THE POLITICS OF HIGHER EDUCATION REFORMS
IN CENTRAL AND EASTERN EUROPE.
DEVELOPMENT CHALLENGES OF THE REPUBLIC OF MOLDOVA

by

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A thesis submitted in conformity with the requirements
for the degree of Doctor of Philosophy
Department of Theory and Policy Studies in Education
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Abstract

This thesis examines factors that underscored higher education reforms in Central and Eastern Europe during the transition period from 1990 to 2005. The study explores higher education reforms in three national settings – Hungary, Romania and the Republic of Moldova, and presents a detailed analysis of the Moldovan case. Rooted in critical approaches to development, transition reforms and policy analysis in higher education, it addresses the new realities of global capitalism, inequitable distribution of power between the industrialized nations and the rest of the world, and the ways in which this power distribution impacts higher education systems in Central and Eastern Europe.

Historical analyses, a qualitative cross-national analysis of HE systems in three nations, and interviews with Moldovan higher education policymakers provided rich data on higher education reforms in the region and selected nations. Higher education evolved from institutions serving very select elite in the Middle Ages to universities driving modernization in the 19th and the first half of the 20th century, and to diverse institutional types - universities, colleges, institutes - underscoring the massification of higher education after WWII. Policies pursued by Hungarian, Romanian and Moldovan leaders to expand higher education were informed by the
national socio-economic, political and demographic contexts, the dominant global development agenda, and international institutional practices.

The capacity of national leaders to carry out higher education reforms was limited by the colonial and post-colonial relationships that were established over centuries between each of these nations and stronger regional powers, such as the Habsburg, Ottoman and Russian Empires, the Soviet Union, and the European Union. Major regional powers had a significant role in the formation of nation states, educational institutions and higher education politics. At the same time, national elites used language and ethnic policies to shape social and higher education developments and build national identities.

By bringing an international perspective to the analysis of reforms in Central and Eastern Europe, by focusing on Hungary, Romania and Moldova, and by drawing on critical theory and post-colonial studies, this research study contributes to the international scholarly discussion of higher education and development reforms, enriches methodological developments in the field of higher education, and advances the discourse of comparative higher education.
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List of Acronyms

CEE – Central and Eastern Europe  
CEFTA - Central European Free Trade Agreement  
CEP - Civic Education Project  
CEPES - European Center for Higher Education (French acronym)  
CEU - Central European University  
CIS - Commonwealth of Independent States  
CMEA - Council of Ministers of Economic Affairs  
COMECON - another English acronym for Council of Ministers of Economic Affairs  
COMINTERN - Communist International  
EC – European Community  
EEC - European Economic Community  
ECTS - European Credit Transfer System  
EHEA – European Higher Education Area  
ERA - European Research Area  
ERASMUS - European Action to Support Mobility of University Students  
ESCS - European Coal and Steel Community  
EU - European Union  
Euratom - European Atomic Energy Committee  
EUROSTAT –Directorate-General of the European Commission responsible for EU statistics  
FSU - Former Soviet Union  
GATT - General Agreement on Trade and Tariffs  
GDP - Gross Domestic Product  
GER - Gross Enrolment Ratio  
GUAM - Organization for Democracy and Economic Development of Georgia, Ukraine, Azerbaijan and Moldova  
HE –Higher Education  
HEIs – Higher Education Institutions  
HESP - Higher Education Support Program  
IFIs – International Financial Organizations  
IMF - International Monetary Fund  
ISCED-97 - International Standardized Classification of Education (adopted in 1997)  
KGB – Council of National Security (Russian acronym)  
MASSR - Moldavian Autonomous Socialist Soviet Republic  
MER - Ministry of Education and Research (Romania)  
MSSR - Moldavian Soviet Socialist Republic  
NATO – North Atlantic Treaty Organization  
NCAA - National Council for Accreditation and Attestation (Moldova)  
NEM - New Economic Mechanism (Hungary)  
NGOs - Non-Governmental Organizations  
NIS - New Independent States  
OECD - Organization for Economic Cooperation and Development  
OSI - Open Society Institute  
Ph.D. – Doctor of Philosophy  
PHARE – Poland-Hungary Action for Economic Reconstruction
TACIS – Technical Aid to the Community of Independent States
TEMPUS – Trans-European Mobility Programs for University Studies
UK - United Kingdom
UNDP - United Nations Development Program
UNESCO - United Nations Educational, Scientific and Cultural Organization
UNICEF - United Nations Children’s Fund
USA - United States of America
USAID - United States Aid for International Development
USD - US Dollars
USSR – Union of Soviet Socialist Republics
VET – Vocational Education and Training
WB - World Bank
WC – Washington Consensus
WTO – World Trade Organization
WWI - World War I
WWII - World War II
Introduction

After the collapse of the Soviet\(^1\) system in 1989, nations in Central and Eastern Europe (CEE) faced the overwhelming task of changing the economic and political order, and building new independent states. Governments initiated transition reforms by focusing on the democratization of their political systems and on the radical transformation of centrally-planned economies into market economies. Political reforms included new constitutions and political institutions, free press and free elections. In economics, governments diminished state regulation and implemented a series of macroeconomic and monetary reforms such as the privatization of public enterprises, housing and land, the liberalization of trade and prices, and the introduction of new currencies and currency regimes\(^2\). While education in the region embedded the ideological assumptions and values of the ‘socialist system’, the local elites, the general population, and the international community, viewed educational systems in CEE nations as an asset rather than a burden carried from the socialist past. The population was highly literate with virtually no gaps across gender, races and generations; achieving social and educational equity had been a concern of state authorities for many decades. Soviet higher education and science were highly esteemed internationally for achievements in technology, mathematics and physics.

Consequently, a highly educated population was seen as a success factor in transition reforms. Intellectuals led the political movements across the region and actively contributed to the fall of the old system; scholars and journalists were on the forefront of reforms in every domain: economics, politics and international relations. They shaped the public opinion on TV, promoted new legislation as members of parliaments, ran governments and private businesses,

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\(^1\) The literature uses both spellings: ‘Soviet’ and ‘soviet’. Throughout the dissertation the word ‘Soviet’ is capitalized.

\(^2\) Some CEE nations pegged (or closely related) national currency against Western currencies such as German mark (e.g., Estonia) and others left them floating in the currency exchange market (e.g., Moldova).
and represented the newly-created states in international organizations and diplomatic negotiations. Their success supported the assumption that the education system, including higher education (HE), will relatively easily adjust to the new economic and political order and will rapidly respond to the needs of emerging market economies. Democratization of higher education in the early 1990s occurred through increasing participation rates in universities, which lagged behind those in Western Europe and North America, and through reforming institutional governance, curricular reforms and the diversification of HE institutions (HEIs) and departments. Governance reforms centered around increased institutional autonomy and the election of rectors. Curricular reforms included the elimination of the ideological courses, such as Scientific Communism, increasing the share of liberal arts subjects and ‘modernizing’ the economics, history and political science curricula. Governments invested in the creation of several new HE institutions, including, for example, institutions specialized in economics and public administration. The emerging private sector became a considerable resource in training specialists in new fields, such as business, management, law and humanities.

The neo-liberal reforms and the second wave of free and democratic elections across the region in the first half of the 1990s, when left-wing parties came back to power, had several implications for HE. First, the fact that former communist technocrats and mid-level leaders largely replaced intellectuals in governments, parliaments and diplomacy, sent a message that resistance from the old elites was strong, but also that applied knowledge and administration skills are more valuable than academic, theoretical knowledge. Second, increased public deficits led to sharp declines in public funding of HE and to the expansion of private HE provision. Private tuition fees were introduced at public HEIs and the numbers of private HEIs and students studying at these institutions grew rapidly. Third, governments around the regions faced the
stringent tasks to reform falling economies and improve standards of living. They did not undertake system-wide effort to radically reform HE and did not regulate the creation of new HEIs, but rather chose a laissez-faire approach. Fourth, developments in HE around the region showed many similarities, such as system expansion, curricula de-ideologization and declining public funding. They also pointed to different emerging trends in national HE reforms, such as the expansion of the private HE sector in Poland, Moldova and Romania, institutional mergers in Ukraine and Hungary, and the growth of denominational HEIs and public colleges in Hungary.

In the second half of the 1990s the improving economic situation in most CEE nations, the external funding of national HE projects by the World Bank (WB) and the European Union (EU), but also the acknowledgement of the problems of declining quality in HE, led to the development of accreditation systems in which governmental agencies played an important role in both establishing and closing down HEIs. New funding mechanisms such as funding formulas and income-contingent loans had been tried across the region and HE curricula had been standardized using the European Transfer Credit System (ETCS). The standardization of national quality assurance systems, the structuring of HE programs into three cycles (3-year bachelor, 2-year master and 3 year doctoral programs) and full implementation of ETCS in the 2000s transformed sporadic national HE reforms into a system-wide regional undertaking under the Bologna Process in CEE and Western Europe. Though a voluntary association of national Ministers responsible for HE, European Union bodies played a significant role in funding and promotion of this project.

Improvement of students’ mobility and labor mobility was the major rationale for standardizing HE systems; however the neo-liberal discourses of public sector efficiency underscored the entire process. It could be argued that the shift in number of years of publicly
funded undergraduate studies from 5-6 to 3 years was a way to diminish state responsibility for
HE and to reduce the public contribution to HE. Also, standardization under the Bologna Process
raised concerns about maintaining national characteristics of HE systems, particularly in terms of
system design. By the mid 2000s, both nations that had historically large college sectors
(Hungary and the former Soviet republics) or applied technical institutes and universities
(Germany, Belgium and Switzerland), and those nations that developed binary systems more
recently (e.g., Finland in 1995, Romania in 1990) faced the problem of fitting these types of
institutions into the new three-cycle-structure. While these HE institutions continued to be called
colleges, institutes or applied learning universities in the 2007-2008 year, their responsibilities
and functions increasingly gravitated towards those of universities.

HE systems in CEE experienced dramatic changes in the period of 1990-2005, which
were anchored in neo-liberal economic reforms and influenced by a global/regional agenda of
HE reforms. At the same time, it would be simplistic to assume that it was only external
influence that determined the path of reforms in HE. CEE is a complex and diverse region, which
to a large extent was shaped politically, economically and geographically as a region during the
Soviet period, but nations in the region also had a rich history of early institutions of higher
learning. These institutions incorporated various foreign traditions at different points in time in
their histories; many of them were successfully adapted and evolved into systems that had
specific national HE characteristics. While a regional perspective is essential in analyzing HE
reforms in any of these countries, it does not provide a full understanding of national features of
HE systems. Also, HE reform is a broad area of study that includes curricula, funding, and
structural reforms, and could not possibly be discussed in detail in one dissertation.
The **objective** of this dissertation is to understand major factors that shaped higher education reforms in Central and Eastern Europe during the transition period from 1990 to 2005 by exploring HE reforms in three national settings – Hungary, Romania and Republic of Moldova, focusing on a more detailed analysis of the Moldovan case, and locating reforms in these nations within a broader regional, historical and economic context. I further formulate major assumptions, which underlie this research, and explain the organizational structure of the dissertation and the use and spelling of major geographical names and historical terms.

This inquiry rests on several major assumptions. First, it is concerned with examining the **politics** of HE reforms in CEE and focuses on how local HE policymakers negotiated reforms with HE institutions, the local population and international institutions. While curricula reforms or changes in institutional hiring policies inevitably come under scrutiny, I have focused on studying changes in the external governance arrangements and how economic, social and cultural policies impacted institutional autonomy and power dynamics in the HE sector.

Second, the focus of the research is the period of 1990-2005 when CEE nations experienced a complex political and economic transition from a centrally-planned, command system to a market-oriented, decentralized system. However, since modern HEIs in the region are deeply rooted in their historical institutional types, I chose a **historical approach** for my analysis. The history of the region involved specific patterns of interrelationships among various nations, friendly at times, and adversarial or colonial at times. This in turn had a large impact on HE policies and institutions. Selected foreign educational policies had been forcefully implemented, e.g., Habsburg educational reforms in nations of the Habsburg Empire in the 18th and 19th centuries, or educational reforms in the Russian Empire in the 19th century. Selected types of institutions were borrowed and adapted to local needs. For instance, early universities in
Hungary were built on Catholic traditions, and higher learning institutions in Romanian
Principalities were rooted in Byzantium and Slavic traditions. Professional advanced learning
institutions such as the French *Ecole Polytechnique* and German *Realgymnasium* were adopted
to a different degree by most nations in CEE, while the Soviet model of science organization in
Academies of Sciences was applied across CEE after WWII.

Third, I apply a **regional-comparative dimension** to studying the issue of HE reforms in
CEE. The regional layer is present in the dissertation through my analysis of regional history,
Soviet reforms, and transition and Europeanization discourses. However, to better understand
local developments, I also decided to analyze and compare HE reforms in three national cases:
Hungary, Romania and Moldova.

Several factors contributed to the choice of the three countries. In the 1990s, Hungary,
Romania and Moldova, like all nations in the region, engaged in neo-liberal economic reforms of
privatization and liberalization, and democratized their political systems. All of them
decentralized, expanded and diversified their HE systems. However, they also used different
approaches to economic, political and HE reforms. Moldova followed a shock-therapy approach
by implementing quick market reforms. The extensive liberalization of prices and exchange rates,
and the privatization of trade and industry, contributed to the rapid growth of a private HE sector.
In the 1990s, this country was among the CEE countries with the largest number of private
institutions and students studying in private institutions. Hungary favored a more gradual
approach in economic reforms and less privatization in HE; a number of Christian colleges were
created or re-established and most universities remained public. Romania applied shock-therapy
reforms in early 1991, and alternated quick and slow reforms during the 1990s. The number of
private universities in Romania exploded in the first half of the 1990s, however, as in Moldova,
many of them were not accredited in the 2000s. Hungary became member of the EU in 2004; Romania joined it in 2007, while Moldova – a former Soviet republic – has so far acquired only the status of an EU ‘neighboring country’. In terms of economic and social indicators, Hungary is leading in this group of countries and Moldova is lagging behind.

The comparison of these nations is interesting from other perspectives as well. They are different by land size and population. Romania is a large CEE country with more than 20 million inhabitants, Hungary is a medium country with about 10 million people, and Moldova is small geographically and has about 4 million people. They are neighboring countries and their histories and educational systems are closely interrelated. Hungarians currently represent a sizable ethnic minority in Romania, and Romanians in Transylvania lived under the rule of Hungarian kings for long periods of time. Most Moldovan citizens are ethnic Romanians and current Moldova was part of the Medieval Romanian Principality of Moldavia and was integrated within Romania between WWI and WWII. While having been exposed to similar historical events, these countries were often on different sides in major conflicts, and the political relationships among them were not always smooth. Frequent border redrawing in the region led to conflicts over land and rights of ethnic minorities in these countries, bringing language and educational politics to the forefront of public discussion and diplomatic debates.

Fourth, I conclude the dissertation by focusing on one national case – the Republic of Moldova due to several reasons. HE reforms in this nation are rarely discussed in the scholarly literature. I lived most of my life in Moldova, studied there, worked as a university professor, consultant and researcher, and know many subtleties of the economic, political and educational politics in this country. But above all, I argue in this dissertation that Moldova is a unique case; it was established as an independent state only in 1991, and historically was part of larger political
entities. Thus, unlike, Romania and Hungary, it faces huge development challenges, which affect the HE system.

The first three assumptions on which I build this inquiry – the political focus of HE reforms, the historical approach and the regional-comparative dimension - underscore the title of this dissertation: ‘The Politics of HE Reforms in CEE’, while the national focus on the Republic of Moldova is reflected in the subheading ‘Development Challenges of the Republic of Moldova’.

The dissertation is organized in eight chapters. *Chapter 1* is a literature review chapter and introduces the regional, scholarly literature on HE reforms in CEE published in the English language. It locates the HE reform literature within the context of HE as a field of study, and identifies major issues of HE reforms in the CEE and gaps in the research literature. The objective of this chapter is to formulate the research question.

In *Chapter 2* I formulate the conceptual framework that underscores this research, which is a critical approach located at the junction of the German School of Critical Theory, Foucaudian discourse analysis, and critical approaches to development and policy analysis in HE, such as postcolonial, feminist, and policy cycle and policy network studies. This chapter also reflects on the research design of the inquiry and research methods engaged to answer the research questions. It explains in detail how semi-structured interviews with Moldovan policymakers contribute to developing the case study and analyzes the demographics of interviewees.

*Chapter 3* provides the historical and geopolitical context of HE reforms in CEE. It substantiates the need to go beyond the Soviet period and constitutes a post-colonial revisiting of CEE history to better explain the impact of regional powers in building modern HE systems. Also, it defines the meaning of the term ‘Central and Eastern Europe’ for this research by
examining its emergence, development, and the major power relations involved in perpetuating this term or diminishing the importance of CEE as a separate region. The term ‘CEE’ rather than ‘Eastern Europe’ is used in this dissertation to capture the political and economic meanings of the ‘socialist’ past, but also to account for the fragmented character of the region rooted in the pre-Soviet past.

Chapter 4 examines in detail the formation of educational systems in the three nation cases, including major historical trends and foreign influences. The historical and comparative analysis help define the differences between the HE systems in Hungary, Romania and Moldova as well as analyze how regional powers impacted early educational institutions, and shaped modernization discourses in HE policies in the 19\textsuperscript{th}-20\textsuperscript{th} centuries. The role of Chapter 4 in elaborating the story of HE reforms in the three nations is significant. First, it contextualizes educational development in the three nations within the economic and political historical development. Second, it engages the Romanian-language literature on early higher learning institutions in Romania, which is little known to scholars outside the country. Third, this chapter, for the first time in the dissertation, introduces the special case of Moldova as being marked by features of underdevelopment.

Chapter 5 provides a critical analysis of the Soviet impact on the national HE systems by conceptualizing the Soviet model, and examining challenges imposed by Sovietization and national responses to Soviet reforms in Hungary, Romania and Moldova. While the Soviet period is largely explored in the literature on CEE, in this chapter I attempt to validate one of the assumptions of the critical literature on development – the interconnectedness between local and external forces in shaping policy discourse. While many features of the Soviet model were imposed on CEE nations after WWII, local policymakers were actively involved in the process
of adapting Soviet institutional patterns. I argue that because there was an active engagement in the process of the Sovietization of local elites – both top politicians and mid-level administrators, the Soviet heritage is a significant factor in explaining slow reforms in teaching methods in HE, corruption, bribery and system rigidities that limit institutional autonomy and academic freedom.

Chapter 6 is another regionally-focused chapter that explores the impact on HE systems in CEE of transition reforms and international educational discourses such as standardization, globalization, Europeanization and efficiency. In this chapter I critically analyze the neo-liberal approach to development promoted by international organizations in the region and the implications of standardization within the Bologna Process on HE systems. Similar to the previous chapter, I identify the role of local elites in the process of transition, and use the regional component to build the context of higher education reforms in Hungary, Romania and Moldova in the period of 1990-2005 in the last two chapters.

Chapter 7 and Chapter 8 explore in detail modern HE reforms in the three nation states, by grounding them in the economic and political reforms. In Chapter 7, I start by examining HE statistics in Hungary, Romania and Moldova, and then explore the case of Hungarian and Romanian HE reforms. In Chapter 8 I analyze the case of Moldovan reforms, and draw from the 20 interviews with HE policymakers to bring their perspective on reforms.

In the Conclusions I reflect on recurring issues in HE reforms and policymaking that ran across in the nations analyzed in the contemporary period and throughout their history, and are connected with global trends in HE reforms. The Appendices and Maps, at the end of the thesis, provide chronological and in-depth information on certain events, historical maps and detailed statistical tables, based on data collected from the specialized literature and and images available in the public domain. Finally, the Bibliography follows to the APA style.
Given the historical, regional and national-comparative approach used in this inquiry, there are many geographical names and historical terms, which have changed their meaning over time or have been transliterated in different ways in the English language. In this dissertation, I use the name of the country (and consequently the geographical boundaries) which corresponds to the time period. The English variants for geographical names are used when they have been used for long periods of time and have been accepted in the national sources as well.

**Hungary** had various names in different periods of time: the Medieval Hungarian Kingdom (1000-1526), Western Hungary under Habsburg domination and Central Hungary under Turkish occupation (1526-1699), Hungary as part of Habsburg Empire (1699-1867), and Hungary as a partner of Austria in the Austro-Hungarian Empire (1867-1918). I use both the word ‘Hungarian’ known internationally to define Hungarian ethnicity and language but also the local word ‘Magyar’, which is used by Hungarians but is accepted in English-Language publications as well.

