This process is summarized below.
If the following procedure is successful ... the educational institution receives
Licensing Licence to carry out educational activity.
Attestation Decision on compliance of contents, level and quality of graduates with the requirements of state educational standards and the right to apply for state accreditation.
Accreditation Certificate of accreditation, proving the state status, which gives the right to issue diplomas of a state standard and also present benefits provided by the legislation of the Russian Federation.
Complex assessment Licence and certificate of accreditation for the common term.

The licence granted as a result of the licensing procedure authorizes institutions to carry out educational activities of higher and postgraduate professional education. The procedure includes assessment of the compliance with standards for educational facilities, laboratory equipment, expertise of teaching staff, teaching materials, and financial support of the institution with state requirements. Licensing is carried out by an expert group consisting of representatives from the National Agency for Educational Management, a respective body of the local government, and/or the local (city) body of the educational administration, recognized educational institutions and civil society. The group produces a conclusion, leading to the granting (or not) of an educational licence. The licence is valid for a five-year period.

Attestation consists of the assessment of contents, the level and quality of programmes relative to the state educational standards. The first attestation of a newly established HEI may be conducted after the first graduation of students, but not earlier than three years after the licence has been granted, and only if the final assessment of no fewer than half of its graduates is positive. The attestation consists of
a self-study and external review made by a visiting committee whose
results are transmitted to the Attestation Board. The Attestation Board
produces an attestation decision. Attestation is conducted every five
years and relates only to the HEIs.

Accreditation is the recognition (confirmation for the next term)
of state accreditation status of a higher educational institution
according to its type (higher educational establishment) and kind
(institute, academy, university) with the prescribed list of educational
programmes of higher professional education, according to which
the institute has the right to issue state-recognized credentials to its
graduates. Carrying out the three procedures (licensing, attestation
and accreditation) simultaneously increases their effectiveness and
minimizes institutional expenditure. When a new institution starts
its educational activity, it may combine the three compulsory formal
procedures – licensing, attestation, and accreditation – in one process.
Any further assessment that a HEI undergoes after this is valid for a five-
year period (National Accreditation Centre of Russia, 15 July 2004, and
Pokholkov, Chuchalin and Mogilnitski, 2002: 218). Accreditation is based
on the attestation results and is not necessary for a TNHE programme
itself, but for a provider, if the institution wishes a programme to be
confirmed with the Russian quality standard system. The latter means
that the programme takes into account the specifics of the Russian
context and thus raises the status of its diploma.

The main steps comprised in the complex assessment are thus the
authorization to function (licensing), self-evaluation at the level of
the higher education institution, external review and benchmarking
(through the attestation phase) and the accreditation decision.
State accreditation of HEIs was legally put into practice in 1997 as a
mechanism to carry out quality assurance in higher education, to gain
the trust of all citizens and establish its recognition by the state in terms
of type and kind of educational institution.

A higher education institution of any property form that has
successfully passed state accreditation obtains the right to issue state-
recognized credentials, to use the seal with the state emblem of the
Russian Federation, and to use benefits provided by the legislation. The main benefits of the accredited HEI are that it gives permission to obtain students’ deferment from army service, the ability to access state employment in the future, and the ability to start up instruction by correspondence or correspondence courses. A certificate of state accreditation is issued proving these rights. At the same time, HEIs without accreditation are less costly for students. The certificate of state accreditation is valid for up to five years, then accreditation must be confirmed and a new accreditation process begins (National Accreditation Centre of the Russian Federation, 15 July 2004).

There are three main state bodies carrying out licensing, attestation and accreditation in Russia. The Department of Licensing, Attestation and Accreditation of the Ministry of Education processes applications and documents for licensing and accreditation from HEIs, and issues licences and certificates of accreditation. Attestation is carried out in the form of self-assessment and external evaluation of educational programmes. With this purpose, expert commissions are created with the most qualified specialists from other HEIs.

The Accreditation Board of the Ministry of Education consists of rectors of the leading HEIs, representatives of the departments of the Ministry of Education, and the public administration. The group estimates the quality level of further educational services, sufficiency of material base, number and content of courses and programmes, and makes a final decision on the complex assessment of an education services provider.

Data processing and preparation of analytical materials about the educational institution under accreditation, which are directly studied by the Accreditation Board, are carried out by the National Accreditation Centre of the Russian Federation. To collect and store information, a central database of state accreditation has been created, which is supported by the National Accreditation Centre of the Russian Federation. The database contains annually renewed information about all post-secondary education institutions. Based on data stored in the database, the centre conducts research on accreditation issues,
and renders information and methodical assistance in the field of assessment of HEIs. The National Accreditation Centre publishes the list of accredited post-secondary institutions of Russia once a year to inform citizens (National Accreditation Centre of Russian Federation, 15 July 2004).

**Independent (public professional) accreditation**

There are also processes of independent professional accreditation open to HEIs on a voluntary basis. These are based on the authority of local professional communities (i.e. leaders of branch industries). Such independent accreditation bodies set a level of education for a special subject-matter area, which is generally higher than the standard requirements stipulated by the Ministry of Education. It implies the recognition of significant achievements made by institutions in preparation for special accreditation structures for different professional communities. The Co-ordination Board for the Accreditation of Educational Programmes and the Certification of Specialists is responsible for professional accreditation. The Board was established in 1992 and it includes the Centre for Specialist Certification and independent accreditation boards for different disciplines (Pokholkov, *et al.*, 2002: 222-223).

The first independent accreditation board, the Independent Accreditation Centre (IAC), was established for the discipline of engineering. It includes accreditation boards that deal with subgroups of disciplines, expert and advisory groups that are formed by accreditation councils for engineering programmes, and an expert database. The goal of the IAC is co-operation and co-ordination of the efforts of public associations for the development of education in the interests of the individual and society, developing a national accreditation system for educational institutions, and certification of specialists, in order to provide high educational quality and to assist professional mobility. The procedure of accreditation consists of application, a self-study process, the formation of an accreditation panel, expert examination, a panel
decision and an IAC decision. The indices for professional accreditation are resources\(^{14}\) and productiveness\(^{15}\) (Pokholkov, et al., 2002: 225, 227).

Activities of the IAC are the following: assessment of university engineering programmes; providing universities with information and consultancy to improve their engineering programmes; co-operation with enterprises, and state and public organizations’ enhancement of the quality of engineering education; and international co-operation to ensure recognition of the quality of engineering education and promote the mobility of students and professionals. IAC has international contacts with the Accreditation Board for Engineering and Technology (ABET, United States), the Global Alliance for Transnational Education (GATE, United States), Open University Validation Services, and the Central Evaluation Agency (ZevA, Germany) (Independent Accreditation Centre, 15 July 2004; Pokholkov, et al., 2002: 225).

**Use of international accreditation services**

Participation in the world market for educational services requires more and more accreditation of educational programmes by specialized agencies of the professional community offering their services at an international level in a particular scientific area. This is gaining ground in Russia also because it is quite difficult to involve Russian members of professional communities in the assessment of HEIs due to the lack of stability of a majority of Russian HEIs. On the scale of the Russian education system, a similar practice does not yet exist.

Recently, the Education Ministry of the Russian Federation and the Association of Engineering Education of Russia (AEE) signed an agreement on the creation of a national system of public-professional accreditation for educational programmes in the field of technical subjects and technologies. In the agreement, the AEE has signed a

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\(^{14}\) Resources are measured using the faculty-student ratio; professional recognition of university faculties and scientists; qualified specialists in universities, research institutes, and industry who are engaged in the educational process; library collections; an educational programme that corresponds to current scientific disciplines; and academic mobility.

\(^{15}\) Productiveness is measured using the quality of education, the effectiveness of educational activities, compulsory-elective disciplines ratio, the university share of participation in co-operative specialist training and institutional income.
contract with the ABET on mutual recognition of public-professional accreditation of educational programmes in technical subjects and technologies. After that, Russia can sign the so-called Washington Agreement on equivalence of national systems for accreditation of engineering programmes.

If AEE receives the right to sign certificates of separate educational programmes in the name of ABET, national HEIs can take advantage of their services. However, the ‘right of signature’ remains with the American representatives, as only representatives of ABET (United States) can assure the certificate at the moment.

The ministry, on its part, promotes the creation and development of professional accreditation of educational programmes in the above-named areas of science, also co-ordinating with the AEE criteria for such procedures, and helping with the creation of a bank of experts for work in the field of higher education.

However, it is necessary to emphasize that AEE accreditation in the name of ABET does not mean automatic recognition of a given educational programme by the Russian state. Foreign accreditation will be taken into account only if the HEI passes the national accreditation process. Whether to request foreign accreditation will be the decision of each HEI. If an educational institution is interested in attracting foreign students, it will inevitably do so.

The above-mentioned process is not the only demonstration of Russia’s integration into the global educational space. Now work similar to the AEE efforts on the international accreditation of educational programmes is also conducted by other national professional communities.

- For example, TPU managed to achieve accreditation of several programmes by experts of ABET, and was also the first to receive accreditation from the GATE.
- The Academy of National Economy under the Government of the Russian Federation was the first HEI to receive accreditation in AMBA.
Accreditation on quality standards ISO-9000 is carried out by some organizations, including in Russia, where this monitoring system of quality is used successfully within technical colleges that have educational programmes and faculties on quality management (for example, the Moscow Institute of Steel and Alloys, and TPU). As ISO standards were originally developed for the enterprises that have automated control systems for the circulation of documents, for HEIs it is very difficult to prepare all documents for audit and to support the necessary document circulation. Some HEIs have passed such accreditation, but have then refused the idea of renewal.

