

WORLD education NEWS & REVIEWS

A Publication of World Education Services Vol.9 No.1 Winter 1995

TRENDS

The Value of Education as Trade

by Katherine E. Evans

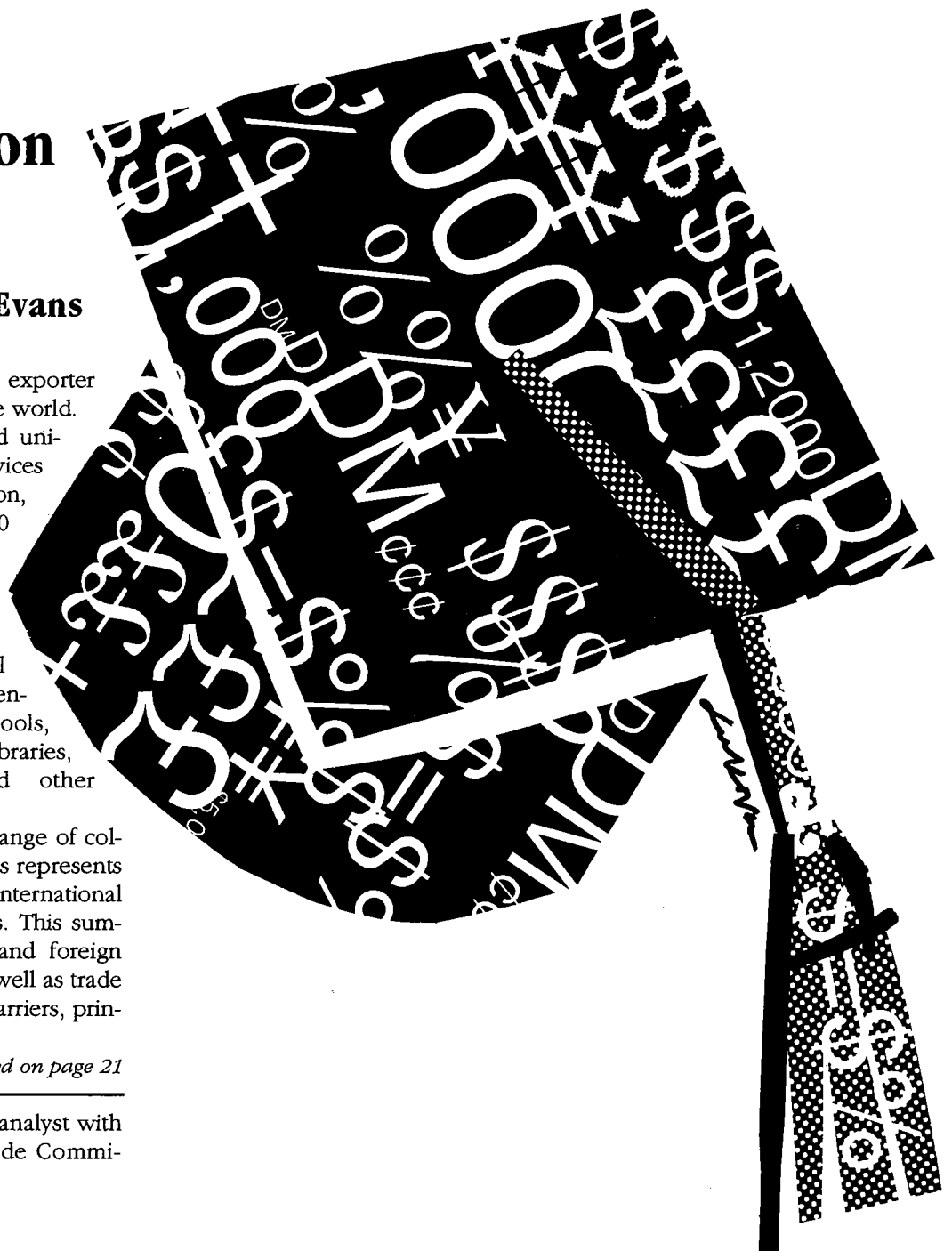
The U.S. is the leading exporter of education services in the world. In 1993, U.S. colleges and universities generated a services trade surplus of \$6.0 billion, which represented about 10 percent of the total U.S. services trade surplus.

The education services industry consists of academic or technical instruction through elementary and secondary schools, colleges and universities, libraries, vocational schools and other schools.