**Romania** appeared as a unified state under the name of the Romanian Kingdom only in 1859. It was based on the unification of two Romanian Principalities – the Principality of Moldavia (established in the 1390s) and the Principality of Wallachia (established in 1359). These names are the modern English variants for the Romanian names ‘Moldova’ and ‘Valahia’ used in Western sources and in history textbooks and articles published by Romanian historians in the English language. These terms have been also used since the Middle Ages by European rulers/historians. In addition, the use of the name ‘Principality of Moldavia’ instead of the ‘Principality of Moldova’ is preferred in this dissertation to avoid confusion between the Medieval Principality of Moldavia and the current Republic of Moldova. In the period between WWI and WWII the Romanian Kingdom was also known as the Great Romania, because it
included also Transylvania and most of current territory of the Republic of Moldova, which was known by the name Basarabia. A person living in any point of this political unit – Wallachia, Moldavia or unified Romania is defined in the dissertation as ‘Romanian’ and the language spoken by Romanians is defined as the ‘Romanian language’.

Moldova under the name of the Republic of Moldova was established as an independent state in 1991. Previous names of the Republic of Moldova are Basarabia, which was a province of the Russian Empire (1812-1918) and a part of Great Romania (1918-1940; 1941-44), and the Moldavian Soviet Socialist Republic (Moldavia), which was one of the 15 Soviet republics (1940; 1944-91). The ethnic and linguistic identity is a sensitive issue; about two-thirds of current Moldovan citizens speak the Romanian language, but many of them define their language and identity as Moldovan. In this dissertation I use the term ‘Romanian language’ when referring to the language spoken by people of ‘Romanian ethnicity’. In the chapter on Soviet reforms the terms ‘Romanian’ and ‘Romanian-speaking population’ are interchangeably used with the term ‘Moldavian’, the officially accepted name for the Romanian ethnicity and language. Since the declaration of independence of Moldova in 1991, Western sources mostly used the Russian transliteration of many names related to Moldovan history and geography: ‘Bessarabia’ for Romanian ‘Basarabia’, ‘Pridnestrovie’ for Romanian ‘Transnistria’ (a border region with Ukraine), ‘Dniestr’ for Romanian ‘Nistru’ (which is the river that separates Transnistria and the rest of Moldova, and is the root for the name Transnistria), and ‘Kishinev’ for Romanian ‘Chisinau’ (the capital city of the Republic of Moldova). In this dissertation I use the Romanian transliteration, and discuss the importance of historical/geographical names in shaping national identities in Moldova.
1.1. Introduction

The objective of Chapter 1 is to critically review the literature on HE reforms in CEE and to formulate the research question. I begin by examining in section 1.2 the evolution of higher education as a field of study in CEE. This approach helps explain the nature of issues on HE reforms in CEE raised in the literature, and explains particularities and limitations of this body of literature. I argue that the ideologization of HE and the centralization of research in Soviet times, the political and economic crisis immediately after the disintegration of the socialist block, and the active involvement of international organizations in regional reforms, shaped the landscape of HE research in CEE countries in the period of 1990-2005. The transfer of ‘Western’ concepts and methods of research influenced power relations, knowledge creation and policy making in the field of HE. In the early 1990s, HE scholars in the region experienced a stringent need to develop and apply new methods and theoretical concepts since the old ‘socialist’ research methods were outdated. As a result, the scholarly literature on HE reforms in the region in 1990-2005 does not necessarily reflect the position of various HE stakeholders. It had been concentrated in English-language journals, books and collections of articles published in Western Europe and North America by few local scholars (that knew the English language) and by Western researchers.

My approach to the literature review is thematic. Research in higher education is an emerging and growing field in CEE; it is also a broad area of scholarship that covers a large number of topics. Critical literature analysis in section 1.3 evolves around several themes: the impact of regional identity on HE national systems, the role of the state and international
agencies in HE policymaking, the implications of European HE integration on CEE HE, and the
correlation between HE reforms and economic development. A thematic approach to the
literature analysis helps identify major conceptual issues related to HE policy reforms in the
region. Also, it points to research gaps to be further explored, which in turn leads to formulating
the research questions for this inquiry in section 1.4. However, the body of literature reviewed in
this chapter has two limitations. It provides a regional rather than a national perspective on HE
reforms in CEE, and as I will show in this dissertation, this region is a very diverse and complex
one. The review mainly reflects on HE developments in the 1990s, given that the relevant
literature was published between the mid 1990s and the early 2000s. So, I see the literature
analysis of regional HE reforms as a starting point for this inquiry. Further analysis in the
dissertation engage complementary bodies of literature, both more recent and more specific,
grounded in national contexts, but also broader literature in areas such as critical methodologies,
the history of regional powers and the history of educational reforms in Hungary, Romania and
Moldova.

1.2. Higher Education as a Field of Study in CEE

1.2.1. The emergence of a new field in the Soviet period. During the early ‘socialist’ period
(1930s-1950s in the USSR and 1950s in the rest of CEE), the studies of higher education related
mostly to aspects of learning and curricula, and often researchers operated within larger
departments/faculties of pedagogy. As discussed by Jablonska-Skinder & Sadlak (1997),

The fact that rigorous sociological research was considered for quite a number of years
to be a ‘bourgeois science’ did not help to establish research on higher education as a
recognized scientific activity within the broadly interpreted social sciences (p.139).
In the late 1960s-early 70s, the system-wide development of higher education research was determined by the political and ideological drive to increase the competitiveness of socialist countries in the world. In this case, similar to Western countries, the social benefits of HE were central driving forces in the expansion of HE in that period of time. However, the discussion on expansion in CEE was centered on the ideological advantages of a socialist society and HE research was highly doctrinaire. Two major assumptions formed the discourse of HE reforms. HE was seen as a vehicle to enforce the advantages and demonstrate the economic superiority of the ‘socialist model’ versus the capitalist model. It was also perceived that HE contributed to forming a working-class intelligentsia loyal to the Communist party and Marxist ideals. In addition, HE was thought to bring individual intellectual development and fulfillment.

The institutionalization of HE research began in the 1960s with the creation of research institutes in Moscow, Warsaw, Sofia, Bratislava, Prague and Berlin to conduct research and system planning in HE. Each country established HE agencies or research institutes, and regional collaboration in HE research and planning was encouraged by the Standing Conference of Ministers of Higher Education of Socialist countries, based on the membership of all CEE countries, except Albania and Yugoslavia (Jablonska-Skinder & Sadlak, 1997; Januszkiewicz, 1978). Among the regional institutes, those in Moscow, Berlin and Warsaw were the largest in the region, coordinated national research on HE, published international journals and were involved in HE planning. The institutional concentration of research in Poland and the Democratic Republic of Germany was based on mergers of previously existent university departments or their centralization in national policy-oriented agencies. In the USSR, the system of HE research was the most diversified in the region. In addition to a centralized research institute, several chairs of HE were opened at selective, prestigious universities, mostly in the
Russian Federation. In addition, the Academy of Pedagogical Sciences was founded in Moscow in 1966 (Nikandrov, 1997). The functioning of the system was not without problems since relations among all these institutions were competitive. According to Nikandrov (1997), the university chairs did not like to be governed from outside by the Academy, but their staff was not large enough to carry a diverse array of research topics.

Other countries in the region followed a more decentralized institutional pattern. Hungary, Romania and Yugoslavia did not develop central institutes for a combination of political, academic and financial reasons (Jablonska-Skinder & Sadlak, 1997). In Romania and Yugoslavia, HE research was traditionally conducted by pedagogic departments in the universities of Bucharest, Cluj-Napoca and Iasi in Romania, and Belgrade and Liubliana in Yugoslavia. Yugoslavia, Romania and Hungary did not actively support the efforts of close regional integration, generally, and in HE under the auspices of the Standing Conference of Ministers of HE of Socialist countries, specifically. Hungary, for instance, at first established a research center for HE under the control of the Ministry of Education, but in 1980 it became part of the newly-created Institute for Educational Research. System planning and coordination of HE systems in Romania and Hungary were the responsibility of central planning agencies.

The research agenda at HE institutes and centers in the region was determined by the political goals of socialist governments and tackled issues related to improving techniques of admission, modernization of socialist learning systems, expansion of adult education programs, and especially increasing efficiency of institutional administration, planning, forecasting and management of HE systems. The ‘socialist’ model of the university operated under the same rules as any other socialist enterprise in the context of a centralized economic system. Issues of funding, organization and management of higher education institutions and the job placement of

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3 The first chair of HE was established at the Leningrad Pedagogical Institute in 1967.
graduates were under the jurisdiction of centralized planning committees and academic research in these areas was mainly conducted by economists. Western researchers interested in regional HE examined the distribution of public funding, management practices and access to higher education by different socio-economic groups particularly in comparative studies with other countries (Avis, 1983; Bereday, Pennar & Bakalo, 1971; Fitzpatrick, 1979). Despite diverse historical experiences and influences from various Western universities, universities in the region fell under one category, the ‘socialist’ model, which for more than 40 years dominated a culturally and ethnically diverse area of 400 million people.

1.2.2. Challenges of HE as a field of study in the 1990s. The fall of the socialist social order in the early 1990s had profound implications for HE research in the region. First, pro-market policies in the early 1990s involved huge cutbacks and privatization in the public sector, which resulted in a dramatic decline in public funding for HE central agencies and academic departments, the closure of many university chairs, and the discontinuation of HE publications (Jablonska-Skinder & Sadlak, 1997). In Poland, most central research institutions were closed, merged, or reorganized to become affiliates of universities, and their staff was considerably reduced. With all the difficulties related to low budget allocations to research, especially in the early period of transition, academic departments in Romania and the Hungarian Institute for Educational Research retained their status as leaders in HE research. In Romania, academic departments of HE experienced a revival, became prominent in research and gained international recognition with the help of international projects and funding. In Hungary, the Institute remained under the administrative supervision of the Ministry of Education, but state funding was complemented by international organizations and its department for HE is the organizational force behind HE research in the country. In Russia, most universities closed HE chairs and the
HE Research Institute reduced its size significantly. Funding became more differentiated, accounting for private sources in addition to state funding, but the state continued to be the driving force behind HE research. The Russian Academy of Education and the Scientific Council on Problems of Comparative Pedagogy were re-established as successors of the USSR Academy of Pedagogical Sciences and Society of Comparative Education, respectively, and new publications on HE were published\(^4\). In most of the USSR republics, even in Soviet times academic research in HE was limited; HE practitioners relied heavily on central bodies for HE research and HE research in universities was mostly a personal choice within departments/chairs of pedagogy. After the fall of the USSR, HE research became virtually non-existent as a field of study in most former-Soviet republics.

Second, the fall of the Marxist-Leninist ideology as a driving force behind social change led to the need to search for new methodologies in HE research. The dominance of dogmatic Marxism as a conceptual framework in social sciences, reliance on memorization rather than critical inquiry in HE teaching, limited academic freedom to express critical opinions about the state of HE systems and the excessive ideologization of education during the socialist time inhibited innovative research in HE. Political and economic reforms in the 1990s forced a redefinition of the mission of HE research and expanded the range of topics for study to include private provision, program diversification, academic freedom, curricula reforms, internationalization and quality assurance. The fall of the Soviet system also exposed the cultural and historical differences among nations and their national higher education systems that was once viewed as homogenous. The acknowledgement of these differences and the need to study national particularities of higher education in the region revived a national interest in HE research conducted by national educational research institutes that had existed before the

\(^4\) For instance, a monthly journal published by the State Committee of Russian Federation for Higher Education.
transition (Hungary), had been reorganized or merged (Bulgaria) and had been newly created (Romania, Poland). For instance, the HE Research Institute of the Conference of Rectors of Academic Schools was created in Poland in 2001.

Third, since the early 1990s, the diversification of research topics and methods as was strongly supported by international organizations interested in higher education research, such as the World Bank (WB), the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD) and the European Union (EU), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and international non-governmental institutions located in the region. The UNESCO-European Center for Higher Education (CEPES) was set up in 1972 in Bucharest, Romania, and the Higher Education Support Program of the Open Society Institute (HESP/OSI) was funded by the American philanthropist George Soros in the early 1990s and affiliated with the Central European University (CEU) in Budapest, Hungary. The number of publications on HE in the region in English academic HE journals increased by the end of the 1990s. Around 40 articles on events in CEE HE have been published in the 1998-2004 period in well-known peer-reviewed journals such as Higher Education in Europe, Higher Education, Higher Education Policy, Higher Education Management, and Tertiary Education and Management. The number of international academic conferences on HE in the region increased and a greater number of conference proceedings and collections of articles related to the topic of HE reforms in CEE were published (Emigh & Szelenyi, 2001; Hufner, 1995; Sadlak & Altbach, 1997).

European integration of HE, as I will show in the literature review, opened numerous new venues for HE research and ‘best practice’ dissemination. By the early 2000s, the activity of international institutions, the proliferation of publications in English, and the promotion of higher

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5 CEPES is a French acronym.
education integration within the European Higher Education Area (EHEA) and European Research Area (ERA) contributed to increasing awareness about CEE higher education systems, spread the dissemination of values other than ‘socialist’ ones and revived the interest in HE research as a field of study among local researchers.

At the same time, the new body of literature on HE in CEE rarely discussed issues related to the ownership of reforms, the effectiveness of foreign aid or local capability to critically analyze the diversity of Western schools of thought, and relate them to the local experience. The fact that most of these conferences, workshops, and publications were conducted in the 1990s in the English language reinforced the role of English as a dominant language of academic and scholarly communication in the region, which limited the involvement of local scholars that did not speak English in shaping the agenda of these events. Their voices would have been especially important in evaluating the complex, dramatic character of HE transformations associated with a large region and a large sector. By the end of the 1990s, HE in the region comprised about 2000 institutions with 500,000 faculty members, and five million students, of which one quarter studied in private institutions that did not exist at all ten years earlier (estimates by Bollag, 1999a, p.1; Tomusk, 2001, p.69). The process of European HE integration sparked debates among local professors and HE administrators, and stimulated local research in this area. These discussions however were reflected in the local media and often did not reach the international or even regional scholarly communities (with the exception of a few Ph.D. thesis published by Western European universities and a few books\(^6\)).

Another concern associated with the literature on HE policy reforms is the methodological and conceptual limitations of the English-language, area and comparative policy

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\(^6\) The *Centre for Higher Education Policy Studies* at the *University of Twente* published, for instance, a thesis on quality management in Hungarian HE (Czismadia, 2006), and another on Polish private HE (Duczmal, 2006). Tomusk (2004) published a collection of essay on HE policies with Palgrave McMillan.
studies on HE in the region. Country studies or thematic national reviews of educational policies published by the UNESCO-CEPES (Georgieva, Todorova, & Pilev, 2003; Mihailescu, Vlasceanu, & Zamfir, 1994; Tiron, Arion, Păiu, Scălni & Stan, 2003), the OECD (2000; 2001; 2001a; 2002; 2003) and by the WB (1998; 2007) examine technical and structural trends in the national education/higher education systems but are largely descriptive rather than theoretically or critically informed. In analyzing the World Bank documents on education, Torres & Schugurensky (2002) rightly mention that “…the language of educational reform is eminently technical, without enough conversant historical analysis of the social context of education, the political dynamics, or issues of power” (p.439). The number of publications with critical analysis of regional problems of higher education reforms had increased in the 2000s (Cerych, 2002; Kwick, 2001; Rozsnayi, 2003; Tomusk, 2001; 2003); however, they could not cover the entire range of issues related to HE reforms in so many nations.

Authors describing events in their own country often generalized their conclusions for the whole region. Tomusk (2004) considered that one country is not representative for the whole region and at least 4-5 cases were required “…to draw a general landscape of Eastern European HE and its policies of reforms” (p.20). At the same time, comparative studies of HE reforms in the region were few. Several thematic comparative studies addressed one particular aspect of reforms. For example, the thematic study undertaken by Jozwiak (2002) examined research developments within HE in eleven selected CEE nations. Accreditation was the topic of a comparative study of twenty European nations including five CEE countries (Schwartz & Westerheijden, 2004). This study was a collection of articles written by different authors, with different national backgrounds, which provided an updated picture of the accreditation schemes existent in the region, placing them within the process of HE European integration otherwise
called the Bologna Process\textsuperscript{7}. At the same time, as editors themselves mentioned in the first chapter, a collection of articles had several limitations such as large geographical coverage, not always consistent use of terms, and limited comparative analysis (Schwartz & Westerheijden, 2004, p.4). In my opinion, only few articles in this collection, e.g., Rozsnayai (2004) and Amaral & Joao Rosa (2004), reflected critically on how the standardization of accreditation procedures within the Bologna process influenced national HE systems.

Both thematic and comprehensive comparative studies, which address overall HE reforms, have tended to favor large countries (Russia, Poland, Romania), or those that are already members of the EU or are possible future members of this organization in the near future (Poland, Hungary, Czech Republic, Romania, Bulgaria and three Baltic States) (Jozwiak, 2002; Schwartz & Westerheijden, 2004; Scott, 2002; Temple & Petrov, 2004, Tomusk, 2004). Research on small countries, such as the former Yugoslavian republics, Albania and most former Soviet republics, is minimal. Scott (2002) suggests that contrasting HE reforms in ‘large’ countries such as Poland or Romania with small ones such as Lithuania or Slovenia could enrich policy research. Comparisons with the other countries or regions of the world are rare (Kogan, 1998; Schwartz & Westerheijden, 2004; Thomas, 1998; Zaharia, 2002).

Though most authors accounted the historical heritage of the Soviet period and the political and economic context of reforms, several scholars called for in-depth contextual analysis in the study of HE reforms in CEE, particularly religious, historical, cultural and international factors (Cerych, 2002; Kwiek, 2001; Theodorescu, 2001). Kwiek (2001) also suggested that HE should be analyzed within the national public budget system, contrasting

\textsuperscript{7} The first agreement on the creation of the European Higher Education Area (EHEA) was signed by 29 European ministers of education in Bologna in 1999.
public HE with its competitors for public funding such as private HE and other public services provided by the state.

1.3. The Politics of HE Reforms in CEE: Major Themes in the Literature

1.3.1. CEE higher education systems: National differences vs. regional features. HE literature debated the issue of whether HE systems in CEE in the 1990s were so similar that could be considered as one research object. Scott (2002), a UK scholar of HE, believed that “…the area and the HE systems concerned are far from being homogenous, for the homogeneity imposed by communism and Soviet domination did not last” (p.137). As such, he considered that understanding HE reforms in CEE since 1989 required application of two interlinked frames of reference. First, CEE was an artifice not a unit, and, second, HE systems had been going through a period of transition rather than transformation (the latter being more radical). Scott argued that

…it may be dangerous to over-estimate the exceptionalism of the experience of HE in CEE under communist rule. It developed particular, and on the whole, negative characteristics during this period. However, these characteristics did not eliminate important differences across the region that existed before 1945 (p.141).

In addition, Scott (2002) believed that underdevelopment was an inaccurate characteristic for regional HE systems. As a result of reforms in CEE, HE systems acquired both advantages and disadvantages vis-à-vis Western European counterparts. Scott suggested that “…the decay of state authority and financial exigency may have reduced the barriers to privatization at the operational level” (p.151). This led to the development of a significant private sector in CEE HE, which was viewed by some in the region as more dynamic and flexible than the publicly funded HE. At the same time, higher education systems in CEE experienced a much more reduced exposure to globalization and had less developed knowledge production systems. Scott
concluded that HE systems in CEE faced similar problems as their Western European and North American counterparts in the areas of institutional governance, connection with the ‘knowledge society’; delivery of education programs, and funding. As such, “…it is not CEE HE that is in transition; it is all higher education” (Scott, 2002, p.151).

Differences across national HE systems in CEE stemmed from different historical, cultural and political contexts (Gabriel, 1967; Kwiek, 2001; Pascu, Manolache, Parnuta & Verdes, 1983; Sadlak, 1989; Scott, 2002; Stanciu, 1977). Central European countries had a long history of university education and first Catholic universities appeared in the 14th century. Charles University in Prague, the Czech Republic, was opened in 1347, the Jagiellonian University in Krakow, Poland - in 1364 and University of Pecs, Hungary - in 1367. The University of Tartu, Estonia, was established in 1632. By the same time, the mid 17th century, first higher learning institutions were opened in Jassy and Bucharest, the Romanian Principalities, which evolved into Royal Academies at the end of the 17th – early 18th century. The first Russian University was founded in 1755, while many former Soviet republics did not have universities before WWII. In the second half of the 19th century the modern institutional model of universities emerged across CEE. Universities in countries like the Czech Republic, Slovakia, Hungary and Poland were influenced by Humboldtian ideals such as the importance of academic freedom in the search for knowledge, while Romanian and imperial Russian universities were driven by the Napoleonic concept of state serving elite academic institutions with an emphasis on professional training.

At the same time, another strand of HE research argued that the ‘socialist model’ of university served as an important unifying factor in the region. Given this common background, Tomusk (2004), a former Minister of Education in Estonia in the early 1990s and long-time
Deputy Director of the Higher Education Support Program at Central European University in Budapest, defined Eastern Europe as “The Other”. This construct accounted for all the countries that were part of the former state-socialist camp and were influenced by totalitarian communist regimes, including Central Asian republics of the former Soviet Union and Mongolia. The International Symposium *Central Europe-South Eastern Europe: Interregional relations in the fields of education, science, culture and communication* (Bucharest, April 2001) reached the same conclusion: countries in the region had a lot in common; they share a communist heritage, similar economic agendas and common frustrations with regard to political and economic failures and “…even a degree of nostalgia for socialism, given the growing disparities in income” (Messman & Barrows, 2001, p.156). ‘Re-discovering’ each other in Eastern Europe and increasing regional cooperation was important for successful economic, political and educational integration with Western Europe, particularly given the digital divide between East and West, which, according to Nelles (2001) “…is a growing form of technological marginalization that hampers European integration” (p.232).