The European Council for Business Education (ECBE) is a branch of the International Federation of Business Education (United States), and offers a system for the accreditation of business schools. The accreditation model is based on standards for each component, and some Russian non-state HEIs have passed it (such as the International University in Moscow). Nevertheless, the organization is small, and therefore such accreditation is not very prestigious.

2. Obstacles

In this part of the report, different possible legal and financial schemes for the organization of international educational programmes in Russia will be discussed. The legal difficulties that specifically concern MBA programmes functioning in Russia will be presented further on.

As a legislative basis for the management of international educational programmes, the following normative documents have to be taken into account: (a) currency regulation and control legislation; (b) foreign trade law; (c) taxation laws (on VAT, profit tax, etc.); and (d) education law (to a lesser degree). These normative documents carry a number of obstacles that block the functioning of international educational programmes in Russia.

First, as was mentioned, there is no legal framework that guides cooperation between a Russian and a foreign university in the Russian Federation. Secondly, if a foreign university provides education in Russia, this automatically means that the programme and its income
are taxed. Thirdly, a joint programme should take into consideration legislation of the countries where university partners are situated. This makes the implementation and management processes of existing programmes very cumbersome.

Moreover, the existing legislation in Russia is constantly changing, so a joint educational programme may have to adopt new organizational mechanisms frequently in order to respond to changes in legislation. Therefore, joint international educational programmes in Russia should seek various organizational schemes in order to: (a) correspond to the legislation of both countries; (b) minimize heavy taxation (in both countries); and (c) be transparent with each other.

According to the licensing procedure for MBA programmes in Russia that was approved by the Accreditation Office of the Ministry of Education in November 2000, every MBA programme in Russia can get a licence – but only for the Russian part of the programme.

The first option of organizing the relations between two university partners is to conclude an agreement of co-operation between them; for example, an agreement to grant rights for the use of a teaching methodology from a foreign university in a Russian one. In such a case, the Russian university pays a royalty to the foreign university – generally a percentage of the income that is generated by the programme.

Another way is direct payment by a Russian partner for the services of a foreign university. However, such a choice makes a programme, by definition, more expensive. It should also be mentioned that in the currency regulation and control legislation, these two items are strictly divided – ongoing operations and operations connected with outflow of capital. If a foreign university conducts education in Russia, this represents an operations capital outflow, and a university should have special permission (a licence) from the Central Bank in order to realize such an operation. Obtaining such permission is a very long, expensive and complex task. Besides, these services are taxed (with VAT and profit tax); therefore, the programme becomes much more expensive.

For this reason, it is more efficient to obtain permission from a foreign university, for example, to use a teaching method. Recently (in
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2004), the tax legislation in Russia has been changing; the transfer of intellectual property rights is now also taxed with VAT, and a university should confirm a licence for this right every five years.

Another problem is that a co-operation agreement between a Russian and a foreign university should be confirmed by different banks, which means that every time a programme changes an attendant bank, a new paper package must be gathered. It should also be proved that a transfer of intellectual property rights does not need to be registered in the Russian agency for patents and trademarks, because in each bank there is a notion that if you have a licence, you must have a registered patent (which is not true as far as a university does not use a production pattern).

There are also problems with the transfer of payments to a foreign university; proof has to be shown that the money to be transferred should not be taxed with VAT. Besides, the Central Bank now demands that if an agreement between a resident and a non-resident of Russia is concluded relative to a sum of more than US$10,000, then the resident should get permission from the Ministry of Finance to transfer the currency. This is, however, a very complicated task because one needs to gather a full package of constitutive, accounting, balance, documents, etc., and it takes a long time to receive an answer from the Ministry of Finance.

There is, however, a mechanism that allows the lowering of the costs of international educational programmes in Russia: This is the International Convention on Double-taxation Avoidance, which exists, for example, between Russia and the United Kingdom. Unfortunately, such conventions do not exist between many countries.

When educational programmes are offered as a commercial service, they frequently function without getting a Russian licence for conducting educational activity. In this case, the services are unambiguously recognized as non-educational.

- Such programmes can work using the franchise scheme, or agreements of commercial concession (a way that was impossible
for the joint ANE-KBS MBA programme, because such an agreement can be concluded only between two proprietary organizations);

• They may also function as a representative of a foreign university.

The majority of international educational programmes in Russia work using these schemes – ‘commercial service rendering’ and ‘a representative of a foreign university’.

We can also outline other mechanisms of payment transfers to a foreign university partner:

• Students are paying a definite sum of money directly to a foreign university. This is the simplest way, but there are also difficulties concerning the fact that the educational service is rendered on the territory of the Russian Federation. Moreover, a Russian university loses in this case; if one has obtained a legal licence from the Russian Ministry of Education and from a foreign university-partner, this creates a good reputation for an international educational programme. If one does not have such documents, it will be impossible to present a programme as a functioning international educational programme.

• Money is paid for consultant services rendered by foreign professors. However, for such payments, again, a higher education institution needs permission from the Central Bank of Russia. That is why such schemes can hardly be considered feasible in terms of further claims from rating authorities and other controlling units.

The example of the joint programme of the MSSES, the ANE under the Government of the Russian Federation, and the Kingston Business School University demonstrates all of the above.

The key document regulating the relationship between ANE and the Kingston Business School was the Agreement of Co-operation, according to which two universities planned to organize a joint MBA programme on the territory of the Russian Federation. More precisely, in this agreement, the right was granted to the ANE by KBS to use the methodology of Open Learning for the MBA for which ANE pays a
royalty to Kingston University of 40 per cent of the income generated from the programme.

As a joint educational programme trying to be transparent and to use legal schemes of organization, the joint ANE-KBS MBA programme has overcome all the practical obstacles mentioned above.

However, the ANE and Kingston University MBA joint programme now has a financial shortage for further development. International MBA programmes are very costly: notably payments for services provided by a Western university, and salaries of lecturers and other faculty members implementing the Russian part of a programme. These are expenses that ensure the proper quality of a programme.

The Kingston University programme at ANE is funded by tuition fees and has thus no opportunity to develop dynamically – to buy the necessary books and computers, to work out new courses, to implement as many research projects as needed. This programme is not profitable at the moment – it just covers its expenses.

It has been shown that many joint educational programmes in Russia can only cover their current expenses, and have no opportunity to invest in their development.

At the moment, a serious increase in tuition fees raised from MBA programmes is not possible. Moreover, it appears that there is an oversupply of MBA graduates. Therefore, the ideal situation for an educational programme would be a combination of funding sources: tuition fees plus funding support.

**Consumer protection**

When an educational contract includes conditions restraining consumers’ rights, it can be cancelled. Service costs, as a rule, are not refunded, irrespective of services rendered and the time of cancellation of the contract. Treaty provisions restraining the rights of consumers are considered void.
Any HEI is obliged to acquaint candidates before entrance with the licence and certificate of state accreditation, giving the right for delivery of the state sample document about higher education on each of the specialties. Relations between students of commercial HEIs and educational institutions are adjusted, including the ‘Law of protection of consumers’ rights’. In item 10, the law states that the consumer (student) has the right to full information on the service.

3. Policy regime for the opening and functioning of MBA programmes in Russia

The first Russian MBA programmes opened in 1991. For a long time, one of the major problems with the Russian MBA was the lack of official status; there was no MBA concept in any government register of specialties until 1999 (Study in magazine, 2001). To hand out the MBA diploma before 1999, any business school had to choose one of four options to offer their MBA programme: (a) courses of improvement of qualification (about 500 hours); (b) second higher education (about 2,000 hours); (c) Master’s preparation in economy and management; and (d) equating MBA to postgraduate study, after the candidate has obtained the degree in economic sciences.

In 1999, the MBA assimilation experiment was started by the Ministry of Education. The experiment was scheduled for four years, in 33 business-schools. This experiment was based on specially developed ‘government regulations’ on the Master of Business Administration programme for training managers, which were passed in December 1999 by the Minister of Education. One of its tasks was to determine the regulation for the accreditation of MBA programmes.

Based on American, Dutch, and Italian standards and the standards of European Foundation for Management Development, and the Russian Association of Business Education (RABE), the Russian standards were developed. RABE has presented it to European Quality Link – an organization in which 12 European countries co-ordinate their standards and obtain approval.

In March 2002, the permission to give professional qualifications to the graduates of MBA programmes was received. The diploma of
additional education could be given precisely to these graduates. In line with the results of the pilot project, the participating institutes obtained the licence and the accreditation.

The next point of this relationship, on licensing, was due to be decided in 2004. There are other alternative viewpoints with regard to the licensing of MBA programmes.

Until 1999, two major types of MBA programmes were represented in Russia: a direct franchise of Western MBAs and the Russian MBA, based on translated courses delivered by Russian non-practising professors together with international MBA experts’ consultations. The advantage of such programmes is in the opportunity of a probation period with the following job placement overseas. The disadvantages are an insufficient technical and material base and the academic character of the education as a whole.

