PROPHE THE PROGRAM FOR RESEARCH ON PRIVATE HIGHER EDUCATION Dedicated to Building Knowledge about Private Higher Education around the World

PROPHE National Databases

CONTEXT FOR THE NATIONAL DATA: GEORGIA

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In Georgia, significant transformation of the higher education landscape related to the diminished state involvement in funding, provision and governance of higher education has been taking place since the collapse of the Soviet regime. The most spectacular change was in the sheer size of the higher education sector. If higher education participation level in 1989 was around 19 percent, by 1999 the figure had grown to 29 percent. Furthermore, on institutional level, a twotier system leading to BA and MA degrees was introduced and many institutions started to use a credit system.

The expansion of access to higher education was achieved mostly by private higher education growth. Having no previous history, private institutions were first established in Georgia in the early 90s and reached its peak in 1995-1996 when the private sector accommodated 34 percent of total enrollments. Since then, the private enrolments have been decreasing so that by 2001-2002 academic year only 21.6 percent of all students attended private institutions. By contrast, after the initial fall, the number of public institutions and its enrollments has been growing since the mid-90s.

The government change in 2003 marked a major shift in the course of higher education developments of post-communist Georgia. Before then, processes were mostly unplanned and spontaneous. Rarely were innovations conceived as a coherent policy at the Ministry of Education level and much less it was implemented with the effort from the government authorities. Driven by the market forces, initiatives often came from separate institutions or even individual departments and were put into practice by emulating by others. Absent any efficient mechanism of implementation, some innovatory attempts never got realized but remained on the surface as the mere formality. The very first regulatory steps that the Georgian government took in order to provide the legal framework for and establish some control over the unplanned developments were given in the mid 90s, finally resulting in the 1997 Education Law. Its implementation had only a limited success.

The Program for Research On Private Higher Education (PROPHE) seeks to build knowledge about private higher education around the world. PROPHE focuses on discovery, analysis, and dissemination. PROPHE neither represents nor promotes private higher education. Its main mission is scholarship, which, in turn, should inform public discussion and policymaking. PROPHE's Working Paper series is one vehicle to promote these goals.

The role of the Ministry of Education and by extension of the state in preparation and enforcing higher education policy has increased significantly since the recent political change. The first law on Higher Education, conceived in 2001 and initially drafted in 2002, was finally passed in January 2004. The law established new, student-driven funding mechanism according to which allocations are made through vouchers. It also instituted accreditation procedure. Another major change concerned a unified national admissions testing system that was set up in 2004.

Students receiving state grant on competitive basis can choose among public and private institutions accredited by the state. Until recently, private institutions in Georgia were almost exclusively funded through private resources. Private income, in the form of tuition fees, constitutes the major source for public institutions as well. After authorization to charge tuition fees was first granted in 1993, the share of the fee-paying students in public institutions has been raising sharply. In 2002, for example, 43 percent of all students financed their studies. Even though public institutions are permitted to engage in business-like activities, the share of income generated from those practices remains insignificant (around 3 percent) to compare to those received from the state and tuition fees.