Conclusion
The challenges facing the creation of world-class universities are daunting. Indeed, if India is to succeed as a great technological power with a knowledge-based economy, world-class universities are required. The first step, however, is to examine the problems and create realistic solutions. Spending large sums in a scattershot manner will not work. Nor will copying the American academic model succeed.

Higher Education Transformation in Pakistan: Political and Economic Instability
Fred M. Hayward

The news about Pakistan over the last few years has been dominated by reports of political turmoil, terrorism, religious fundamentalism, economic decline, and the Afghan War. What has been missed is the phenomenal transformation in higher education over the last six years, which represents a critical development for Pakistan and a potential engine for growth and national recovery.

Higher education in Pakistan has suffered from decades of neglect. It was among the world’s laggards with only 2.6 percent of university-age students attending higher education in 2001. A mere 23 percent of university faculty had PhDs, little research took place, teaching was not emphasized, the infrastructure had deteriorated, and not a single university ranked in the top 500.

The crisis in higher education was acknowledged as early as 1947, followed by more than a dozen commissions and policy documents. In 1998 some small steps were finally taken to improve access by increasing the number of higher education institutions from 18 to 78 and encouraging private higher education. Despite agreement about the magnitude and seriousness of the problems, there was no consensus about what should be done or who should drive the changes—government or universities.

The Higher Education Commission
In 2000 President Pervez Musharraf asked the Ministry of Education to develop a plan for higher education. That was followed by a task force, a steering committee, and several other efforts. The system was described to be in a virtual state of collapse, lacking the capacity for change. These deliberations resulted in a recommendation to create the Higher Education Commission, which was established in September 2002 as an autonomous and largely financially independent body. From the outset, the commission began a major reform effort producing the Medium Term Development Framework: 2005–10 that focused on faculty development, increased access, quality improvement, and relevance.

Since 2002 a number of extraordinary changes have taken place. Over the last six years almost 4,000 scholars have participated in PhD programs in Pakistan. More than 600 students have studied in foreign PhD programs. The Higher Education Commission instituted major upgrades for laboratories and information and communications technology, rehabilitation of facilities, expansion of research support, and development of one of the best digital libraries in the region. A quality assurance and accreditation process was also established.

The commission’s goal for access was a 10 percent increase in enrollments per year. In fact, enrollments have grown 89 percent since 2001. In an effort to ensure faculty accountability and reward those who demonstrate excellence in teaching and research, a tenure-track system was introduced with salaries two to three times higher than existing civil-service levels for those who qualify.

The commission controls government funding for public higher education and some private education projects. Its successes have been remarkable as the recurrent and development budgets increased 340 percent in real terms from 2001 to 2005/06. Nonetheless, these increases basically restored university capacity lost over the years. Much of the budget growth was needed to cover the costs of increased enrollment, with expenditures per student increasing only 41 percent during that period. After 2005/06 the budget continued to increase the next year by a little more than 30 percent but remains low by international standards. The proportion of the age group attending university remains well under world standards, at 3.9 percent.

The change process was not without critics. Indeed, at the outset, many of the major institutions refused to cooperate. They argued that the commission was trampling on their autonomy, infringing on faculty authority, usurping powers delegated to the regions, and instituting changes without consultation. Indeed, the commission saw its change process as being top down by necessity, arguing that was the only viable alternative after decades of institutional failures. In addition to its academic critics, the commission’s successes in obtaining funding resulted in criticism from several other ministries that did not fare as well and in jealousy about its achievements and autonomy.

By 2008, as a result of its policy and financial successes, most universities had become strong proponents of the Higher Education Commission. For the first time in decades university budgets were at reasonable levels. Quality had increased sig-
significantly, and several institutions were on their way to becoming world-class institutions. Most universities had signed onto the tenure-track system. The first master’s and PhD students were returning from their studies to good facilities and substantial research support. Many expatriate Pakistanis returned from abroad with access to competitive salaries. About 95 percent of people sent abroad for training returned, an unusually high result for a developing country in response to improved salaries and working conditions at universities as well as bonding and strict follow-up by the commission, Fulbright, and others. Student enrollment increases brought the total enrollment of college age students to 3.9 percent—well on the way to the target of 5 percent by 2010.

Research publications more than doubled between 2004 and 2006. Especially important was the emphasis on quality in all areas including recruitment, PhD training, tenure, publications—all requiring external examiners. While the percentage of PhD faculty has slipped slightly from 29 to 22 percent, largely because rising enrollments have taken place faster than increases in PhD training with higher standards, the extensive faculty development programs of the commission will soon result in the return of sufficient numbers of PhDs to more than reverse that trend. During this time the student/faculty ratio has improved from 1:21 to 1:19, and a number of universities have focused on upgrading the quality of their teaching programs. By 2008, a broad transformation of higher education had taken place.

**Political and Economic Crises**

In early 2008 the political and economic situation worsened. The Pakistan People’s Party and the Muslim League coalition was shaky and the government unable to exert effective leadership because of disagreements about reinstating fired supreme court judges and dealing with President Musharraf. This led to the withdrawal of several ministers from government, including the minister of education, and their eventual withdrawal from the coalition. During this period the major crises worsened, complicated by growing insecurity. Inflation increased to 21.6 percent, the fuel import bill grew 66 percent, the cost of imported food doubled, and the trade deficit increased more than 50 percent. The election of President Asif Ali Zardari did little to reverse a growing sense of unease, frustration, and anger.

In July, the government reduced its quarterly payment to the Higher Education Commission by one-third and announced a decline in the recurring budget of 20 percent—a decrease of 13 percent from the previous year—and cut the development budget by 14 percent. These cuts would be problematic under normal circumstances. In a period of growth, when the commission has commitments to new faculty members, fellowships for more than 2,000 people working on PhD and master’s degrees abroad, and the automatic effects of increased admissions, the economic crisis is potentially crippling to the transformation process.

**Conclusion**

Uncertainty about the budgetary situation, political instability, and the deteriorating security situation have created a loss of confidence in government and new questions about the future of higher education. These factors threaten to reverse the phenomenal progress in higher education, limit quality improvement, reverse the attractiveness of university positions, curtail enrollment increases, and undermine the prospects for national development. In addition, there is growing uncertainty about the future of the Higher Education Commission, including its administrative and financial autonomy. Thus, one of the few hopeful signs of progress in Pakistan appears to be in jeopardy. While there are many claimants on the national budget in this period of economic difficulty, the failure of higher education transformation would be a devastating reversal for Pakistan and make economic growth, social recovery, and political stability even more difficult than at the present time.

---

### Higher Education and the Wayward Labor Market

**Wietse de Vries, Alberto Cabrera, and Shaquana Anderson**

Wietse de Vries is professor of educational management and Vicerrectoria de Docencia, Benemerita Universidad Autonoma de Puebla, Av. Juan de Palafox y Mendoza 219, 72000 Puebla, Puebla, Mexico. E-mail: cs000803@siu.buap.mx. Alberto F. Cabrera is professor in the Department of Education Leadership, Higher Education and International Education, University of Maryland, 2205 Benjamin Bldg., College Park, MD 20742, USA. E-mail: cabrera@umd.edu. Shaquana Anderson is a graduate assistant in the Department of Education Leadership, Higher Education and International Education, University of Maryland, 2205 Benjamin Bldg., College Park, MD 20742, USA. E-mail: sanders7@umd.edu.

Sometimes the labor market for university graduates seems unwilling to comply with predictions, most of all those launched by policymakers. In a recent alumni study by the Benemérita Universidad Autónoma de Puebla, in Mexico, traditional majors were found better suited to local labor