

ganization structure that allows summarizing a series of variables in one single score. To rank the institutions, we designed a methodology called “Ranking of Rankings,” as a technique that guaranteed every variable to have the same scale and distribution. The methodology consisted of using the ordinal place of the higher education institution in each indicator, then averaging the positions to get a final score by using a weight for each variable. This led to the challenge of defining weights for each variable. Although we considered the option of allowing users the freedom of assigning the weights so they could create their own ranking, for the ministry it was crucial to promote improvement in certain key indicators. Therefore, we fixed weights for each variable according to the robustness and reliability of data sources, and to the importance of the indicator in the higher education goals of the National Development Plan.

#### CHALLENGE 5: DISCLOSURE

Normally, ranking models are developed by third parties. Although the model was created by the ministry of education itself with the goal of increasing quality and improving decision-making, this presented a challenge because the ministry is responsible for providing resources to higher education institutions and thus, in part, responsible for their quality. Therefore, the ministry could be seen as both judge and jury in this process. However, the result of culling available information produced a useful tool for the public and a wake-up call for the institutions. In that way, we reassured the community that 1) the ranking was not going to be used for other purposes, such as informing resource allocation or setting quality standards for the accreditation process; 2) the model indicators were balanced in order to be representative of the complexity of the higher education system; 3) the ranking was designed with relevant existing objective measures to be transparent, and thus replicable.

#### OUTLOOK

After facing these different challenges and publishing MIDE in July 2015, the ministry managed to establish a common language around higher education quality that was heavily discussed in the following months. Even if the model may need time to achieve a certain degree of maturity, it has certainly provided relevant and reliable information for higher education institutions on how to improve in quality, and for parents and families to make informed decisions on higher education. Throughout 2016, an updated version of the ranking (MIDE 2.0) was developed and increasingly accepted by higher education institutions. ■

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## Private Higher Education in Brazil: Fueling Economic Growth

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The Brazilian private education sector is one of the largest in the world. The demand for education in the country is so high that with relevant support from the government, private universities keep expanding. In the traditional higher education community, most think of private education in terms of business rather than of a national plan, with a critical focus on their quality. With nonprofit institutions also engaged in creating profits by means of various courses and projects, there is no end to the discussion about for-profit and nonprofit education. In Brazil, meanwhile, the national test of graduates (ENADE) reveals a wide range of quality in both the public and private sectors, where the great motivation of students from for-profits makes them show strong results. Private universities, as a part of the National Program, often undergo rigid quality checks. In the majority of cases, the teaching staff of these universities are employed at federal and state institutions, while the students, mainly from the low-income social strata, have a high motivation to study.

#### A FORCE TO BE RECKONED WITH

Since 1996, the private higher education sector in Brazil has been consolidating each year, as shown in the latest census data: out of 2,364 higher education institutions (HEIs) in Brazil, 87.5 percent are private. This includes 2,069 universities, university centers, and colleges distributed throughout Brazil, giving Brazilian citizens the possibility to complete a degree (undergraduate, master’s, and doctorate) and to change their own circumstances and the circumstances of their families.

The strength of this private segment is proved by national statistics: today, there are more than 6 million students enrolled in private higher education institutions, which represents more than 75 percent of all university students. There is a certain social twist in the educational sys-

tem of Brazil; in short, young women and men who study in expensive private high schools, after their final examination win the competition for the very limited number of free study places in federal or state universities. On the other hand, students from public schools with good but lower scores have to apply for grants to pay for their education in the private sector. Basically, this means that the private sector has the responsibility—for which it receives much criticism—of bringing these students to the necessary level of knowledge and education for service to the country.

The private sector in Brazil comprises many small and medium HEIs, as well as large institutions. About 36 percent of the students are enrolled at the 12 largest educational groups. Regardless of their size, all HEIs face multiple challenges: sustaining quality standards, attracting the best staff, remaining flexible, passing rigid audits for accreditation, constantly adapting to numerous changes in regulations, and many others, including funding.

Traditionally, Brazilian private HEIs are better known for courses in the less technological fields, though the difference, over time, is being erased, leaving fundamental science and the most technologically demanding specialties to public universities. Among a wide range of courses offered by private HEIs, law education is traditionally the most popular among students, with the highest enrollments (14 percent), followed by administration (9 percent), civil engineering (6 percent), and finally medical school, pedagogy, and HR management. Private universities supply the country with qualified middle-class workers, most needed on the Brazilian labor market and fueling the economic growth.

#### GROWTH CURVE

Brazilian higher education started expanding in 1996. Before that, enrollments remained limited and could not meet the demands of society. The turning point was the introduction of a fund allowing young people to take out students loans. Thus, the growth of the private education sector in Brazil should not be mistaken for a result of the development of the private business in general, as it is the natural outcome of the National Education Plan (PNE). In fact, this is the core characteristic that differentiates private education in Brazil from, for instance, private education in European countries. Brazilian private universities are an inseparable part, tool, and provider of the PNE. They serve as a joint innovative solution by the country's leaders and highly educated businesspersons, to tackle the problem of the insufficient quantity of higher education institutions and of social inclusion in the country.

The second dramatic jump happened in 2002, when the first technological undergraduate courses were introduced. These courses were of shorter duration, and facilitated the admission to higher education of students from

the low-income social classes, or classes “C” and “D,” which represented more than half of the Brazilian student population. The courses were accepted on the market as higher education and were open to adult learners who came to universities not right after high school, but after some years of work.

