

number will probably decline to 110,000 or 120,000. Those interviewed at governmental policy levels were very aware of and concerned about this coming change, while those interviewed at the institutional level seemed much less concerned. Given the implications for funding, admissions standards, and a range of important issues, the lack of institutional attention here was surprising.

What is the probable outcome of this projected decline in traditional college-aged student numbers combined with the push for Bologna reforms? Laszlo Dinya, president of the government's Bologna Committee, outlined what he saw as three possible scenarios. The first is an optimistic scenario where most institutions recognize the changes needed, institute Bologna-type reforms, and adapt successfully to demographic changes. Maygar Balint, minister of education, believes that institutions can adapt by attracting more fee-paying foreign students, engaging in more adult education or lifelong learn-

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ing, and significantly expanding their externally funded research and development, as well as other entrepreneurial activities. The second scenario is a pessimistic one where very few institutions adopt significant reforms or the reforms adopted are largely symbolic in nature. Faced with significant declines in enrollments and funding, a large number of institutions will be either closed or merged. The third scenario is what Professor Dinya sees as the most probable. He sees about one-third of institutions making significant Bologna-type reforms and surviving, even thriving, in the new demographic and governmental funding environment. Another one-third of institutions will either close or merge. The final third will struggle and be less viable institutions with quality problems but probably will survive.

Having worked in Hungary for over 12 years, I saw significant change in that time period. But more change has occurred at the national policy level than the institutional or operational level. During the mid-1990s, national policy change was being driven by the prospect of a World Bank loan with many, perhaps too many, reform strings attached. Since 1999, however, the Bologna process has become the primary driving force behind policy changes at the national level. While the legitimacy of this policy impetus is more widely accepted at the institutional level than was the World Bank loan, the specific meaning and implementation of these reforms are encountering long-standing cultural and structural barriers at the faculty level. Here the pace and longer-term outcomes may be quite different. One final example is that prior to the reforms of the late 1990s, the city of Szeged had four separate colleges and universities. After the merger reforms there was one consolidated university—the University of Szeged. Yet, as one long-

time observer in Szeged said, we now have 11 fairly independent faculties instead of four institutions. Consolidation in policy and name is clear but perhaps in practice there is more fragmentation and less change that occurs. Bologna holds out the prospect of deeper reform, but changing deeply held cultural norms and disturbing job security takes much longer than policymakers hope or believe. ■

Australia as an Higher Education Exporter

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This article discusses some key issues facing Australia today as a leading exporter of international education. In a little over a decade, Australian universities have made impressive developments toward the goal of internationalization of higher education. With government support, they have put considerable efforts into internationalizing curricula and achieving enhanced international research collaboration and benchmarking. But the most dramatic and important developments have been in the expansion of fee-paying international students.

Today Australia is the third-largest commercial exporter of higher education services internationally, coming in rank order after the United States and the United Kingdom. In 2004, Australian public universities enrolled a total of 210,397 international students, constituting 22.6 percent of the country's total higher education enrollments. Private colleges enroll an additional 30,000 international students, while each semester public universities also attract about 8,000 to 10,000 study-abroad and exchange students. Both are not counted in official statistics for public institutions.

The majority of international students study at the undergraduate level, mostly for a three- or four-year bachelor's degree. In 2004, however, 40.2 percent studied for postgraduate qualifications, including 3.4 percent for doctoral degrees. The largest enrollments in 2004 were at Monash University (17,077), RMIT University (15,132), Curtin University (14,319), and Central Queensland University (10,460).

While export education has developed quickly to become an important component of the higher education sector, a number of issues call for careful monitoring and discussion. Three will be dealt with here: future demand for international student places, "offshore" international enrollments, and quality assurance and risk.

FUTURE STUDENT DEMAND

Australia has developed a special niche within the international export market, focusing particularly on providing English-language higher education to nations in the Asia Pacific region, whose own higher education sectors are unable to meet demand for student places, and to a lesser extent more widely to non-English-speaking countries. The majority of international students come mainly from a relatively small number of East Asian countries, although more recently significant numbers are being recruited from the Indian subcontinent and Europe.

While short-term student enrollment prospects until recently have been encouraging, considerable concern now exists about future demand within those East Asian countries that are expanding their own higher education systems and entering the English-language export market. However, despite

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major fears early this year about a possible major downturn, enrollments for 2005, in fact, increased by 6 percent, with the increases coming mainly from China and India. But significantly, there were decreases in the traditional markets of Indonesia, Hong Kong, Malaysia, and Singapore. Singapore, Hong Kong, and Malaysia have already entered in the international student market for English-language courses as suppliers. Singapore aims to increase its foreign student enrollments from the current 60,000 to 150,000 within 10 years.

“OFFSHORE” EDUCATION

In recent years, the balance between in-country enrollments and offshore enrollments of international students has changed, with a marked increase in the proportion of offshore. About two-thirds of international students study on university campuses within Australia, while the remainder are enrolled offshore with partner institutions, at institutions that offer Australian courses on a franchised basis, at overseas Australian university campuses, and as independent distance-education students.

Almost every Australian university has multiple partnership agreements with overseas institutions for course delivery. Such partners are mainly local public and private universities, but partners also include private non-degree-granting colleges (which often teach the first two years of Australian courses), professional associations, and business firms. In its audit reports on a number of universities, the Australian Universities Quality Agency has been critical of some of these partnerships and the choice of agents to recruit international students.

A growing number of universities now operate campuses in

overseas countries. Many of these are partnerships where a commercial partner owns and develops the campus and the Australian university provides academic programs. But in a small number of cases Australian universities have developed their own campuses and fully own their operations.

