on core business, overcome operating restrictions such as inflexible salary scales, and facilitate the introduction of innovative forms of service delivery.

Skeptics argue that the high cost of borrowing for the private sector, as well as high setup and contract monitoring costs, mean that PFIs can be expensive relative to traditional forms of procurement, especially for small projects. Poor specification of capital needs, flawed contract design, and weak monitoring of projects can also expose the government to significant financial and operational risks, thus negating one of the main intended benefits of PFIs. To overcome these, governments must invest considerable resources in developing standardized contracting processes and resources, as well as capacity building of staff.

Conclusion
PFIs can play a useful public policy role—particularly in countries where considerable investment is required to provide higher education institutions with 21st-century teaching and research infrastructure. They can contribute, albeit indirectly, to increasing student access and improving the teaching and research environment. To the extent that they reduce costs, they can also stretch tight government budgets. At the same time, their influence should not be overstated as they do not directly affect the delivery of teaching and the conduct of research. It is likely that the more significant gains from private participation arise from the delivery of “core” services, rather than from infrastructure and maintenance.

We need to know more about the potential impact of PFIs in higher education. More rigorous studies of their impact in higher education and elsewhere—as in other sectors—would be a welcome antidote to debates that are too often clouded by philosophical and ideological differences.

The US Government and Accreditation: Extraordinary Attention

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US accreditation is usually a below-the-radar and even non-issue for federal policymakers in Washington, DC. These days, however, accreditation does draw extensive attention from the federal government. Accreditation is one of the few levers allowing the federal government to force change in higher education. For the past 55 years, government has turned to nongovernmental accrediting organizations as reliable authorities on the quality of higher education institutions and programs. As part of sustaining this relationship, the federal government has set standards or requirements by which it reviews and approves the accreditors on which it relies—a process called “recognition.” Institutions and programs must maintain accreditation from these federally recognized organizations to be eligible for some $100 billion annually in federal funding for student grants and loans, research, and other program funds. Federal criteria imposed on accrediting organizations ultimately become requirements for institutions.

The Commission on the Future of Higher Education

The focus on accreditation sharpened after the United States Secretary of Education’s Commission on the Future of Higher Education, a group of approximately 20 higher education, business, and other leaders, was convened in 2005 to review higher education, including accreditation. The commission’s mandate was to recommend changes to the Department of Education about what higher education needs to do to meet future challenges.

In the final report released in September 2006, the commission was quite critical of the state of US accreditation and recommended how this self-regulatory enterprise might be changed. The commission focused on higher education as material gain to students and international competitiveness. The deliberations judged accreditation primarily by the extent to which it reinforced the value of a collegiate experience as a tangible benefit: jobs, mobility, and economic gain. Accreditation was found wanting.

Key Accreditation Issues

The commission, following its critique of accreditation, elaborated its call for more accountability and transparency. Accreditation should provide more evidence about student learning outcomes and institutional performance. This evidence needs to be the basis for judgments about quality and accredited status. Accreditation is to develop firm standards to which all institutions would be held accountable, creating comparisons among institutions. The accrediting community needs to take steps to encourage standardized testing as a key means to determine quality. The commission raised questions about the transparency of accreditation itself—that is, whether the public receives easily accessible and reliable information about judgment of quality. Repeatedly the commission asked “What is accreditation doing to assist the public in making good decisions about attending a college or university?”

These issues are not unique to the United States. Many of these topics are also shaping discussions about accreditation and quality assurance in some other countries. The Bologna process in Europe and work on quality assurance in, for example, Turkey, Egypt, South America, and South Africa all focus
on accountability and transparency, as well as responding to concerns involving international competitiveness and economic development. These discussions often revolve around the role of government.

**Likely Changes in the Role of Government**
The commission report has been used as a platform for the Department of Education to strengthen the government’s role in judging quality and directing how private accreditation bodies function. Thus while the federal government once deferred academic quality to the judgment of educational professionals, the current policies have instead significantly expanded government regulation. Government will decide whether the quality judgments of accrediting organizations are appropriate.

For example, the commission’s deliberations put on the table the concept of a national accreditation foundation—equivalent to a federal “Ministry of Quality.” The Department of Education has ratcheted up current demands on accreditors for accountability, intensifying the department’s application of current law and regulation. This has increased pressure on accreditors and institutions with regard to outcomes and transparency. Congress is likely poised to raise demands for accountability in accreditation in the current reauthorization of the Higher Education Act. Members and staff are closely watching commission-related activities.

**Dangerous Directions of Accreditation**
First, although this will not happen overnight, accreditation will likely involve more accountability and become more transparent. The process will reveal outcomes and performance and even some movement toward national standards—perhaps in the context of institutional mission and possibly leading to national testing and mandatory comparability in higher education. While effectively standardizing higher education quality, these actions would neglect a key successful element of the US higher education enterprise: its decentralized structure and consequent diversity.

Second, the federal government will play an unprecedented bigger role in defining and judging academic quality. While this role for government may not be unusual in other countries, for the United States it represents a dramatic shift signaling the diminution and perhaps the end of the nongovernmental self-regulatory system that has been in place for more than 100 years. Having to work with accreditors to set their own academic direction and define success will reduce the authority and responsibility of institutions.

These changes will work against three key features of US higher education that, buttressed by its system of accreditation, have produced an enviable system of higher education: a commitment to institutional purpose or mission as driving academic quality, the importance of responsible institutional autonomy in providing quality higher education, and the vital role of academic freedom in the higher education enterprise. A greatly enlarged federal role will likely diminish the diversity of higher education, weaken its innovative capacity, and compromise its intellectual strength.

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**Stem Cells, Science Policy, and Religion in the United States**

**John Aubrey Douglass**

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Controversies over stem cell research provide a window into the politics of science policymaking in the United States. The country may boast having some of the best research universities in the world, and a mighty academic R&D engine, but significant strains exist in the funding of science—fluenced in part by the nation’s peculiar religiosity. The result is that many states, most notably California, are becoming increasingly entrepreneurial in their drive to promote science and innovation, activity that the federal government will not fund—at least as long as neoconservatives control the White House.

**A Federal Ban**
In part to placate the religious fundamentalist wing of the Republican Party, in August 2001 President George W. Bush set limits on federal funding for stem cell research. In a presidential directive to all federal funding agencies, with implications largely for the National Institutes of Health and the research activity of America’s research universities, Bush set strict limits on the lines of human embryonic stem cells that could be studied using federal research grants. He also capped federal funding for such research at $25 million per year.

By limiting federal funding of stem cell research, the Bush administration created a “wedge” issue useful for solidifying the president’s political base—a political strategy that would help reelect him as president in November 2004. It also created a great symbol of America’s waning science and technology