The next peak of growth was in 2005, when the ProUni fund was created. It offered scholarships at private HEIs for students from less privileged families. The scholarships were awarded to students from families receiving a maximum of 1.5 minimum salary.

The reformulation of the loans of the Student Financing Fund (FIES) in 2010, with a reduction of interest rates and an increase of the amortization period, caused an exponential increase in new enrollments from 76,000 in 2010 to 732,000 in 2014.

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**The demand for education in the country is so high that with relevant support from the government, private universities keep expanding.**

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The economic and political crisis of 2015 forced the Brazilian government to reduce FIES loans drastically, and most students from “C” and “D” classes were again excluded from entering higher education. Currently, the net enrollment rate in higher education for the 18–24 age class is just over 17 percent, while, according to the PNE, 33 percent of young people should be enrolled by 2024. From 1996 to 2014, FIES reached almost 40 percent of the goal, but after the sharp reduction of 2015, it accounted for less than 15 percent of the students in 2016.

Such a deviation from the PNE arouses the strongest reaction from the association of private universities (ABMES—*Associação Brasileira de Mantenedoras de Ensino Superior*), which stands for the legitimate interests of private HEIs and their students, and for the education plan as a whole. The argument that scholarships have taken a heavy toll on society turned out to be no more than a polemic cliché: the cost of students at private institutions (87.5 percent of the HE sector) to the country is less than that of students at public institutions, while their immediate impact on the national economy is massive. Therefore, in support of the challenge to reach PNE goals by 2024, ABMES strategically focuses on pushing the government to keep investing in the scholarships. At the same time, in light of the current economic crisis, the association is working with the authorities to find alternative funding mechanisms, e.g., possible new

regulations allowing private banks to join the financing market for prospective students.

Experiencing the direct impact of the economic crisis, the private education sector is the best and most active partner of the government in searching ways to provide society with access opportunities to higher education, and to sustain economic growth. ■

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## Higher Education Regionalization in East Asia

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Three prominent organizations have emerged as drivers of regional higher education (HE) cooperation in East Asia: the Association of Southeast Asian Nations (ASEAN), the South East Asian Ministers of Education Organization (SEAMEO), and a recently formed trilateral grouping between the governments of China, Japan, and South Korea (hereafter referred to as Korea). While these regional actors share some history of collaboration, in part driven by a desire to create a common East Asian HE space, they implement regionalization schemes largely based on different needs, goals, timetables, and customs. This phenomenon has resulted in a fragmented landscape of East Asian HE regionalization. In considering this state of affairs, several questions emerge. Why are there multiple regionalization schemes in East Asia? For nations with multiple regional memberships, is it possible that some regionalization schemes have priority over others? If yes, are there any adverse implications for East Asian regionalization schemes, both as separate initiatives and, more broadly, as schemes working toward a common East Asian HE space?

### ASEAN AND THE ASEAN UNIVERSITY NETWORK

Initially (roughly in the period 1967–1989), ASEAN drove cooperation on the twin premises of political stability and security. Thus, its founding members—Indonesia, Malaysia, the Philippines, Singapore, and Thailand—shared a mission focused on the containment of communism in Indochina and cooperative nation-building, especially in the years following successful national independence

movements in the region. However, events of the 1990s, particularly the Asian financial crisis of 1997, prompted a shift in rationale as a wave of political discourse around economic integration swept the region. The financial crisis highlighted the need for cooperation not only among ASEAN member countries, but also among other afflicted nations—namely China, Japan, and Korea—to find economic solutions to prevent future recessions from devastating the region. This grouping of countries became known as ASEAN Plus Three.

Throughout ASEAN's evolution—from an exclusive grouping of Southeast Asian countries, to the inclusive ASEAN Plus Three configuration, and later the ASEAN Plus Six arrangement (with the addition of Australia, India, and New Zealand)—policy dialogue around HE regional cooperation materialized slowly. The conversation began with the first two ASEAN Committee on Education meetings in the 1970s; together, these meetings promoted higher education, particularly the labor potential of HE graduates, as the primary engine driving economic prosperity. The meetings also advanced a compelling argument in favor of an international pipeline to secure qualified and highly motivated students. What resulted was a subregional grouping known as the ASEAN University Network (AUN), which, assisted by the ASEAN University Network Quality Assurance (AUN-QA) framework and the ASEAN Credit Transfer System (ACTS), facilitates exchanges of faculty, staff, and students among 30 member institutions.

### SEAMEO AND THE SOUTH EAST ASIAN HIGHER EDUCATION AREA

Whereas ASEAN's AUN operates on a subregional platform, the SEAMEO Regional Institute of Higher Education and Development (RIHED) seeks to achieve a higher-order objective of establishing a South East Asian Higher Education Area (SEA-HEA). To date, three primary regionalization processes have advanced this work: the Malaysia, Indonesia, and Thailand (M-I-T) mobility pilot project and two regional harmonizing mechanisms, the ASEAN Quality Assurance Network (AQAN) and the Southeast Asian Credit Transfer System (SEA-CTS). Assisted by the University Mobility in Asia and the Pacific Credit Transfer System (UCTS), 23 universities under M-I-T facilitated the exchange of 1,130 undergraduate students during the initiative's four-year rollout (2010–2014). M-I-T is now moving forward under a more inclusive branding, the ASEAN International Mobility for Students (AIMS), and plans to expand its remit to include four additional countries: Brunei Darussalam, Japan, the Philippines, and Vietnam. In contrast to M-I-T, AQAN and SEA-CTS activity has been difficult to measure; however, it is likely that these two regional mechanisms will