# COVID-19 and Private Higher Education

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While much study of COVID-19 in higher education considers higher education generically, other studies distinguish and even compare phenomena within higher education (e.g., policies made by subnational units within a country). Surely another salient contrast warranting attention is that between private and public higher education. However marginal private higher education (PHE) may have been in parts of the world a half century ago, it is now prominent in each global region, and it holds a third of the total global enrollment.

# The Context

We here address notable differences and similarities in private and public higher education policies for dealing with COVID and COVID's impact, attentive also to comparisons among different parts of PHE. We draw on <u>preliminary analyses of 14 countries</u>, along with subsequent global tracking. Notwithstanding significant national variation, we discern strong global patterns, broadly consistent with scholarship's general findings about PHE, private-public distinctiveness, and distinctiveness within PHE.

# **Policies**

The question of who makes COVID policy illustrates such manifestations of general patterns. Government's hand is longer and stronger in directing the public (than the private) sector, and government tends to make rather uniform policy for the entire public sector. Private actors have much more say in making COVID policy in the private sector and, as different families, businesses, churches, and others largely run their own institutions, private-sector COVID policy making is much more decentralized and differentiated, usually to the institutional level. A closer look at the government's role also reveals several less obvious patterns. One is that, given how crucial the COVID crisis is to public health and economics, government policy inclines toward its more controlling tendencies regarding both sectors of higher education. In the public sector, faculty and student representatives have been less directly involved in (COVID) policy making than is the norm there. In the private sector, the powerful government extreme often reaches all the way to whether institutions can remain open. Certainly, regimes that are interventionist by nature have not refrained from imposing themselves on PHE COVID policy regarding, for example, what fees private institutions must return to students when

# **Abstract**

Significant and identifiable differences and similarities surface between private and public higher education regarding COVID-19 policies and impacts. The same holds for differences and similarities between different parts of the private sector. Whereas private institutions are on average at higher risk from COVID impacts, and demand-absorbing ones are predictably at the greatest risk, there are offsetting factors as well, including certain advantages regarding private-sector policy making autonomy and flexibility.

classes are not in person. China was among countries proscribing in advance collection of room and board fees and forcing private institutions to refund prorated room and board for the Spring 2020 term.

Often, however, governments do not command the private nearly as much as the public sector, allowing private institutions' autonomy to make their own varied decisions based on their own judgments about finance, health, and fairness, as in Japan. Private institutions worldwide have sometimes chosen to remain open or in person, while public counterparts are shut or only online. Meanwhile, although student and family pressure for relief targets both governments and individual universities, the emphasis naturally differs by sector, governments being more targeted regarding the public sector, and institutions in the private sector.

Along with greater decentralization of the policymaking process, PHE repeatedly demonstrates greater flexibility in responding to COVID. Public-sector policy responses are more restricted by civil service law, union rights, and a norm that what is done anywhere in the public sector must be standardized and equal throughout the sector. Perhaps the starkest contrast is to private institutions that are "semielite" (elite nationally but not internationally), as these characteristically have skilled professional management along with hierarchical governance power, both facilitating rapid action, including unpopular action. Yet even "demand-absorbing" PHE, emphatically nonelite, has repeatedly shown flexibility to respond to COVID. Again, hierarchical governance facilitates adjusting tuition fees and admissions quotas to suit perceived institutional needs, and the shift to online study has repeatedly proven easier in private than in public institutions.

Indeed, demand-absorbers have had some flexibility advantages over even semielite or high-level religious universities: Overwhelmingly part-time, their faculty are more easily jettisoned, permanently or temporarily, as are programs under enrollment stress, while laboratories, campuses, and other infrastructure are usually sparse, thus minimizing unshakable and costly burdens. Sometimes, the low academic standing of private nonelite institutions has meant a pre-COVID presence of online offerings, a head start in coping with COVID. Even in the United States, where private-public higher education differences are generally much less stark than elsewhere, PHE's greater flexibility on both the revenue and expenditure side has been notable.

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### **Impacts**

Why have Cassandra-like warnings (or sometimes unbridled glee!) about the whole-sale collapse of PHE, or at least its nonelite subsector, generally not materialized? The just-noted flexible private policy making is one reason. Another is that a depressed economy supplying fewer jobs drives otherwise likely workers to enroll as students, including at online and nonelite private institutions. As the depressed economy also depresses government budgets for higher education, cuts fall much less on PHE, as it depends much less on government subsidies; if sustained, public budget cuts could damage public university quality and spark disorder to the point that families flee to private semielite and religious universities.

Meanwhile, it has not taken long to see how depressed study abroad provides an increased applicant base for domestic semielite PHE, which often epitomizes US or other Western-oriented experience along with social and academic standing that the well-to-do otherwise seek abroad, and can well afford at home (e.g., in Vietnam). On the other hand, international study also reminds us of how so much COVID damage falls significantly on both sectors: Both semielite private universities and leading public universities have been hurt by the slowed flow of students from countries less developed than theirs. Japan thus saw fit to provide financial aid for international as well as domestic students—regardless of whether they study in private or public institutions. Study abroad also illustrates how so much about COVID impacts can be country specific; for example, France's PHE is particularly dependent on international students.

Notwithstanding all the variation, the early analysis of COVID impacts bolsters a clear lesson from accumulated study of PHE: Demand-absorbing institutions are the most vulnerable whenever demand for higher education overall slackens or declines. These are the institutions that offer only low status and low quality while charging fees easily

exceeding those at public counterparts. The broad COVID generalization (true across sectors) that negative impacts fall most heavily on higher education's low-income population and especially in low-income countries is epitomized in these countries' demand-absorbing institutions. As a major tuition differential is a nearly universal and major private-public difference, it is unsurprising that it makes a big differential impact in COVID, hitting PHE generally and demand-absorbing PHE particularly, as in India. Clientele is often unable to sustain financial setbacks and pay tuition. And of course, PHE suffers where its family, business, or church ownership suffers. That suffering is especially intense where PHE is bailed out less by government rescue programs than public higher education (though some private institutions receive funds from government rescue programs targeting businesses). Where emergency aid does include both sectors, it is sometimes subject to earlier termination in the private sector.

It is too soon to know what further policies will evolve or what the ultimate impacts of COVID-19 will be. Nonetheless, we do observe significant patterns both between private and public sectors and within the private sector that merit further tracking.

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The Program for Research on Private Higher Education (PROPHE) regularly contributes articles to IHE.