Most of the European courses have not been adapted to the Russian reality. Russian programmes need to include disciplines that are not taught overseas (such as the Russian tax structure and the specificities of business accounting). On the other hand, having the European professors present is also required, because overseas teachers deliver highly specific courses, which in principle cannot be provided in Russia. The Russian MBA has only 10 years of experience while the experience of the United Kingdom is estimated at 50 years, and the United States, having been a legislator in the field of business education, has 100 years’ MBA work. In this case, many teachers are not yet ready to work in business education because Russian business is, in the true sense of the word, very young.

It should be emphasized that the above description relates to the use of formal procedures and regulations for the opening of higher education institutions. However, when transforming the higher education scene in Russia, the reality is quite different. As has been mentioned above, a number of existing non-governmental higher education institutions are referred to as the special category of extra courses (in addition to higher education) with a qualification diploma.
education institutions have transformed themselves into universities and academies, and many more have appeared. The large universities have started setting up branches in the regions and private universities have developed very fast. Since procedures for registration, attestation and accreditation are bureaucratic and cumbersome, many private universities in Russia do actually circumvent all or some of them. Indeed, procedures of registration, attestation and accreditation can also be bypassed through corrupt officials. In addition, universities may be registered by authorities at all levels, even municipalities. Given the size of the system and the weaknesses of the administrative apparatus, the central Ministry of Education has no capacity to control the fast developing private sector in education, both with regard to the local and international market. The federal and local legislation is frequently not followed in practice and the state has neither the capacity nor the will to enforce the law. Consequently, private universities make announcements in the mass media even when they do not have licences. This is particularly visible for distance education where private universities are extremely active.

Due to this lack of supervision and law enforcement, private universities award qualifications as they wish without official recognition. If a university announcement states that their training offer conforms to national standards, this cannot be verified by students and parents. By law, only half of the 500 registered private universities (those who passed the procedure of ‘attestation and accreditation’ by the ministry) have a right to issue diplomas of state standard. In addition, an institution may have many major disciplines, but may be accredited for only a few.

There is visibly also a lack of awareness of the importance of official recognition by parents and civil society at large. It has already occurred that the public higher education institutions have opened branch campuses without a licence from the central ministry. In this case, it may be that students will not be awarded an officially recognized degree (Kitaev, 2004).
V. TNHE provision in Russia: current threats and opportunities, key factors of success and main risks

In this chapter, opportunities and threats arising from the internationalization process will be discussed. In addition, a first assessment of both positive and negative impacts arising from transnational higher education in Russia will be made. It can be assumed that Russia, having joined the Bologna process, will be particularly affected by both threats and opportunities that imply a major change to the Russian higher education system.

1. Opportunities and threats arising from growing internationalization

Taking part in the internationalization movement, which is accelerated through the Bologna process, offers the following advantages for Russian higher education institutions:

• to be able to generate extra means for research and development and the funding of education;
• to access ... new research, education, management technologies and equipment, information sources;
• to improve the material base of Russian universities;
• to involve Russian teachers and researchers in international scientific communication networks, both formal and informal;
• to take part in international university networks;
• to prevent brain drain of the intellectual capital from the Russian Federation and other countries;
• to learn from the practical experience of foreign universities in adaptation to the radically changed economic, technological and cultural situation.

Internationalization in higher education allows for the integration of resources, especially when they are of difficult access, as now; the avoiding of duplication and useless copying of research subjects; and the better identification of projects and growing assurance in their advisability in conditions of collective supervision (Verbitskaya, 2001).
Internationalization deepens the knowledge base of participating institutes, expands the borders of scientific research, and enriches the curriculum. Foreign students’ and teachers’ presence in the university expands cultural horizons of both native students and teachers (Verbitskaya, 2001).

During the past 25 years, the growth of international academic mobility exceeded 300 per cent, which also influences national states’ development and contributes to global economic and political stability.17

There are also, however, some possible threats arising from internationalization, such as the following:

**Internationalization as Westernization**

Frequently, the internationalization of education is regarded as a tendency to take over European standards and practices of education. This may be justified in certain areas and for certain disciplines, but may not always be the case. Educational alliances of Russia with other Eastern European institutions are not developed at all at the moment.

**Blind internationalization, without understanding goals and tasks (copying European standards and patterns without adapting them to native ground)**

Some Russian education programmes are just a copy of European educational contents and standards, without reflection on how to integrate them into the context of Russian reality and how to adapt them. There is, on the one hand, a permanent group in Russian society that expresses an intensive opposition to the internationalization and modernization of the education system as a whole. It is claimed by them that the Russian education system has always been, and always will be, the best in the world. On the other hand, a group has arisen that takes anything European as indubitably ‘good’ and ‘correct’. That is why cooperation with European universities is sometimes just a copying of contents and practices from other Western European institutions, but

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17. About specific education ‘surplus value’ in exchange and mobility programmes, see Callan, 1998.
not the realization of the internal needs of the Russian educational system.

**Formal adaptation to European educational standards**

Higher education internationalization can be formal and can be realized, for example, simply in the renaming of institutes (for example, in the renaming of the institutes and the universities - into schools), teachers’ positions, course names ‘re-labelling’, etc., without any changes in the core educational process (teachers’ skills, education courses, content, etc.).

**Uncertain quality standards and the content of Russian education**

During the last educational reform in Russia, the problem of curriculum content was left undebated. Therefore, if Russian higher education evolves into international processes without a reflection on the past 20 years’ experience, it may become trapped in already determined educational standards, instead of setting its own. Government educational standards of the new generation were to be developed and introduced only in 2006.

The introduction of the ‘credit system’ and the diploma supplement, as well as a quality-assurance system – the key objectives of the Bologna Declaration – are impossible without the solution of problems related to educational programmes/standards (in Russia and countries in the Bologna higher education model). This supposes the co-ordination of contents and the stipulation of the amount of hours as credit units. Therefore, it requires the development of clear national government standards of the educational content.

**Developing the corresponding postgraduate training and research system**

The realization of the goals of the Bologna declaration is inseparably linked to the corresponding development of the research system. This issue was mentioned in the communiqué signed in Berlin on 19 September 2003, when the inclusion of the postgraduate level into the Bologna process, as well as the competitiveness of European
education, were discussed. The European ministers of education stressed especially the role of scientific research and skills development related to scientific work, as well as the importance of the further development of interdisciplinary approaches in science, the necessity of international co-operation in the process of dissertation writing, and the training of young scientists through the expansion of the Master’s and candidates’ mobility.\textsuperscript{18} Russia will also need to translate these principles into the organization of its postgraduate training and research system.

\textbf{The differences in the transmitted values}

Besides the fact that the education systems in different countries differ in their structure, content and quality standards, they are also based on fundamentally different systems of values, translated by structures and resources available for education. The consequences of the colliding value systems may not have been less negative than the collision of different educational formats and patterns.

\section*{2. Impact on the Russian economy and society, higher education institutions and individuals}

When assessing the impact of transnational higher education, one can distinguish different levels that are affected by it: the Russian economy and society, and HEIs and individuals. At the level of the Russian economy and society, i.e. the macro level, TNHE has had a positive impact on intergovernmental relationships as well as on the public economy. The graduates of TNHE programmes have put into practice ideas and projects developed while studying. However, TNHE programmes in Russia could only exist in big cities and in consolidated universities. This increases the level of inequity in access to higher education due to an isolation of Russian regions from the centre in all aspects (in terms of capital flow, educational development and quality, mobility possibilities, type of social stratification, etc.).

\textsuperscript{18} In the review of the international seminar ‘Russia and the European space of higher education: plans and perspectives after the Berlin Conference’, October 2003.
Impact of TNHE on the higher education system

TNHE has contributed to the working out of public policy in the sphere of higher education. It has helped the widening of learning opportunities by providing more choices for citizens. In addition, it has contributed to the opening of high-quality education programmes, the improvement of teaching standards, challenging traditional education systems by introducing more competition and innovative programmes and delivery methods.

Russian HEIs benefit from links with prestigious foreign institutions. As strong TNHE programmes arise, the level of higher education in the country is rising (e.g. through dissemination of teaching methodology, etc.).

Impact on higher education institutions

Russian educational institutions also benefit from international academic partnerships. These help Russian HEIs: (a) to become part of the international professional community; (b) to achieve recognition for Russian students in the international labour market; (c) to upgrade the quality of course curricula; (d) to borrow new learning and quality assurance know-how; (e) to increase professional growth among teachers and professors; (f) to expand the institution’s own programme portfolio; (g) to secure higher ratings and stronger competitive stature for the institution; (h) to take part in joint research; and (i) to receive financial benefit.

Negative impact can be perceived through the emergence of low-quality education programmes. As the Russian market of TNHE is expanding, many programmes of doubtful quality are appearing, providing second-grade education under a ‘mask’ of a prestigious TNHE programme. Here, we can see problems associated with non-official, unregulated higher education providers who remain outside official national quality-assurance regimes and are not subject to internal or external audit/monitoring processes.

Lack of information makes it difficult to distinguish good from bad transnational education, so consumer protection problems arise.
associated with the lack of adequate information (and therefore transparency) available to the potential students, employers and competent recognition authorities.

Branches of foreign, capital and regional HEIs cannot always give guarantees of corresponding quality of education as many programmes are guided by Western standards and are not adapted for Russian specificity. If this process (precisely named by Professor Rozovski of the Ivanovo State Power University – ISPU, ‘mcdonaldization’), is not adjusted, in 7-15 years, Russia will be filled with ‘certified ignoramuses’. In this connection, the primary goal of higher schools is to first form the person, and then the expert. This conclusion coincides with the concept of Russian education.

