

accounts for 10 percent of China's higher education enrollments.

Within the private sector, the legal distinction between for-profit and nonprofit education is neither clear-cut nor consistent. The 1995 education law regarded education as a nonprofit enterprise. However, in reality private institutions registered with the Industry and Commerce Bureau have been allowed to make a profit and need to pay taxes. These for-profits usually provide short-term training programs—such as instruction in foreign languages—but cannot offer degrees. Private institutions registered with the Bureau of Civil Administration are nonprofit and largely tax exempt. But even in nonprofits, investors and managers expect an economic return on their investment and efforts. A vital feature of the 2002 law, which focuses on the nonprofits, is article 51's clause that grants permission for "reasonable economic return from net income after deducting costs, development funds, and other items stipulated by the government." The law calls such returns a governmental reward rather than a profit. These provisions mark a compromise on a hotly debated issue. The Ministry of Education is considering the complex matter of how to determine what represents a reasonable economic return. Another provision of the 2002 law gives individuals and corporate entities favorable tax treatment if they donate to private institutions (article 47).

The legal challenges concerning nonprofit and for-profit institutions relate to the way Chinese private education today differs from its pre-1949 predecessor. Back then, most private colleges were church-affiliated or supported by philanthropy, and the owners were dedicated to pursuing religious beliefs or other educational or social missions. In contrast, most owners of private colleges today seek to maximize revenues. In its shift from a more values-oriented to a commercially driven higher education system, Chinese private higher education fits into a global trend.

Since the 1982 constitution, several official documents have furthered the promotion of private education. In 1993, the Communist Party and the government became more explicit in encouraging, supporting, directing, and regulating private education. In 1997 the government issued the first regulations concerning private education, which reaffirmed private education's nonprofit nature. However, the 1997 regulations gave the priority to levels other than higher education (e.g., vocational, adult, and preschool), and the national government, concerned about quality, reiterated strict standards and procedures for the establishment of private colleges.

The 2002 law thus is part of the ongoing struggle to come to grips with the legal issues concerning private

higher education in its current state and in the future. The law takes a position on several ambiguous and controversial issues such as finance, the relative status of public and private institutions, tax policy, economic return, and property rights—although the State Council still must determine specific regulations and might devolve further authority to the provincial governments. A separate regulation (March 1, 2003), also mostly intended to promote the private sector, concerns schools jointly invested in and run with foreign partner institutions. Yet other sensitive issues remain unresolved, such as the status of public-private hybrids.

Understandably, implementation of a far-reaching and sometimes ambiguous law is often even harder and more complex to implement than the mere formulation of the law. In any event, the 2002 law is a double-edged sword, aiming both to promote and regulate private

The International Role of U.S. Recognized Accrediting Organizations

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In fall 2001, the Council for Higher Education Accreditation (CHEA) surveyed the 78 institutional (regional and national) and programmatic accreditors in the United States that are recognized by the CHEA and U.S. Department of Education. The purpose of the survey was to learn whether and to what extent these accreditors operate internationally.

General Findings

The 53 accreditors who responded to the 2001 survey included 5 national accreditors, 6 regional accreditors, and 42 specialized/professional accrediting organizations. Twenty-nine of the organizations (62.9 percent) indicated that they were operating internationally. This included all 5 (100 percent) of the responding national accreditors, all 6 (100 percent) of the responding regional accreditors, and 18 of the 42 (42.8 percent) responding specialized accreditors.

These 29 organizations were accrediting 461 institutions and programs in 65 countries outside the United States as of fall 2001. They also accredit 9 non-U.S. institutions operating within the United States. Two of the 53 organizations have separate standards for accrediting internationally.

The predominant type of international activity varies with the type of accreditor. For example, regional accreditors are more involved in accrediting U.S. institutions operating outside the United States, while specialized accreditors are more active in accrediting non-U.S. programs operating outside the United States. Almost all the international activity of U.S. accreditors is with site-based operations. Only two specialized accreditors reported reviewing distance-based offerings and each accredits one distance-based operation.

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U.S. Institutions and Programs Outside the United States

Sixteen of the 53 responding organizations (30.1 percent) accredit U.S. institutions or programs operating outside the United States. This includes 2 of 5 national accrediting organizations (40 percent), 5 of 6 regional accrediting organizations (83.3 percent), and 9 of 42 specialized accrediting organizations (21.4 percent).

These 16 organizations accredit 225 U.S. institutions or programs operating outside the United States. National organizations accredit 9 operations; regional organizations accredit 194 operations; and specialized organizations accredit 22 operations.

Non-U.S. Institutions and Programs Outside the United States

Twenty-four of the 53 respondents (45.2 percent) are accrediting non-U.S. institutions or programs operating outside the United States. This includes all 5 (100 percent) of the national accreditors (100 percent), 2 of the 6 regional accreditors (33.3 percent), and 17 of the 42 specialized accreditors (40.4 percent). These 24 organizations accredit 236 institutions or programs: national organizations accredit 37 operations; regional organizations accredit 11 operations; and specialized organizations accredit 188 operations.

