

agenda of fostering competition between public and private (nonprofit and for-profit local and foreign) providers to recruit domestic students and acquire associated fee-income. Competition between institutions for research income and to recruit international students is already well-established.

National policies are having an operational impact on governance at sector and institutional levels, and the international context is also impinging on governance. New reports from the Leadership Foundation identify some of the main operational issues that governing bodies are dealing with, including their ethical stance and approach to corporate social responsibility; the relationship of academic to corporate governance; the assessment, mitigation, and management of risk; and the size and membership of institutional governing boards. These issues not only reflect national concerns, but also the expanding international operations of UK institutions through branch campuses, other forms of collaboration in transnational education and distance-learning. As countries seek both to “modernize” and “internationalize,” the different philosophies of governance and structural arrangements in evidence across the four countries of the United Kingdom could provide useful practical examples of how to balance competing interests and requirements for autonomy, accountability, democracy, open or regulated markets, and planned and responsive higher education systems and institutions. ■

Croatia’s New Linear Tuition System: Students’ Friend or Foe?

LUCIA BRAJKOVIC

Lucia Brajkovic is a PhD student at the Institute of Higher Education, University of Georgia, Athens, GA, US. E-mail: lucia@uga.edu.

Croatia’s higher education system (in Southeast Europe) is nationally regulated and has been undergoing intense reforms since 2003, driven by the Bologna process. The vast majority of students study in seven Croatian public universities; one of these is the University of Zagreb, which offers the widest range of study programs and enrolls around 50 percent of the total student population. Up until the academic year in 2010/2011, there were two categories of students in Croatia, based on tuition-paying status. Full-time undergraduate students were either enrolled within

the state-subsidized quota, and were not charged tuition, or were enrolled above the subsidized quota and therefore charged tuition. Under this system, universities typically secured a certain number of spots for tuition-paying students, according to their capacities: whether a student would enroll within or above the state-subsidized quota (i.e., would be charged tuition or not) primarily depended on merit-based criteria, such as the student’s high school grades and entrance examination scores. Students were informed whether they “made the cut” for the state-subsidized quota upon admission. When compared to other European countries, this tuition system was most similar to that in Hungary.

Full-time undergraduate students were either enrolled within the state-subsidized quota, and were not charged tuition, or were enrolled above the subsidized quota and therefore charged tuition.

DEMAND FOR FREE EDUCATION

In 2009, students occupied the Croatian University of Zagreb’s School of Humanities and Social Sciences, taking over classes and replacing them with public assemblies and student-organized lectures. The occupation lasted for more than a month. Furthermore, students protested in front of the Ministry of Science, Education and Sports and demanded an audience with the minister. Their demand was straightforward: free education for all admitted students. Students from other Croatian universities joined the protest, which turned into the largest student movement in Croatia, since the 1970s.

The demand for free education, which would translate into entirely publicly funded education, reflected a larger concern about the commercialization and commodification of higher education, and increasing perception of higher education as a private vs. public good. All these events took place during a politically sensitive period of Croatia’s final preparations for entry into the European Union. Under these rather unique circumstances, the students’ requests made a significant impact on the higher education financing policy of the Croatian left-centered government. Even though their demands were not fully met, they led to the adoption of a unique “linear” tuition model, which may be the only one of its kind in the world.

INNOVATIVE TUITION MODEL WITHIN THE BOLOGNA FRAMEWORK

Following the student protests, the Croatian government enacted a major change, regarding university tuition. Beginning with the 2010/2011 academic year all admitted undergraduate and graduate (master's) students will pay no tuition during their first year of studies. After the first year, students will be charged tuition depending on performance against merit-based criteria, according to a linear model based on the accumulated European Credit Transfer and Accumulation System (ECTS) credits measuring student progress. Under this approach the state would continue to pay institutions a subsidy of €487 (per student per year), after the first year for those students who have accumulated a minimum of 55 ECTS credits in the previous year of study, with 60 credits being the standard full-time annual course load. Students who meet this criterion will continue to study tuition-free; and those who do not meet this criterion will be charged different tuition amounts, proportionally to the number of ECTS they are missing below the 55 credit target.

While there is no state regulation for maximum tuition levels across different institutions, the subsidy that the Ministry of Science, Education and Sports pays to the public higher education institutions for each student is fixed, regardless of the field of study. The prediction is that around 70,000 students per year would benefit from this appropriation of €34,090,000 (70,000 students x €487). The amount is secured within the state budget until 2015. The Ministry of Science, Education and Sports will allow for an increase in the subsidies up to 10 percent yearly per institution, but the increase of enrollment quotas beyond 5 percent per year will not be allowed.

The government's rationale for this new system is that more students would be able to study without paying tuition. However, the real impact of this policy decision is yet to be seen, as €487 for student per year paid by the Ministry of Science, Education and Sports is significantly lower than the €1,174 of average yearly tuition charged by Croatian universities before the implementation of this linear model. Concerns have been raised across the academic community regarding the possibility that, within this new system, universities might increase tuition rates for students who do not meet the 55 credit criterion to make up for the substantial loss in tuition money. If such a scenario happens, the total financial burden on students could prove to be even greater than before the new system was introduced.

MERIT-BASED VS. NEED-BASED SUPPORT SYSTEM

This entirely meritocratic system does not take into account the fact that students coming from lower socioeconomic backgrounds might not have the same academic prepara-

tion, when entering college, and thus have greater difficulty obtaining the number of ECTS credits necessary for the tuition waiver after the first year of study. Another major problem for these students is the fact that there is no need-based student aid available, nor does a student loan system exist in Croatia. Many studies have found that grants and loans are crucial for offsetting the negative consequences of tuition and fees, especially for vulnerable and under-represented social groups. Furthermore, even if these students meet the merit criteria and are not charged tuition, they would still have other out-of-pocket expenses—such as books, housing, dining and other living expenses, which might deter them from enrolling in college if there is no financial support available to offset these costs.

Many studies have found that grants and loans are crucial for offsetting the negative consequences of tuition and fees, especially for vulnerable and under-represented social groups.

IMPACT AND POTENTIAL FOR ADOPTION BY OTHER COUNTRIES

This tuition-charging model based on the accumulation of ECTS credits certainly presents an interesting and innovative approach within the Bologna system, and it seems that no other country has implemented a similar model. However, the lack of comparative perspective and the general difficulty of obtaining institutional level student data in Croatia make the assessment of the potential impacts of this policy on both students and higher education institutions rather problematic. Nonetheless, this example may be worth considering by other countries where student aid and loan systems are inadequate or nonexistent, which is notably the case in the posttransition countries of central and eastern Europe. This model does provide incentives for student performance (i.e., addresses issues of merit), and if a country is able to establish at least a basic need-based grant system for its most vulnerable and at-risk student populations, this approach could have the potential to greatly improve student access and lead to a more equitable higher education. ■