A new level of competition of Russian HEIs with TNHEIs is certainly arising. It may be very difficult – even for relatively strong (in the educational, financial, managerial, etc., sense) Russian HEIs – to survive (and win) in the competition with TNHE programmes, which are usually much better supplied with all kinds of resources and advantages:

- **Educational**: foreign professors, having a special sort of prestige among Russian students; diplomas from a foreign university; teaching in a foreign language (a possibility for a student to receive higher education combined with good language practice); access to new literature published in the West; providing diplomas recognized in various Western countries; the possibility for a student to continue to study in a foreign university (or to get a job overseas), etc.

- **Financial, policy**: support of TNHEIs from not only Russian, but also Western organizations, as well as transnational ones; TNHEIs might represent ‘unfair’ competition for strictly regulated national providers, and can lead to loss of income to home institutions.

According to current negotiation within the World Trade Organization under the GATS, education is now considered a service. It has already become one of the most attractive objects for profit making. Even now, only the first steps in the creation of the
international market of educational services result in the monopoly of higher education by the largest international corporations to the detriment of the national centres of educational development. As a result, there is a higher risk of inequality, discrimination, and growing differences in the quality of education.

In addition, Russian partners incur important costs in the realization of international collaborative projects, such as: (a) financial investment; (b) staff training; (c) personal time investment by teachers and administrators employed by international educational projects; and (d) costs of overcoming cultural differences.

Impact on individuals

Impact needs also to be considered at the level of individual students and their families. At present, it seems that students are very satisfied with TNHE programmes, such as MBA provision. According to the results of a survey, over 84 per cent of respondents are satisfied with textbooks and materials. Usually these are provided by the foreign side of the programme, thus are of better quality than the equipment on the Russian side.

Students are also highly satisfied with the professionalism of teachers, as with the material presentation (clear and well structured) and the availability of the teachers of MBA programmes to provide help. It is important to admit that the content of lectures and the individual approach factors did not receive high marks. In addition, students appreciate: (a) fluency in English; (b) mobility (an option to follow training abroad); (c) better career prospects; and (d) the reputation of a programme, through certification of training in a foreign institution, and guaranteed academic recognition.

Two factors here influence an equality of access to TNHE programmes, and determine the kind of social stratification of the graduates.
• As was mentioned above, TNHE programmes in Russia can exist only in big cities, where there are large, stable universities. Hence access of students from Russian regions (‘periphery’) is strictly limited.

• As the cost of TNHE programmes is very high, they appear to be beyond the reach of an average Russian student. This corresponds to the first factor: such programmes can only be found in big cities where the supply of transnational education can meet a solvent demand.

To sum up the uncertainties and risks associated with creating and administering international educational programmes (according to Russian stakeholders), we can refer to the following: (a) considerable differences between the two education systems; (b) training and retaining of teachers; (c) legal problems; (d) financial problems; (e) impediments to the further development of international study programmes; (f) risks associated with political or economic instability in Russia; and (g) problems of trust.


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Appendix 1. Sources of information used for the case study

For the institutional case study

A series of interviews with the following actors:

• Those who gave rise to the case study institution (the joint programme of the MSSES, the ANE under the Government of the Russian Federation, and the Kingston Business School University), its initiators and those involved in its institutionalization, i.e. the Pro-Rector of the ANE, Executive Director of the Programme, etc.
• Experts in the financial and legislative system, including the Financial Director of the programme and MSSES.
• Current staff of the institution (in Moscow and in the Kingston University), as well as its supervisors (by e-mail).
• Current students and graduates of the institution.
• Experts in the higher education system.
• ‘External’ experts, i.e. representatives of donor organizations, competitive educational institutions, etc.

Analysis of the definitive documents and statistics:

• Documentation relating to the programme activity, e.g. definitive documents of the programme, materials from the quality assurance committee of ANE, critical review of the programme, etc.
• Documentation about staff (basic education, academic status, etc.) and students (regional origin, socio-economic status, etc.) of the programme, including changes in composition since the institution’s foundation.
• Analysis of the changing social, economic and political context in which the programme functions through reference to statistical data (according to the student research).
• Analysis of the students’ written assessments and the graduates’ degree projects.
• Normative and legislative base affecting higher education in Russia, including those documents affecting registration, attestation, etc.
Transnational commercial provision of higher education: the case of Russia

• Official government statistics (Governmental Statistics Committee) and statistics of independent research (mentioned in the case).

For the analysis of transnational commercial higher education provision

• A series of interviews with experts in the higher education system.
• Statistical social, economic and political data for the case of Russia.
• Data from polls and projects of the Russian leading scientific research institute, e.g. concerning the situation in the Russian higher education system, national accessibility to the Internet, etc.
• Normative and legislative base affecting higher education in Russia.
• Documents relating to activities of transnational commercial higher education institutions in Russia (those available), including e-resources.
• Information about transnational commercial provision of higher education in the mass media; other printed information about transnational commercial provision of higher education, including students’ handbooks, etc.

For both the case study of Russia and an institutional case study

Web and press information analysis:

• Information on the tendencies and innovative projects in the business education area.
• Editions focused on young financially secure people with higher education, occupying higher management positions. The audience of some editions (career, the company) is aimed at professional success, growth of well-being and a substantial life style.
• Published interviews with those who gave rise to the programme and the programme professors, i.e. KR MBA professors, the KR MBA Course Director, the Dean of Kingston Business School, etc.
• Analysis of the web information on co-operation availability, as it is extremely limited and insufficiently confirmed.
• Web information concerning the main players in Russian business education and international partnership, i.e. the Ministry of Education and Association of the International Education web sites,
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National Educational Portal, web site of the International Strategic Expert Commission, etc.
• Russian higher schools web sites.
## Appendix 2. Modules by teaching sequence (Open Learning)

<table>
<thead>
<tr>
<th>Type</th>
<th>Module Title</th>
<th>Module code</th>
<th>Credits</th>
<th>Assessment</th>
<th>Examination</th>
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<td><strong>Part 1</strong></td>
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<td>Information management</td>
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<td><strong>Part 2</strong></td>
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<td>Elective</td>
<td>Corporate finance</td>
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<td>Elective</td>
<td>Cross-cultural communication</td>
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<td>Elective</td>
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<td>Elective</td>
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<td>Elective</td>
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<td>Elective</td>
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<td>Assignment</td>
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<td>Elective</td>
<td>Management consultancy</td>
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<td>Elective</td>
<td>Management of change</td>
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<td>Elective</td>
<td>Mergers and acquisitions</td>
<td>BAM533</td>
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<table>
<thead>
<tr>
<th>Modules by teaching sequence (Open Learning)</th>
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<tbody>
<tr>
<td>Elective New enterprise development (NED) and value creation</td>
</tr>
<tr>
<td>Elective Project risk management</td>
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<tr>
<td>Elective Services marketing</td>
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<td>Elective Strategic operations management</td>
</tr>
<tr>
<td>Elective Virtual business</td>
</tr>
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</table>

*NB: Examinations take place on one weekend at the end of Part 1*
Appendix 3. Association of MBA criteria for the accreditation of MBA programmes

Most of the requirements must be described according to the following forms: “yes”, “no”, or “commentary”.

1. Introduction

1.1 The purpose of these guidelines is to set out clearly the criteria upon which the Accreditation Panel will base accreditation recommendations. While setting the norms that an accredited programme will be expected to meet, these criteria are not intended to be so prescriptive as to stifle innovation or to preclude other measures by which quality may be assessed.

1.2 The purpose of this document is to identify the criteria by which MBA programmes will be judged as accredited, accredited subject to qualification, or non-accredited.

1.3 The Accreditation Panel will base its judgment on the overall quality of the programme(s) under assessment, also taking into account the quality of the institution offering the MBA.

1.4 At the core of the accreditation scheme is full recognition of the autonomy of individual degree-awarding institutions to offer MBA programmes and of the need of individuals and employers to have an internationally-recognized accreditation process based upon an external and peer review of MBA provision.

1.5 The accreditation scheme is designed to cover general, broadly based MBA programmes on a selective basis. Thus, each MBA programme that is differentiated, for example in terms of its title, mode or location of delivery, will require a separate accreditation assessment.

1.6 The programme(s) to be assessed will have been graduating MBA students for a minimum of three years.

1.7 Where an institution offers the MBA designation for a programme, which is recognizably functional, or specialist in nature, the institution is expected to provide an explicit rationale for the MBA designation.
1.8 Programmes that are ‘franchised’ to another institution or institutions will require separate accreditation and this should be sought jointly by the institutions involved.

2. The business school

2.1 The assessment of MBA programmes will take account of the business school offering the programme:
   1) the business school will have an appropriate mission, explicitly expressed and regularly reviewed;
   2) the business school will have identified its target population and have a developed sense of the market for its products. This will include means of regular access to employers’ opinion;
   3) the business school will have a discrete identity.

2.2 A school offering an accredited programme must be able to provide relevant evidence of the quality of teaching on the MBA programme from within its faculty.

2.3 A school should be able to demonstrate high levels of quality in the MBA teaching team as evidenced by management research, scholarship and consultancy. The majority of the MBA teaching team should be actively involved in research contracts, indicating effectiveness in the business – and/or public-sector communities.