The region shared common economic, cultural and historical characteristics, which resulted in grouping them together as Eastern Europe, post-Soviet/ post-communist countries, or the former socialist block. However, smaller sub-groupings were also widely used; for instance, Central Europe, South-Eastern Europe, the Balkans, the Baltic States, and the Commonwealth of Independent States. EU membership became a new dividing line within CEE. In 2004, eight Eastern European countries (Hungary, Poland, Slovenia, Czech Republic, Slovakia, Estonia, Latvia and Lithuania) became EU members, while Romania and Bulgaria joined the EU in 2007. By the mid 2000s, the prospects of other countries in the region becoming members was not clear, so, the EU membership could be a dominant factor in grouping Eastern Europe in the next
decade. This fact raised a series of questions about the future of HE in CEE. To what extent would EU membership or non-membership shape HE systems in CEE? Is the European Higher Education Area going to serve as a unifying factor? How would the Soviet heritage impact the future HE systems? To what extent would understanding regional/sub-regional identities explain the dynamics of higher education reforms in the region? I believe that deeper insight into the historical, political and economic context help explain HE developments in the region in 1990-2005 as much as new political and economic alliances.

1.3.2. Sequence of reforms and the role of the state in promoting HE reforms. Scholars of CEE HE generally agreed on the sequence of post-communist reforms in the 1990s (Bollag, 1999b; Coman, 2001; Scott, 2002; Tomusk, 2004). Based on a comparative survey of 12 HE institutions in ten countries, Peter Scott separated three stages of HE reforms in CEE. The first period of chaotic transition lasted from 1989 to mid 1990 and focused on two important changes: disengagement from tight association and subordination to the economic system and the state, and the liberalization of academic structures as part of a wider liberalization. Tomusk (2004) defined the chaotic changes in HE in this period as “changes from bellow”, i.e. these initial reforms had been largely initiated by HE institutions rather than governments. Various studies on Estonia, Poland, Hungary, Romania, Russia, Bulgaria and Moldova showed that by the mid 1990s institutional autonomy, eroded by inadequate financial resources, did not stimulate structural changes. As Scott put it, “issues of management and governance were left undetermined…by utopian formulations in the laws on HE” (Scott, 2002, p.146). According to Scott, in the mid 1990s universities retreated “from liberal absolutism to emerging pragmatism”:

Autonomy, initially seen largely in terms of an absence of state power, was gradually replaced by new notions of civic and market accountability. Importance of HE in terms of economic development, as well as political and cultural renewal was more readily acknowledged (Scott, 2002, p.146).
Tomusk (2001, 2004) and Thomas (2001) also acknowledged this change in the focus of HE reforms. During this stage national accreditation procedures were established across the region. Gombos (2003), Marga (2002), Tomusk (2004) and others showed that in 1993-1996 most CEE countries created National Accreditation Committees and Academic Councils to carry out quality control in HE and advise governments on policy issues. However, Tomusk (2001) believed that the stage of consolidation was not a result of planned reforms, but rather a coincidence involving the interplay of interests of three key players:

…the academe’s interest to acquire collective and personal security during difficult times; the State’s interest to control the HE system not having enough money to claim for the total control; and the market’s demand for radically different profiles of graduate (p.66).

The difference between scholars deepened when they evaluated the results of reforms and interpreted their status in the early 2000s. Scott (2002), given his underlying assumption that exceptionalism and the underdevelopment of CEE HE was inaccurate, regarded the 2000s as a stage of normalization, when agendas of higher education in both parts of Europe converged. CEE HE should be viewed, according to Scott, “as fitting into a wider effort to reorient the whole of European HE towards the knowledge society” (p.137)

Bollag (1999b), Kwiek (2001) and Tomusk (2001, 2004) were skeptical about the results of HE reforms in the region. Kwiek (2001) believed that the 1990s was a decade of failed attempts at reforms. Tomusk (2001) made an observation that “reflections on (higher education) reforms have not reached deeper levels than first diagnostic articles of the early 1990s have”, and explained this by the “literal lack of reforms as planned and purposeful changes” (p.61). Tomusk

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8 Tomusk called this new period in HE development as the consolidation stage.
considered that reforms in the 2000s entered a period of ‘drifting’ when governmental officials waited for the European Union funding and supervision to implement reforms.

Based on literature analysis, CEE higher education systems faced several policy challenges in early 2000s. First, local governments lacked a clear policy agenda of HE reforms (Tomusk, 2004). Second, the traditional basic structure of HE seemed to be unable to cope with labor market requirements both in the West and East. According to Kwiek (2001) the situation in Eastern Europe was aggravated by the fact that “academics are not prepared for …global challenges at all as they are customer rather than institution- or government driven” (p.401). He believed that the era of the Humboldtian university as a nation-state project was closed and the impact of globalization on regional HE reforms should be studied by local scholars. The third challenge for successful reforms was the wide gap between the real situation and the rhetoric of change (Kogan, 1998; Tomusk, 2004). HE actors in the region advocated Europeanization and European standards of quality and country presidents cited the Bologna Process in their presentations to promote their political agendas.9

These challenges raised several questions about the nature of change. How much real improvement stood behind rhetoric in the 1990s and 2000s? Could European integration of HE become a new political slogan which would not change the system (a quite familiar situation in the Soviet times when political slogans were translated into huge campaigns but remained unfulfilled and brought disillusionment)? Terminology issues were closely connected to these questions. What did the concept of ‘reforms’ mean vis-à-vis ‘change’, ‘transformation’ or ‘response’ when used to examine HE in CEE? Kerr, for instance, in the preface to the Cerych and Sabatier book on HE reforms in Europe in the 1980s (Cerych & Sabatier, 1986) defined

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9 See, for example, the speeches of Iliescu and Nastase, then Romanian President and Prime-Minister, at the International Symposium on Intra-regional Relations in Education, Science, Culture and Communication (2001).
reforms’ as meaning ‘new’ and ‘improvement’ and distinguished between ‘reforms’ and ‘response’. In the American context reforms were connected with changes in values, response was a reaction to the situation. While both involve change, the first was active and by choice, the second – reactive and of necessity. Was such a differentiation between ‘reforms’ and ‘response’ relevant in analyzing CEE HE systems? The literature on HE reforms in CEE over-used the word ‘reforms’, often meaning a technical change rather than a change in values. Certainly, Kwiek (2001) made a very important point when calling for critical thinking on HE reforms within academia:

…re-invention of HE in the region should be accompanied by both conceptualizations and activities of the academy itself. Otherwise unavoidable – and necessary – changes will most likely be imposed from the outside. This eventuality calls for critical thinking (p. 403).

1.3.3. The international factor in HE reforms in CEE. Cerych (2002), Hull (2000), Kwiek (2001), Tomusk (2004) examined the influence of international organizations, representatives of foundations, Western academics and Western models of HE in regional HE reforms. The literature mentioned the German Fachhoschule, the Dutch accreditation model, the OECD concept of ‘short-cycle’ or the ‘non-university sector’, the Australian methods of funding education, the European degree structures, the American model of management education and others. The neo-liberal doctrine, which stressed the need to diminish the role of state in public life, had a great impact by stimulating an explosion of private educational institutions and the development of institutional autonomy.

Cerych (2002), in his article on the impact of foreign aid in the Czech Republic, considered that foreign influence “played an important role in the launching of educational reform in the country” (p.112). At the same time, the work of foreign advisors was limited in education, which, more than other sectors, was deeply rooted in national traditions and history. He concluded that
foreign expertise was valuable when experts really understood the local environment and the language and that local elites caught up quite fast and adapt Western terminology and methods used in reforming HE.

Tomusk (2004) was much more critical on the role of foreign expertise. Arguing that external agents guided reforms he believed that HE systems in the region changed from a “Marxist utopia” to a “technocratic romance”. He then developed the argument that Western experts and CEE political and educational leaders advocated and introduced certain Western models, which in the context of a fragile democracy, often had a reverse impact to the one expected or the one that was observed in the original country. The example he used was the Dutch accreditation model based on self-study and peer review that was heavily promoted by the European Council and was adopted by most CEE countries. “There is, however, a significant gap between the Dutch model of steering from a distance and Eastern European policy of direct administrative interference” (Tomusk, 2004, p.120). Ministries of Education in Romania, Hungary, Estonia and other countries were directly involved in the accreditation process or controlled pseudo-independent accreditation agencies. Many of the Romanian private institutions, for example, were closed down by the end of the 1990s, and Tomusk (2004) argued that this was not necessarily connected with the low quality of teaching or the lack of infrastructure in the private establishments. Instead, governments were looking for legitimate ways of closing institutions in conditions of scarcity of public funding. According to Tomusk (2001), they mistakenly assumed that accreditation was part of the state-HE relationship and helped catching up with the West – a thesis forwarded by Cerych (1995). Also, the strong lobby of public universities opposing private universities was another factor which turned a Western formative
evaluation model aimed at improving performance into a summative one resulting in closing down many institutions.

Neave (2001a), in an editorial on policy-making perspectives on CEE HE, made the point that “…reconstructing HE in Eastern Europe is a particularly good illustration of the general international exchange and co-operation in policy-making” (p.198). At the same time, the discussion on the meaning of globalization, internationalization, Westernization and, most recently, Europeanization for the region was vague and the implications of these phenomenon on the quality of HE was not adequately researched. In fact, the perceived inevitability of globalization often hid the inability or undesirability of both HE and political leaders to radically democratize HE. Did changing the names of institutions, courses and programs by adding attributes such as ‘international’, ‘European’ or ‘American’ and making them look pro-Western reform the system? To what extent did these so-called international programs, which attracted huge numbers of students, increase the competitiveness of local students in the global labor markets?

Another unanswered question was how had international organizations such as the WB, IMF, OECD, EU and UNESCO had an impact on HE reforms in CEE? Had they simply provided a technical expertise and promoted Western models or had they played a much bigger role in setting and dominating the educational and development agenda? Significant research literature on the role of the WB in education, generally, and higher education, particularly, argued that these organizations have become the most important single provider of multilateral technical assistance and funding in education in developing countries (Jones, 1997; Mundy, 2002; Samoff & Stromquist, 2001; Torres & Schugurensky, 2002). According to this literature, the WB had financial powers and technical capabilities to render educational policy advice and
concessional finance, and concentrated “…ambition, power and resources for coordinating global initiatives in the field of educational development” (Mundy, 2002, p.483).

Within the same line of argument, Samoff & Stromquist (2001) and Torres & Schugurensky (2002) argued that, along with other bilateral and international institutions, the WB infused “…a new set of values appealing to individual self-interest rather than collective rights”, thus restricting “…quite drastically the range of options available to policy-makers in developing countries” (Torres & Schugurensky, 2002, p.439). They analyzed the external political pressures of international organizations on national economic and social policy making in developing countries, and how this in turn impacted the choice of educational strategies. Neo-liberal economic reforms largely regulated by the conditions attached to the IMF structural adjustment loans led to diminishing public social expenditures and increasing public debts in developing countries. Accordingly, “…a weak, dependent capitalist class and an indebted state are unable to formulate a university policy compatible with the new economic paradigm”, and instead the task of policy formulation was undertaken by a network of international agencies (Torres & Schugurensky, 2002, p.436).

The WB and IMF have been important players in the CEE politics of higher education reforms since the early 1990s by promoting neo-liberal policies of privatization and New Public Management around the region and by advising specific policies of reorganization and funding in HE systems in particular nations. UNESCO, because of its different mandate and decision making process, as well as minimal financial resources, played a different role. It provided technical expertise, funded conferences and publications on HE reforms, and collected statistical data on HE through it Center (CEPES) in Bucharest. More recently, several CEE nations became members of the OECD, and the EU undertook a more systemic approach in promoting HE
reforms in CEE via the process of EU integration. However, the effect of these policies and initiatives on HE require further research.

1.3.4. European HE integration and CEE HE systems. The literature on developments in the European Higher Education Area (EHEA) since 1999 have been extensive, reflected various opinions, interests and discourses and consisted of policy documents and scholarly research. Official declarations, communiqués, agreements and materials of conferences and meetings related to the European integration of higher education were published on-line by associations such as the *European Association for International Education* (www.aic.lv) and the *European Network of Quality Assurance* (www.enqa.com). Scholarly research accounted for monographs, collections of papers and articles published in academic journals of education, such as the *European Journal of Education, European Higher Education, Higher Education Policy* and *Comparative Higher Education* (Haug, 2003; Rhoades & Sporn, 2002; Van der Wende, 2001). Publications dating before the Bologna agreement focused on the EU educational exchange programs and their impact on increasing academic mobility and enhancing the European dimension and cultural diversity in education and training (Coulby & Jones, 1995; Field, 1998; Peck, 1998).

After-Bologna texts addressed a variety of topics related to the issues of internationalization, regionalization and globalization, and their impact on degree recognition and the creation of quality assurance systems in Europe (Bruneau & Savage, 2002; Neave, 2001b; Van Vught, Van der Wende & Westerheijden, 2002). Several features characterized the literature on EHEA in the early 2000s. The numbers of conventions and declarations signed within the Bologna Process since 1999 have been overwhelming. For instance, about 20 events were held between the two meetings of Ministers of Education in Prague in 2001 and Berlin in 2003.
Western European academics dominated the Bologna process debate. North American scholars were involved to the extent they made international comparative studies on quality assurance systems (Bruneau & Savage, 2002; Rhoades & Sporn, 2003). Though most of the Central and Eastern European countries joined the Bologna process, the number of articles by scholars from the region and about the region (particularly South Eastern Europe) reached insignificant up to the early 2000s (Nicolescu, 2002; 2003; Rozsnyai, 2003; 2004; Tomusk, 2001; 2001a; 2003). In the period 1999-2003, only one conference out of 20 covered the eastward expansion of the European Higher Education Area and was organized by UNESCO-CEPES (2003).

Most articles and Bologna publications were more descriptive than critical, while technical details on various projects related to the Bologna process were excessive. The weaknesses of the Bologna process were seldom discussed. For example, Haug (2002) briefly referred to the vague character of the Bologna declaration on quality issues. Van Vught (2003), Van der Wende (2001) and Westerheijden (2002) questioned whether nationally driven processes of higher education integration in Europe were an adequate response to globalization. Sursock (2002) asked a conceptual question: “Do we have a clear idea of the kind of university we want for the 21st century and is quality assurance adapted to that goal?” (p.42).

I believe that Bologna initiatives have been very important in making higher education systems in Europe more flexible and dynamic in the 2000s. At the same time, rather than questioning their relevance to globalization or enthusiastically declaring that the Bologna process could achieve “convergence which fully respects diversity” (Gonzalez & Wagenaar, 2003, p.246), the approach of ‘constructive ambiguity’ suggested by Sursock and Williams (Sursock, 2002) seems more appropriate. First of all, there is no single blueprint-solution for all problems and issues in such a diverse area as European higher education. Second, slowing down and
examining carefully the impacts of some policies could be useful to identifying inappropriate technical solutions.

1.3.5. Interconnection between higher education and the economic system. In the early period of transition, Aslund (1992) mentioned two paths along which reforms in CEE education and the economy interact.

The transition from central allocations to a market system on the one hand promotes payments for services previously furnished free (on a criterion of merit or privilege), but on the other hand requires support from education in the fostering of initiative and in the techniques appropriate to the profitable operation of a business (p.10).

He argued that management training is a prominent feature of modern capitalism, but was also used extensively in the centrally-planned economy. Aslund (1992) forecasted the rise of management training during the transition period based on the fact that it “gives fast returns and these yields accrue to all individuals involved” (p.118); training in business, management, law and economics was also seen as a way to educate a generation of specialists capable of operating in a new market economy. The mushrooming of private and public schools, institutes and departments in management and business was an important development in CEE HE in the 1990s. Western business schools, according to Hull (2000), “played a key role in disseminating modern management practices in non-western countries” (p.319). More than that, he considered that in those countries that experienced success in the transition to a market economy the transfer of management technologies made a significant contribution.

The diverse experience of the region showed that the interconnection between economic reforms and HE reforms was more complex than straightforward. First, it depended on what is understood by successful economic reforms. Judging by the speed and scale of privatization, the neo-liberal reforms were successful in most countries of the region. When reforms are being evaluated from the perspective of social results or freedoms people gained, according to the
capability approach developed by the Nobel Laureate Amartya Sen (2000), then the increased poverty, inequality, and deterioration of public services in CEE raise important questions about the so-called success of the neo-liberal approach. Second, several countries in the region (particularly the former Soviet republics, Bulgaria, and Romania) experienced a dramatic decline in economic indicators despite the fact that they followed the path of the neo-liberal economic reforms and actively transferred Western management technologies via their HE and foreign aid programs. Some authors argued that the reason was the absence of a long history of rebellious intellectuals in these countries (Amsden, Kochanowicz & Taylor, 1994), while others stressed the conformist nature of local economic and social scientists and their loyalty to the new, but in essence old communist, governments (Nikova, 1994).

A series of articles published in 2002-03 analyzed the importance of creating and supporting local universities for regional development in Romania (Nicolescu, 2003), the Czech Republic (Rosenberg, 2002), Hungary (Gombos, 2003) and Poland, where an International Seminar was held on The Emergence of New Universities and their Role in Local Development (2001). The authors covered issues related to institutional reorganization and the mergers of regional universities, as well as identifying their missions - training the labor force for local industries, providing linguistic services and furthering inter-ethnic and cultural understanding. Case studies of particular CEE universities revealed similar problems to those Western European higher education systems faced in the 1960s and 1970s. At that point in time, local universities were created to respond to the specific needs of regions, particularly regions which were disadvantaged economically, geographically, socially or culturally. One of the major issues common for Western European regional universities then and for regional CEE universities in

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10 The University of Tromso in Norway, which opened in 1972, is one example (Cerych & Sabatier, 1986).
the 1990s-2000s was balancing curricula between disciplines directly relevant to local
development and general sciences.

The discourse of higher education reforms in CEE and its impact on economic
development presented in the documents of the World Bank and in official declarations of local
educational and political elites was inspired by the human capital theory widespread in the West
Academic research on how changes in higher education in CEE related to national development
was scattered and limited. This issue was usually addressed in the HE literature in the context of
general education reforms11. Rarely was the interaction between HE and economic development
the focus of critical analysis, except in the case of one book chapter (Tomusk, 2004, Ch. 10). The
major economic reason to support higher education put forward in the HE literature in CEE was
the increasing social and private returns to education. As in the Western literature, it was argued
that a more educated population increased productivity, production, consumption and,
consequently, public wealth and personal incomes. In the context of CEE, high graduate
unemployment levels and the huge brain drain of the educated labor force abroad (Gaugas, 2004;
Mihailescu, 2004) posed serious questions on how higher education expansion contributes to
economic development. Tomusk (2001), for example, considered that further increases in “…the
students’ Enrolment is absurd in economic terms and will clearly lead to further deterioration of
the quality of education which had already suffered a lot” (p.65).

This purely ‘economic’ debate also raised important concerns about the philosophical and
ethical issues of equity of access and freedom. Limiting Enrolment became a politically sensitive
issue, since it was seen as a backlash on democratic rights: the freedom to choose and

11 For example, two studies with country cases published by Oxford Studies in Comparative Education and edited by
accessibility to higher education. At the same time, tripled or even quadrupled enrollments in some countries of the region created an illusion of improved accessibility and affordability of HE in CEE. For students, participation in HE often postponed hurdles related to entering the limited labor market. Despite the fact that most countries in the region stipulated in their constitutions or HE legislation that HE should be free for their citizens, the share of public funding had been declining since the early 1990s. Growing tuition fees and other educational expenditures in the poorest countries of the region were increasingly covered by remittances sent home by parents that worked abroad. Similarly to themes in the HE reform literature in CEE covered above, economic development represented a highly unexplored area, especially from a critical perspective. Scholarly research has yet to reflect on whether public higher education served as a subsidy for the elite (as in Latin America, for example, according to Torres & Schuguresky, 2002) and how have increased enrollments and corruption practices impacted equity of access of different groups of population in CEE.

1.4. Conclusions: Formulating the Research Question

Several important points about the nature of changes in CEE HE in 1990-2005 have emerged from the above review of the literature. Central and Eastern European nations developed diverse economic, social and educational arrangements, but they also shared commonalties, such as the path of economic reforms in the 1990s and a history of authoritarian governments. Their HE systems varied by size, affiliation with Western Europe and openness to reforms, but all of these systems experienced expansion, privatization and diminishing public funding. Similar developments occurred in Western Europe or Northern America as well, but the speed and extent to which they took place in CEE HE was much more dramatic. In addition, the role of the state in
regulating HE evolved along a different path than in the West via the establishment of national accreditation systems.