The international exchange of college and university students represents 90 percent or more of international trade in education services. This summary examines the U.S. and foreign industries and markets, as well as trade flows and nontariff trade barriers, principally from 1990 to 1994.

Continued on page 21

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Published by
World Education Services, Inc.

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Editor *Marilyn Arko Umehara*
Designer *Luba Lukova*
Circulation *Montroe Headd*
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Printed by *Northeastern Press*

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World Education News & Reviews (ISSN 0897-6724) is a quarterly publication of World Education Services, a private, not-for-profit organization founded and incorporated in 1974. The views and opinions expressed in articles and information submissions published in WENR are those of the authors and contributors and not necessarily those of WES.

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PUBLISHER'S CORNER



**The Quest
for
International
Students**

As we enter the new year, it becomes increasingly clear how precious a commodity foreign students are in higher education.

Research by the Institute of International Education (IIE) shows that the United States remains the leading destination for international students, attracting one third of all students pursuing postsecondary education outside their home country. Yet, the 452,635 international students studying on U.S. campuses in 1994-95 was only .6 percent more than the preceding year. The number of students from Asia actually declined last year for the first time in 20 years.

As WENR has noted throughout the past year, there is increasing competition for international students from other countries. Australian universities, reliant on fees from overseas students for 10 percent of their revenues, are fretting over the decline in growth of their "education export industry." In Japan, where the population of 18-year-olds is expected to drop in the years ahead, there is stiff competition for international students from other Asian countries. Even tiny Estonia seeks its share of foreign students.

The growing sophistication of U.S. students in choosing study abroad sites also is contributing to the changing exchange picture. Although the United Kingdom remains the favored destination, American students increasingly are going to Latin America, East Europe, Asia, and even faraway Australia, according to the IIE.

While the U.S. congress is considering immigration reform which would tighten provisions regarding foreign students, it should look at the report of the U.S. International Industry & Trade Commission, publication 2920, this issue's trend. If the U.S. wants to continue to be part of the increasing global integration of education, we should not be setting up barriers.

Mariam Assefa

AUSTRALIA

Restructuring of Open Learning Rejected

The Government will not sponsor the major national effort to bring existing open learning programs within a coherent framework, a proposal by the Senate Employment, Education and Training conferences committee.

Responding to a two-volume report by the Committee, the Government rejected recommendations that Open Learning Australia (OLA) students be funded to 50 percent of equivalent full-time student (EFSTU) levels, and that OLA be brought under the ownership of the Australian Vice-Chancellors' Committee.

In rejecting the Senate's proposal, the Government maintained that OLA is an independent organization, outside the national unified system, and established by the Government to broker OL services on a fee-for-service basis.

The current arrangement is growing nicely, with 24 institutions (including four TAFE institutions) providing OL subjects in 1995, and over 220 units being offered. Institutions must offer full credit for units offered through the OLA, and allow full credit transfer for OLA units.

The Government did endorse the committee's view that "open learning is an approach, rather than a system or technique which, based on the needs of individual learners, is moving the role of the teacher from a source of knowledge to a manager of learning and a facilitator." However, the Government called this "an ideal that is yet to be realized."

Campus Review 10/12-18/95

BULGARIA

Degree System Changed

Bulgaria is moving toward a Western-style system of university degrees. A law passed by parliament calls for universities to award a bachelor's degree after four years, a master's after five, and a doctorate after three more years of study. Bulgaria has had a system in which the first degree was awarded only after five years.

There are over 40 higher education institutions in Bulgaria offering degrees at the undergraduate and graduate level. In addition to the universities, there are mechanical, electrical, civil, and chemical engineering institutes, and institutes of mining, forestry, economics, and education.

Chronicle of Higher Education 9/22/95

CHINA

Lawyers Sought

China needs to train more lawyers to advise government and businesses. Legislators from the National People's Congress Standing Committee recently said at their 16th session that the current 89,000 lawyers in 7,200 law firms were far from enough. The nation aims to increase the number to 150,000 by the year 2000.

An eight-chapter law regulating lawyers currently is being debated by the Committee. Lawyers are particularly needed to advise government officials and business people on how to guard against fraud. The draft bill would transform lawyers from public servants who protect State interests to legal servants working solely in the clients' interests.

The new law would also encourage setting up all kinds of law firms, including State-owned, private cooperatives, partnerships, and individual firms.

In a related move, China recently awarded lawyers' qualifications to professionals from Hong Kong, Macao and Taiwan for the first time. Eighteen people passed last year's national qualification examination, in which 359 candidates from these three regions took part. More than 115,000 mainlanders also took the exam.

