

The current arrangement hampers interdisciplinary medical research in fields such as biotechnology, pharmaceuticals, and others that would benefit from the work going on in relevant faculties in the universities and academies. This slows the innovation process in Russia. Many of Russia's 46 medical universities and schools could be merged, or at least cooperate with universities, in ways that could encourage cutting-edge research and interdisciplinary work. Indeed, research, especially focusing on new developments in biotechnology and related fields, is needed in much of medical education.

CONCLUSION

The damage to Russia's scientific system continues to be significant. Current arrangements deprive the universities of funds for research, inhibit interdisciplinary work, and separate the two key dimensions of advanced knowledge creation and transmission—teaching and research. An additional concern is that the aging academy has cut itself off from the younger generation of scientists by their distance from universities. Of special importance is interdisciplinarity. The future of scientific R&D in many fields depends on an interdisciplinary approach. The academies, for structural and human reasons, tend to remain in their specialized areas, while at least some of the top universities allow for more flexible boundaries between areas of study.

However, merely merging existing institutions with quite different traditions and organizational patterns will not work well. New and creative thinking concerning how to link different kinds of institutions and varying approaches to science and research are needed. Russia's ambition to join the top of the global rankings on higher education will not be fulfilled without solving these key organizational and related challenges. ■

Private Higher Education in Vietnam: Issues of Governance and Policy

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Contemporary private higher education (PHE) in Vietnam has experienced almost three decades of development featured by an impressively rapid expansion in the

number of institutions, from only one in 1988 to 22 in 2000; 77 in 2010; and 83 in 2013. The most striking increase of over 50 percent was seen in the period between 2005 and 2009 as a response to economic demand for highly educated workforce. Currently, the number of private institutions accounts for 20 percent of higher education institutions and their enrollment is around 15 percent of the total number of students. Their role is getting bigger in sharing with the public sector the provision of higher education in Vietnam, thus decreasing the state budget for higher education.

Private universities in Vietnam are generally demand absorbing. They are inferior to their public counterparts in campus size, numbers of students and faculty, and quality. They are challenged by social and institutional problems. The issues of governance and policy currently seem more pressing and put them on the edge of existence. In order to find reliable and viable solutions to deal with these problems, a qualitative multisite case study was conducted in 2015 to get insights into governance and policy issues faced by PHE in Vietnam. It was instrumented by document analysis and in-depth interviews with board members and administrators from seven private universities of various location, history, size, reputation, and programs. This sampling was typically stratified and purposive.

INTERNAL GOVERNANCE TENSION

As in private universities around the world, the top-tier organizational structure of private universities in Vietnam consists of two key constituents—the board and the president. But the authority and perspective of each constituent are different from country to country. In Vietnam, the board is legally called “Board of Directors” (BOD) (Hoi dong quan tri), sounding and functioning exactly like BODs in business. Members play roles as investors, owners, and influential shareholders of universities. They are legitimated to have a number of votes and dividends according to their financial investment. The president, appointed by the board, functions as the top manager or top administrator of the university. He or she is widely thought to represent academics, with little or no money to contribute to the university. In some cases, he or she is also a board member with votes in proportion to his or her financial contribution.

Interviews with selected board members and administrators reveal tension between the board and the president in the management of the institutions. Most board members prefer their universities to be driven by profit, to attract more investment and increase their investment returns, while the president and a few board members advocate the public good or not-for-profit purposes of their institutions.

An analysis of legal documents—Decision No. 58 of 2010, Decision No. 61 of 2009 and No. 63 of 2011 on uni-

versity regulation—reveals that current requirements of government have resulted in this tension. They favor those who support the for-profit nature of private institutions. They therefore turn all private universities in the country uniformly into for-profit institutions.

Recently, in order to solve this problem, a new decision (No. 70 of 2014) has been promulgated to replace earlier official documents. It clarifies the distinction between not-for-profit and for-profit institutions in terms of organizational structure and income use. Nevertheless, many issues still need careful consideration, particularly concerning the core nature of BODs and financial mechanism and management. The new document continues to affirm that financial contributors have the right to get financial benefits and authority like shareholders in corporations, although dividends are capped at the rate of the current government bond rates (as stipulated in Article 32 of Decision No.70 of 2014).

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EXTERNAL GOVERNANCE TENSION

The first tension mentioned by interviewees is about the struggle of institutions with cumbersome, complicated, and time-consuming paperwork procedure to obtain licenses for their official establishment and operation. They also had to deal hard with unaffordable and impractical requirements for land, chartered capital, and facilities for their establishment and operation during the first 10 years.

Secondly, all the interviewees complain that the government has applied many regulations on academics, which are arbitrary and obstructive to the development of their institutions. The universities and faculty have limited autonomy and academic freedom. Some salient examples are the uniform national entrance exam applied to all universities; the rigid “floor marks” (minimum entrance exam points) applicable for student enrollments at all universities; required submission of planned programs and planned student enrollment for approval to the ministry of education and training before every academic year; and national curriculum frameworks with one sixth of the total credits forced to include communist ideologies and national defence education.

