Higher Education: Public Good or Private Service?

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• Defining Public and Private HE
• Autonomy-Accountability Trade-off
• Public-Private Partnerships in HE
Is higher education a public good or a private service?
I. How are public universities different from private universities in your country?
Public HEIs

“Owned” by the state

Governed by a branch of government

Regulated by rules developed through government authority

Funded mostly or entirely from government

Organized to accept students and conduct research in response to some elements of governmental direction
Private HEIs

- Owned by a group or individual
- Funded through private sources including student fees
- Free to hire and evaluate its own personnel
- Responsible to attract and accept students from the general population on the basis of criteria it establishes
- Governed by and report to a board of trustees or governors
Important concepts

Ownership

Sources of funding

Regulations

Market distinctions
Ownership

Public
- Funding from state (direct/indirect)
- Fees & revenue
- National universities
- State/provincial/city universities
- Transnational universities

Private
- For-profit
  - Individual proprietor
  - Corporate ownership
- Not for-profit
  - Faith-based enterprises
  - Community-based establishments
Sources of Funds

• State funding (item-line budget/block grants)
• Funds from multi-level government
• Private sources (tuition, donations, contracts, entrepreneurial actions, etc)
• Government subsidies
Greater Autonomy
in exchange for
Increased Accountability
II. What kinds of institutional autonomy does your university have?
Regulation

- Formal control of the institution
- HE sector control by more than 1 ministry
- Use of buffer organizations (UGC)
- Governance by Board of governors/trustees, private boardizations (UGC)
Market Distinctions

Free market in LDCs

- Cambodia, Laos, Vietnam

Controlled market in developed countries

- Australia, N.Z. India, S. Korea, Singapore

Mixed market – free entry in some segments and others are tightly regulated

- Malaysia, Thailand, Indonesia, Philippines
III. What kinds of public-private partnerships are there in the higher education sector in your country?
P-P Mixes in HE

- State government and private companies (state/provincial universities, deemed universities)
- Public universities and private companies (affiliated colleges, foreign branch campuses)
- Public universities and private colleges (franchised programmes)
- Consortia of public universities (OUM, Universitas 21)
- Non-profit private universities (political parties, people founded univs in Vietnam and China)
P-P Mixes in HE

- Public subsidies to private institutions (Japan, India)
- Faculties from public universities teaching in private institutions (Indonesia, Cambodia, Vietnam)
- Students on government loans studying in private institutions
- Outsourcing of student services in public university campuses
- P-P in research with industry
- P-P in offering professional services (professors in medical faculties)
Concluding Remarks

- Blurring of distinction between public and private HE
- Trade off between autonomy and accountability
- Innovative P-P-mixes
- Expanded roles of the state (provider, regulator, protector)
- Supervisory and steering role
THANK YOU!