"With the approaching return of Hong Kong and Macao to China's sovereignty and during the process of promoting the peaceful reunification of the mainland and Taiwan, China needs a large contingent of able people familiar with the laws and regulations of the mainland and these other areas," said Justice Minister Xiao Yang.

China Daily 10/28/95

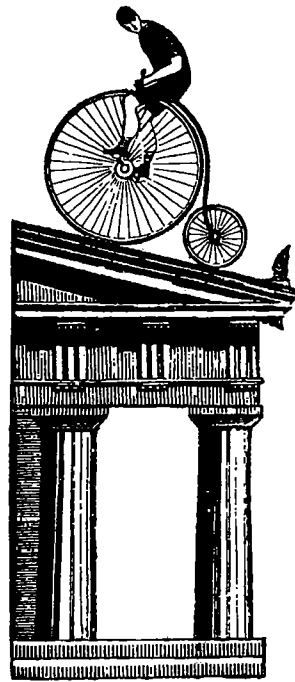
Traditional Medicine Flourishing

Doctors in China, whether practicing traditional or Western medicine, enjoy equal academic and social status. The popularity of traditional Chinese medicine continues. At present, there are 30 universities and colleges of traditional medicine with an enrollment of 50,000 students majoring in 14 specialties.

There are also 51 secondary schools of traditional medicine with an enrollment of more than 30,000 students.

National independent institutes for the scientific research of traditional medicine, including those attached to universities and hospitals, number 77.

China Daily 11/08/95



C O U N T R Y
U P D A T E S

CZECH REPUBLIC

Students Protest Tuition Fees

The Government has retreated from a plan to charge new students tuition fees. Opposition has been so fierce that a law passed by the republic's council of ministers last February has proven impossible to implement.

For the first time in its 747-year history, Prague's Charles University faced the prospect of charging fees despite an outcry of opposition from academics.

Jiri Kunc, a leading political scientist at Charles University, blamed the free-market philosophy for the reform. "If they are going to apply the market to higher education, they should also raise our salaries as professionals to prevent the mass exodus to better-paid jobs," he said.

The law required new university students to pay between five and 20 percent of tuition costs for the year 1995/96, calculated according to the type of university.

Milan Knizak, rector of the Prague Academy of Arts, sent an open letter to all university rectors and the minister of education, condemning the government's decision to make the student-university relationship one of client and customer. It was "a degradation and vulgarization of the education process," he said.

In the post-Communist reform process, the Czech government has applied free-market principles to the economy and society at large, which most have absorbed, but at a price. Universities, free in communist times, for example,



have found themselves overflowing with students. There were 150,000 applicants this year, triple the number of available places.

Paradoxically, the departments with highest student demand—law and economics—are those which are short of teaching staff.

Low salaries also are driving away staff, particularly in electronics, engineering, chemistry, biochemistry and computing. Although lecturers won a 20 percent salary rise last winter, an assistant lecturer today gets Kr4,000 to Kr6,149 a

month compared to the Kr7,189 average salary. A full professor receives Kr14,000 compared to a bank secretary's Kr20,000.

The Times Higher 10/6/95

ESTONIA

More Foreign Students Hosted

Increasingly, foreign students can be found at Estonian universities. Last year 146 foreign students enrolled at Estonia's best-known institution, Tartu University. For the 1995-96 academic year, 347 foreign students have applied for places at the institution, of whom 330 are from Finland.

Foreign applications are highest for medicine, with 177 applications for only 22 places in courses taught in English.

As of July 1995, the Estonian government decreed that all foreign students are to pay 12,000 Estonian crowns (slightly more than US\$1,000) per term. Higher education institutions can increase tuition fees for foreigners by up to 25 percent of the sum stipulated by the government.

Foreign doctoral degree students who focus their dissertations on Estonian culture or literature can study free of charge.

Although the government has decided to eliminate higher education courses taught in Russian by the year 2000, the Russian-speaking population in Estonia still will have the opportunity to attend higher education classes in their mother tongue. At Tartu University, 120 students have been accepted into "Russian groups," including 15 for medicine, 15 for mathematics, 25 for economics, 10 for physics, 30 for Russian and Slavic philology, and 25 for the Estonian language. The first two or three years of their studies will be conducted in Russian, while advanced students will have to switch to instruction in Estonian.