2.4 A school should be able to demonstrate satisfactory outcomes from its own internal or national audit processes. The school should provide evidence that it has implemented successfully any recommendations resulting from these processes.

2.5 Mechanisms must exist to ensure adequate feedback and response to student reactions to course delivery and content.

2.6 There shall be clearly defined roles relating to the academic leadership and administrative responsibilities for the programme with individuals identified for each.

2.7 A school should be able to demonstrate a level and quality of administrative support appropriate to the size of the MBA provision.

2.8 Institutions should demonstrate that the level of overall resourcing is appropriate for postgraduate/post-experience students. Library,
computing and research facilities must be of a high standard and should be accessible out of normal working hours and on weekends. Access to industry standard hardware and software is important, as is the availability of business databases and literature search facilities.

2.9 Facilities should exist to assist in employment for full-time students at the conclusion of their studies.

3. Faculty

3.1 Staff teaching at the MBA level must be appropriately qualified and credible. At least 75 per cent of the teaching staff should have a relevant postgraduate degree. It is expected that the majority of faculty will hold a doctorate.

3.2 The staff team should:
1) be aware of debates at the forefront of knowledge in the relevant management field;
2) be able to relate their subject to other subjects in the MBA;
3) have an up-to-date understanding of business practice gained through, for example, recent managerial experience, consultancy or research organizations, so that teaching can be linked to good practice as well as to theory;
4) while not every individual may meet all the criteria, the staff team as a whole must do so.

3.3 The institution should have a well-rounded staff development policy to ensure that staff continue to meet high standards. The MBA teaching faculty should be of a size that can, with regard to the number of participants, fully resource the programme(s) for which accreditation is being sought. It is expected that the pool from which staff are drawn will normally consist of at least 40 full-time academic staff. Due regard will be given to the following factors:
1) the need for a critical mass of core staff to administer, deliver and manage the MBA programme effectively;
2) new technological approaches to delivery and learning which transcend the traditional concept of the school and tutor-participant interaction.
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3.4 Schools should address the issues of collegiality, availability and integration of staff into the total teaching and learning environment of the school, including part-time staff and staff from another part of the institution. Contributions from part-time lecturers or staff from another part of the institution, although valuable, should not form more than a minor part of the total teaching resource.

4. Students

4.1 The MBA is designed for those who may be expected in time to make a significant contribution to managing at the strategic level in their organization. It should offer both a rigorous and intellectually demanding programme of study and the opportunity for personal development.

4.2 The MBA is intended for a variety of able candidates, primarily:
   1) honours graduates from any discipline;
   2) holders of an equivalent professional qualification.

4.3 The following candidates, who do not meet the criteria in Clause 4.2, may also be admitted:
   1) mature and experienced managers with the potential to meet the learning requirements of the MBA;
   2) those with experience in technical or specialist jobs, or those changing careers, re-entering employment, or seeking broader management roles.

4.4 There should be an expectation on the part of the provider that the student will be able to fulfil the objectives of the programme and achieve the standard required for award. Evidence will be required to show rigour in procedures and standards for admission. Where GMAT is used, admission scores in excess of 500 will be expected.

4.5 Evidence of language proficiency will be required. Where teaching is in English, evaluation of students for whom English is not a first language by IELTS, TOEFL, or comparable will be expected.

4.6 The school’s policy with regard to admission with credit, admission with advanced standing and exemptions should be made explicit. The criteria and processes used must be rigorous and reliable.
4.7 In order to maintain cohesion and the integrity of the student cohort and the programme, admission with credit, admission with advanced standing and exemptions would not be accepted for accredited full-time MBA programmes.

4.8 Normally, students are expected to have a minimum of three years’ appropriate work experience and the student body as a whole should average at least four years’ relevant experience.

4.9 It is accepted that, in due interest of balance in the student body, individual students may exceptionally have less than the required minimum of work experience provided the overall average is met. Specifically, with respect to full-time programmes, graduates with less than two years’ work experience would be accepted, provided that they do not exceed 10 per cent of the student intake on the programme. Individual lack of experience should be balanced by high levels of academic attainment, motivation and maturity.

4.10 Students should be selected on the basis of the contribution they may be expected to make as well as the benefit they may gain. Given the important role members of the cohort play in the learning process, a broad mix of disciplines, job functions, cultures, etc., is seen to enrich the learning process. In order to achieve adequate group interaction, the minimum intake on an accredited programme would be a cohort size of at least 40. Due regard will be given to the following factors:

- the need for a critical mass of participants;
- geographical factors that may serve to constrain a local market.

4.11 Since a major source of learning flows from the interaction between managers from a variety of backgrounds and employers, one employer/one business school arrangements will not be accredited.

4.12 Consortia MBA may be accredited provided members of the consortium are of a sufficient number and variety, and that final decisions on admissions, student progress and the award of the MBA remain under the control of the business school.
5. **Curriculum**

5.1 Each individual MBA programme should have clearly stated aims, objectives and learning outcomes. Learning outcomes should be clear and explicit in describing what participants are expected to know and be able to do as a result of the programme. They should make clear the ways in which the school recognizes and assesses intellectual, analytical, personal and enterprise qualities, as well as the specific knowledge being developed by the programme.

5.2 The design and content of the programme should embrace a range of relevant theory firmly linked to the practical world of management, where possible. Employing organizations should contribute to the development of the course.

5.3 The MBA is a postgraduate general management degree. Care should be taken to ensure that the academic programme is properly related to the practical world of management. All programmes should ensure that candidates acquire a firm understanding of the major areas of knowledge which underpin general management, including:

1) the concepts, processes and institutions in the production and marketing of goods and/or services and the financing of business enterprise, or other forms of organization;

2) the impact of environmental forces on organizations, including: legal systems; ethical, social, economic, and technological change issues; and the effect of international developments;

3) the ability to respond to and manage change should be covered explicitly;

4) the concepts and applications of accounting, quantitative methods, and management information systems including IT applications;

5) organization theory, behaviour, human resource management issues and interpersonal communications;

6) the processes and problems of general management at the operational and strategic levels;
7) business policy or strategy should be a core integrative course.

5.4 While all programmes should reflect the general character of the MBA, individual courses may be designed to meet the needs of a specific functional sector.

5.5 The general educational aims of the programme should be to develop transferable intellectual skills at the Master’s level; to develop the students’ ability to communicate clearly in various media; to argue rationally and draw conclusions based on a rigorous, analytical and critical approach to data; to demonstrate an awareness of the wider context of the programme of study, and to develop interpersonal and team working skills. It is important that participants are able to apply the concepts learned during the programme.

5.6 Although a programme may allow some specialization appropriate to the providing institution’s resources and strengths, the MBA should retain its generalist, broad character.

5.7 Normally, an MBA should contain substantial evidence of individual work undertaken as a project or projects, providing evidence of the ability to integrate the individual core subjects. A project should be practically-based and allow candidates to demonstrate an understanding of theory and its application at the Master’s level. Although literary-based dissertations are acceptable, co-operation of an employing organization is encouraged, and a joint supervisor from the employer may be appointed. Where such co-operation is not available, the institution should provide alternative means for the student to carry out a practically-based project. Research and consultancy skills training should be provided in preparation for the above.

5.8 Where the courses in an MBA programme are specified in terms of competences, institutions must be careful to give due weight to and assess intellectual development as well as managerial competence; the coverage of underlying theory and concepts; and the development of understanding at the Master’s level.
5.9 Where course members have been away from formal education for an extended period, explicit help in learning skills should be provided.

6. Programme structure

6.1 Programmes may be full-time, part-time, distance/open learning or multi-mode. Innovative approaches to design and delivery are welcomed if they enhance learning opportunities and can maintain the coherence and integrity of the course.

6.2 Where programmes are designed on a modular basis, the design should, given the importance of a multi-disciplinary approach to management problems, clearly provide means by which the integration of individual subjects is achieved.

6.3 Distance/open learning MBA programmes will be assessed using the guidelines set out in the document Open and distance learning: Additional principles for accreditation standards.

7. Duration

7.1 The duration of an MBA programme shall meet the general Master’s requirement that it should be equivalent to at least one year’s full-time study. For what might be regarded as a standard course for a normal entrant, the minimum duration is likely to be one calendar year full-time, or two to three years part-time.

7.2 An MBA programme will correspond to the equivalent of at least 1,200 hours of candidate learning effort. Additionally, the total number of contact hours is expected to be no less than 400 hours for a full-time programme.

8. Delivery

8.1 The applied nature of much of the MBA demands a range of teaching and learning methods. These methods include lectures, seminars, workshops, action learning, reading, individual and group projects, distance learning, computer-based training and in-company training (whether formal courses or on-the-job learning with a mentor). It is expected that much of the learning
will be practically-based. Co-operation of employers is to be encouraged.

8.2 Much of the learning in an MBA can be expected to take place between members of the learning group, and opportunities for this to occur should be provided.

9. **Assessment**

9.1 The key purpose of student assessment is to enable students to demonstrate that they have met the objectives and achieved the learning outcomes of the programme at the standard required for the award of an MBA degree. The assessment scheme should have detailed criteria and clarify the range and relative values of the various assessment methods used.

9.2 Assessment should also be used to provide feedback to students and assist in the subsequent individual and group learning.

