

## The Decline of Thai Private Higher Education

Prachayani Praphamontripong

Prachayani Praphamontripong is a PROPHE affiliate, University at Albany, SUNY. E-mail: prachayani@yahoo.com.

The rapid growth of Thai private higher education during the 1990s brought the sector to a peak of 20 percent of the total higher education enrollment, lasting for a whole decade. However, since 2002 the private higher education sector has experienced stagnant and declining enrollment (in both colleges and universities). By 2007 private higher education constituted just 10 percent of the system. In contrast, almost all types of public higher education institutions increased their enrollment percentages. The exception has been the public Open Admission University subsector, where even absolute enrollment has declined since 2003. While private higher education leaders speculate that public expansion and public privatization are the main factors for their declining market share, their public counterparts argue that such a drop mainly involves the country's population shifts.

### *Public Expansion*

Private higher education institutions are concerned about hefty public expansion. Such a tension occurs where public universities have increased their branch campuses. Since the late 1990s branch campuses have become a popular policy for public universities. They typically offer full- and part-time programs operated in secondary schools or shopping malls. They also offer programs

similar to those already provided by private higher education in nearby locations. Most features of this rather nonselective public expansion echo characteristics of demand-absorbing private higher education in Thailand and worldwide. However, little burgeoning demand exists for these private institutions to absorb. Thus, Thai public expansion instead pulls away existing demand from private higher education institutions. Meanwhile, branch campuses of private higher education institutions were forbidden until the private higher education act 2550 (in 2007) deregulated this policy. Nevertheless, private higher education institutions willing to expand are still encumbered by regulations that closely monitor them in many aspects. Consequently, only a few private universities practice the branch campus opportunity.

Furthermore, the private higher education sector declines even where public institutions do not expand. Instead, some public education institutions are elevated to university status. The major examples are Rajabhat Institutes (teachers colleges) and Rajamangkla Institutes of Technology. Both were uplifted to university status in 2003, thereby raising the enrollment share of the public sector.

Government policy increasing public seats in the Central University Admissions system is another challenge to private higher education. Although the policy does not specify on diminishing private higher education, it has that effect. A common private higher education complaint is that most public universities do not limit their admissions to only one round, but prolong the process by also accepting applications subsequently. It becomes more burdensome for private higher education institutions to recruit prospective

students. In the end, all private institutions feel the impact of less restrictive public growth.

### *Public Privatization*

Privatization of public universities is another facet of public-sector expansion challenging private higher education growth. As the privatization brings autonomy in management and choice to the public universities, it allows them to act more effectively in the increasingly competitive marketplace. Although private higher education institutions are often flexible, efficient, and speedy—compared to traditional public counterparts—once becoming autonomous public universities narrow that gap. A key issue is that they then combine this autonomy with their financial advantage; whereas private higher education institutions do not receive any direct government funding, all public universities are government subsidized for their annual operations. In becoming autonomous, public universities still receive government budgets but are not regulated under the old bureaucratic procedures. With a block grant, autonomous universities are able to manage their financial allocation without interference. Because of the financial subsidies paired with the new freedom, public autonomous universities are at an advantage in the market competition.

Nonetheless, some private higher education institutions are not bothered by this public transformation as long as the government enforces similar standards on both sectors. However, private higher education institutions are often more regulated than are their public university counterparts.

### *Further Decline?*

Whether Thailand's private higher education share continues to decline will depend in large part on the extension, intensification, or weakening of public-sector dynamics that have already taken their toll on private higher education. Principally, this includes public expansion—in terms of the growth within higher education and elevation of public institutions to university status—and through public partial privatization. Regarding public expansion, Thailand's total higher education already constitutes 56 percent of the cohort age group, so the system may not receive much room to expand at the recent rate. On the other hand, in view of the global and especially regional context much of the expansion may come on the private end. The Thai private higher education share (10 percent) is far from the East Asian share (38.6 percent). It is not known whether the private higher education sector will resume its earlier growth or continue to decline.

Other dynamics will also present challenges to private higher education. Not accepting responsibility for private higher education's present enrollment struggle, public universities point instead to shifting demographics. Thailand has been in a population-declining phase since the 1990s. Statistics project a drop of the 10-to-24-year age group, which will eventually result in decreased demand for higher education. Such a population fall-off could especially hit private higher education's demand-absorbing subsector. As in East Asia, generally, this is the largest private subsector and is composed of small institutions, usually among the least-desired choices for prospective students. Japan's demographic fall has hit higher education especially on the low-end institutions. A question involves how many such Thai private higher education institutions will be able to survive shrinking supply, particularly if the public sector keeps expanding.