Thirdly, external governance toward institutions has fluctuated considerably—sometimes loosely and sometimes strictly, depending on office term of senior officials. One of the interviewed administrators shares that her institution’s activities (such as academic program offering and financial management) was rarely inspected by the local government of the previous term, but that lately it has been frequently controlled by the current local government.

LIMITED AND UNEQUAL POLICY

As Education Law of 2005, Higher Education Law of 2012, and sub-law documents state, it is automatically understood that private universities in Vietnam are not financially supported by the government. In 2008, however, the government implemented a policy to encourage socialization (i.e., social participation) in education, vocational training, healthcare, culture, sports, and environment. Under this policy, preferential site clearance, land right for long-term use, incentive revenue tax rates and some soft loans have been encouraged to be provided to private institutions. In practice, these privileges are not equally offered to all institutions because of different commitment and capacities of local governments. In the meantime, all public institutions are given abundant resources from state funding to build campus(es), purchase facilities, and for annual appreciation, research grants, and scholarships for faculty for professional development.

Regarding support for student access and success, only one preferential loan program is provided by the government through the system of social policy banks. Nevertheless, the loans have not helped students much because of their modest amount per student and because in many cases they have been scattered and misused.

RECOMMENDATIONS AND CONCLUSION

Governance tensions and limited unequal government policy are major issues challenging the survival and development of PHE in Vietnam. They should be urgently addressed by changing current legislation and policy. To combat the internal governance tension, the concepts and criteria to distinguish between not-for-profit and for-profit institutions should be clearly informed, not only in the nature and authority of each constituent in the top-tier organizational structure, but also in financial mechanism and management. To ease external governance tension, the government should be less dominant and centralized and more supportive to private universities. For policy, fair competition should be considered in providing loans, student scholarships, research grants for faculty, and appropriations based on the merit and need of institutions. Income tax exemption or reduction should also be applied to stimulate more financial contributions to not-for-profit institutions. It

is expected that if this tax policy is launched and successful, a tradition and culture will soon be established in Vietnamese society, in which donors of not-for-profit private universities will no longer request to get financial returns on their donations. ■

The Crucial Presence of Private Higher Education in Latin America

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On March 4–7, 2016, leading Latin American higher education scholars and practitioners held a “summit” meeting to reflect on key developments and trends in their field. Private higher education (PHE) was not the sole focus of the conference, but became the topic of many meaningful discussions. This article reports on PHE and closely related issues, such as privatization and the comparison between the public and private sectors, highlighted at the summit.

A central reality, repeatedly emphasized during the conference, is that any serious and comprehensive discussion on important developments in Latin American higher education and related policy must perforce deal with PHE. This reality is not surprising, given the fact that over 40 percent of Latin American higher education enrollment is in the private sector (PROPHE data). The crucial role of PHE was shown in a variety of issues, including quality, access, expansion, equity, regulatory policy (including accreditation), new public management, academic and reputational rankings, corruption, and more.

INTEGRAL TO REGIONAL DEVELOPMENT

Many of the historical developments and trends addressed during the summit related to the expansion of the region’s higher education systems, and the resulting diversification of both public and private sectors. One keynote speaker, World Bank’s Lead Tertiary Education Specialist and Coordinator Francisco Marmolejo, pointed to challenges facing the region’s higher education based on an expanding

“demographic window,” in which working-age adults increasingly access higher education. Demand for higher education nowadays comes not just from youth reaching conventional higher education age, but also from nontraditional students—a population not given much consideration until now by public and private institutions. This nontraditional population is increasingly targeted by alternative private institutions—not necessarily university-level, or degree-granting—as well as by some recently created public institutions. Thus, the private sector plays, and will continue to play, a critical and evolving role in absorbing demand not satisfied through traditional institutions.

Diversification of higher education presents challenges to regulatory policies such as quality assurance. A recent but widespread occurrence in Latin American countries, formal quality assurance systems have usually relied on a single, “optimal” institutional model aligned on a country’s most prestigious public universities. Accommodating to the variety of new institutional missions is an ongoing challenge for quality assurance systems, a challenge exacerbated by the rise of new private forms of education.

Presentations further highlighted that diversification and privatization relate to more than just the growth of PHE. Market-friendly reforms have pushed the region’s public institutions toward increased internal privatization. Following a global trend, public institutions employ a variety of strategies to privatize. Revenue generation plays a major role and is often controversial. Public universities progressively seek external funding and establish public-private partnerships, gradually abandoning their longstanding reliance on the state as sole source of finance and responsibility. Similarly, panelists illustrated how public university adaptation of private sector governance practices, translated as public management reforms, has led to new blurriness in the public–private divide. Some speakers wondered to what extent these trends may signal that public universities are becoming entrepreneurial, as they seek to adapt to a changing environment.

TRADITIONAL VS. NEW AND EVOLVING FORMS OF PRIVATIZATION

Latin American PHE issues vary from longstanding to emerging ones, in most cases driven by contextual factors such as demographic changes or political and economic trends. Scholarship exploring historical developments and current trends emphasizes how the private sector has changed over time. Some research focuses on how public policies have overlooked, or even inhibited, the expansion of the private sector, whereas other work depicts public policy as promoting PHE. Remarkably, with borders between sectors becoming increasingly blurred, private institutions