The extent to which transition reforms were successful in the region has been hotly debated, since there is no common understanding on how to measure the success. HE systems acquired many democratic characteristics (election of rectors and increasing role of academic senates), but HE qualifications did not relate well to the needs of the labor market. The quality and methods of instruction, the level of corruption even in advanced reformers such as Hungary, as well as the capability of HE to educate critically-minded individuals were serious concerns. It was also not clear whether HE expansion has had an impact on economic improvement and equity of access given the low capacity in science production and high graduate unemployment.

Internationalization was an important component of HE reforms both in terms of integration within the EHEA and adopting various international practices. The neo-liberal agenda of economic reforms promoted by the IMF and WB influenced HE directly via educational technical assistance and lending, but also indirectly via constraints on public social spending and diffusing a different set of values. Public funding for HE decreased significantly, while reliance on private sources and competitiveness within HE and within the public system increased. European integration by the end of the 1990s had modified the agenda of transition reforms, stressing the need for public provision of higher education. However, CEE countries accumulated high public debts, which resulted in lowering their public spending.

The number of critical studies on HE reforms was limited, while interpretative studies, based on ethnographic methods, were very rare\(^\text{12}\). Case studies and comparative analysis were mostly descriptive and favored large countries or advanced reformers in the region. This inquiry

\(^{12}\) See, for instance, the Ph.D. dissertation on teaching in Polish MBA by Kowalski (2004).
is concerned with understanding the complex and multidimensional nature of HE reforms in Central and Eastern Europe. It will analyze similarities and differences in HE reforms in three CEE nations - Hungary, Romania and Moldova, and locate these reforms in the national and regional development context. To achieve this, the following research question guides this study:

**How did governments negotiate and implement HE reforms in Hungary, Romania and the Republic of Moldova in the period 1990-2005?**

Three sub-questions will be used to assist in answering the major research question:

1. *What was the importance of the regional and historical context in explaining modern HE reforms in these nations?*

2. *How had local power dynamics interacted with the external projects of Sovietization, neo-liberal globalization and European integration in shaping current HE governance arrangements and policymaking in Hungary, Romania and Moldova?*

3. *Based on the case study of the Republic of Moldova, how had higher education policymakers and administrators understood transition reforms and power dynamics in HE?*

In exploring these questions I use Critical Theory as a conceptual framework and qualitative methods such as case studies, interviews and discourse analysis, which are described in detail in the next chapter.
Chapter 2.  
Research Design and Methodology

1.1. Introduction

Critical Theory is a theory of power relations and social change and is used to analyze educational problems as part of social, political, cultural, historical and economic patterns of development (Popkewitz, 1990; Tejeda, Espinoza & Gutierrez, 2003). In section 2.1 of this chapter I identify strengths and weaknesses of Critical Theory as a conceptual framework, and examine ontological, epistemological and methodological assumptions of a reconceptualized critical theory. The critical approach used in this research is located on the junction between the German School of Critical Theory and Foucaudian discourse analysis; it is historical, but also anchored in the subjective experiences of the present; it examines dominant ideologies, but also acknowledges multiple axes of domination in modern societies – economic, racial, gender, etc. Based on this conceptual framework, I further develop in sections 2.3 and 2.4 a theoretical approach, which consists of a combination of critical approaches to development and transition reforms, and policy analysis in HE. Postcolonialism and critical strands of development studies and education policy analysis are adopted to understand, explain and address the new realities of global capitalism, inequitable distribution of power between the Western world, and the rest of the world, and the ways in which this power distribution impacts transitional and educational reforms in Central and Eastern Europe. I end this chapter in section 2.4 by describing the research design, its components and the ways in which this study contributes to scholarly research.
1.2. **General Paradigm of Inquiry: Reconceptualized Critical Theory**

2.2.1. **Origins of critical theory.** Critical theory is traditionally associated with the Frankfurt School of Social Theory, which was a group of researchers connected to the Institute of Social Research at the University of Frankfurt: Max Horkheimer, Theodore Adorno, and Herbert Marcuse. This research institute was created in 1923 in the Weimar Republic, exiled to Switzerland in 1933 and then moved to New York in 1934 and Los Angeles in 1941 (Giroux, 1997; Kincheloe & McLaren, 2000; Morrow & Brown, 1994). In 1953, Horkheimer and Adorno returned to Germany and re-established their institute, while Marcuse stayed in the United States and became famous for his contribution to the student movement in the 1960s.

The Frankfurt School engaged in a debate with Marx, Kant, Hegel, and Weber and called their approach ‘Critical Theory’ (more recently used in capital letters when referring to the German tradition) to be distinguished from the dominant paradigm of positivism that has applied the naturalistic objectivism of the natural sciences in social science. The approach argued that political and economic developments in Europe after World War I (WWI) consolidated the ability of capitalism to perpetuate a class system, and to distract the working class through the creation of welfare states and the influence of the mass media. In addition, the rise of Fascism and Stalinism required rethinking the meaning of domination and emancipation, and creating a new conception of social science “…that grasps the nature of society as a historical totality rather than an aggregate of mechanical units” (Morrow & Brown, 1994, p.14). Such a conception is inherently political, does not accept a value-free contemplation of social reality, and engages with the process of transformation. Representatives of this school drew on Marx, but critiqued Marxism as overly optimistic and idealistic, and for being co-opted by the Soviet regime. They rejected the notion of historical inevitability and economic determinism of orthodox Marxism,
the primacy of the mode of production in the shaping of history and the view that domination occurs mainly in the labor relations. According to Morrow and Brown (1994), a consistent materialist approach advocated by critical theorists understood consciousness in relation to economic and social structures, but also stressed the need to develop a more self-reflexive conception of method, a more subtle theory of culture and a social psychological analysis of class consciousness. Marcuse, for instance, questioned the predominant orthodoxy of Marxist aesthetics, the fact that the material base of society determined the ideological, cultural, superstructure, considering that an inverse impact could be as powerful (Brookfield, 2005).

According to Giroux (1997),

For the Frankfurt School, orthodox Marxism assumed too much while simultaneously ignoring the benefits of self-criticism. It had failed to develop a theory of consciousness and by doing so expelled the human subject from its own theoretical calculus. Thus, it is not surprising that the focus of the Frankfurt School’s research downplayed the area of political economy and focused instead on the issue of how subjectivity was constituted, as well as on the issue of how the spheres of culture and everyday life represented a new terrain of domination (p.36).

While most researchers of the Frankfurt School stressed the importance of critiquing Marxism, Giroux pointed out to its much broader implications for modern social science research. Not only did scholars of the Frankfurt School critique positivism and its faith in rationality; they also developed their notion of theory, and provided valuable insights in the analysis of culture, subjectivity and psychology. According to Horkheimer, Adorno and Marcuse, positivism reduces knowledge and theory to the exclusive province of science, which in turn relies on a methodology of description, classification, and generalization of phenomena. Since knowledge derives from sense experience; positivism pursues the ideal “…in a form of mathematically formulated universe deducible from the smallest possible number of axioms, a system which assures the calculation of the probable occurrence of all events” (Horkheimer, 1972, p.138).
According to the Frankfurt School, any understanding about theory/theoretical discourse should start by analyzing the relationships in society between the particular and the whole, the specific and the universal. The School saw the suppression of ethics, the domination of factual knowledge and the emphasis on objectivity and value-freedom in positivist rationality as a threat to the notion of subjectivity and critical thinking:

Thus, under the guise of neutrality, scientific knowledge and all theory become rational on the grounds of whether they are efficient, economic or correct. In this case a notion of methodological correctness subsumes and devalues the complex philosophical concept of truth (Giroux, 1997, p.41)

In a modern capitalist society the positivistic notion of reason is not limited to labor relations (as analyzed by Marx), but it penetrates all other spheres of life, including media and education. In critiquing technocratic rationality, Marcuse acknowledges that reason “…represents the highest potentiality of man and existence” (Marcuse, 1968, p.136) and that it could play a positive role in creating a more just society. However, to overcome the crisis of science and society, the notion of reason should incorporate both self-critique13, dialectical thought and the element of human will and transformative action. Critical Theory insists that theory and practice are interrelated, but while theory has the goal of emancipatory practice, it should be distanced from practice.

Analysis of culture and subjectivity are important elements of the Frankfurt School’s theory and its critique of positivism. It rejects the mainstream sociological notion that culture is unrelated to the political and economic life and the orthodox Marxist view on culture as secondary to economic forces, and views culture as having a central place in the production and transformation of historical experience (Giroux, 1997). Consequently, similar to Gramsci’s interpretation, domination assumes a different form; rather than through the army and police, the

13 Nietzsche’s dictum “a great truth wants to be criticized not idolized”.
power of the ruling class is reproduced through a form of ideological hegemony, through cultural institutions such as schools, universities, media, churches, etc.

The Frankfurt School’ theory of culture stresses the importance of consciousness and subjectivity. As Giroux (1997) noted:

Marx had provided the political and economic grammar of domination, but he relegated the psychic dimension to a secondary status and believed that the latter would follow any significant changes in the economic realm. Thus, it was left to the Frankfurt School, especially Marcuse, to analyze the formal structures of consciousness in order to discover how a dehumanized society could continue to maintain its control over its inhabitants (p.52).

First Wilhelm Reich and then the Frankfurt School argued that orthodox Marxism eliminated the notion of subjectivity and, by abandoning concern for issues such as human motivation, the nature of human desire, and the importance of human needs for the theory of political change, failed to develop a political psychology. These scholars considered it imperative to study both objective and psychological obstacles to social change. To understand the depth and extent of domination within the society and to reveal the interplay between the individual and society they used Freud’s psychoanalysis as a theoretical framework, particularly focusing on such elements as the role of family as an oppressive agency, and the importance of sexual repression as a basis for authoritarianism14.

Major criticisms of the Frankfurt School focus on the lack of a systematic approach in developing a school of thought and its pessimism. Habermas, a contemporary German critical theorist, argues that the Frankfurt School did not exist as a cohesive group in Frankfurt, but came to life in New York. According to Kincheloe & McLaren (2000): “None of the Frankfurt school theorists ever claimed to have developed a unified approach to cultural criticism” (p.279). A criticism pointed out by Giroux (1997) is that the Frankfurt School did not deal systematically

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14 For more details on how German School adapted Freud and on differences between Adorno and Horkheimer and Marcuse see Giroux, 1997.
with patterns of conflicts and contradictions in various cultural spheres, never developed the
notion of dual consciousness and underplayed the notion of resistance, thus its application should
be selective within a particular setting and its reading critical.

2.2.2. Reconceptualized critical theory. Critical theory today is not a monolithic school of
thought and the term ‘criticality’ has a variety of connotations. Brookfield (2005), for instance,
argues that the notion of criticality draws on a number of intellectual traditions including analytic
philosophy, pragmatism, constructivism, psychoanalysis, and critical theory. In his analysis of
critical theory he draws on Marx, Engels, Gramsci, Foucault, Marcuse, Habermas, and Fromm
(though he critiqued Fromm’s dated sexist language), and distinguishes clearly between the
analytical philosophy and critical theory understanding of critical thinking. According to the first
one, which is a dominant understanding of critical thinking in contemporary higher education
and research, to be a critical thinker means to master argument and analysis, by using different
forms of reasoning (inductive, deductive, analogical, etc.), recognizing false inferences and
logical fallacies, distinguishing bias from fact, opinion from evidence, etc. The tradition of
critical theory, on the other hand, views critical thinking

... as being able to identify, and then challenge and change, the process by which a grossly
iniquitous society uses dominant ideology to convince people this is a normal state of
affairs (Brookfield, 2005, p.viii).

Most researchers consider the term ‘critical theory’ as rather unfortunate and elusive
(Kincheloe & McLaren, 2000; Morrow & Brown, 1994; Popkewitz, 1998; Prunty, 1984). Often
it is confused with literary criticism; a number of other approaches to social theory could be
considered critical, including positivists and Marxists, and critique often implies negative
evaluations. Morrow and Brown (1994) see Marx, Weber, Durkheim, the Frankfurt School, and
Foucault as the major contributors to critical theory, and also analyzed in detail the contribution
of sociologists to the contemporary critical research by Habermas (theory of communicative action) and Giddens (structuration theory). Despite differences in these two approaches\(^\text{15}\), the importance of these open-end models of social and cultural reconstruction is irrefutable:

Unlike the earlier structuralist Marxists variants based on the thesis of the correspondence between economic structure and culture, open models reject strong functionalist claims about the primacy of the economic in the ‘last instance’. Outcomes rather are viewed as historically specific, and states’ mediations of social conflicts as of decisive importance (Morrow & Brown (1994), p. 173)

While there is a strong case for the centrality of sociology in critical research, theory has a multidisciplinary character. Other social disciplines such as anthropology, history, political science, economics, policy research, and education have successfully engaged the critical paradigm. Popkewitz (1998), for instance, writes about educational reforms from a critical Foucaudian tradition and, in his view, “critical refers to a broadband of disciplined questioning of the ways in which power works through the discursive practices and performances of schooling” (p.48). Power, according to Popkewitz, is a structural concept that explores the origins of domination and subjugation in a society, and critical research strives to understand how marginalization of people is constructed and the implications of the intellectual work as political projects.

Kincheloe and McLaren (2000) contributed significantly to the clarification of what a reconceptualized critical theory represents. Critical theory developed at the edge between the 20\(^{th}\) and 21\(^{st}\) centuries is deeply rooted in the Frankfurt School traditions, but also draws on ‘post-discourses’ such as post-modernism, post-structuralism, and critical feminist theory. As they argue, it is very difficult to explain what critical theory is because

\(^{15}\) Habermas’s approach to historical materialism has deeper philosophical origins associated with Hegelian tradition, while Giddens favors a more flexible and discontinuous account of historical change. For more details, see Chapter 7 in Morrow & Brown (1994).
...(a) there are many critical theories, not just one; (b) the critical tradition is always changing and evolving; and (c) critical theory attempts to avoid too much specificity, as there is room for disagreement among critical theorists. To lay out a set of fixed characteristics of the position is contrary to the desire of such theorists to avoid production of blueprints of sociopolitical and epistemological beliefs (p.281).

Since the field of critical theory is so vast, Kincheloe and McLaren rely on the analysis of commonalities rather than differences within critical research, despite the fact that they recognize the danger of such an approach: it can create the illusion of unity within critical theory, which is not the case. They recognize four different ‘emergent’ schools of social inquiry: the neo-Marxist tradition of critical theory associated mostly with Frankfurt School; the genealogical writings of Michael Foucault; the practices of poststructuralist deconstruction associated with Derrida; and postmodernist currents associated with Derrida, Foucault, and Lyotard.

Despite the differences among critical theorists, all of them focus on power relations, ideology critique and the notion of hegemony as central to critical research. Critical theorists define power as “…a basic constituent of human existence that works to shape the nature of the human tradition” (Kincheloe & McLaren, 2000, p.283), and analyze competing power interests between groups and individuals within a society, identifying the ‘losers’ and ‘winners’. These concepts help people understand how capitalism shapes and imposes belief systems and assumptions through the dissemination of a dominant ideology, a system of accepted beliefs, values and practices that reflect and reproduce existing social structures and relations to maintain the power of the dominant group. A dominant ideology frames “…how people make sense of their experiences and live their lives” (Brookfield, 2005, p.viii). The concept of hegemony is an important element of ideology critique and explains how people are convinced to embrace dominant ideologies in their own interests. Marx and Engels, in *The German Ideology* (1870) examined how the ideas of a dominant class become universalized as the ideas of all, while
Gramsci wrote on hegemony and the role of organic intellectuals. He did not develop a theory - his notes are sketchy, were written in prison in 1926-1937 and censored, and are deeply ingrained in the local Italian context. According to Gramsci (1971), hegemony is an educational phenomenon, since schools and other cultural institutions play a major role in disseminating dominant ideologies. In this context, the function of organic intellectuals as elites of a new type, which arise from masses, but remain in contact with them, is to constantly contest hegemony.

Though Foucault is often associated with post-structuralism and postmodernism and he never called himself a critical theorist, he contributed significantly to modern critical analysis:

Foucault provides entrance to an intellectual tradition to emerge forcefully in the past decade to challenge the hegemony of Marxist theories about issues of power and the politics of social change. This challenge to Marxist theories, I am arguing, is not to displace them with another hegemony, but to recognize that there are certain changing conditions in the construction of power that are not adequately articulated through Marxist theories, and in some instances, obscured in previous critical tradition (Popkewitz, 1998, p.49).

Foucault argued that power was embedded in the governing systems of order, appropriation, and exclusion, by which subjectivities were constructed and social life was formed (Popkewitz, 1998; Gordon, 1991). He relocated the problem of the state as institutions (governments, e.g.) in the problematic of governing by engaging the concepts of governmentality, discourses and biopolitics. Foucault examined historical development of state practices in the West and defined governemntality as the art of governing which allowed governments to exercise power over populations through knowledge of the political economy and apparatuses of security (Foucault, 1991a).

By seeing knowledge as a constitutive element of our material existence and change as ruptures and breaks (rather than an evolutionary progression of events), Foucaudian analysis of power altered the conventional conceptions of language, history and social progress. As noted by
Brookfield (2005), Foucault saw power relations not as simply distorting knowledge; rather knowledge itself was rooted in power relations. To support this view, Foucault developed the notion of *subjugated knowledges* – those forms of historical and popular knowledge that have been ignored, “…disqualified as inadequate to their task or insufficiently elaborated: naïve knowledges, located low down in the hierarchy, beneath the required level of cognition of scientificity” (Foucault, 1997, p.82). He described biopolitics as one new technology of state power created in the 19th century in Western Europe, based on statistical data collection, which intervened in people’s life by measuring and controlling birth rates, mortality rates, and various biological disabilities. The concepts of *discourse* and *discursive practices* emerged from an understanding of language as social and historical practices and identities rather than simply a means of describing and interpreting the world:

> What I am analyzing in discourse is not the system of its language, nor, in a general sense, its formal rules of construction…The question that I ask is not about codes but events: the law of existence of statements, that which rendered them possible – them and none other in their place; the conditions of their singular emergence; their correlation with other previous or simultaneous events, discursive or otherwise (Foucault, 1991a, p. 59).

Popkewitz (1998) captured brilliantly the significance of viewing language as a discourse: “…it helps us recognize that when we use language, it may not be us speaking. Our speech is ordered through principles of classification that are socially formed through a myriad of past experiences (p.60). Governments promote various discourses over time, and Foucault foresaw neo-liberalism as “…a novel set of notions about the art of government”, more original and more challenging than the previous political discourses, which the left critical culture was ill-equipped to respond to (Gordon, 1991).

**2.2.3. Critical theory and this research.** A number of key assumptions helped inform my critical analysis of economic, political and HE reforms in CEE.
First assumption: In the second half of the 20th century social and technological changes led to new forms of information production and access and to the increased influence of postmodernism, postcolonialism, feminism, and poststructuralism (Kincheloe & McLaren, 2000). The postmodern condition is seen in the critical literature as part of an ongoing shift in global structural changes, including the role of nation-states, and in the production, circulation and consumption of culture in modern societies. The contribution of ‘post’ discourses is essential in shaping the critical discussion on the nature of power and domination. Multiple forms of power such as economic, education, race, gender, religion, culture, class and ethnicity interact with each other and shape a social system. This approach to power rejects the orthodox Marxist notion of economic determinism the division between the material base of the society and ideological superstructure, and the totalizing influence economic factors have on all other aspects of human existence. Economic factors are important, but they can not be separated from other faces of oppression such as gender, racial or religious discrimination (Kinceloe & McLaren, 2000; Morrow & Torres, 2000).