The most ambitious are Monash University, which has major campuses in Malaysia and South Africa and study centers in Italy and London, and RMIT University, which, with World Bank and Asian Development Bank loans of US\$30 million, has set up in Ho Chi Minh City (HCMC) the first foreign private university in Vietnam—which this year moved to its new purpose-built campus across the river. Both the Monash campus in South Africa and the RMIT International in Vietnam have been developed without commercial partners.

The same will be true for UNSW Asia, which planned to open in Singapore in March 2007. The Singapore government announced in 2004 that it had chosen the University of New South Wales to establish the first foreign university. UNSW Asia, which will be the university's first offshore campus and the first wholly owned research and teaching institution to be established overseas by an Australian university, is being developed with financial and other support from the Singapore Economic Development Board. Students will have the opportunity to move between the Sydney and Singapore campuses as part of their studies, and the aim is to have at least 70 percent of the student population drawn from Asia and around the world and up to 30 percent from Singapore.

Offshore international education has many attractions particularly in terms of often lower tuition fee levels and providing Western-style English-language education in the home country of students. But it provides major management challenges and considerable financial risks, especially in the development of major campuses without commercial partners.

QUALITY ASSURANCE AND RISKS

A second issue relates to quality assurance and risk, especially with offshore ventures. The Australian Universities Quality Agency already audits all offshore operations as part of its program of regular university audits, but in response to public criticism of alleged low academic standards and “soft marking” for international students, the Australian government has provided additional funding for increased audits of offshore ventures.

Australian universities recognize the importance of taking quality assurance seriously for international students. Various allegations about low academic standards and soft marking, often made by disgruntled academics, have been seriously investigated, and most universities have in place well-developed quality assurance policies. But at the same time, there are major quality issues involved, particularly in working with overseas partners, as well as major financial risks concerning overseas campus developments by Australian public universities. This is of particular concern to state governments that technically are the owners of all public universities except for

the Australian National University in the federal capital, Canberra.

CONCLUSION

The threat of a downturn in international student enrollments, as well as recent major losses incurred by IDP Education, a marketing company owned jointly by the Australian universities, has slightly dampened the buoyant enthusiasm of Australian universities about the future of international student enrollments. But most universities still appear to be optimistic and continue with plans for future initiatives. Moreover, recent studies of student preferences have been encouraging. One such study reported in October 2005 that—in interviews that JWT Education, a research firm, conducted with 332 undergraduates from 10 Asian markets—Australia's popularity as a student study destination had increased appreciably since 2000. ■

Employment and China's Private Universities: Key Concerns

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China currently has more than 1,200 private higher learning institutions. Riding the tide of higher education expansion, about 50 private universities have become *wanren daxue*, meaning they are universities enrolling between 10,000 and 35,000 students. Regardless of the size of their institution, the big concern of Chinese private university students is their job opportunity. From 2003 to 2005, the author visited a dozen private universities throughout China. Interviews with students indicate that private university students are very worried about their employment prospects.

Indeed, they should have concerns: while only 70 to 80 percent of public university graduates find jobs upon graduation, private university students have just 60 to 70 percent employment rates upon graduation. Graduates of private institutions often end up with jobs that pay from 600 to 900 yuan a month, an amount many people with no higher education can easily earn in a wide range of jobs. Since reemerging in the country after 1982, without government support, private universities in China have had a lower social status and are generally held to be of substandard quality. Due to these factors, their graduates often face discrimination in the job market. Once they learn that job applicants graduated from a private university, employers lose interest in or are reluctant to hire

them. Encounters with graduates who have faced such problems have intensified the concern of students currently studying at private universities.

STRATEGIES TO INCREASE JOB OPPORTUNITIES

To survive and expand, private universities give top priority to their students' employment opportunities. They regularly host job fairs on campus and form collaborative relationships with businesses. Universities have focused on training students with: (a) practical skills that allow students to find what they call "a cross between white-collar and blue-collar jobs"; (b) multiple skills that include typing, English-language translation, driving, etc.; and (c) specialized skills for a niche market—for example, real estate management, which is on high demand with China's rapid increase in the construction of commercial residential communities. The universities also try to provide their students with "sufficient theoretical knowledge and creative ability," as one university puts it. Some universities offer courses on starting private businesses and invite successful graduates back to share their experiences.

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With these strategies, some universities sustained high employment rates for years. For example, Beijing City University, Yellow River University of Science and Technology, and Shanghai Jianqiao Vocational Technical College are reported to have achieved more than a 90 percent employment rate for years. In 2005, the Chinese University Association Net (<http://www.cuaa.net/2005mb/fenlei/>) produced a ranking of private universities by employment rate. Twenty-six universities were listed as having employment rates from 95 to 100 percent in 2004.

COMPETITION AND STUDENT MANAGEMENT

One factor behind the low employment rates of private university graduates relates to the highly uniform subject areas offered by private universities. For example, most private universities shy away from the natural sciences, which require equipment and laboratories, and almost all offer programs in international trade, computer science, accounting, finance, foreign languages, as well as other fields. The lack of program diversity creates fierce competition among the graduates of private universities for similar jobs.

Private university students tend to possess lower academic achievement levels and poor discipline. Grouped at the bottom 25 percent of students taking the national university entrance exam, these individuals are usually admitted by private universities after all public universities have chosen their enrollees. In our fieldwork, private-sector students are usually described as "having poor study habits, lacking self-control and self-dis-