Non-U.S. Institutions and Programs Inside the United States

One national organization accredits three operations and four regional organizations accredit six operations. None of the responding specialized organizations accredit institutions or programs in this category.

Separate Standards

Two of the 53 responding accreditors (3.7 percent) have developed separate accreditation standards for review of institutions or programs outside the United States. Both are specialized accreditors.

Site-based or Distance-based Operations

Of the 23 accreditors that responded to this question, only 2 specialized organizations indicated that they reviewed distance learning operations, and each had accredited one such operation. All other institutions and programs were described as site-based operations.

Discussion

The 2001 CHEA survey indicates that U.S. accreditors have a considerable international presence, with 29 organizations accrediting 461 institutions and programs in 65 countries outside the United States and 9 non-U.S. operations in the United States. Conversations with the accreditors and with quality assurance colleagues in other countries strongly suggest that there will continue to be some demand for U.S. accreditation.

As U.S. accreditors expand their international operation, they are increasingly part of discussions about appropriate mechanisms to assure quality in an international setting. This discussion usually revolves around three questions: should we maintain our primary reliance on nation-based quality review organizations and expand communication and formal agreements among countries to address the quality of higher education? Do we need international standards to assure the quality of higher education? What is the role of the World Trade Organization and the General Agreement on Trade in Services (GATS) negotiations on liberalization of trade in services that include higher education and quality review?

The 2001 CHEA survey indicates that U.S. accreditors have a considerable international presence, with 29 organizations accrediting 461 institutions and programs in 65 countries outside the United States.

CHEA's recent conversations with U.S. accreditors indicate that, in general, U.S. accrediting organizations prefer to expand communication and cooperation with nation-based quality assurance bodies to address quality internationally. While not a formal position taken by CHEA or U.S. accrediting organizations, this does suggest a preferred approach at this point in a complex and evolving conversation.

In contrast, organizations that are central to quality review of higher education in an international setting, such as the International Association of University Presidents (IAUP) and the International Network of Quality Assurance Agencies in Higher Education (INQAAHE), believe that international standards are needed for quality in higher education. These organizations focus on the growing globalization of higher education and the call for shared understanding about quality judgments in various countries.

Some supranational organizations are giving increasing attention to quality assurance as well. These include UNESCO, the World Bank, and the Organization for Economic Co-operation and Development. In general, these organizations favor the development of regional or international quality standards as they focus on the role of higher education in the economic development of individual countries.

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In this context, the GATS negotiations on liberalization of trade in services are also producing considerable debate—and, in some quarters, consternation—about whether and how quality review of higher education should be addressed in an arena dedicated to trade issues. This concern focuses on whether trade negotiations about “liberalization” will ultimately produce additional regulation of higher education and quality review treated as commodities for consumers. The higher education sector sees itself as offering an experience of considerable depth and complexity (as opposed to a commodity) and sees its students as vital contributors to a community of learning (rather than as disconnected consumers of some commodity).

Many issues and questions confront U.S. accreditors and those engaged in accreditation and quality assurance in many other countries. The continuing expansion of higher education and quality review in an international setting will be accompanied by an ongoing and robust international conversation intended to address these issues and answer the questions.

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Evaluating and Rewarding Professors: Mexican Style

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Evaluating professors is a hot topic worldwide. Assessment, accountability, and differential rewards are on the agendas of universities and governments. In most countries, however, little real evaluation of academic work occurs and only modest levels of accountability exist. Academic staff are rewarded based on rank and length of service rather than on their individual performance. Indeed, such an evaluation process flies in the face of tradition and sometimes of established labor-management practices.

For at least a segment of the Mexican academic profession, a complex set of evaluative mechanisms exists, tied directly to salary and remuneration. It is worth taking a look at Mexican practices, which might have relevance elsewhere. We will focus on two important public universities—the Universidad Nacional Autónoma de México (UNAM), perhaps the world’s largest university with 245,000 students, and the Universidad Autónoma Metropolitana (UAM), a large prestigious public university with 46,200 students. Both are located in Mexico City. The practices discussed here resemble those at many other public universities, but not in Mexico’s growing private higher education sector.

This discussion relates mainly to professors with full-time appointments; they comprise just one-third of the teaching staff at UNAM. The rest are part-time staff who receive a modest payment for each course they teach and participate only to a minor extent in the governance of the university. UNAM is similar to most other Mexican universities in this respect. UAM is exceptional in that a majority of its teaching staff have full-time appointments. It should be noted that “full-time” staff may also teach courses at other, usually private, universities or do consulting or other kinds of work to supplement their incomes.

Prior to 1990, Mexican universities, in common with most academic institutions worldwide, did little or no evaluation of faculty performance in determining salary levels. Professors were paid by rank and length of service, with few variations by discipline to take account of market factors. This system precluded any way of rewarding highly productive faculty—or giving a negative message to underachieving faculty. Further, the base salary of Mexican academics is quite low—too low to sustain a middle-class lifestyle or to retain the best