At the same time, a critical integrative perspective on race, class and gender constitutes a response to the excesses of post-modernism and its flight from ethics and politics. Based on a binary opposition between ‘universal’ and ‘local’, postmodernists focus on decentralization and fragmentation of power and privilege, also ‘local’/’regional’ analysis, often reducing their analysis of all educational activities to cultural politics and not paying enough attention to structural principles underlying education (Morrow & Torres, 2000; Torres & Mitchell, 1998). Critical scholarship engages in the discussion on the relevance of post-modernist theories from different perspectives. The major argument against post-modernism present in critical educational policy scholarship is its depoliticization of the process of human empowerment and
liberation, and underestimation of the continuously important impact of elites on formulating social policies

*Second assumption:* Modern critical inquiry endorses a more subtle form of domination that rejects the assumption of people or nations being passive, easily manipulated by the ruling class within a society or by powerful nations in the international realm as the dependency theory would argue. The traditional understanding of *power as sovereignty* – when one group dominates and the other does not possess power – is critiqued not only because these groups are not as monolithic as it seems, but also because “…it looses sight of the subtleties in which power operates in multiple arenas and social practices’ (Popkewitz, 1998, p. 65). In any society, certain groups are privileged over others, and the reproduction of oppression is more powerful when subordinates accept their social status as natural or inevitable (Kincheloe & McLaren, 2000). However, domination should not be understood as imposed by a cohort of people or nations:

…”understanding domination in the context of concurrent struggles among different classes, racial and gender groups, and sectors of capital, critical researchers of ideology explore the ways such competition engages different visions, interests and agendas in a variety of social locales – venues previously thought to be outside the domain of ideological struggle (Kincheloe & McLaren, 2000, p.284)

*Third assumption:* The nature of societies is shaped or influenced by colonization, decolonization and globalization processes based on increased sensitivity to issues of context, history, culture, and difference (Crossely & Watson, 2003; Fraser, 1996; Unger, 2000; Rodrik, 1999). Critical research questions the assumption that democracy in Western countries is unproblematic, focuses on the need to reassess democratic egalitarianism within Western nations and to critically analyze relationships between Western countries and the rest of the world (Amin, 1997; Brookfield, 2005; Giroux, 1997; Kincheloe & McLaren, 2000; Torres & Mitchell, 1998;)

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16 The simplistic explanation of propaganda states that media, political, educational and sociocultural productions coercively manipulate citizens to adopt oppressive meanings (Kincheloe & McLaren, 2000).
1998a; Unger, 2000, Welch, 2003). As I will show later in my analysis of EU higher education politics, exclusionary practices in HE along geographic, economic, racial, gender and ethnic lines in European social-democracies cause poverty, social inequality, exclusion in employment and frustration (Davies, 2003; Neave, 2001b; Osborne, 2003; Unger, 2000). At the same time, it is important to note that recent critical literature focuses on productive aspects of power in addition to oppressive forces, and the ability of productive power “to establish a critical democracy, to engage marginalized people in the rethinking of their socio-political role” (Kincheloe & McLaren, 2000, p. 283; see also Freire, 1970; Giroux, 1997; Popkewitz, 1998; Unger, 2000) and to form social agendas through the practice of science (Popkewitz, 1990). For instance, Habermas (1989; 1992) believes that Western society is facing several crises related to the decline of the public sphere, the threat to civil society and the invasion of the life world. He critiqued both Marxism and the Frankfurt School for the lack of an adequate theory of democracy, and developed the concept of democracy grounded in the theory of communication, with an ideology critique focused on patterns and structures of communication. At this point, there is however a clear divergence between how Habermas embodies the theory of language in a social theory of change, and the Foucaudian tradition followed by Popkewitz. Habermas’ theory is formalistic and ahistorical as he searches for the universal pragmatics of reason; while Popkewitz focuses on the linguistic turn is historical, specific, and political; he rejects the Hegelian view of progress, and focuses on the problem of power (Popkewitz, 1998).

In the international realm, the relationships between local and global, developing and developed nations became much more nuanced and are mediated by interests of local elites as well, rather than only by those of large powers. While the dependency theory focused on a straightforward relationship between the developed core and the developing periphery in the
1980s, the 2000s show a different dynamics. International and regional organizations engage a variety of other tools rather than direct dependency relations (e.g., by imposing loan conditionality or engaging local civil societies in the discussion of poverty reduction strategies) and local forces respond to these tools differently around the world. In this context, post-colonial studies, radical economy, feminist economics and critical institutionalism contribute to the critical research of international development. They critique international organizations for employing neo-liberal reforms as a universal approach to development and analyze the role of local elites in promoting development strategies.

*Fourth assumption:* Critical research is a transformative and political project, in the sense that is not neutral and value-free; it generates knowledge that will interpret and change the world. *Ontologically* – in relation to the theory of existence - critical research recognizes a fundamental gulf between our concepts and reality, stressing the reality of empirical facts independent of our consciousness and seeing knowledge as a social construct. Critical ontology is a combination of *realism* which treats reality as objective and independent of the person perceiving it, and *nominalism* that assumes that there is no given reality and that reality is constructed by persons (Morrow & Brown, 1994; Prunty, 1984). Torres and Mitchell (1998) summarize how contemporary critical research understands reality. Reality is constantly changing, and is complex, constituted through nonlinear events and through profound discontinuities in real life phenomena. While reality shows some recurrent patterns and regularities that can be studied at different levels, it is difficult to dissociate these levels. This understanding of reality has direct implications for how objectivity and subjectivity are understood. The notion of social objectivity is not a premise of good research; it is rather a dialectical process between the researcher and the so-called “object” of research. Objectivity is achieved through multiple processes of exchange
between the researchers and the people involved in research, as well as the intellectual process of decodifying languages, voices and identities of these people (Torres & Mitchell, 1998, p.5). A critical reconsideration of subjectivity views it as an asset rather than as a liability in a research project by accounting for richness of personal experience. As such, epistemologically – in relation to the theory of knowledge - critical research overcomes the split between objective and subjective, between materialist and discursive perspectives (Brookfield, 2005; Marrow & Brown, 1994; Zein-Elabdin & Charusheela, 2004). Positivist science assumes that the social world is ordered and that the work of the scientist is to discover the underlying principles that govern social life, while in interpretative social science, the social world is essentially relativistic and can be understood only from the point of view of individuals (Prunty, 1984). For critical theorists, there is no final truth, and the relationship between the researcher and the subject of research is mediated by their values. Critical theorists reject the notion that theory should guide practice, rather change comes with understanding the awareness of limitations and constraints upon human potential (Prunty, 1984).

Related to critical ontology and critical epistemology, is the critical methodology - methods as individual techniques in relation to theory and implications for society. Rather than distinguishing between nomothetic methods, engaged by positivistic research, based on systematic protocol and techniques, and focused on the process of testing hypotheses, and idiographic methods, which rely on obtaining first-hand knowledge of the subject under investigation, critical methodology asks questions and draws attention to the relations of power that shape social reality. Critical research is historical but also anchored in the subjective experiences of the moment; it engages qualitative, interpretative methods, deeply ingrained in the social context, case study design, and the interpretation of action. For instance, post-colonial
researchers apply discourse analysis to demonstrate how concepts are produced to reinforce and maintain power relations (Mitchell, 2002; Said, 2003). Critical theorists, including economists, increasingly use qualitative country case studies and historical analysis to connect the colonial past and postcolonial present and account for the diversity, complexity and changing character of the reality (Acemoglu, Simon & James, 2001; Bairoch, 1993; Maddison, 2000; Rodrik, 1999; Unger, 2000). Interpretative and qualitative methods serve to show the interactive dimensions of reality and the multifaceted nature of social phenomena, and to critique positivistic analysis for its simplistic approach to linking theory and data and the limitations of empirical data. However, while being critical of quantitative analysis, several critical scholars caution against disregarding quantitative/ multivariate analysis (Torres & Mitchell, 1998). First of all, there is a risk of casting aside the need to obtain any data in the traditional formal language; after all “some data, even with all its limitations, is better than no data” (p.11). Second, empirical research of impressionistic accounts, detailed descriptions and stories, though socially constructed, cannot replace the need for further structural analysis and criticism. Third, critical research also argues that there is a need for cautious interpretation of postmodernist research that engages idiographic methodology, and generates sophisticated, but also simplistic and logically contradictory observations, and patronizing political suggestions.

2.3. Development and Transition from a Critical Perspective

In analyzing power relations among countries with different levels of development, critical economists, radical economists, feminist and post-colonial scholars critique the Euro and andocentric view of the world, challenge neo-liberal economics of development, and support diversity and experimentation in economic and political institutions. These approaches are
associated with heterodox economics and complement each other by bringing in particular strengths. They also overlap in questioning the notion of development that is simply reduced to economic growth and the binary divisions between the ‘first’ and the ‘third world’, the North and the South, or developing and developed countries.

2.3.1. The evolution of the economic theory of development. The mainstream discourse of economics has been constructed for more than two centuries, adapted insights from theories of market, governmental failure and private and public goods, and incorporated extensively mathematical models and terminology (Barr, 1998; Chang, 2004; Chiang, 1984)\(^\text{17}\). The difference among various approaches within the mainstream economics - welfare, Keynesian, monetarist, and neo-liberal - consists largely in the degree and instruments of state regulation. The neo-classical doctrine grew out of the 19th century *laissez-faire* approaches and promoted free markets as the primary drive of economic development. Welfare economics pioneered by Arthur Pigou in the 1930s provided validation for the manipulation of price signals by the state. He argued that in a free market system individual maximizing behavior may not achieve socially ‘optimal’ resource allocation predicted by neo-classical economics. The Keynesian approach allowed for more state intervention, justifying active budgetary policy to fight unemployment and smooth the business cycle. Later the monetarists (Milton Friedman and the Chicago school of Economics) rejected the effectiveness of macroeconomic management of the state and based on rational expectations supported monetary policies as a tool of state regulation. At the end of the 1970s- early 1980s, the neo-liberal theorists reinforced the neo-classical ideas of state inefficient interventionist policies in economics, introduced new concepts such as the rent-

\(^{17}\) Currently the mainstream, or orthodox economics is dominated by the so-called neoclassical synthesis, which is a combination of neo-classical approach to microeconomics and Keynesian approach to macroeconomics. The term was introduced by Samuelson (1955, p.11). Institutional, Marxist, radical economic schools of thought are viewed as non-mainstream or heterodox economics.
seeking behavior of states and governmental failure, and promoted free markets in both
developed and developing countries (Krueger, 1974; WB, 1983; Williamson, 1975; Berend,
2001a).

The Washington Consensus (WC) is associated with the set of neo-liberal principles formulated by John Williamson in the early 1990s and was heavily promoted by international financial institutions as a development panacea in developing nations. It advocated privatization, deregulation, the increasing integration of countries and the convergence of their institutions within the framework of international associations. Multiple financial crises in the 1990s around the world have led to formulating the augmented WC, which incorporates concepts of corporate governance, flexible labor markets, adherence to World Trade Organization (WTO), prudent capital-account opening, etc. These crises also led to an emerging interest among neo-classical economists on cultural issues (Harrison & Huntington, 2000). Accounting for culture as a factor of development opened the orthodox economic discourse to other disciplines and to some critique of policies promoted by international organizations in the ‘third world’. For instance, the *World Bank Development Report* (WB, 1997) suggested changes to the orthodox package of market reforms by considering an increased role for the state. However, it did not examine different solutions to development from the perspective of ‘subaltern’ nations, whose economies grew up from a colonial dependence on Western ones. The concept of ‘difference’ entered the discussion on development – after all, being different is a natural tendency for human populations – but the idea that development everywhere requires the same set of policies to be successful became a truism, thus international convergence around the Western model of economy and democracy has continued to be seen as the only way towards prosperity.
2.3.2. Institutional economics’ critique of the neo-liberal view of development. Evans (2004), Hausmann & Rodrik (2003), Rodrik (1997; 1999) and Stiglitz (2003) argue that institutional reforms proposed to developing countries by the augmented WC were heavily influenced by an Anglo-American conception of ‘good’ institutions, which were not necessarily adaptable to all countries. While nations need stable property rights and public finances, the means used to achieve them are questionable. They question the centrality of trade in economic development and international architecture dominated by international finance institutions (IFIs), suggesting that various institutional arrangements could result in similarly high economic outcomes for societies. Critical studies on economic history and colonialism (Bairoch, 1993; Brenner, 1989; Maddison, 2000; Polanyi, 1944; Wood, 1999) reject the assumption of market primacy (see, for example, Acemoglu, Johnson, & Robinson (2001) on how colonial institutions and colonists’ diseases impacted native populations in the colonies, economic growth and institutional development).

The market, as an institution, both logically and historically, has no primacy over other institutions; it is as natural as other institutions. Polanyi (1944) was among the first to remark in his well-known book *The Great Transformation* that there were various kinds of economies comprising market institutions, but none except the capitalist one was controlled and regulated by markets.

The habit of looking at the last ten thousand years as well as at the array of early societies as a mere prelude to the true history of our civilization which started approximately with the publication of the *Wealth of Nation* in 1776, it to say at least, out of date (Polanyi, 1944, p.45).

Thus, ‘good’ institutions in a critical institutional approach are those that account for national values and norms, institutional configurations and the special needs of development of various nations. In this approach institutions do not necessarily converge and are not easily transferable.
Comparative historical studies on economic reforms in Western countries, Latin America and South East Asia also challenge the widespread neo-classical view that openness of the economy brings economic growth and that protectionism always has a negative impact. The international architecture of trade established by the early 2000s serves the powerful interests of rich countries and big multinationals, yet is often detrimental to developing countries. For instance, Rodrik (1999) critiqued the WTO for not putting forward development priorities of developing nations and for being mostly devoted to promote the interests of advanced capitalist economies. He further suggested that instead of “bargaining over market access” and harmonizing institutions across countries, the WTO should stimulate different national practices for the sake of economic development (p.7).

To prove their point critical institutionalist economists focus on examining transitional innovations such as dual-track liberalization, town-village enterprises and fiscal federalism in China after 1978 and in South-East Asian countries. According to Rodrik and other critical institutional economists, these policy innovations improve economic efficiency, reduce social conflict and take into account specific national conditions. Institutional experimentation endorsed by critical institutionalists emphasizes difference in economic reforms; however relying on ‘good’ Chinese governments’ incentive is overemphasized. Governments do not necessarily represent the people’s interests, very often promote the vested interests of bureaucrats and groups by creating institutions for the sake of vested groups (e.g., the case of anonymous bank accounts), or even impeding reforms. In addition, the Chinese model of reforms does not allow for people participation in creating and maintaining transitional institutions. The lack of democratic participation seriously questions the ability of authoritarian and repressive governments to shape good institutions and encourage equalizing and environmentally sustainable reforms. That is
where feminist, radical democracy and post-colonial approaches contribute to the development debate by going beyond economics, by incorporating politics and history and analyzing the impact of class, racial and gender relations on production and consumption, and by suggesting alternatives to liberal democracy.

2.3.3. A political response to the neo-liberal view on development. Radical democracy, as used by critical social scientists, expands the issues of social justice, freedom and egalitarian social relations to the educational, economic, political, and cultural aspects of everyday life.18 Radical democrats such as Amin (1997), Fraser (1996), Olson (2000), Sen (2000), Trent (1996) and Unger (2000) critique neo-liberal policies of development and support institutional diversity and the importance of institutional experimentation in the same vein as critical institutionalists. The ‘capability approach’ and ‘development as freedom’ by Sen, ‘participatory approach’ by Olson, ‘polycentric regionalization’ by Amin, or ‘vanguard and rearguards’ by Unger are all frameworks for building ‘a real’ versus a ‘willed’ diversity across nations, a diversity which privileges the development of local capabilities. They argue that the preferences and needs of local people should be decisive in setting economic priorities and making social choices. Thus, Sen defines the opportunity to exercise people’s capability of making choices as ‘thick’, deliberative democracy.19 Development is seen as a process of expanding the real freedoms that integrate economic, social and political considerations (Sen, 2000). Olson (2000) dismisses the idea that differences in resource endowments, especially human capital and technology, can explain persistent poverty. In his view, participatory institutions influence the ability of the poor “to pick up their own big bills” (Olson, 2000, p.18)

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18 In recent leftist literature radical democracy often substitutes the term radical political economy. Lack of clarity in terminology reflects the ‘crisis of the left’ and the need to reformulate the socialist project. For more, see Trent (1996).
19 ‘Thin’ democracy is referred to electoral norms.
Being broad and theoretically-focused, these frameworks are difficult to implement, and this is a major criticism. At the same time, they not only critically analyze the influence of the neo-liberal discourse on the formation of the European Union, but also initiate a challenging intellectual debate on what the alternative to the social-democratic project could be. Analyzing European social democracy, Unger (2000) discusses its major problem – the un-sustainable character of the European three sector economy, which consists of an old traditional mass-production economy, a new knowledge intensive economy and a welfare sector. He further reveals the causes of this in-sustainability: unlimited demands of social spending on a constantly narrowing social base of successful enterprises and the lack of social cohesion. Inequities within the European Union area relate to the social exclusion of regions, countries and social groups of individuals (poor, old, immigrants, disabled, and women) from education, employment, health and social services. The EU bodies have been concerned with the reproduction of a “two-speed society” within EU because it causes poverty, exclusion and frustration (Davies, 2003). Despite this concern, exclusionary practices in higher education and employment along geographic, economic, racial, gender and ethnic lines continue to be a problem in most EU countries (Osborne, 2003; TOL, 2005).

Feminist researchers contribute to the discussion about radical democracy by extending the struggle against relations of subordination beyond economics to relations of gender, race, sexual orientation, etc. in the context of globalization.

To be a radical democrat today is to appreciate - and seek to eliminate – two very different kinds of impediments to democratic participation. One such impediment is social inequality; the other is the misrecognition of difference. Radical democracy, on this interpretation, is the view that democracy today requires both social equality and multicultural recognition (Fraser, 1996, p.198).
Feminist critique of the dominant methodological paradigms and neo-classical economics examines free markets as an example of institutions saturated with structural power relations. Baker (1994), Elson (1994), Hartmann (1987) analyze the economic inequity and asymmetrical gender/race dimension of free markets to justify the need for state intervention in creating an equitable society. First, the historical labor division between men as workers and women as responsible for child care and education resulted in male hegemony in the labor market. As a result men have much more experience as workers, farmers and entrepreneurs, they create informal and formal networks that are hardly penetrable by women entering the job market later. Second, free markets do not recognize the unpaid work of reproduction and do not measure it via economic indicators, thus diminishing the role of women in society. Finally, free market arrangements severely restrict women’s entitlement to resources. Raising children makes it difficult for women to pursue studies or find a competitive job. Women are paid less and are not promoted to top executive or academic positions as frequently as men. In a similar fashion, the exclusion or discrimination by free markets of people that are not historically endowed with financial and, consequently ‘networking’ resources, can be observed. That can be both men and women, either poor individuals or visible minorities. Issues devoted to analyzing the different roles of women and constraints to their integration within the economy are increasingly taken up by the ‘third world’/’difference’ feminist scholarship that acknowledges differences among women and the interrelation of gender with class, race, ethnicity and sexuality (see, for example, Fraser, 1996; Gorelick, 1996; Harding, 1997).

2.3.4. How postcolonial discourse informs the critical approach used in this study?

Post-colonial studies became a vibrant and growing academic field in the last decades critically questioning issues of power, hegemony and knowledge creation. While initially associated with
the work relating to literary theory and culture (Bhabha, 2003; Mohanty, 2003; Said, 2003; Spivak, 2003), more recently post-colonial scholars work across disciplines and engage in debates on migration, slavery, resistance, difference, race, gender and the responses to the influential master discourses of imperial Europe (Bhattacharyya, Gabriel & Small, 2002; Crossely & Watson, 2003; Harding, 1998; Hickling-Hudson, 2003; Mitchell, 2002; Zein-Elabdin, 2004). A post-colonial perspective on development, according to Hickling-Hudson (2003), focuses on “…understanding the ideological power of the colonial historical context, …explores the extent to which colonial is embedded in post-colonial, in economies, societies, and ideologies, and is acutely aware of contradictions” (p.229).

Postcolonial studies as an academic discourse faces several major challenges. This is a divided and contested area of scholarship with different meanings and understandings, located at the crossroad of disciplines and theories. There is little consensus on the content and scope, and the incorporation of a variety of theories such as Marxism and poststructuralism (Tejeda, Espinoza, and Quiterrez, 2003). The spatial and temporal meaning refers to “…societies formerly colonized by Europeans in various parts of the globe in different times, but all designated in the post-war period as third world or less developed” (Zein-Elbadin, 2004, p.24). A similar definition for a postcolonial era in a temporal reference is offered by Harding (1998): “a period of time that began in the 1960s, marked by the end of formal European colonialism, that will persist indefinitely far in the future” (p.15).

Geopolitical and economic boundaries associated with the term postcolonial exclude the former socialist countries with a population of more than 400 million people, often defined as the ‘second world’, do not account very well for differences within the ‘third world’ and ignore the relations of subalternity within ‘first world’ countries. To deal with this limitation, anthropologist
Hess and feminist Harding think of ‘the postcolonial’ not as a geographical, national or racial
category, but “…as a kind of critical discursive space opened up both within and after the end of
formal colonialism, where diverse positionings, discussions and other practices can occur”
(Harding, 1998, p.16). Such an approach, as Harding further argues, transforms postcolonial into
a very heterogeneous concept, a “diffuse and nebulous term”. At the same time, the post-
colonialist approach to development provides a variety of ways to inform critical scholarship
(Carusheela & Zein-Elabdin, 2004a; Crossely & Watson, 2003; Tejeda, Espinoza, & Quiterrez,
2003). First, it encourages us to think about the nature of colonization, accounts for research that
emphasizes increased sensitivity to history, culture, difference, and context. A postcolonial
interpretation of changing power relations produced by education, colonization, and
decolonization helps to critique colonially-produced nation-sates, development studies, new
forms of imperialism embedded in the concepts of neo-liberal free trade and globalization and
the role of international organizations.

