The AVCC data also include valuable information on mode of delivery. For example, the data show that less than 17 percent of Australian offshore programs in China included a period of study in Australia. Just over 25 percent include at least some study by distance learning, while only 15 percent are offered wholly at a distance. The AVCC data give no details on enrollments.

In the second Observatory report, 20 Sino-foreign education partnerships were selected for analysis, covering nine countries and six categories of activity. As would be expected, almost all activity began following the 1995 regulations, and there is evidence over time of more ambition and greater commitment on the part of joint ventures—moving from joint centers and programs to branch campuses. Both the University of Nottingham in the United Kingdom and Oklahoma City University from the United States were expressly invited by the national authorities to set up operations in China, marking the first official push in this direction.

Conclusion

To conclude, while few importer countries publish detailed information on the activities of their higher education institutions, evidence from Australia indicates that the total number of ventures involving degree programs from foreign institutions greatly exceeds the number reported on the official ministry list. There are clear ambiguities over approved and nonapproved status, with approval operating at various "official" levels. The range of known partnerships suggests a flexible relationship between government regulation and local practice. What is indisputable is that transnational activity in China has expanded rapidly in scale in recent years, the extent of foreign commitment is growing, and the types of providers involved are becoming increasingly diverse.

It is clear based on the AVCC data that while traditional offshore markets such as Hong Kong, Malaysia, and Singapore continue to host the majority of franchise activity, China is increasingly significant and, given its size, has the potential to dwarf all others. Key questions for the future include: how the roles of Chinese regulation, enforcement, and local practice will develop; the extent to which official statistics and practice will be aligned; and whether exporter nations will follow Australia's lead and collect better data on the activities of their institutions (not least in the interests of quality assurance). Finally, and related to the last point, as China becomes an increasingly significant site for higher education delivery from all over the world (perhaps *the* most significant site within a decade) and as delivery involves a ever more complex mix of public and private partners, what might be a legitimate (and feasible) role for national quality agencies in overseeing activity? ■

Higher Education Reform in the Balkans: Using the Bologna Process

Anthony W. Morgan

Anthony Morgan is professor of educational leadership and policy and special assistant to the president at the University of Utah. Address: Dept. of Educ. Leaadership, University of Utah, Salt Lake City, UT 84112, USA. Email: anthony.morgan@ed.utah.edu.

Like many other regions in transition, countries in the Balkans are struggling with higher education reform due at least in part to academic cultural traditions and organizational structures. Change comes hard here despite very difficult financial circumstances that sometimes provide opportunities for reform. But governmental and institutional aspirations for change seem to find common ground in the Bologna process. This article focuses on the development of this common ground in one Balkan nation—Macedonia (a September 2003 signatory to Bologna)—and places it in the broader context of the Balkans. The basis of these observations is the author's work on both OECD and World Bank projects in Macedonia in spring and early summer 2003. The views expressed here are solely those of the author.

Macedonia, one of six former republics of Yugoslavia, has only two public universities—with Sts. Cyril and Methodius University in the capitol of Skopje (SU); the larger and more prestigious of the two. SU has 24 of the country's 30 faculties, the remaining 6 are found at St. Kliment Ohridski University, with its principal campus in Bitola. Their combined enrollment in 2002 was 44,710—which represents a 64 percent increase since 1994. Private universities were only authorized in 2000 but are now growing rapidly. Like most Balkan countries, Macedonia has a unitary system where non-university-level faculties are part of the universities.

Macedonia, like many transition economy countries, is under pressure from the IMF and World Bank to reduce the relatively high proportion of GDP in its government sector. Public-sector budgets are thus under enormous pressure, and the universities find themselves squeezed between these constraints and burgeoning enrollment pressure. One result is that the dual tuition system under which some students are admitted on the basis of state quotas and others pay relatively high tuition rates is breaking down as all students are beginning to pay tuition.

Highly Autonomous Faculties

One of the organizational characteristics in Macedonia that is typical of most Balkan countries is highly autonomous faculties. Individual faculties have separate legal status,

present their own budgets to the government, and receive appropriations directly to the faculty level. The position of rector, traditionally weak in comparison to Western models, is especially weak in Macedonia. Other Balkan countries have struggled with this same structural characteristic, but significant changes to strengthen the role of rectors have been implemented in Slovenia and Croatia. Slovenia's adopted reform centralizes substantial powers under the rector, while Croatia's model is characterized by more limited functional integration of responsibility at the rector's level. Bosnia and Herzegovina and Kosovo have had organizational reforms imposed, while Serbia is struggling with its own solution.

The highly decentralized nature of Macedonian universities, combined with the instability of coalition governments and high turnover of ministers of education, have posed serious obstacles to reform. Granted some faculties have moved ahead in very progressive and aggressive ways in the absence of any central policy directions, but such reform is very uneven and has not addressed cross-faculty issues. There is currently a legal reform process in place that would start with the more limited functional integration of the Croatian model and slowly move toward the stronger Slovenian model.

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The Bologna Process

The current government in Macedonia has strongly endorsed the Bologna process and its minister of education and science, Azis Pollozhani, is proving to be an effective leader of reform. The faculties and universities have also strongly endorsed movement toward the Bologna reforms and have begun to adopt some of the easier and more visible elements (e.g., the European Credit and Transfer System, ECTS) that is scheduled for full implementation by 2004.

While interviewing scores of faculty and administrators, the author encountered a strong resistance to reform unless the dire financial problems of the faculties are addressed. Yet academics were willing to talk about the Bologna process, although here, too, financial concerns were dominant. Macedonian academics are eager to join their colleagues in the European mainstream and thus willing to engage in the necessary reforms. Even government officials outside the Ministry of Education and Science also endorse the importance of moving into this European mainstream. For them it is an important step in the larger goal of joining the European Union. Moreover, many leaders in ministries come from academia.

The Bologna process as a vehicle for reform finds favor with most parties concerned and has become the centerpiece of the Ministry of Education and Science policy reform efforts. Difficulties arise, however, over the meaning of particular reforms and the priority given under the broad umbrella of Bologna. ECTS is easy but relatively superficial. Introducing a true credit and transfer system between faculties and universities strikes closer to the core of resistance. For example, the current incentive structure is for each faculty to teach its own language, mathematics, and other courses. Developing a meaningful structure of elective courses, especially outside of specific faculties and changing the style of teaching and learning cut even closer to the core.

Conclusion

Reformers, both inside the government and academy and outside officialdom, are using Bologna to push reform closer to the core. Some see organizational reform, particularly reduction of faculty autonomy, as a keystone and are citing Bologna to support the structural changes needed to formulate and implement the required academic changes. These reformers cite not only Bologna but also changes already made in Slovenia and Croatia. Reformers interested in greater equity of access for underrepresented ethnic communities, particularly the Albanians, also cite Bologna process concerns expressed at Prague and elsewhere for diversity and democracy. But universities leaders are far less interested in the equity issue, which they do not see as central to Bologna or of high priority.

One other reform lever of considerable importance now under consideration is changing the way in which government funds flow to universities—that is, moving from the traditional method based on number of existing staff to a more normative funding model based on enrollment and weighted enrollment for top government areas.

Whether Macedonia's participation and use of the Bologna process will result in substantive reforms is an open question. Some powerful, entrenched interests will acquiesce or advocate superficial changes leading to EU recognition, but they will strongly resist changes that might destabilize their power base or their ability to earn added income. Structural changes, both organizational and financial, may be within political reach and could have the most far-reaching consequences of reform measures. If the rubric of the Bologna process can further these changes, then perhaps it will play a very important role beyond rhetoric. ■