

Polish Private Higher Education, Politics, and Demographics

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The global growth of private higher education included the last two decades of the sector's demand-absorbing growth in Poland. Poland is the 6th-largest higher education system in the European Union (1.9 million students), with the highest enrollments in the private sector in Europe (633,000 students and 33.3%, in 2009). After almost 20 years of continuous growth, the sector suffered a 10 percent decline in enrollments in 2009 and a further decline in 2010. Under new demographic pressures, expected to cut the number of candidates for studies in both public and private higher education by almost half in the next 10 years, political intervention may be necessary to ensure academic survival; and public subsidies may be used for this purpose.

DEMAND-ABSORBING GROWTH

In the 1990s, when the first private institutions appeared throughout central and eastern Europe, higher education policy was focused mostly on educational expansion. Private (called "nonpublic") institutions in Poland and elsewhere in the region were mushrooming; there were limited quality-assurance mechanisms and accreditation procedures in place at the time. Between 1990 and 2009, 330 private institutions

materialized in Poland and about 700 in central and eastern Europe. The expansion was closely linked to the economic policy that encouraged external privatization (the emergence of new private providers) and internal privatization (the emergence of fee-based, part-time studies in the nominally free, or tax-based, public sector). Student numbers in Poland were skyrocketing. In 1990 there were 400,000 students; in 1995 their number already doubled (795,000); and by the end of the decade, the number quadrupled (1.6 million in 2000). In the 2000s, the expansion was considerably slower, although the number of new private providers was still substantially increasing (to 330 in 2009). During times of educational expansion, political noninterference and relaxed academic and infrastructural requirements were key issues. There were evermore students in the private sector, and an estimated 30 to 40 percent of academics from the public sector held parallel employment in the private sector, mostly able to maintain middle-class standards of living, while university salaries were falling behind salaries of other professionals in the postcommunist transition period.

CHANGING DEMOGRAPHICS

Today demographics seem to be transforming everything, and politics may be called to intervene. The expansion of the private sector seems to be over. Consequently, private higher education is desperately looking for survival strategies, in the face of declining student numbers in the next 10 years. Current Organization for Economic Cooperation and Development–based demographic projections for Poland show that in 2022 the number of students will constitute 55 to 60 percent of the 2008 level. The annual number of all candidates for studies will drop from about 490,000 in 2008 to about 260,000 in

2022. What is going to happen to the fee-based private sector if all candidates could potentially be accommodated by the tax-funded public sector? How can students be recruited to a sector with a relatively low social legitimacy and in which studies have to be paid for—rather than to the traditionally free (tax-based) and more prestigious public sector?

NEW SURVIVAL STRATEGIES

The solution could be in high-quality education that matches education and labor-market needs and achieves high-social recognition. But the past policy of noninterference and loose governmental control contributed to low competitiveness of the private sector, vis-à-vis the public sector. A handful of exceptions (between 5% and 10% of all private institutions) does not make a big difference but needs to be noted. Therefore, currently, the private sector is seeking political interference and expecting state subsidies. Private institutions in central Europe (called “independent private” institutions by the Organization for Economic Cooperation and Development, as opposed to “government-dependent private” institutions) are generally reliant on fees and do not receive public subsidies. Until now, the private sector in Poland was nearly fully financed by fees, and in 2009 their income formed 93.1 percent from fees and only 1.8 percent from research.

How do institutions respond when their public legitimacy is low, the number of their students in the next decade is expected to plummet by 50 to 80 percent, their only mission is teaching, and their access to public research funding is marginal? They try to turn to politicians for public support and seek new survival strategies. Since

demographics cannot be altered, the private sector is seeking to redefine national policy. In good times of ever-increasing student numbers, the independence of the private sector from the state was key. Diploma mills were proliferating throughout the country, full-time staff in the private sector were almost nonexistent, and many institutions did not really care much about the quality of education—as long as there were students willing to pay for it.

The public response to the possibility of the introduction of fees for full-time students in the public sector remains unequivocally negative. The political response to the possibility of subsidization of education in the private sector is still unclear, but recently (February 2011), the ministry expressed willingness to open the door for public funding to private institutions. The idea was that all full-time students in the sector—110,000 (or 17% of the private sector enrollment)—might be subsidized by the state. That would be a small step with long-term consequences and a radical redefinition of national educational policy.

ASSESSMENT OF THE NEEDED PRIVATE SECTOR

But before channeling public funding (other than competitive research grants, open to both sectors) to private institutions, a fair assessment of 20 years of their operation should be undertaken. What is the added value of their contribution—to society, the economy, and the higher education system as a whole? How are their graduates welcomed in the labor market? The private sector's contribution to increasing equitable access to higher education is undeniable: Studies in private institutions, as well as fee-based, part-time studies in public institutions, opened up higher education to lower

socioeconomic strata to an unprecedented extent. Consequently, the labor force in Poland has been increasingly better educated (there was an increase in the number of people with higher education credentials active in the labor market from 2.56 million in 2003 to 4.31 million in 2009—or from 15.35% to almost one quarter or 24.7% in the share of labor force). But what can also be shown is the gradual denigration of the research mission of public universities, from which the private-sector staff are recruited. Low research intensity and low international visibility in central Europe (in particular in Poland, Romania, Bulgaria, Latvia, and Estonia), although caused by multiple factors, may also be related to redefined academic norms that allowed “academic moonlighting” in the private sector.

CONCLUSION

What will probably happen, next? The potentially shrinking private sector, to be able to survive, may be increasingly turning to politicians to get increased access to state subsidies. Vague notions of the “intersectoral” competition and “public remonopolization” of higher education may be increasingly evoked in public debates. State subsidies for full-time students in the private sector, if introduced, may be the first step in private institutions’ long march for public funding.

Recent Polish higher education reforms are most welcome, radically changing the rules of the game. They should not lead to the state-funded survival of private institutions before the two decades of their history have not been adequately evaluated. Polish private-sector growth, followed by its possible decline or its survival based on future public subsidies, may be showing possible patterns of development during hard

times in other parts of the globe, where declining demographics are expected and the private sector is funded almost exclusively by fees. Its future is still open: Both demographics and politics will play their substantial roles in the next decade. The role of demographics is predictable, but the role of politics is not.