Second, authors writing about postcolonialism and economics question the hegemony of
Economics – ‘economic imperialism’. Economic science based on the related terminology of
economic growth, convergence, universality of market institutions and private property became a
dominant tool of development policies for poor nations. Its ability ‘to colonize’ other social
disciplines is substantial. Economic terminology, such as ‘opportunity cost’, ‘trade-off’,
‘efficiency’ and others penetrated other disciplines, played a tremendous role in constructing the
discourses of poverty and human capital and has tended to frame public policies around the
subaltern post-colonial world. Postcolonial writers do not imply a return to pre-colonial
economics or purer indigenous traditions. They suggest developing a critical approach rather
than a single economic theory, which could incorporate insights developed by critical and feminist economists and operate parallel to current schools of economic thought.

Third, influenced methodologically by postmodernism, postcolonial studies apply Foucauldian concepts and techniques of discourse analysis and deconstruction to demonstrate how concepts are produced to reinforce and maintain power relations, how the rule of foreign expertise shapes the current economic space in developing nations, and how, under the label of development, knowledge of northern and local elites is converted into power (Harding, 1998; Mitchell, 2002; Said, 2003).

The application of a post-colonial approach to development in CEE helps analyzing the nature of previous colonial regimes in the region (including Soviet domination) and their impact on current social, economic and educational policies. This approach can also stimulate a broader discussion about contemporary development policies of international agencies and northern nations. Is this a new form of colonialism and how do the colonized and former colonizers express their post-colonial experiences?

### 2.4. Higher Education Reforms from the Critical Perspective

To analyze the higher education reforms in CEE and the interaction between nation states, international agents and HE institutions in this process, I draw on critical educational policy analysis and policy network analysis of governance, which bring critical and structural insights of sociology to more traditional approaches to educational policy.

#### 2.4.1. Policy analysis as a field of study in the West

Policy science emerged in the 1960s to assist Western governments in policy development and is grounded in a variety of disciplines - political science, public administration and policy sociology. Hence, there is a
variety of understandings of policy and policy analysis – as decisions, as outcomes, as programs, as output, as process, grounded in various theories of power (pluralism, elitism, or Marxism) (Ball, 1994; Bowe, Ball & Gold, 1992; Henry, Lingard, Rizvi & Taylor, 2001; Taylor, Rizvi, Lingard & Henry, 1997).

Linear, rational or what are sometimes called functional approaches conceptualize policy in distinct and linear stages - policy formulation, development, implementation and evaluation. Policymaking is seen as a linear top-down or bottom-up process; policies are generated and implemented in a relatively simple and straightforward way. Based on the positivistic view of knowledge, policies are value-neutral, and grounded in essential facts and systematic observation. This interpretation of policies rests upon the model of representative democracy in which politicians make decisions and bureaucrats implement, and states are centralized, with concentrated power, strong central executives and clear lines of accountability. Increasingly though this elitist, Weberian understanding of the state in which power belongs to political elites and government is acting in relation to the interests of dominant groups, has been challenged by pluralist theories, such as rational choice, game theory, and economic theory of bureaucracy. According to these theories, power is fragmented and diffuse. It is not equally distributed but at the same time is widely and openly contested among groups and people in the political marketplace (Hill, 2005).

Functional approaches acknowledge the complexity of political decisions, but try to fit these complexities into quantitative models in order to determine the best course of action in implementing a decision. The public choice approach, for example, dominant in American political science literature (e.g., Buchanan, Stigler and Becker), links the preferences of political actors and public policy outcomes studying the decision-making behavior of voters, politicians
and government officials from the perspective of game theory and decision theory (Shaw, 2002). Institutions provide the rules of the game, but they do not determine values and preferences, which are exogenously determined by economic position, social class or technology. Technocratic approaches based on individualistic assumptions came to dominate policymaking; however they fail to deal with interest manipulation, inequalities of power, and the importance of structure in the political process.

The concept of *policy networks* grew out of theoretical debates in the 1970s and 1980s about the role of networks in modern Western societies and social sciences, and about the nature of the public policy process in the context of changing patterns of governance20. “The central assumption is that policy decisions are made by policy networks” (Jones, 2002, p.213). Networks were used to describe policymaking arrangements characterized by informal, decentralized and horizontal relations in the policy process, while policy community was seen as a cluster of personal relationships between major political and administrative actors in a policy area (Heclo, 1978; Kenis & Schneider, 1991; Pross, 1986). While policy networks have been engaged by public choice theorists and radical political economists as well, they are mostly associated with a structural/institutional methodological approach. This approach examines the importance of institutions in shaping preferences and values of policy actors, uses political power to evaluate policy outcomes, and engages historical analysis, elite interviewing, and the collection of qualitative data. It also accounts for a policy environment, which comprises a large number of participants having variable degrees of mutual commitment or dependence, and captures the informal relations in policymaking.

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20 For detailed analysis of the theory of policy networks and its application in higher education research, see Padure & Jones (2009).
In the 1990s, decentralization, globalization and changing relations between the state and civil society expanded even more the number of actors involved in the policy process, including new domestic actors (corporate actors, local governments and civil society) and international organizations, and stressed the importance of horizontal governance arrangements (Coleman & Perl, 1999; Jessop, 2002; Rhodes, 1997). “Contemporary policy processes emerge from complex actor constellations and resource interdependencies, and decisions are often made in a highly decentralized and informal manner” (Kenis & Schneider, 1991, p.26). In an increasingly globalized world, the term network represents a new organizational paradigm for the “architecture of complexity” that replaces hierarchy (Castells, 2000; Kenis & Schneider, 1991; Simon, 1973). For Castells (2000), for instance, the new paradigm has emerged from business networks, telecommunication networking, global capital networks, and nation states, thus leading to the creation of a network society. Informational technologies and historical evolution have fundamentally changed such core processes as knowledge production, media communications, economic productivity, and political and military power that are connected to global networks of wealth and power.

The structural/institutional approach to policy networks evolved in the last decade by analyzing new governance arrangements, internationalized environments, the importance of state power, changes in the behavior of interest groups, and the impact of new policy fashions in the context of globalization, European integration, and the spread of ‘new governance’ arrangements. Recent critical scholarship scrutinizes how different policy networks dominate various policy fields and how different types of networks can promote or obviate change. They study dominant interests in networks, power-dependence and asymmetric power, use policy networks as tool for exploring how power is exercised and who benefits from it, and examine the broader context
A small, yet growing number of studies in policy analysis engage cognitive or discursive perspective and critique rationalist approaches to policy networks. They reject value-neutrality, examine advocacy and discourse coalitions and expand qualitative research to include content and discourse analysis. Consensual knowledge, collective ideas, and specific belief systems matter in policy networks, “…they are constitutive for the logic of interaction between the members of the networks” (Borzel, 1998, p.264, italics in the original).

The major concern with policy networks as a theoretical framework is the character of policy networks themselves since loose and informal arrangements within policy networks are difficult to identify and study. Research on policy networks shows that they do not necessarily lead to improving access to policymaking and democratization. Actors in privileged positions could hinder participation of other policy actors or even exploit the weaker network components. Rivalry between competing networks can block the policymaking. Highly structured networks could achieve better policy change at the expense of inclusiveness, but when the paradigm becomes institutionalized, a corporatist policy network can provide a shield against policy change.

From a critical perspective, policy networks are a useful tool for exploring how power is exercised in HE and which actors benefit from existing power distribution. As Rhodes (1997) puts it, policy networks help answering such questions as: “Who rules?”, “How do they rule?” and “In whose interest do they rule?”. Policy networks illuminate key aspects of decision making that are not taken into account by functional approaches to policymaking - the role of informal connections between major HE actors or the impact of social discourses on reforms in HE. In the context of blurring relationships between state and civil society, a policy networks approach provides flexibility in accounting for variations in group/government relations, institutions and
agencies that are often in conflict. As such, policy networks represent a mechanism for evaluating these conflicts and various interests of policy actors, both in western societies and developing countries. Policy network analysis is a predominately Western discourse that emerged in the Western academic literature to explain or describe changes in policymaking in industrialized countries. However, few recent papers apply the concept of policy networks to critically analyze democracy and international development in Eastern Europe and Africa (Anderson, 2003; Forrest, 2003).

2.4.2. Critical educational policy analysis. Critical scholarship on educational policy analysis (otherwise known as policy sociology) emerged as a field of inquiry in the 1980s and critiqued traditional approaches to policy analysis. Critical scholars redefine the notion of policy from several perspectives (Ball, 1994; Bowe et al., 1992; Hill, 2005; Taylor et al., 1997). Policies are not neutral, but value-laden and context-bounded, and are defined as authoritative allocations of values. State and educational institutions are differently empowered over time within the policy process, and critical policy analysis is striving to expose the sources of domination, draws attention to the sources and distribution of power, and raises questions about the shaping and timing of policy agendas. Taylor et al. (1997) argue that certain groups, such as big business, are more likely to influence governments in their exercise of power and that there always will be struggles over whose voices are heard and whose values are reflected in policies (p.27).

The analysis of policies understood as texts and discourses plays an important role in understanding power in critical policy research. Drawing on Foucauldian analysis of governmentality and discourses, policy making is seen as an arena of struggle over meaning and is interpreted as the ‘politics of discourse’ (Yeatman, 1990). Ball (1994), for instance, makes a distinction between policy as text and as discourse. Texts are literally understood as policy
documents or instructions while policy discourse is a way of indicating the significance of power relations in interpreting the text. Policies as discourses represent political compromises between how educational reforms are perceived by many stakeholders. More structural critical scholars also acknowledge that policy is more than simply text and use the notion of policy as discourses in their analysis (Henry et al., 2001; Taylor et al., 1997). However, they also believe that policies involve processes beyond text production, which are rooted in the political struggle between the dominant groups and others, and are impacted by bureaucratic structures.

Critical scholarship also acknowledges particularities inherent in a postmodern state, which is characterized by diffuse power, networks, a decentralized and fragmented set of structures, and a segmented executive with fuzzy lines of accountability. Consequently, educational policy is a complex and multi-dimensional process, which involves a number of stakeholders, various competing interests and powers, interferes with policies in other fields and occurs in highly complex social environments. While a chronological order of steps in policy development used by the rational approach might be a useful way to examine the policy process, structural critical approaches suggest that “…policy is developed in a more disjointed, less rational and more political fashion” (Taylor et al., 1997, p.25). Post-structural researchers developed the notion of ‘policy cycle’ (Ball, 1994; Bowe et al., 1992), which is based on several policy contexts. The context of influence analyzes how policy is initiated, the context of policy text production examines texts as outcomes of struggles and compromises, the context of practice looks at where policy is implemented, the context of outcomes measures state and social justice goals, and the political strategy evaluates outcomes. Their key point is that educational institutions are not passive receivers of policies but are the arena of policy recontextualization.
Policy writers can not control the meanings of text, and policy is not received and implemented, but interpreted and then recreated by practitioners (Bowe et al., 1992; Taylor et al., 1997).

Practitioners, do not simply confront policy texts as naïve readers, they come with their histories, their experience, with values and purposes of their own, they have vested interests in the meaning of policy (Bowe et al., 1992, p.22)

Finally, critical, comparative educational scholarship since the late 1990s has contributed to the study of globalization and neo-liberal economic reforms, and their impact on education worldwide. Scholars such as Apple (2000), Arnove (2003), Ball (1997, 1998), Blackmore (2000), Carnoy (1995), Dale (1999), Jones (1998), Lingard (2000), Marginson (1999), Morrow & Torres (2000, 2003), Schugurensky (2003), Stromquist (2002), Welch (2003) and others critique the functionalist approaches to comparative education for applying natural science laws to social science, for treating Western culture as the peak of civilization, and for considering the nation-state as the prime unit of analysis. They generate a rich discussion on globalization and the role of local inputs in policy making. World-system theorists (Wallerstein, Carnoy, and Arnove) insist on the primacy of the economic over political and cultural elements of globalization, while post-structuralist perspectives (Appadurai, Ball, Popkewitz) focus on discourses, governmentality and see the increasing role of cultural dimensions of globalization. However, overall critical theorists see globalization as a complex process, and move away from the economic, reductionist understanding of globalization to one that accounts for political and cultural dimensions as well, and entails both positive and negative features. Ball (1998), Henry et al. (2001) and Lingard (2000) employ in their analysis of educational policies Appadurai’s (1996) notion of vernacular globalization. Vernacular globalization accounts for local factors and

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21 Appadurai (1996) in his book *Modernity at Large* examines transnational public sphere. His approach to policy analyzes global cultural flows as complex, overlapping and disjunctive orders called scapes – ethnoscapes, mediascapes, technoscape, financescape and ideoscapes. He argues that theories which link economy, society and subjectivity but rely on territorial stability, miss the circulation of people, images and ideas.
rejects the understanding of globalization as meaning only Westernization, Americanization, commodification, and homogenization. According to Lingard (2000),

…vernacular globalization resonates with glocalization: the way local, national and global interrelationships are being reconstituted, but mediated by history of the local and national and by politics, as well as hybridization and the tension between homogenization and heterogenization (p.81).

Ball (1998) locates the ‘policy cycle’ approach within the context of globalization by arguing that policy analysis requires an understanding of globalization that is based not on generic or local, macro- or micro- constraints or agencies, but on changing relationships between them and their interconnection (p.127). Such an understanding of globalization registers the importance of local politics, culture and traditions in educational policies, stressing the historicity of decision making and the centrality of difference. At the same time, the critical approach examines the convergence effect of dominant educational discourses promoted by international institutions around the world – new human capital, neo-liberal privatization, etc. – on education reforms and institutions. Henry et al. (2001) analyzes the convergence of policy ideas within the OECD nations, which is rooted in “…increasingly interlinked policy networks and supranational and international organizations – an emergent global policy community – coalescing around key agendas” (p.117). Carnoy (1995), Stromquist (2000) and others discuss how structural adjustment policies – a set of policies within the neo-liberal ideology of economic reforms – are promoted by international organizations and impact education systems in developing countries. For instance, the belief that elementary education entails higher positive externality than university education justified World Bank recommendations to cut public funding in HE in developing nations around the world.

2.4.3. Formulating a critical approach to the study of HE policymaking. Policy science conceptual frameworks feature higher education institutions vis-à-vis the national ministries and
federal governments, and analyze policy process in a traditional way as policy formulation at the national level and policy implementation at the university level. Traditionally, continental European HE systems were created, controlled and almost fully financed by the state, while in the USA, Canada and the UK universities have been chartered corporations and states have played a smaller role in regulating them despite significant public funding. While notions of co-ordination, regulation and governance have been interchangeably used, they have different connotations in relation to various countries and periods of time. Co-ordination refers more to a formal system of planning, resource allocation and control of HE systems by the government, more typical for 1960-70s in the times of HE expansion in industrialized nations, but especially in state-controlled HE systems in continental Europe. Regulation has been understood as steering efforts used by governments to achieve their purposes. It meant tighter control of HE systems in Western Europe, but also implied a more important role of HE institutions in the formal structures and processes of organizational decision-making in Canada, the United States of America (USA) and the United Kingdom (UK). Governance was often used in the Anglo-American scholarly research to describe the relationship between states and universities in which institutions have more institutional autonomy.

Neo-liberal economic agenda and globalization in the last two decades became associated with privatization, marketization and the use of business models of management in HE across the world, but also brought in new conceptualizations of the relationship between universities and society. Clark’s ‘triangle’ and Etzkowitz’s ‘triple helix’ disintegrated the bi-polar distribution of power between states and universities into three dimensions: academic, market and state coordination, and university, industry and government respectively, assuming relatively clear boundaries between HE and external actors (Clark, 1983; Etzkowitz & Leydesdorff, 1998). The
concept of governance in the 1990s not only expands beyond Anglophone countries - it becomes part of the converging tendencies in reforming HE systems worldwide - but also evolves as a ‘new form of governance’ in HE of advanced capitalist nations which is shaped by marketization and corporate methods of management (Henry et al., 2001; Marginson, 1997; Rhodes, 1997). The economic discourse of ‘good governance’ seen as improved accountability and efficiency, transparent governments, increased reliance on markets, etc. has been actively promoted by international organizations that shape economic and HE policies around the world, such as the WB and the OECD.

Governance does not have a straightforward definition. Public administration literature, for example, interprets governance in various ways - as minimal state (diminishing public spending), as corporate governance, as the new public management, etc. Rhodes (1997) argues that it “…has too many meanings to be useful” (p.15) and that in the case of Britain only one meaning - governance as networks - reflects changes in polity. Rosenau (1992) clearly distinguishes between government and governance:

…government suggests government activities backed by formal authority…, whereas governance refers to activities backed by shared goals that may or may not derive from legal and formally prescribed responsibilities…embraces governmental institutions, but it also subsumes informal, non-governmental mechanisms…(p.4).

Critical research of HE by Neave, van Vught, Pollitt, Marginson, Popkewitz, Rhoades, Henry et al. also see governance as a broader concept than government, and engaged in the deconstruction of the dominant discourse of ‘good governance’ and its universalizing effect on HE policies in different countries. Structural/institutional research argues that the drive towards greater efficiency – lowering costs - and effectiveness – achieving set goals – imposed structural changes that eroded historic state/civil society, and public/private divisions. In this new relationship of ‘steering at a distance’, the state/ the policy center sets the strategic plan and
outcomes and the policy periphery/ the organizations are responsible for achieving these goals.

In higher education it meant the setting of policy at the center and devolution of the responsibility to achieve goals at the institutional level (Henry et al., 2001). While administrative re-engineering of education varied by nations – the UK, for example, relied on statutory authorities, while Australia did not – most interventions in advanced capitalist countries relied on institutional decentralization with governments setting the rules or ‘steering the policy’ (Ball, 1998; Henry et al., 2001). Consequently, critical researchers have been analyzing policy developments in HE

…in terms of the devolution of responsibility to the institutional level: to what extent they rely on rational planning and control, on institution self-regulation according to certain standards, or on what some have called ‘steering from a distance’, suggesting the operation of markets, the rules of which are fixed by the state (Rhoades, 2001, p.346).

However, as Henry et al. (2001) note, “…steering at a distance and supposed greater autonomy…does not suggest that the state has foregone its competence” (p. 36). Devolution of responsibilities was accompanied by diminishing public funding, but also by the introduction of performance indicators and benchmarking and by a stronger inter-penetration of academia, states or external funding agencies/intermediary bodies, businesses, and civil society. As a result, networking, in which states could be very influential actors, increasingly characterizes the way universities operate today. In developing the concept of ‘academic capitalism’ in the context of US higher education, Slaughter and Rhoades, for example, focus on “…network of actors, which cross boundaries among universities and colleges, business and non-profits, and the state. The boundaries became blurred among them; university is not a single entity anymore” (Slaughter & Rhoades, 2004, p.4). Grant and Edgar (2003) examine the role of hidden networks in British and Scottish policymaking and show how powerful individuals and bureaucrats in public and private organizations ‘govern’ the HE policy domain by connecting to each other and restrain the
capacity of governmental institutions to steer the society. Since major factors that shape Scottish research policies are political ideologies, economic considerations, and the structure and voices in HE, they question whether democracy is best maintained by direct accountability or by buffer bodies, and look into the role of these bodies and the extent to which top-down policy networks are democratic. Schugurensky (2003) examines the context of university change in the era of globalization and argues that the convergence of HE systems at the global level is related to the influence of national and international organizations on policy making, and the consolidation of regional blocks and international epistemic communities (p.297). Thus, universities become more heteronomous with its mission, agenda and outcomes being determined by external rather than internal factors.

A post-structural critical perspective (see works by Popkewitz, Lawn, Novoa, Henry et al.) see the Foucauldian notion of governamentality - technologies and discourses of governments used to produce self-governing individuals and subjectivities - as part of HE governance. Thus, Popkewitz defines “…the state as networks of relations among various actors and discursive strategies that regulate and discipline the citizen” (Popkewitz, 2000, p.27). In the approach to governance as governamentality and networks, the state might not necessarily control or supervise higher education in the traditional understanding via funding or quality control, but can influence the state of affairs in HE by promoting certain discourses and practices it believes are important for the society’s advancement, for example ‘globalization, ‘society of knowledge’, ‘new human capital theory’, ‘performativity’, ‘performance indicators’, etc. These discourses circulate on global, regional and national levels and legitimize certain educational policies (Lawn, 2002). As such, Henry et al. (2001) argue that dominant discourses and practices are central to the discursive and material formation of the ‘performative self’ and pivotal in the new modes of governance
which have emerged since the early 1990s (p.36). Lawn (2002) and Novoa (2002), for instance, treat educational reforms within European integration as governing practices, and policy networks as belonging to the sphere of production of policies and social relationships. According to Lawn (2002), policy networks are ‘producing’ the new educational space and have their own language.

The merits of the critical scholarship as discussed above lay in its criticism and ability to identify and analyze power relations, including productive aspects of power. The concept of governance acquired new meanings in the changing economic, social and political contexts of today, and indicates a more cooperative mode where state and non-state actors, including influential international organizations, participate in mixed networks. Popkewitz argues that the relocation of the problem of state to governance makes irrelevant the discourses of ‘weak’ versus ‘strong’ states, a theme echoed by Coleman and Skogstad (1990), Rhodes (1997) and other policy networks analysts. In this context, following Gramsci, Popkewitz believes that an influential civil society plays a decisive role in achieving a balance between state regulation and university autonomy, and in preventing authoritarian regimes from coming into power.