9.3 The assessment scheme should reflect the particular aims and characteristics of the course. Individual examinations should play a significant role in any such scheme since they are seen as testing intellectual rigour under controlled conditions. While innovation in assessment methods is welcomed, particularly where new teaching and learning methods are being used, detailed evaluation by the school of such innovations will also be looked for.

9.4 Evidence that care is being taken to ensure that the individuals’ own work is being considered, and that assessment standards are consistent will be required.

10. **Outcomes**

10.1 Pursuant to Clause 4.1 above, when assessing the overall quality of the programme, consideration will be given to the value added by the MBA programme to work experience and career development. The views and experiences of appropriate alumni, employers and sponsors will also be sought. Where possible, the transfer of learning from the programme to the place of work will be evaluated.
Appendix 4. Information on projects realized under the partnership programmes with the participation of Russian and foreign universities

Different joint international educational programmes in Russia

<table>
<thead>
<tr>
<th>Russian University</th>
<th>Project participant</th>
<th>Project title (or any mention)</th>
<th>Format of partnership</th>
<th>Information sources</th>
<th>Additional information</th>
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<tbody>
<tr>
<td>The Netherlands Institute (St. Petersburg)</td>
<td>✓ Universiteit van Amsterdam ✓ Universiteit Utrecht ✓ Universiteit Leiden ✓ Rijskuniversiteit Groningen ✓ Katholieke Universiteit ✓ Nijmegen Vrije Universiteit</td>
<td>The Hermitage – A Window on the Netherlands Part of the Master’s programme ‘The Hermitage - A window on the world’ (since 2002)</td>
<td>Grid computing research Master’s programme (2004)</td>
<td><a href="http://www.nispb.ru">www.nispb.ru</a></td>
<td>The Netherlands Institute is the only institution in Russia dedicated to supporting and developing bilateral contacts between Russia and the Netherlands in the fields of research, education and culture.</td>
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<td>Voronezh State University</td>
<td>Kassel University (Germany)</td>
<td>Introduction of a European I&amp;R Centre (in Voronezh) dealing with the matters of international cooperation in science and education</td>
<td>Extension courses</td>
<td><a href="http://www.vsu.ru">www.vsu.ru</a></td>
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<tr>
<td>Tomsk Polytechnic University &amp; YUKOS Oil Company</td>
<td>Heriot-Watt University (Scotland)</td>
<td>Heriot-Watt Petroleum Engineering Approved Support Centre</td>
<td>Training of oil engineers for the YUKOS company</td>
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<td>All directions</td>
<td><a href="http://www.vpti.vladimir.ru/">www.vpti.vladimir.ru/</a></td>
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<td>Municipal educational establishment Voronezh Institute of Economics and Law</td>
<td>Bournemouth University</td>
<td>Participation in international educational programmes and competitions for receiving international grants</td>
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<tr>
<td>Kostroma State University, named after N.A. Nekrasov</td>
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<td>Collaboration with international science centres</td>
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<tr>
<td>Kursk State Agricultural Academy, named after Prof. I.I. Ivanov</td>
<td></td>
<td>Collaboration with institutes of higher education</td>
<td><a href="http://www.kgsha.ru">www.kgsha.ru</a></td>
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</tr>
<tr>
<td>Russian University</td>
<td>Project participant</td>
<td>Project title (or any mention)</td>
<td>Format of partnership</td>
<td>Information sources</td>
<td>Additional information</td>
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<tr>
<td></td>
<td>Wolverhampton University, University of Westminster, University of Northumbria, School of Social Sciences, Staffordshire University</td>
<td>Joint Russo-British educational programme for training specialists with higher education in ‘Management of an organization’ and ‘International business’ and ‘Internet-business’</td>
<td>Main project directions: New education forms, development of educational courses/programmes, raising the level of personnel’s skills, scientific research</td>
<td></td>
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<tr>
<td>Literature Institute named after A.M. Gorky (Moscow)</td>
<td>Dublin University, Trinity College (Ireland)</td>
<td>Joint scientific work, exchange of lecturers</td>
<td>filine.centro.ru/Gorky/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moscow Agricultural Academy</td>
<td>Scotland Agricultural College</td>
<td>Britain Know-How Fund pre-project ‘REAP’</td>
<td>Signature of a bilateral cooperation agreement</td>
<td></td>
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<td></td>
<td></td>
<td>Britain Know-How Fund Project ‘REAP’</td>
<td>Development of the modules of new courses about Information and Referral Service for Master’s programmes</td>
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<tr>
<td></td>
<td></td>
<td>Britain Know-How Fund Project ‘REAP’</td>
<td>Publication and distribution of the modules of new courses about Information and Referral Service for agricultural universities in CIS countries</td>
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<tr>
<td></td>
<td></td>
<td>A project of support agricultural reform - ARIS</td>
<td>Introduction of a federal centre of education and personnel training for I&amp;R in Russia</td>
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<tr>
<td>Russian University</td>
<td>Project participant</td>
<td>Project title (or any mention)</td>
<td>Format of partnership</td>
<td>Information sources</td>
<td>Additional information</td>
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</tr>
<tr>
<td>Russian Academy of Public Service attached to the President of RF</td>
<td></td>
<td></td>
<td>Specialists from the top-level state and scientific institutions in different countries are invited to give lectures in the academy</td>
<td><a href="http://www.rags.ru/">www.rags.ru/</a></td>
<td></td>
</tr>
<tr>
<td>Russian State Humanitarian University (Moscow)</td>
<td>Durham University</td>
<td>Agreement (2000.)</td>
<td>Joint programme on teaching Russian &amp; English language; members of the programme are the students of all ages</td>
<td><a href="http://www.rsuh.ru">www.rsuh.ru</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Derby University</td>
<td>Project ‘Reform of teaching sociology in the institutions of higher education’</td>
<td>Results of the project: development of the main educational programme in sociology, establishment of a Sociology Department at the Philosophy Faculty of RSHU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russian State Technological University MATI</td>
<td>The partners of MATI are Kingston &amp; Surrey University in cooperation with the top-level aerospace companies in Great Britain</td>
<td>In terms of Joint Aerospace School</td>
<td>During the five years of co-operation, 200 students and specialists from Russia and Britain were trained under this programme</td>
<td><a href="http://www.mati.ru">www.mati.ru</a></td>
<td></td>
</tr>
<tr>
<td>Astrakhan State University</td>
<td>Newman College of Higher Education</td>
<td>‘Regional Network of Universities Eurocaspiy’</td>
<td></td>
<td><a href="http://www.aspu.ru/">www.aspu.ru/</a></td>
<td></td>
</tr>
<tr>
<td>Ural State University</td>
<td>University of the State of South Carolina</td>
<td>‘External education in business administration’</td>
<td></td>
<td><a href="http://www.usu.ru">www.usu.ru</a></td>
<td></td>
</tr>
<tr>
<td>St Petersburg State Polytechnic University</td>
<td>University of Hull</td>
<td>Joint European Project ‘information technologies in studying foreign languages’. United Kingdom: University of Hull</td>
<td></td>
<td><a href="http://www.unilib.neva.ru">www.unilib.neva.ru</a></td>
<td></td>
</tr>
<tr>
<td>Russian University</td>
<td>Project participant</td>
<td>Project title (or any mention)</td>
<td>Format of partnership</td>
<td>Information sources</td>
<td>Additional information</td>
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</tr>
<tr>
<td>Yakut State University</td>
<td>Exeter University, University of Hull</td>
<td>Project under the EU programme TEMPUS; project ‘New technologies in teaching foreign languages in Yakut State University’</td>
<td></td>
<td><a href="http://www.ysu.ru/">www.ysu.ru/</a></td>
<td></td>
</tr>
<tr>
<td>Krasnoyarsk State University</td>
<td>Institute of Physics – IOP</td>
<td>Library co-operation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Novosibirsk State Academy of Economics &amp; Administration</td>
<td>International Academy of Management</td>
<td>MBA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saratov State University</td>
<td>TEMPUS·Tacis 10262-96 MOST</td>
<td></td>
<td></td>
<td><a href="http://www.ssu.runnet.ru">www.ssu.runnet.ru</a></td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 5. MBA programmes