One of the conditions for admission of foreign students to higher education in Estonia is passing an examination in Estonian language proficiency.

Currently, some 800 Estonian students are studying abroad. Most are in the US and Finland, with others in Sweden, Norway, Canada, Switzerland, Turkey and Japan.

Head, Higher Education and Development 10/95

FRANCE

New Institution Arouses Controversy

One of France's most lavishly equipped private "universities" opened its doors in September in Courbevoie, a Paris suburb, attracting controversy and protests from adjacent public university students.

Because it does not have a national charter, the new institution cannot call itself a university. Rather, it is known as the Leonardo da Vinci university center (or *pôle universitaire*), with the same status as a private commercial school.

The institution is the brainchild of Charles Pasqua, right wing neo-Gaullist and President of the general council of Hauts-de-Seine, the richest department in France, which financed the institution. Hauts-de-Seine has a gross product bigger than that of Greece and an annual budget of about 8 billion francs (\$1.6 billion). About 1.3 billion francs of public funds was spent on the new institution, which offers students new studio apartments, 11 lecture halls, six restaurants, language laboratories, a computerized library with 70,000 books and CD Roms, sports facilities, a medical center, and shops. Critics said the money would have been better spent on the beleaguered state education system.

As an example, neighboring Paris X University in Nanterre has a campus only one-third larger, but is hopelessly overcrowded with 35,000 students. The Leonardo da Vinci center has only 1,400 students in its first-year class, and is scheduled to rise to only 5,000 over four years. Opponents are demanding the center be requisitioned by the state to become the 14th public university of the Paris region.

Leonardo da Vinci is backed by many large companies and is intended to prepare students for specific commercial and technical careers. Students will be expected to spend much of their four-year program gaining work experience with participating companies. Although the center will have a faculty of 40 resident professors, companies will be providing part-time teachers in specialized fields.

The center will have three main undergraduate branches: science and technology, commerce and management, and European studies in management. There also will be three postgraduate institutes in cultural management and economics, the environment, and project engineering.

Entrance requirements not found at state universities include taking a foundation course to perfect spoken and written French, "perfect mastery" of English, and computer literacy.

Critics charge the center is elitist because it is fee-paying and therefore open only to the rich. In fact, the center charges fees of 26,000 francs (\$5,200) a year, which is less than most private commercial or business schools, but reduces this amount by up to 90 percent for students whose families cannot afford the full amount. About one-third of new students have obtained reductions.

Leonardo da Vinci is meant to offer students an alternative to the overcrowded state universities and the elitist *grandes écoles*. *International Herald Tribune 10/16/95*

French Universities Face More Overcrowding

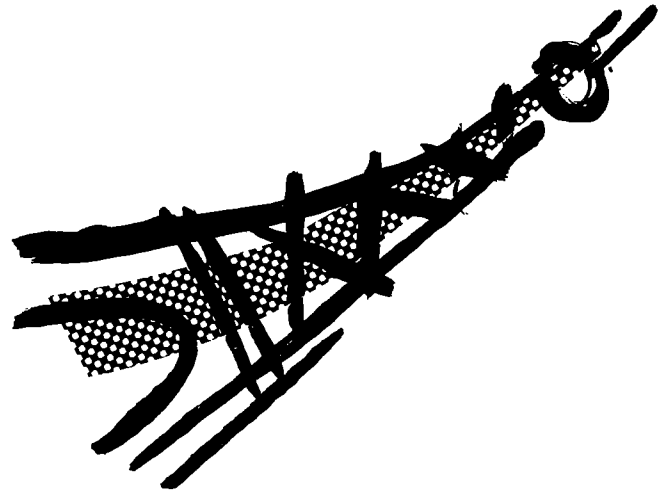
French universities, facing chronic space problems, enrolled an estimated 1,588,000 students in the fall, an increase of 46,000 over last year.

The particularly good *baccalauréat* pass rate meant that

an extra 18,000 school-leavers won a right to a university place.

Higher enrollments have brought financial problems to many institutions. At Rouen University, students in the science faculty went on strike in support of the faculty's dean, who claimed there was no money to buy any teaching materials.

Students who passed their *baccalauréat* a year earlier and either took a year off to work or travel were turned down for admission at some universities. French law requires the university system to take all newly qualified school-leavers who apply, but makes no mention of those



who passed their *baccalauréat* a year earlier. Faced with soaring enrollments, many institutions use this legal loophole to turn down applications from earlier school graduates.