The relevance of critical policy analysis and policy network analysis to the study of public policy processes in CEE HE is determined not only by increasingly complex policy making process in the region, but also by the involvement of international organizations in national decision making since early 1990s and by the historically established huge influence of the informal factor in the region in all spheres of private and public life. Looking at policy networks as promoting certain discourses is particularly relevant for explaining policy change (or resistance to change) in a post-communist setting, where divided and fragmented policy networks inhibit successful reforms. When networks are weak and lack political influence, dominant states and informal connections may influence network behavior. For example,
personal networks in former socialist nations shaped the nature of political leader influence, harming policy implementation (Forrest, 2003). In applying a critical approach to the study of HE policymaking in CEE in this research, I am interested in examining several issues. First, evaluate the interaction of flows of HE ideas and discourses between CEE and other regions, such as Western Europe and North America. Second, explore the ways these ideas and discourses are interpreted and implemented locally. Finally, study the role of various structures (e.g., EHEA, national governments and HE institutions) in HE reforms in CEE.

2.5. Research Methodology

2.5.1. Research design. This study is essentially a cross-national, comparative study of selected countries within one region. Benefits and pitfalls of cross-national analysis are widely discussed in the literature (Cseh-Szombathy, 1985; Hantrais & Mange, 1996; Oyen, 1990). Comparisons can lead to deeper understanding of central issues in different countries forcing researchers to examine the overall context, to adopt a different cultural perspective, and to discover interactive and interdependent factors. However, several problem areas have been identified in cross-national analysis: management of research (different level of economic development of countries, linguistic and cultural barriers), availability and access to comparable data (data collections might not be comparable among countries and are strongly affected by national conventions, while official statistics maybe in a highly aggregate form or too imprecise), and conceptual problems (space and time are major factors in comparative studies but defining a society or groups within the society and the time span could be a difficult task - e.g., age structures of population and definitions of participation rates in higher education may not be comparable). CEE is a complex and diverse region; countries in the region have many similarities in their
economic, political and education systems, but also many differences. To deal with these problems I engaged several strategies in shaping my research design.

First, in line with my conceptual and theoretical frameworks, I followed a societal approach rather than a descriptive approach based on surveys, data collection, and juxtaposition or an exclusively explanatory approach based on inductive, deductive or demonstrative methods\textsuperscript{22}. The societal approach represents a shift from culture-free approaches to critical case studies and other explanations of social phenomena that are rooted in their socio-cultural setting, and have been developed in relation to industrial sociology by Marc Maurice and Michael Rose (Hantrais & Mangen, 1996). It implies that the researcher attempts to identify the specificity of social forms and institutional structures in different societies in order to find explanations of differences by referring to a wider social context. As against the convergence approach where researchers look for universal trends, especially in advanced capitalist countries, a societal approach to cross-national analysis places greater emphasis on contexts which account for a large variety of factors and consequently emphasizes interdisciplinary and multidisciplinary character of research.

The second research strategy was organizing the study in several levels and dimensions: regional (historical and contemporary), cross-national and national - and using a variety of qualitative research methods such as semi-structured interviews, historical investigation, case study, secondary and discourse analysis to complement each other and overcome drawbacks inherent to each of them (Chart 2a).

\textsuperscript{22} Explanatory or analytical approach determine and explain the degree of variability in different national samples by using an inductive method (which starts from a loosely defined hypothesis and moves towards its verification), deductive method (which applies general theory to a specific case to interpret certain aspects) or demonstrative methods (designed to confirm or refine a theory).
## Chart 2a. Research Design

<table>
<thead>
<tr>
<th>Theoretical framework</th>
<th>Levels of study and research methodology</th>
<th>Chapter</th>
<th>Objective</th>
<th>Research question to be answered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical theory/ qualitative paradigm</td>
<td>I. Regional level  I.1. Regional-historical analysis  - post-colonial revisiting of regional history &amp; identity - historical developments of educational institutions</td>
<td>Ch.2</td>
<td>Analyze politics of HE reforms in Hungary, Romania, Moldova in 1990-2005</td>
<td>Overarching question: How did governments negotiate and implement HE reforms in Hungary, Romania and the Republic of Moldova in the period 1990-2005?</td>
</tr>
<tr>
<td>and Critical approaches to development: post-colonial, critical institutional economics, radical democracy, feminist approaches</td>
<td>I.2. Regional-contemporary educational analysis  - regional overview of Soviet heritage in HE - neo-liberal reforms and European integration</td>
<td>Ch.3</td>
<td>Locate the historical and regional context Compare and contrast the historical evolution of education educational institutions and analyze various international influences on the modernization and HE discourse the 19th-mid 20th century</td>
<td>Q.1. What was the importance of the regional and historical context in explaining modern HE reforms in these nations?</td>
</tr>
<tr>
<td>and Critical approaches to HE policymaking: educational critical policy analysis, critical policy networks</td>
<td>II. Cross-national level  Hungary, Romania, Moldova  -Soviet period -1990-2005</td>
<td>Ch.5.4</td>
<td>Analyze HE developments in Hungary, Romania and Moldova in the Soviet and transition periods</td>
<td>Q.2. How had local power dynamics interacted with the external projects of Sovietization, neo-liberal globalization and European integration in shaping current HE governance arrangements and policymaking in Hungary, Romania and Moldova?</td>
</tr>
<tr>
<td></td>
<td>Methods: comparative case studies, secondary research literature analysis, historical analysis</td>
<td>Ch 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>III. Qualitative insights into the Moldova case</td>
<td>Ch. 8</td>
<td>Deepen the understanding of the comparative section, bring in the local perspective, bridge the gap between rhetoric of HE reforms and real situation</td>
<td>Q.3. Based on the case study of the Republic of Moldova, how had higher education policymakers and administrators understood transition reforms and power dynamics in HE?</td>
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Each of the three levels addresses parts of my research agenda. At the first level, I start by articulating a broader perspective on the region and look at a series of issues across the region, such as historical, political and economic foundations of the regional identity. In developing the regional historical context in Chapter 3, I carry out documentary analysis of the research literature related to the history of the region, and identify the particularities of nation building in CEE, the character of interrelationships between CEE and the major powers, such as the Habsburg, Russian and Ottoman Empires. Chapter 4 analyzes in detail the historical evolution of national educational systems and policies in Hungary, Romania and the Republic of Moldova and reflects on various international traditions and their impact on the formation of educational politics in the three national settings. The historical approach helps locate colonial and post-colonial experiences in three nation cases and trace the sources of welfare states and national HE traditions. The analysis in these two chapters sheds light on the importance of the regional and historical context in explaining modern HE reforms in these nations, thus answering the first research sub-question.

I continue the regional analysis in the contemporary period by examining the regional commonalities imposed by Soviet HE reforms, neo-liberal globalization and European integration. Chapter 5 (section 5.2 and 5.3) is a critical analysis of the Soviet period in HE, while Chapter 6 examines transition reforms and the challenges of European integration. On the next level of my study, in Chapter 7, I use a comparative perspective to analyze the implications of Sovietization and transition reforms on current HE governance arrangements and policymaking in Hungary, Romania and the Republic of Moldova. Chapters 5, 6 and 7 help explain how local power dynamics have interacted with projects of Sovietization, neo-liberal globalization and European integration and thus answer the second research sub-question.
In the comparative component I use economic, financial and HE indicators such as GDP per capita, literacy rates, HE enrolments and their distribution by age and gender available in UNESCO and World Bank publications to explore limitations pertaining to data collection and inconsistencies in measurement, and show how macroeconomic indicators perpetuate certain images of these countries (e.g., Hungary as an advanced reformer, Moldova as the poorest country in Europe, etc.) I also undertake a discourse analysis of World Bank policy papers on economic and higher education reforms in these countries, and secondary analysis of the research literature on reforms in English and Romanian (for Romania and Moldova). As a Romanian living in Moldova, I can personally relate to events and understand the context of reforms in Romania and Moldova. To examine the context of economic and HE reforms in Hungary, I rely on various on-line publications such as BBC News Website, Transitions Online and journals dedicated to economic reforms in the region (Economics of Transition, Eastern European Economics, and Eastern European Quarterly).

I examine power relations within HE systems by grouping data on these countries around several themes: goals/mission of reforms, the relationship between HE and the state and its evolution over time, the regulation of private institutions, the funding of public HE, administrative autonomy, curricular policy and the career development of professors. Analyzing these themes helps explore the dynamics between: small and large institutions, public and private universities, community colleges and universities, ‘prestigious’ departments that generate revenues for universities from higher tuition fees (e.g., economics, law, foreign languages, and computer sciences) and other departments (e.g., exact sciences, education), professors and administrators, and university senates and national ministries.
Finally, in Chapter 8, I focus on the national case of HE changes in the Republic of Moldova. The Republic of Moldova is an interesting case, rarely taken as a subject of research in the HE reform literature. The country closely followed the path of neo-liberal reforms, is now one of the poorest countries in Europe, but ranks high in terms of student numbers and private HE institutions in CEE. At the same time, the exodus of qualified and university educated individuals to search for work abroad is enormous. Up to one million people out of the total population of four millions is estimated to work abroad, mostly illegally and in low skilled jobs. In addition, I lived most of my life in Moldova, studied and worked in public administration and HE in Moldova, and have extensive experiential knowledge and understanding of the Moldovan HE system, its Soviet heritage and its current economic and political context. As a Moldovan native speaking the Romanian and Russian languages used in the country, I was able to contact relevant interview subjects from the university and government sector. Having studied and worked in the USA and Canada not only enriched my knowledge of various cultural settings, economic development, and higher education, but also gave me the benefit of an outside perspective in conducting the research in Moldova; an outsider that follows all the events and regularly visits the country.

The data for this case study includes interviews with various stakeholders of HE, and documentary analysis of local media, scientific publications, HE laws and regulations, and university websites. The purpose of this part of the study is to address the local perspective on reforms, reveal the implications of reforms for institutional autonomy, academic freedom and equity, as well as bridge the gap between the official rhetoric and documents and the real situation in the field. This component to the study complements the broader comparative analysis and answers the third research sub-question on the perspective of local stakeholders on reforms.
and power dynamics in HE. I conducted 20 interviews with Moldovan HE policymakers and practitioners and explored how different actors understand institutional autonomy, academic freedom and the increased internationalization of HE within the EHEA.

2.5.2. Interviews and the demographics of respondents. I used semi-structured, face-to-face in-depth interviews as a data collection tool. According to Meriam (1998) semi-structured interviews represent a mix of more and less structured questions, which allows the investigator to focus on the research question, but at the same time to be open to issues raised by the participants. Since I was interested in learning about the perspectives of different stakeholders on HE reforms, I focused on creating as diverse a group of informed participants as possible by including men and women from different age groups, with different professional and educational backgrounds and representing a variety of institutions (public, private, large small, universities and colleges), professions (economics, technical engineering, lawyers) and positions in their institutions (administrators and policymakers involved in HE reforms at different times). In locating people that constitute information-rich cases I used a purposeful sampling approach, starting with the convenience sampling (i.e., identifying people knowledgeable in the field that I know such as, for example, a former Minister of Education, Director of the Institute of Policy Studies, a former Department Chair at the Ministry of Education, rectors of universities and colleges, heads of the university departments, members of accreditation committees, program directors/ coordinators of educational non-governmental organizations (NGOs), etc.

Then I expanded the number of interviews by using network sampling, and asking each participant to refer to other possible participants. Since these were semi-structured interviews, I did not ask the same questions in the same order, but addressed common issues for all participants related to the role of HE in the country’s development, government regulation of
public and private institutions, changes in governance in higher education and implications for autonomy and academic freedom, curricula reforms and the internationalization of HE within the EHEA. The tentative number of interviewees was 25-30, with the intention to adjust the sampling in the field until a point of saturation was reached. I conducted 24 individual interviews and one focus group with three recent graduates. In two individual interviews I experienced recording problems; only a few parts were audible, and I could not use them in my analysis. Two other individual interviews and one focus group discussed hiring experiences of employers and recent graduates, but since I did not analyze in details the labor market implications of HE reforms in the dissertation I did not use these interviews in my analysis.

In this research I analyzed the data from 20 core individual interviews. The distribution of respondents by their position, by the type of institution they worked at, and by education, age and gender as follows.

*Policymakers versus administrators.* Respondents relatively equally represented two major groups: HE policymakers (eight interviewees), and mid and top administrators of HE institutions (12 interviewees). At the time of the interview, policymakers were either employed by state agencies or by policy NGOs but worked at state agencies at a point in their careers. For instance, among the policymakers, one was a former Minister of Education, another served as a Vice-minister, and three were former heads of departments at the Ministry. One policymaker worked as chair head (*catedra*\(^{23}\)) at one university while at the same time holding an executive position in an educational NGO. Seven out of eight policymakers had scientific degrees (*Doctor of Science* or *Doctor Habilitat*) and taught at universities or worked in academic research. Most institutional administrators had experience of academic research at the Academy of Science.

\(^{23}\) *Catedra* or chair is the smallest administrative academic unit in CEE universities within faculties (schools). The head of the chair or chair head is elected by the members of *catedra*. 
HE administrators by administrative position and type of HE institution (HEI). I interviewed two rectors, one college director, one associate rector, one faculty dean, two associate deans, two heads of departments and four chair heads. One person worked at a public college, three at private universities, and the rest at public universities. However, all private sector respondents had worked at a certain time in the public sector and four out of eight respondents from public universities taught at a private sector university part-time or full-time.

Educational background. Six out of 20 respondents had the highest scientific degree – Doctor Habilitat, 13 – had the first-level doctorate degree – Doctor of Science in areas such as Economics, Math and Physics, Technical Sciences, Medicine, History, Veterinary Sciences and Psychology, and one respondent had a university degree equivalent to a Canadian and US master degree. Twelve out of 20 respondents had received at least one post-secondary degree or participated in a one-year academic exchange visit outside Moldova. Before 1991, traditional destinations for doctoral studies were large academic cities in the USSR such as Moscow, Kiev, St.-Petersburg or Novosibirsk. After Moldova became independent, several respondents defended their dissertations in Romania and had exchange visits to France and the USA. When asked why they left for studies outside Moldova, a common explanation was that the quality of most graduate programs at large universities or academic centers in Russia, the Ukraine and the West was better than in Moldova. Respondent # 12, for instance, mentioned that professors at leading Russian universities were well-known in their field both in the former USSR and abroad, and scientific libraries were much better equipped with books and journals than in Moldova. Also, in the case of narrow graduate specializations, they simply did not exist in Moldova.

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24 The number of HE administrators includes the person that held both a NGO and a chair position at a public university.
**Age and gender distribution.** Since respondents were in mid and top administrative and policy positions, more than half – 13 respondents – were 50 years and older. Five respondents were between 40 and 49 years of age, and only 3 were between 30 and 39 years of age. Five respondents or one quarter of all respondents were women, which corresponded to the general trend in academia and public administration of having fewer females than males in top leadership positions. In 2005, women represented 51.8% of the total population in Moldova, but they held only 20.8% of parliamentary seats. In the executive branch, women represented only 6.7% of all ministers, 19.2% of all vice-ministers, 12.5% of departmental heads and 4.5% of deputy heads (UNDP, 2005, p.7). In 2004, the number of females with higher education exceeded the number of men (17.6 versus 16.4% in the total population respectively), but the average salary for women in the national economy was lower than men’s. In education, while there are more female teachers, even in secondary professional education, their average monthly salary in 2004 was lower than male teachers: 651.1 lei versus 862.7 lei (UNDP Moldova, 2005, pp. 34, 54). There are no detailed statistics on the gender distribution of academic positions; however this discrepancy in remuneration suggests that men hold most of the higher-paid leadership positions. Many respondents mentioned that women predominated in mid-level administrative positions such as chair heads and associate deans, particularly in economics, humanities and medicine at both private and public HEIs (Interviews #1, 11, 12, 13, 15, 18). For instance, at the time I conducted the interviews, three out of four interviewed chair heads and one of the two interviewed associate deans were women. One respondent made an interesting observation in explaining why women outnumbered men in mid-level administrative positions in the field of economics by the end of the 1990s:

> Women have dominated, at least in terms of student enrolment and teaching staff, at many economics departments for a long time already in the Soviet period. During the transition
period, when the prestige and remuneration of academic jobs declined, many men migrated to better paid jobs in the private sector\textsuperscript{25}. Women stayed in HE, defended their Doctoral and Doctor Habilitat dissertations and now [2006] work in administrative positions at both private and public economic institutions (Respondent # 18).

Respondents also suggested that women were relatively equally represented with men at the level of associate rectors in private institutions, however were extremely underrepresented in administrative positions in sciences and as top administrators at public universities. The lack of women in such positions was attributed to the need to spend time to raise children, to the rigidities within the public HE sector and to the women’s unwillingness to spend time on administrative functions.

I travelled to Moldova in May 2006 and stayed there for six weeks to identify the respondents, and to organize and conduct the interviews. I contacted several possible interviewees that I knew by e-mail in advance asking for their phone numbers and preferred times of meeting. I also interviewed individuals who were suggested by my initial interviewees. I met with them in their offices at universities, NGOs and public agencies. The preferred language of interviews was Romanian (but all the respondents spoke Russian as well), and they lasted between 65 and 80 minutes. In most cases I taped interviews, in all cases I made notes, and then I transcribed them into the Romanian language and translated into English the quotations used in the dissertation.

I am aware that interviewing has several limitations. First, it is quite difficult to determine the number of interviewees that would provide a full picture of the problem. Second, the interviewer does not know whether the respondent tells the truth. At the same time, the conceptual framework of this inquiry is based on the assumption that reality is multiple, context

\textsuperscript{25} Available public data shows that in 2000-2004 the increase in the number of HE professors occurred on behalf of women teachers. While the total number of professors increased from 5.3 to 5.9 thousand, the number of women in teaching positions increased from 2.6 to 3.2 thousand. Their share also increased from 49\% to 54\% (UNDP, 2005, p.55)
bound and constantly changing. Consequently, qualitative techniques such as interviews in the context of one country case are used not to generalize or make universal claims about the whole HE system and region, but rather to gain deeper insights into the context of HE reforms – history, politics and economics in one country.

A (qualitative) case study design is employed to gain an in-depth understanding of the situation and meaning for those involved. The interest is in process rather than in outcome, in context rather than specific variable, in discovery rather than confirmation. Insights gleaned from case studies can directly influence policy, practice, and future research (Meriam, 1998, p.19).

Also, to ensure credibility and consistency of the study I relied on triangulated data collected through interviewing, informal conversations and documentary and literature analysis. Thus, for example, as part of my analysis I used about 30 interviews with policymakers and practitioners published in local media.

2.6. Conclusions: Contribution of this Research

This research contributes to the scholarly literature on higher education reforms and development studies in several ways.

First, the dissertation adds to the international scholarly discussion of higher education reform and development challenges by bringing an international perspective on Central and Eastern Europe, a region underrepresented in the higher education literature. The dissertation locates the region and its HE systems within the global power dynamics, interrogates the way the region is viewed in the international literature, and illuminates issues related to regional identity creation over the centuries. By contextualizing education within the regional history, and economic and political development, it reflects on major regional powers and their influence on the state-formation, educational institutions and later HE politics in the region and in selected
nations. It examines in detail the role of education in building national identities, and how language and ethnic policies interacted with educational and higher educational developments.

Second, this research enriches methodological developments in the field of HE studies by drawing on critical theory as a conceptual framework, which is not frequently used in the field of HE studies. To build the methodological grounding for this work, I synthesized the literature on the German School, which stayed at the origins of critical theory, but also combined insights from recent strands of critical thought and used a multidisciplinary perspective. I draw upon postcolonial research, radical democratic theories and critical institutional and education policy studies to inform my analysis of economic, political and HE developments in CEE. The dissertation attempts to bridge critical educational policy discourses and the literature on policy networks in order to build a critical policy framework for HE studies.