### Academy of National Economy under the Government of the Russian Federation (ANE) MBA programmes

<table>
<thead>
<tr>
<th>Educational institution</th>
<th>WWW</th>
<th>Educational programme</th>
<th>Teaching language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academy of National Economy attached to the RF Government, Russian – German higher school of administration</td>
<td><a href="http://www.ane.ru/rgs">www.ane.ru/rgs</a></td>
<td>Russian German programme of MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Academy of National Economy attached to the RF Government</td>
<td><a href="http://www.mba.ane.ru">www.mba.ane.ru</a></td>
<td>Programme «Master of Business Administration»</td>
<td>Russian</td>
</tr>
<tr>
<td>ANE, Institute of Business &amp; Economics (California State University - Hayward)</td>
<td><a href="http://www.ibe.ru">www.ibe.ru</a></td>
<td>MBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>ANE, faculty Computer technologies in business</td>
<td><a href="http://www.global.ane.ru/">www.global.ane.ru/</a></td>
<td>MBA in global management</td>
<td>English</td>
</tr>
<tr>
<td>Centre Entrepreneurship and small-scale business, Higher School of International Business, ANE</td>
<td><a href="http://www.esbc.ru">www.esbc.ru</a></td>
<td>MBA: small- and middle-scale business – professional specialization MBA programme on the specialization small- and middle-scale business administration</td>
<td>Russian</td>
</tr>
<tr>
<td>ANE, Faculty of Finance and Banking</td>
<td><a href="http://www.ffb.ru">www.ffb.ru</a></td>
<td>Programme Executive Master’s of Business Administration (EMBA), specialization bank management</td>
<td>Russian</td>
</tr>
<tr>
<td>Moscow School of Social and Economic Sciences, ANE</td>
<td><a href="http://www.kingston.ane.ru">www.kingston.ane.ru</a></td>
<td>MBA programme</td>
<td>English</td>
</tr>
<tr>
<td>ANE, Centre for Commercialization of Technologies</td>
<td><a href="http://www.intb.ru/programs/">www.intb.ru/programs/</a></td>
<td>MBA: administration of innovative projects, investments and risks</td>
<td>Russian</td>
</tr>
<tr>
<td>Higher School of Corporate Administration, ANE</td>
<td><a href="http://www.mng.ane.ru">www.mng.ane.ru</a></td>
<td>MBA programme for the directors of Euro-management</td>
<td>Russian</td>
</tr>
<tr>
<td>Higher School of Corporate Administration, ANE</td>
<td><a href="http://www.mng.ane.ru">www.mng.ane.ru</a></td>
<td>MBA majoring in entrepreneurship</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Higher School of Corporate Administration, ANE</td>
<td><a href="http://www.emba.ru">www.emba.ru</a></td>
<td>DBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Higher School of International Business, ANE</td>
<td><a href="http://www.gsib.ru">www.gsib.ru</a></td>
<td>MBA programme management-international business</td>
<td>Russian</td>
</tr>
<tr>
<td>Higher School of Finance Management, ANE</td>
<td><a href="http://www.finmanager.ru">www.finmanager.ru</a></td>
<td>MBA finances</td>
<td>Russian</td>
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</tbody>
</table>
Cross-border higher education: regulation, quality assurance and impact

<table>
<thead>
<tr>
<th>Educational institution</th>
<th>WWW</th>
<th>Educational programme</th>
<th>Teaching language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institute of Business and Business Administration, ANE</td>
<td><a href="http://www.ibs-m.ru/">www.ibs-m.ru/</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Institute of Business and Business Administration, ANE</td>
<td><a href="http://www.ibs-m.ru/">www.ibs-m.ru/</a></td>
<td>Executive MBA strategic administration, Russo-Belgian programme executive MBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Russo-French Institute of Management, ANE</td>
<td></td>
<td>Executive MBA Programme</td>
<td>Russian, French</td>
</tr>
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</table>

**St Petersburg MBA**

<table>
<thead>
<tr>
<th>Educational institution</th>
<th>WWW</th>
<th>Educational programme</th>
<th>Teaching language</th>
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</thead>
<tbody>
<tr>
<td>International School of Management LETI-Lovanium</td>
<td>lovanium.eltech.ru/</td>
<td>MBA Programme</td>
<td>English</td>
</tr>
<tr>
<td>Higher Economics School (MIPK), St. Petersburg State University of Economics and Finance</td>
<td><a href="http://www.hes.spb.ru">www.hes.spb.ru</a></td>
<td>International Russo-French MBA programme (business administration)</td>
<td>Russian</td>
</tr>
<tr>
<td>International Bank Institute</td>
<td><a href="http://www.ibi.spb.ru">www.ibi.spb.ru</a></td>
<td>Executive MBA programme banking and finance</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Stockholm School of Economics in St. Petersburg</td>
<td><a href="http://www.sseru.org/">www.sseru.org/</a></td>
<td>International programme executive MBA</td>
<td>English</td>
</tr>
<tr>
<td>St. Petersburg State University, management faculty</td>
<td><a href="http://www.som.pu.ru/">www.som.pu.ru/</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>St. Petersburg International Management Institute (Research and Educational Institution)</td>
<td><a href="http://www.imisp.ru">www.imisp.ru</a></td>
<td>MBA programme</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Open School of Business</td>
<td><a href="http://www.obs.spb.ru">www.obs.spb.ru</a></td>
<td>MBA programme of an Open University in Great Britain together with the International Institute of Management LINK (Moscow)</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Institute of International Business and Communications</td>
<td><a href="http://www.ibci.ru">www.ibci.ru</a></td>
<td>MBA, specializations: MBA production administration MBA – small and middle-scale business administration MBA – manager of international tourism MBA – communications in the international business</td>
<td>Russian, English</td>
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</table>
## Moscow MBA Programmes

<table>
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<th>Educational institution</th>
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<th>Teaching language</th>
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<tr>
<td>Moscow International Higher School of Business MIRBIS (Institute)</td>
<td><a href="http://www.mirbis.ru">www.mirbis.ru</a></td>
<td>MBA, various specializations</td>
<td>Russian</td>
</tr>
<tr>
<td>Institute of International Business classic business-school</td>
<td><a href="http://www.curator.ru/mba_edu.html">www.curator.ru/mba_edu.html</a></td>
<td>MBA programme, DBA, EMBA. Specializations: management, marketing, finance, staff management</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Moscow State University of Economics, Statistics &amp; Informatics (MESI), Master training faculty</td>
<td><a href="http://www.magistr.com">www.magistr.com</a></td>
<td>MBA - general, MBA - special: strategic management, marketing, human resources management, finance management, information management</td>
<td>Russian</td>
</tr>
<tr>
<td>Moscow International Higher School of Business MIRBIS (Institute) together with London Metropolitan University, United Kingdom</td>
<td><a href="http://www.mirbis.ru">www.mirbis.ru</a></td>
<td>Strategies of human resources administration, Master of Arts in human resource strategies</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Higher School of Business, MSU named after M.V. Lomonosov</td>
<td><a href="http://www.mgubs.ru">www.mgubs.ru</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Higher Commercial School of the Ministry of Economic Development and Trade of RF</td>
<td><a href="http://www.hcms.ru">www.hcms.ru</a></td>
<td>MBA programme, general management.</td>
<td>Russian</td>
</tr>
<tr>
<td>Institute of World Economy &amp; Business (International School of Business), Russian University of People’s Friendship</td>
<td><a href="http://www.imeb.ru">www.imeb.ru</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Higher School of Management, State University – Higher School of Economics</td>
<td>mba.hse.ru</td>
<td>MBA programme specializations: general and strategic management, finance</td>
<td>Russian</td>
</tr>
<tr>
<td>International Institute of Management LINK together with the Open University Business School (UK)</td>
<td><a href="http://www.ou-link.ru">www.ou-link.ru</a>, <a href="http://www.link.msk.ru">www.link.msk.ru</a></td>
<td>MBA programme LINK strategy</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Moscow centres of international institute of management LINK</td>
<td></td>
<td>MBA programme OUBS</td>
<td></td>
</tr>
<tr>
<td>Higher School of Business and Management (HSBM), International University (Moscow)</td>
<td><a href="http://www.i.um.edu">www.i.um.edu</a></td>
<td>MBA programme. specializations: Russian</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>MBA – general and strategic management; MBA – marketing; MBA – finance management; MBA – corporate management</td>
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</table>
### Cross-border higher education: regulation, quality assurance and impact

