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Ex-communist countries are competing hard in the global education bazaar.

IMAGINE an ambitious, globe-trotting youngster from Asia who wants a good, cheap degree from somewhere in Europe. At first glance, the continent's eastern half, with its communist heritage, lingering suspicion of non-Europeans, baffling languages and dreary tradition of rote-learning might seem an odd place to look. But in education, as in other industries, the new members of the European Union have the advantage of a past that leaves nowhere to go but up. Compared with their state-run counterparts in western Europe, where academics, bureaucrats and students unite against change, universities in countries once yoked to Moscow are adapting fast to a new global market.

At a Chinese education fair earlier this year, these colleges found keen interest in what they were offering: a European-level undergraduate degree with combined annual tuition and living costs of some euro5,000 (\$6,035). At a cheap western European outfit, such as Britain's Luton University, the cost would be three times more.

For now, the 23,000 non-EU students in the new EU members amount to a trickle. But if places that once taught Marxism can succeed in their makeover, it could turn into a torrent. Already, would-be doctors and vets from the "old EU" who fail to find places at home are heading for the Baltics or central Europe. Nor is the language problem insuperable. Many universities, including in such places as Cracow, Prague and Riga, offer courses entirely in English.

Some Asians like the idea of studying business in countries whose markets are still "emerging". Private colleges such as Poland's LKAEM business school have grabbed that niche. Some state colleges are following suit, as in Hungary, where MBAs were pioneered in 1989 by George Soros's (private) Central European University.

Bursting lecture-rooms are not always good (think of Italy), but a recent surge in student numbers, local as well as foreign, in "new Europe" is one sign of rapid change. Places with liberal regimes have seen the fastest growth. In Poland, which deregulated universities in the 1990s, the number of students has risen from 500,000 to over 2m. Slovakia, with a more rigid system, has seen

numbers double.

The region's nimbler, more market-oriented colleges have been helped by the new practice of dividing education into chunks (bachelor's and master's degrees, for a start), with work sandwiched in between. An old-style five-year degree at a single campus would be costly, even at central European rates. Doing a short master's in Prague, say, is more manageable.

But modest fees and flexibility will not be enough to sustain the region as an educational magnet, says Roderick Floud, vice-president of the European University Association. He stresses the need for better quality control. Other observers advocate closer links between academia and business. As business and computer studies flourish, there are fears that not enough chemists or engineers are being trained to meet the needs of foreign investors.

An impending demographic dip is concentrating minds. Within a decade, there will be a drop of 40% in high-school numbers in Poland. Without more students from abroad, today's university boom could be short-lived. But Andrzej Kozminski, who runs Poland's LKAEM, insists that domestic demand can still grow, even in a country where almost half the youngsters between 19 and 24 get further education. He cites the expansion of distance learning and postgraduate work.

Yet ex-communist campuses can lose as well as win in global competition. As American and European professors of the baby-boom generation retire, colleges in rich countries will soon be recruiting hard. Without higher salaries, talented dons from new Europe could drift westwards.