

At this stage we are unable to establish how many international students from UK TNE programs transfer directly into postgraduate programs in England.

CONCLUSIONS

China and Malaysia are the countries with the highest proportions of transnational students starting undergraduate degrees in England and are also among the largest TNE markets. While the expected course length of transnational entrants poses some recruitment and financial challenges for higher education institutions, it has also emerged as a cost-efficient route to English higher education for aspiring middle-class families in East Asia. Similarly, shorter programs may have widened the access to English higher education for families who otherwise would have been unable to afford English degrees.

The enabling environment for TNE in East Asia will continue to improve in the long run. Malaysia is the only country in the region whose higher education degrees awarded through TNE are recognized in China. Further harmonization of higher education systems across the region is set to take place with an additional boost through the Association of the South East Asian Nations Economic Community in 2015. While not many students in this region outside Malaysia use transnational routes to English higher education, their number is expected to grow.

Global universities through their TNE provision are more likely to be well embedded in the education landscape of the host country. As a result, they are set to benefit in the long run from increasing intra-regional levels of student mobility, and equally, harness deep and comprehensive collaborative partnerships with institutions in the region. ■

How Much is a Full Professor Worth?—The Challenge of Attracting the Best Talent

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In a recent book, Philip G. Altbach and colleagues attempted a careful comparison of salaries of faculty members in different countries (Altbach et al., eds., *Paying the Profes-*

ariate: A Global Comparison of Compensation and Contracts, Routledge, 2012). Despite their research, one of the main conclusions of the report was that this kind of information is incredibly difficult to find and even more difficult to analyze, owing to different discounts and benefits provided by each country and the fact that individual career paths are reflected in differentiated salaries. Many countries have been struggling to develop a solid higher education system, and the attraction of young and motivated talent is key to the further development of a culture of excellence—to support the education of future generations. However, in Brazil and in many Latin-American countries there is a strong trend against compensation based on academic merit, particularly in public research-intensive universities. In this article, I will offer the example of a public policy of the State of São Paulo that will certainly affect the attraction of young talent to its universities, putting at risk an effort to build a high-quality higher education system, which has been evolving over the last 60 years.

In principle, data regarding salaries and compensations should be easy to track in Brazil, where an “equality” code has governed salaries in the higher education system. Regardless of productivity, impact or success in attracting additional financial resources, policy dictates that faculty members at the same level of their career should receive the same monthly stipend. In practice, the situation is much more complex, not only because there are salary increments for longevity at the institution, but also when remuneration for administrative assignments is added. Furthermore, some faculty members receive additional income from grants or consulting work. To make things more complicated, salaries vary by institution type—private for-profit, private nonprofit public federal, public state, or public municipal.

LIMITATIONS AT THE TOP

A recent debate in Brazil has raised interesting issues related to the salaries of senior faculty at public universities in the state of São Paulo (University of São Paulo—USP, University of Campinas—Unicamp, and University of the State of São Paulo—Unesp), institutions generally considered among the best in Latin America as evidenced in different rankings. Since 2003, responding to federal regulation, the State of São Paulo has tied public-sector salaries to the compensation of its governor, whose compensation represents the maximum salary allowed for a public servant—the so-called “*teto*” or “ceiling.” Not surprisingly, this ceiling can be adjusted down for political expediency, particularly to prevent an increase of state expenditures. It also opens the door to populist-oriented policy, although in truth the governor does not depend on a monthly salary as he/she receives many nonmonetary benefits (housing, driver, meals, etc.).

In the state of São Paulo the salary of the governor is currently R\$20,662 (approximately US\$8,000) with 38 percent deducted for taxes. Thus, the maximum net salary in the state of São Paulo is about US\$5,000 per month, which leads to annual net stipend of around US\$67,000 (based on 12 months plus a one-month bonus). This establishes the maximum salary allowed for full professors and senior administrative staff at São Paulo's state institutions, regardless of years of service and independent of merit, prestige, administrative duties, or any other factor.

Although the current law establishing the "ceiling"

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dates back to 2003, the nation's Supreme Court recently decided that it must be enforced, even in the cases when salaries were above the maximum allowed value prior to 2003. In the short term, it is expected that a rather large number of faculty and staff members who already qualify for retirement will proceed with it, once their salary is reduced. Worse still, it will be difficult to find senior faculty willing to occupy administrative positions, such as department chairs, undergraduate coordinator, etc., without the possibility of additional compensation.

THE CHALLENGE OF ATTRACTING AND RETAINING TALENT

Obviously, complaints about the limitation of faculty salaries can be considered "politically incorrect" in a country where the minimum wage is R\$724 (US\$280), and the average salary is below R\$2,100 (US\$800). A gross salary of more than R\$20,000 is considered to be at the top quintile. In a country of huge social inequalities, it is clear that being a faculty member of a public university immediately puts one at the top of the socioeconomic pyramid.

However, from a different perspective, there has been a concentrated effort during the last six decades by the state of São Paulo and the nation to develop at least a few world-class universities. These research universities are essential to the socioeconomic development of the country and, paradoxically, fundamental to reducing the strong inequalities in Brazilian society.

The current "equitable salary structure" imposed on the universities hinders the possibility of attracting the best young talent needed to support the development of this still young university system. Indeed, brilliant young

faculty members are fundamental for the future quality of research, teaching, and services and to keep pace with a globalized world. How can the state universities of the state of São Paulo maintain their current success and momentum if they will not be able to attract and maintain top talent?

How much is a senior faculty member worth? What makes a young talent choose an academic career track? In Brazil, as in many other countries, the apparent freedom to pursue scholarship of an individual's choosing is usually part of the answer. However, at least in Brazil, this came with other benefits, including a retirement with full salary (no longer offered) and job stability. Even though stability remains, the salaries at the top of the career ladder are no longer competitive with companies in the private sector (commerce, service, etc.). In addition, if one compares the maximum salary attained after many years of dedication to a university, with international equivalents, the gap is rather large. In a competitive global market, this has tremendous importance.

NATIONAL POLICY AND ACADEMIC EXCELLENCE

The universities are, in principle, a privileged space, where meritocracy should play an important role. In most of the Brazilian higher education system, a faculty member can make a rather good salary, without necessarily demonstrating good performance. This fact drains motivation from the more productive faculty. Furthermore, the existence of a predefined maximum salary is a drawback to the already difficult path to hosting world-class institutions. The universities of the state of São Paulo will have to come up with creative solutions in order to overcome this significant handicap.

Limiting salaries at the top of the career ladder for political reasons, so that they compare negatively to alternatives in the national and global job markets, will certainly damage a nascent university system built with concerted effort during recent years. Unfortunately, this issue is demonstrated by other developing countries struggling to establish a good higher education system. In the case of many countries in Latin America, public universities are the main players in the development of research and innovation. These universities are strongly regulated by national policies that hinder academic differentiation supported by rational financial compensation—making it difficult to attract young talent to the academic life, as well as faculty members with specific profiles. Although it should be clear, it is worth highlighting that professors are the core of the academy, and their engagement, retention, and motivation are key elements for the survival of the universities themselves. ■