<table>
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<tr>
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<th>Teaching language</th>
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<tr>
<td>American Institute of Business and Economics</td>
<td><a href="http://www.aibec.org">www.aibec.org</a></td>
<td>MBA programme</td>
<td>English</td>
</tr>
<tr>
<td>All-Russian Academy of Foreign Commerce</td>
<td><a href="http://www.vavt.ru">www.vavt.ru</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Inter-industrial Institute of raising the level of staff skills in new directions of engineering and technology development, Moscow State Technological University named after Bauman, Business &amp; Management faculty</td>
<td>bm.mipk.ru</td>
<td>MBA, specializations: marketing, finance, information technologies</td>
<td>Russian</td>
</tr>
<tr>
<td>International Academy of Business and National University (USA)</td>
<td><a href="http://www.iba.ru">www.iba.ru</a></td>
<td>MBA programme international business (global MBA)</td>
<td>English</td>
</tr>
<tr>
<td>Esslingen University of Technology (Germany) together with Moscow Energy Institute (technical university) and International Industrial Concern FESTO</td>
<td><a href="http://www.mbam.ru">www.mbam.ru</a></td>
<td>MBA industrial management</td>
<td>Russian, English</td>
</tr>
<tr>
<td>State University of Administration (Administration of the New Economy Institute)</td>
<td><a href="http://www.guu.ru">www.guu.ru</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>State University of Administration, The George Washington University and Management Consulting Partners Group</td>
<td>mba.mcpg.ru</td>
<td>MBA, specialization Administration of the innovative projects</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Moscow State University of Economics, Statistics &amp; Informatics (MESI) and Dutch University TWENTE</td>
<td><a href="http://www.ipd.mesi.ru/hrd/">www.ipd.mesi.ru/hrd/</a></td>
<td>Master of Science programme human resources development</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Moscow University TOURO</td>
<td><a href="http://www.touro.ru">www.touro.ru</a></td>
<td>MBA, specializations: banking and finance, management and marketing, information systems management. MBA Master of Science in health sciences</td>
<td>English</td>
</tr>
<tr>
<td>Institute of Business Administration and Business, finance academy attached to the Government of RF</td>
<td><a href="http://www.fa.ru/">www.fa.ru/</a></td>
<td>MBA-finance, specializations: finance management; bank management; business valuation; business accounting and audit</td>
<td>Russian</td>
</tr>
<tr>
<td>Educational institution</td>
<td>WWW</td>
<td>Educational programme</td>
<td>Teaching language</td>
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<tr>
<td>Information Systems of Management Institute, State University of Administration</td>
<td><a href="http://www.mbiprogram.ru">www.mbiprogram.ru</a></td>
<td>MBI programme: Master of business administration with specialization information management (Master of business information)</td>
<td>Russian</td>
</tr>
<tr>
<td>Moscow Institute of International Business, All-Russian Academy of Foreign Commerce (MIIB) together with American University of Business Administration (AUBA) California, USA</td>
<td><a href="http://www.miib.ru/">www.miib.ru/</a></td>
<td>MBA, specialization: finance, economics, management</td>
<td>Russian</td>
</tr>
<tr>
<td>Russian Economy Academy named after G.V. Plekhanov, together with Institute of Economics &amp; Finance Synergy</td>
<td><a href="http://www.sinerghia.ru/">www.sinerghia.ru/</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Russian Economy Academy named after G.V. Plekhanov, together with Institute of Economics and Finance Synergy and University of Durham Business-school (United Kingdom)</td>
<td><a href="http://www.sinerghia.ru/">www.sinerghia.ru/</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>Academy of Labour and Social Relations, centre of additional professional education</td>
<td><a href="http://www.atiso.ru">www.atiso.ru</a></td>
<td>MBA programme, specializations: corporate management, social sphere administration</td>
<td>Russian</td>
</tr>
<tr>
<td>Moscow State University named after M.V. Lomonosov and Paris Chamber of Commerce and Industry</td>
<td></td>
<td>French-Russian programme Master of international management MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Moscow State Technological University STANKIN</td>
<td><a href="http://www.stankin.ru">www.stankin.ru</a></td>
<td>MBA programme</td>
<td>Russian</td>
</tr>
<tr>
<td>World Distributed University and Moscow State Institute of Electronics and Mathematics</td>
<td>wdu.da.ru</td>
<td>MBA programme, specializations in electronic commerce: 1) Electronic commerce - directors and managers of electronic shops. 2) Project administration - directors and managers of Internet projects</td>
<td>Russian</td>
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</tbody>
</table>
### Regional MBA programmes

<table>
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<th>Educational institution</th>
<th>WWW</th>
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</thead>
<tbody>
<tr>
<td>Institute of International Business, classic business-school</td>
<td><a href="http://www.curator.ru/mba_edu.html">www.curator.ru/mba_edu.html</a></td>
<td>MBA programme, DBA, EMBA. Specializations: management, marketing, finance, personnel management</td>
<td>Russian, English</td>
</tr>
<tr>
<td>International School of Business, Samara State Economics Academy</td>
<td><a href="http://www.ssea.ru/">www.ssea.ru/</a></td>
<td>MBA programme marketing education in Russia (RIMA) and organization development administration</td>
<td>Russian</td>
</tr>
<tr>
<td>Voronezh State University, Business school</td>
<td><a href="http://www.econmba.vsu.ru/">www.econmba.vsu.ru/</a></td>
<td>MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Kazan State Finance and Economy Institute</td>
<td>mba.kazan.ru/</td>
<td>MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Institute of Management and Business of Nizhny Novgorod</td>
<td><a href="http://www.nimb.nnov.ru">www.nimb.nnov.ru</a></td>
<td>MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Ural - Siberian Institute of Business</td>
<td><a href="http://www.ursib.ru">www.ursib.ru</a></td>
<td>MBA, Executive MBA</td>
<td>Russian</td>
</tr>
<tr>
<td>Vladivostok State University of Economy and Service together with Californian State Polytechnic University (Pomona) and Californian State University (Hayward)</td>
<td>mba.vvsu.ru</td>
<td>MBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Arkhangelsk State Technical University, Institute of Economics and Business</td>
<td><a href="http://www.iefb.agtu.ru/">www.iefb.agtu.ru/</a></td>
<td>MBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Voronezh State Agrarian University named after K.D. Glinka</td>
<td>mba.vsau.ru</td>
<td>MBA in agriculture</td>
<td>Russian</td>
</tr>
<tr>
<td>Business school of Amursky State University</td>
<td><a href="http://www.business.amursu.ru">www.business.amursu.ru</a></td>
<td>MBA</td>
<td>Russian, English</td>
</tr>
<tr>
<td>Toliatti Academy of Administration together with Michigan-Flint University (USA)</td>
<td><a href="http://www.taom.ru/">www.taom.ru/</a></td>
<td>MBA, starting from 2004</td>
<td></td>
</tr>
<tr>
<td>Regional Interindustrial Centre of Staff Retraining, Perm State Technical University</td>
<td>mrc.edu.ru/</td>
<td>MBA, seven specializations for training managers with highest level of proficiency</td>
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<td>General Appendix.</td>
<td>Comparative matrix on regulation and quality assurance of transnational providers</td>
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<tr>
<td><strong>Opening of TNE providers</strong></td>
<td><strong>Kenya</strong></td>
<td><strong>Chile</strong></td>
<td><strong>Argentina</strong></td>
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<tr>
<td><strong>TNE providers have to register and obtain LIA with Ministry or Chamber of Commerce.</strong></td>
<td>Compulsory licensing systems for private institutions established in 1990 from CSE. Then supervised for at least six years, not more than 11 years before they can be granted autonomous status (CSE prepares yearly progress reports)</td>
<td>Compulsory licensing process for private HEIs. Only non-profit-making institutions permitted. Study plans have to be submitted to CONEAU (created in 1995) – provisional authorization for six years (annual reports to CONEAU)</td>
<td>Establishment, registration and owner requirements, including foreign equity ceiling (max 40%). Establishment through Security and Exchange Commission University only under certain conditions: Each programme has to be recognized by CHED. Foreign university needs to possess highest level of recognition by home country.</td>
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<tr>
<th><strong>Opening of new programmes</strong></th>
<th>Kenyan</th>
<th>Chile</th>
<th>Argentinian</th>
<th>Philippinian</th>
<th>Russian</th>
<th>South African</th>
<th>Omanian</th>
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<tr>
<td><strong>No restriction for chartered universities, but governmental approval needed for non-university education.</strong></td>
<td>For private institutions: CSE has to authorize professional programmes offered by institutions created after 1991. In respect of the principle of institutional autonomy, institutions are in charge of opening new study programmes with the exception of regulated programmes.</td>
<td>Private providers: Licensing of programmes by CHED (permit phase: 3 to 4 years and recognition phase) on the basis of minimum requirements in Policies, Standards and Guidelines (exception HEI having level III et IV accreditation).</td>
<td>Attestation process conducted by the ministry of education together with the registration process. Programme offerings and qualification mixes for public institutions need approval by DoE.</td>
<td>No information on opening of new programmes.</td>
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<td>Accreditation</td>
<td>Kenya</td>
<td>Chile</td>
<td>Argentina</td>
<td>Philippines</td>
<td>Russia</td>
<td>South Africa</td>
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<td>Institutional accreditation compulsory for universities without specification of deadline; but not compulsory for other post-secondary institutions.</td>
<td>Voluntary accreditation process, both at the programme (professional and graduate-PhD and Master's) and institutional level.</td>
<td>Compulsory accreditation of regulated undergraduate and post-graduate programmes based on self-evaluation and external visit.</td>
<td>Graduate programmes only if Level III accreditation of undergraduate programme</td>
<td>Compulsory institutional accreditation, but earliest 3 years after licensing.</td>
<td>Private providers must have all qualifications accredited against SAQA standards and accredited by CHE.</td>
<td>In 2001, an accreditation council was established which is responsible for both institutional and programme accreditation.</td>
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<td>Voluntary programme accreditation delivered by private agencies (four levels).</td>
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<td>Transnational provider needs QA clearance from the parent country and qualifications have to be recognized by the parent institution and country's NQF. Students must be given proof of the ability to transfer to parent institution without loss of credits.</td>
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<td>Twinning and franchising</td>
<td>With local public university: MOU. With private university approval requested by CHED. Public non-university: Relevant ministry approves. Private non-university: Quality assurance with local institution.</td>
<td>No specific regulation.</td>
<td>No specific regulation.</td>
<td>Only with CHED-recognized HEI and accredited at level II and with foreign institution recognized and accredited in home country. Common MOA format prepared by CHED.</td>
<td>No regulation for the functioning of a joint international educational programme.</td>
<td>Franchising is ruled out, branch campus model only possible delivery mechanism.</td>
<td>MOHE has to permit franchise programmes checking on whether the franchisee has obtained accreditation in the home country.</td>
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<tr>
<td>Country</td>
<td>Recognition of foreign and virtually delivered qualifications</td>
<td>Chile</td>
<td>Argentina</td>
<td>Philippines</td>
<td>Russia</td>
<td>South Africa</td>
<td>Oman</td>
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<td>Kenya</td>
<td>CHE is doing this using the accreditation status of the home country.</td>
<td>University of Chile recognizes or validates foreign degrees.</td>
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<td>Must be certified by CHED.</td>
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<tr>
<td>Chile</td>
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<td>SAQA in charge of evaluating and recognizing qualifications.</td>
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<td>Argentina</td>
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