Medical students who failed the highly selective first-year examinations and want to enroll in life science courses are hard hit.

Universities and the education ministry are also bracing themselves for reports soon to be released indicating that a startling number of university buildings fail the most basic safety regulations. *The Times Higher 10/20/95*

ISRAEL

Ministry Curbs New Law Courses

Officials at Israel's Ministry of Justice are granting approval to only one of the new tertiary colleges offering courses in law. The ministry also warned that it is illegal for educational institutions to enroll students in a non-approved course of law studies.

The decision comes in the wake of a lively public debate about the size and role of the legal profession in Israel. There are currently about 14,000 lawyers, which amounts to 270 lawyers per 100,000 people. Israel now ranks third in the world in the legal eagle table behind Singapore with 390 and the United States with 312.

Europeans have far fewer lawyers. Germany has 190

lawyers per 100,000 people; Britain has 130 and France and Switzerland have only 50.

The head of the Knesset's constitution and legal committee, David Tzucker, said, "It is clear that not all those with legal training will be able to work in their chosen profession. But this need not be a harmful trend. The education will bring both personal and social benefits in other fields."

The Times Higher 10/6/95

ITALY

Diplomat School to be Reorganized

Six years ago, the University of Trieste introduced a new curriculum at its branch in Gorizia leading to a degree in International and Diplomatic Science.

The four-year program, which is recognized as the equivalent of a Master's in Political Science, offers a concentration of courses in international relations and policies.

Admission is limited to 100 students, ten of whom must be foreigners. The purpose of the program is to form the diplomats of the future. The degree constitutes the prerequisite for admission to competitive examinations (*concorsi*) which are mandatory for those who aspire to a diplomatic career.

Because the program is so new, there is as yet no data regarding the placement of graduates in the job market. The program requires 48 examinations. Plans are now being made to reduce the required examinations to 30, and to emphasize disciplines within major areas, such as international law and economics, history, and foreign languages.

There will also be a greater emphasis on international relations and preparation for postgraduate specializations.

Head: Higher Education and Development 10/95

JAPAN

Graduate Schools Increasing

The postgraduate rush is on. The University Council, an advisory group to the education minister, submitted a report in 1991 calling for a "quantitative increase" in the number of graduate schools. It proposed a two-fold increase in the number of postgraduate students by the year 2000, to some 200,000.

By the end of fiscal 1995, a total of 14 public and private universities will open postgraduate schools and 11 others will offer new postgraduate courses. Currently, some 70 percent of Japan's 565 universities have postgraduate schools. The number of postgraduate students has grown by about 50 percent to 150,000 during the past five years.

The number of postgraduate students per 1,000 of population in Japan is extremely low compared to the United States, Britain or France. Many educators regard the proposal as a survival plan for universities, which will face an alarming drop in the population of 18-year-olds in the coming years.

It is much easier for institutions to win state approval for the establishment of postgraduate courses than for new undergraduate faculties or courses. Educators are also mindful of the fact that universities without postgraduate schools lack high esteem abroad.

Unfortunately, job prospects for graduate students are not bright. Most Japanese corporations do not hire applicants who have postgraduate degrees, preferring to train their employees in their own corporate ways. The dean of Tokyo University's School of Economics admits that "With the exception of some research institutes and foreign-affiliated firms, the door to corporate Japan is barely ajar. This is especially so during the current business slump."

The Japan Times Int'l. Edition 10/9-15/95

SOUTH AFRICA

Black University Refocuses Curriculum

As the second oldest black university in Sub Saharan Africa, Fort Hare, in the remote Eastern Cape, was inevitably at the forefront of the struggle against white domination in South Africa.

Many of its graduates, including Nelson Mandela and Robert Mugabe, went on to form the leadership in the battles against apartheid and colonialism. After last year's elections, many of its academics were creamed off to join the transformation process either as ministers or in the expanded civil service.

Fort Hare had paid the price during the height of the apartheid years. Starved of resources and the victim of constant harassment by government security forces, it began to atrophy, its academic strengths increasingly compromised. The establishment of other black universities quickened the process as scarce resources for black university education were spread ever more thinly.

The end of apartheid has brought its own difficulties—principally, the huge gap between the expectations of the black majority and the economic realities of what is now effectively a developing country.

With all of the country's 21 universities now open to black students, Fort Hare is having to stand comparison not only with liberal white universities but also with Afrikaans universities, and to compete for students and money in a system with funding difficulties.