Finally, the dissertation contributes to the regional discourses of economic development and higher education reforms. It develops a critical perspective and promotes qualitative methods of inquiry such as interviews with HE policymakers and practitioners. Higher education is a growing field of study in Central and Eastern Europe, but limited qualitative and critical research has been undertaken to analyze major trends and problems of higher education. The dissertation advances the field of comparative higher education in CEE studies by carrying out qualitative cross-national analysis of HE systems in three nations – Hungary, Romania and Moldova. The Republic of Moldova has received very little attention in the academic literature and a detailed case study reflecting on how policymakers and HE administrators from this country understand HE reforms covers this gap.
Chapter 3.
Historical and Geopolitical Context of Higher Education Reforms in CEE

3.1. Introduction

In Western literature, Eastern Europe as a term is associated with the post-Soviet/post-communist countries, or the former socialist block, and the dichotomy between Eastern and Western Europe is mostly treated as the product of the Cold War. This dichotomy has deeper historical roots, and the ‘post-Soviet’, ‘post-socialist’ labels as well as the ‘Eastern’ term associated with belonging to the Soviet sphere of influence often carry negative connotations in the region. To escape this stereotype and distance themselves from the Soviet past, nations in the region have aligned themselves with smaller geo-political entities with pre-Soviet histories such as Central Europe, East-Central Europe, the Baltics, and the Balkans, and used economic terminology such as transitional or emerging economies. During the 1990s it was common to identify Central and Eastern Europe (CEE) with the former socialist space and refer to it as a separate macro region transitioning from a centrally-planned to a market economy. With the integration of ten CEE nations into the European Union (EU) in 2004 and 2007, it has been argued that these new members of the EU are not transitional but mature economies, and there is no need to single out Central Europe as a separate region since it is now part of the EU. To what extent the new geopolitical border between EU members and Eastern EU-neighbours is to become a major dividing line and how it will impact regional identities remains to be seen.

This chapter examines various approaches to defining the ‘post-socialist space’, and will introduce the term ‘Central and Eastern Europe’ for the purpose of this research. A critical

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26 Hungary, Poland, the Czech Republic, Slovenia, Slovakia, Lithuania, Latvia, Estonia joined EU in 2004, and Romania and Bulgaria in 2007.
postcolonial revisiting of regional history in this chapter as well as individual histories of Hungary, Romania and Moldova and their modern reforms discussed in the following chapters show that small CEE nations were torn between the desire to be independent political actors and the need to create alliances, being often positioned between influential global/regional powers such as the European Union (EU), the World Bank (WB), the International Monetary Fund (IMF) and the Russian Federation/USSR more recently, but also the Roman Church, and the Ottoman, Habsburg and Russian Empires earlier in their histories. I argue in this dissertation that various colonial regimes had a strong impact on the formation of modern educational politics directly through education reforms and indirectly through language and ethnic politics, and that education was actively used to promote political projects such as constructing national identities or educating loyal imperial citizens. The purpose of this contextual chapter is to locate Hungary, Romania, and Moldova historically and regionally and examine the role of major cultural, political and economic regional powers in the building of these nations.

3.2. A Critical Postcolonial Revisiting of CEE History: Going Beyond the Soviet Period

3.2.1. Engaging postcolonial analysis in this study. Although this study focuses on higher education reforms in the period 1990-2005 in three CEE nations, a postcolonial revisiting of the history of this region is used to identify current implications of various historical events and policies for these nations. Educational discourses in Hungary, Romania and Moldova are deeply engrained in their histories, which, as shown later in the text, are interwoven with the histories of surrounding nations and the region as a whole. Reviewing the history of ancient or medieval times is essential to understanding CEE. As Johnson (2002) notes:

History in this part of the world is epic and tragic; small nations frequently have struggled against larger ones and have lost regularly. The past consists of inexcusable transgression
and missed opportunities; the present is filled with unfinished business from the past; and the future is a chance finally to rectify a historical record that has been inauspicious at best and unjust at worst (p.3).

National histories during the socialist period were often fabricated or used as a propagandistic tool (Opreanu, 2006). Soviet historiography, for instance, favoured the Soviet period, was biased towards European powers, critical towards the Ottoman Empire, and inconsistent towards the Russian Empire. That is why, looking into the history of the region, particularly to institutions of power that were established by various imperial rulers, offers a much more profound understanding of the current status of CEE political and economic reforms and its position in Europe. For example, the way public administration was organized in the Habsburg, Russian or Ottoman Empires determined the level and forms of corruption that exist today in their former colonies.

In late 1980s - early 1990s transition, reforms were centered on westernization, and most past histories or experiences related to the West (Western Europe, the USA) were considered progressive, and therefore worth studying and adapting. While this Eurocentric view on history gained more ground, several critical accounts examined specific local characteristics and the impact of various colonial regimes. Authors such as Jelavich (1996) and Theodorescu (2001), while not ignoring the cruelty of the Ottoman rule, showed that it was in some respects more economically flexible and religiously tolerant than other regional powers. Some Western historians also note that the frequent exaggeration of the Turkish threat was used to amplify the achievements and importance of Western empires, and mobilize support domestically and abroad, while “…Turkish warfare was usually not any more or less ruthless than its contemporary Christian counterpart” (Johnson, 2002, p.83).

27 For instance, Soviet history textbooks covered in details events in the Russian history that related to class conflicts, while local histories about times before their incorporation into the Russian Empire were chopped out or missing.
A postcolonial analysis of history not only offers the opportunity to critically re-examine the impact of different political and economic powers in the region, but also to reflect on the subjective dimensions of CEE and the relationships between local histories and European history overall. People in the region think in historical terms: “they flash back from the present into the past – not in years or decades, but in centuries – and they flash forward with great facility from the past to the present” (Johnson, 2002, p.5). Johnson mentions that if asked about a recent event in their history, Hungarians are as likely to point to 1526, 1848, 1918 or 1956 than to 1989; dates referring to the great losses in their history to the big powers of the day – the Ottoman Empire, the Habsburg Empire, Entente or the Soviet Union. A strong connection with past events in their histories is true for other CEE nations as well. For instance, 106 AD for Romanians, 1389 for Serbs, 1772 for Poles, and 1812 for Romanians in Moldova are important milestones when the Roman Empire conquered the ancient kingdom Dacia (located on the current territory of Romania), Serbs lost their independence to Turks in the battle at Kosovopolje, Poland was partitioned for the first time between Prussia, Russia and Austria, and Basarabia was annexed by the Russian Empire. These losses are well known, and are constantly engaged in public debates in respective nations.

Subjective perspectives on CEE involve understanding the meaning of local and neighbouring histories for central and eastern Europeans. Local histories often stress the ‘good’ part in themselves and the ‘evil’ in their neighbours, leading to different interpretations of historical events that involve neighbours (Johnson, 2002). As I will show further in this research, the reinterpretation of history was particularly noticeable in border regions such as Romanian Transylvania, Moldovan Transnistria, Serbian Vojvodina, Ukrainian Bukovina, etc. The maps of

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28 ‘Basarabia’ was part of Russian Empire in the period of 1812-1918, and included territories of current Republic of Moldova and parts of Ukraine.
the CEE states have been frequently redrawn and most of them have ethnically diverse population. A millennium-long migration of tribes from Asia to CEE significantly changed the region’s ethnic composition:

The Goths of the third, fourth, and fifth centuries and the Huns, also of the fourth and fifth centuries, were followed by the Avars, Slavs, and Bulgars in the sixth and seventh centuries, the Magyars or Hungarians, in the ninth and tenth, the Pechenegs in the tenth and eleventh, the Cumans in the twelfth and thirteenth, the Mongols in the thirteenth (Jelavich, 1996, p.10).

The Roma29 were the last population of Asian origins that migrated from India to Asia Minor, Greece, Balkans and then other European countries in several waves from the 9th to the 14th century (Achim, 1998). This migration, rarely mentioned in traditional histories, had a long-lasting impact on the demographic picture of CEE. In countries such as Slovakia, Romania, Hungary and Bulgaria, the Roma represent a distinct and large ethnic minority (5 to 8 per cent of the total population), and one of the most socially, economically and educationally marginalized ethnic groups.

Johnson (2002, p.3) makes the point that “…some of the problems Central Europeans have with themselves and with one another are related to the fact that their history haunts them”. Reinterpreting histories in ethnic terms, rewriting history textbooks and engaging historical events and personalities have been often used by various political forces across borders to support one or another alternative for national development, to forge intra-regional partnerships, and to influence curricula in public educational institutions in various historical periods. In the 19th century, national histories and languages were emphasized by local intellectual elites to promote national unity and develop national consciousness. A Hungarian historian argued in

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29 They are also known in South-Eastern Europe under their Greek name of Atsinganos, in Spain, France and England as Gypsies (from Gitano based on the incorrect assumption of the Egyptian provenience of Roma), in Germany as Zigeuner, and in Northern Europe as Tattare.
1941 that the early 19th century CEE peoples “…needed some tradition, a sentimental factor in building and strengthening national feeling” (Kosary, 1941, p.212). For instance, Magyars remembered and evoked their medieval glory, Romanians warmed to the hypothesis of Daco-Roman origins, and Slav peoples nurtured the dream of a Great Slav Empire. Nowadays, the Romanian historian Opreanu (2006) argues that history became a weapon in the battle for national emancipation in CEE in the 19th century, when the Daco-Roman origins evolved as a national discourse in Romanian principalities and Transylvania.

The sensitivity towards history and frequent border changes represents a challenge in engaging historical analysis in the context of CEE. There is no one history of CEE, but many local histories, and to address this challenge I use in my analysis multiple interpretations and contrast various opinions where available. Rather than trying to find ‘one’ truth, I identify how these various positions impacted national institutions and created dominant discourses, including in education. I researched various historical analyses by Western, Romanian, Hungarian and Russian/Soviet historians published in the English, Romanian and Russian languages at different times in the 20th century. I do not attempt to present a detailed account of CEE history in the following sections, but rather highlight major events and analyze power relations that shaped CEE as a region, and shaped modern institutions in Hungary, Romania and Moldova. I will further argue that these events constructed ties of dependency between centers and peripheries of empires and influenced the patterns of nation-building and the development of modern educational institutions.

3.2.2. Roman influence and its relevance for the educational discourses in Hungary, Romania and Moldova. The advance of the Roman Empire in Southeastern Europe around 150 BC changed the geopolitical balance in the region (Bolovan, Constantiniu, Michelson, Pop, Popa,
Popa, Scurtu, Treptow, Vultur, Watts, 1996; Rustoiu, 2006; Sugar, Hanan & Frank, 1990; Alcock, 1998). While the Greeks had scattered settlements along the Black Sea shore, the Romans created and governed whole provinces in CEE: the province of Pannonia established on the current territory of Hungary in 8 BC; the province of Moesia which included the territories of current Serbia, Bulgaria and parts of Romania south to river Danube in 14 AD; and the province of Dacia created on Romanian territories to the north of the Danube in 106 AD (Map 1). The Kingdom of Dacia was the last to become part of the Roman Empire and among the first to be abandoned by Romans at the end of the third century.

The construction of infrastructure (stone roads, viaducts and sea harbours), the development of new industries such as gold, silver, iron, and lead mining, and the abolition of trade restrictions led to the creation of a Romano-Mediterranean world that “…fostered the intermingling of people, creeds and cultures” (Alcock, 1998, p.25).

The strategic geopolitical location of Dacia and its economic importance determined the Roman authorities to station large numbers of troops in the province to stop invasions of migratory peoples and to protect gold mines in the Apuseni Mountains (Bolovan et al., 1996, p. 37).

The extent of Roman impact on local population is a matter of disagreement within Romanian historiography, and is treated differently within the Hungarian and Soviet/Russian/Moldovan historiography. Romanian historiography focuses on the continuity of Daco-Roman civilization on the Romanian territories including Transylvania. It traditionally argued that intense integration into the Roman Empire resulted in the Romanization of local populations (Bolovan et al., 1996). Massive immigration from Romanized provinces, mixed marriages, the introduction of Latin as an official language in Moesia Inferior and Dacia, and the provision of Roman citizenship to the local population facilitated the formation of a Daco-Roman population. This population used a local Latin dialect, otherwise referred to as the Danubian Latin, which
also incorporated words of Geto-Dacian origins\textsuperscript{30}. Recent representatives of critical Romanian historiography support the theory of Daco-Roman continuity, but also question the simplifying assumptions of ‘Romanization’ as a rapid, forced cultural integration in less than 200 years of Roman rule. They call for a more complex analysis found in earlier texts of Romanian historians such as Hasdeu (1872) and Iorga (1925) which takes into account the social reality in Dacia, later migrations and the important role of Byzantium and South Slav elements in Romanian ethno genesis (Opreanu, 2006; Salagean, 2006).

Hungarian writers have been questioning the Daco-Roman continuity of Romanians in the Carpathian basin since the 19\textsuperscript{th} century. They suggest rather that Dacians who survived the Roman conquest retreated into the eastern and northern mountains and conducted campaigns against Romans. To replace them, the Roman Emperor brought soldiers and city dwellers from the entire Roman Empire, as far as Britain and Syria (Makkai, 1990, p.3), and in 286 AD Romans completely evacuated their Dacian settlements leaving no trace of Roman or Dacian civilization (Kosary, 1941). While Hungarian historians acknowledge that Romanians (or Vlachs in the Medieval Age terminology) were the largest ethnic group in Transylvania by the time it became an independent principality in 1540, they doubt that Romanians in Transylvania originate from Dacians, suggesting that they repeatedly entered Transylvania as shepherds beginning in the 12\textsuperscript{th} and 13\textsuperscript{th} century.

In response to this, critical Romanian historiography argues, based on archaeological discoveries, and documents of the Byzantines Emperors, that Transylvania and Banat (now Romanian territories) in the 10\textsuperscript{th} - 11\textsuperscript{th} century represented a battleground between Romanians, Romanians,

\textsuperscript{30} According to Bolovan et al. (1996), about 170 words as well as toponyms and hydronyms of Geto-Dacian origins continue to persist in the modern Romanian language. Iorga (1925) shows the huge influence of Latin words on Romanian language: for instance, majority of terms for family relations, the house and its parts, cereals and vegetables, names of professional occupations and garments, instruments and minerals, military and law terms, are of Latin origins.
Hungarians and Pechenegs tribes (Salagean, 2006, p.149). By the end of the 10th century Hungarians won control of this territory; however several factors determined the special status of Transylvania within Hungary. Ruling families in Transylvania had both Romanian and Hungarian roots. Along with Catholic dioceses created in the 11th century, the Orthodox Church was present before and after the 13th century31, even though the Orthodox religion was not officially recognized as were the Catholic, Protestant, Uniat and Calvinist faiths. Transylvania had a formal autonomous status during specific periods of time. For instance, at the end of the 13th century Regnum Transilvanum was a distinct entity, with its own institutions, legal system and community. In the 16th-17th centuries, Transylvania was an autonomous principality under Ottoman suzerainty. Romanian historians recognize that it is difficult to archaeologically document ethnic continuity. However, in their view:

Stating that a Latin people, twice as numerous as any of its neighbours of different ethnic-linguistic origins, is only accidentally inhabiting the territory of a former Roman province, once home to a numerous and strongly Romanized population, but to which the contemporary inhabitants are allegedly not related in any way’ defies any reason (Opreanu, 2006, p.96).

Jelavich (1996), neither a Romanian nor a Hungarian, characterizes the 11th century Transylvania when Hungarians took possession of it as

…a territory that probably had a mixed but basically Romanian population. After the occupation the Hungarian government encouraged immigration in order to strengthen this border region against outside invasion, especially of Szecklers [closely related to Hungarians] and of Germans called Saxons, who came in the 12th century (p.20).

By the 13th century, Saxons, Szechlers and Hungarian noblemen were granted full political and legal freedoms and became official ‘nations’. Romanians inhabited the rural parts of

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31 13 monasteries are known to have survived until the middle of the 13th century in parts of Transylvania and diplomas of Byzantine Emperors attests the presence of Orthodox settlements in Banat subordinated to Ohrid Orthodox Diocese (now in Macedonia) (Salagean, 2006). After that however Orthodox Church was not accepted officially (Pop, 2006).
Transylvania and had the status of serfs. According to both Hungarian and Romanian sources, Romanians were the largest ethnic group in Transylvania. In 1763, their proportion rose to 58 per cent, while the share of the Saxons declined to 12 per cent and of Magyars stayed the same – roughly one third (Kosary, 1941, p.156).

To justify the incorporation and assimilation of Moldovan Romanians within the Russian Empire and the USSR, official Russian and Soviet historiography questioned the continuity of Daco-Roman civilization and advocated the theory of Slavic origins of the Romanian language and the population in Moldova (see references on this theory in Stati (2003) and Postica (1994). In the late 1980s, the public debate on Romanian versus Slavic origins of Moldovans started by Moldovan intellectuals ignited a national movement of resistance against the Soviet regime. In 1991, the Republic of Moldova became an independent state. However, the ethnic identity of Moldovans continued to be a hotly debated issue in political and academic circles, and the diplomatic relations between the Republic of Moldova and Romania constantly shifted from friendship to animosity. In 1991, the Moldovan Parliament adopted same tricolour flag and national anthem as in Romania, and the Constitution defined the language spoken by the majority population as the “Moldavian language (identical to Romanian)”33. In the new 1994 Constitution, the governing Agrarian Party excluded the reference to the Romanian language. In the period 1997-2000, the reformist Moldovan government relied on close collaboration and partnership with the Romanian counterpart.

Since 2001, the governing Communist Party has promoted closer relationships between the Republic of Moldova and the Russian Federation and repeatedly threatened to change the

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32 There were Hungarian peasants-serfs as well but their numbers was much smaller than that of Romanian peasants.
33 Later the text of the national anthem Wake up, Romanian was changed in 1994 to a new anthem Our Language, which also explicitly makes reference to Romanian language and was a poem written by a pro-Romanian Moldovan poet Alexei Mateevici in the early 20th century.
official anthem and flag. While announcing a pro-EU course, the Communist governance had tense relations with Romania\textsuperscript{34}. Despite strong opposition, the Communist government changed the content of history taught in schools and renamed it from History of Romanians to Integrated History\textsuperscript{35}. The leader of the Communist faction in the Moldovan Parliament made the following statement at a meeting with Moldovan teachers as recently as in 2007:

I would like to remind those that are proud to have originated from Rome, that it is not known whether we (Moldovans) originated from Rome or not. Moldova as a state appeared in the 14\textsuperscript{th} century on the territory that was not occupied by Romans. This fact is hidden from children in schools. It was hidden by both old and new historiography (BBC News, 2007).

The discourse of Moldovans as a separate ethnic group, different from Romanians and closely related culturally and religiously to the Slav world, has been strongly advocated by several Moldovan historians after 2001 (Sornikov, 2005; Stati, 2003\textsuperscript{36}). Because the Roman Province of Dacia did not include the current territory of the Republic of Moldova, they argue that Moldovans were only marginally influenced by Roman expansion. They accept that the language spoken by Moldovans is a Romance language and that Slavs that migrated to the region in the 6\textsuperscript{th} century were assimilated by the native population; however, they also argue that these Slavic influences led to the creation of a separate Moldovan ethnicity and language\textsuperscript{37}.

The debate about Daco-Romanian continuity in the Carpathian basin and national identity more generally in CEE has several implications for this research. It points to multiple and intersecting sources of oppression in the CEE history such as religious, economic, and linguistic

\textsuperscript{34} In April 2009 the Communist President, Vladimir Voronin, blamed Romanian security services for anti-communist rallies in Chisinau, requested the Romanian ambassador leave the Republic of Moldova, and introduced visa regime for Romanian citizens.

\textsuperscript{35} More about this conflict and the position of opposition see in Chapter 8.

\textsuperscript{36} Here Moldovan adjective does not necessarily indicate the ethnicity of authors, but the citizenship. Both Sornikov and Stati expressed anti-Romanian, pro-Russian attitudes, and Sornikov had written exclusively in Russian language.

\textsuperscript{37} According to Stati, the Moldovan ethnicity includes all Moldovans that lived in the Medieval Principality of Moldavia. This principality included most territory of current Republic of Moldova and eastern part of Romania.
discrimination. Researchers with different ethnic backgrounds and positions on the continuity of Daco-Roman civilization agree that this theory, which developed in Transylvania and incorporated Western ideals of nationhood, proved to be a potent force in the creation of Romanian consciousness, and then reached Romanians in Wallachia and Moldavia in the 19th century (Costea, 2006; Jelavich, 1996; Kosary, 1941). As in the case of Transylvania, the discourse of a Daco-Roman heritage served as a strong incentive to rising nationalistic movements in Basarabia/ Moldova in the 20th century. The role of schools, higher learning institutions and ‘organic’ intellectuals in Hungary, Romania and Moldova, as I will show further in the dissertation, was instrumental in developing and disseminating the discourse of national identity.

3.2.3. The rise of medieval states in CEE – the role of Catholic and Orthodox institutions. The creation of the first medieval states in CEE was determined by the intermingling and consolidation of tribes that arrived from Asia, and by the increased influence of the Catholic and Orthodox Churches. The mixing of Bulgars, for instance, with the Slav population resulted in the emergence of the Slav race of Bulgarians that created their first state in 681, expanding later to large territories, including parts of Transylvania, and becoming an important regional actor until the 10th century. In 896, Magyar/Hungarian nomads from the Asian steppes had seized the land between the Tisa and the Danube rivers in today’s Hungary. They made devastating raids into France, Italy and even Spain of that time and by the end of the first millennium settled down in Central Europe, in the Panonian plain. Under their ruler Stephen (997-1038), they established a centralized state, then won control over Transylvania and grew in

38 Wallachia and Moldavia were two Medieval Romanian Principalities that united in the 19th century to create the first modern Romanian state.
39 Here and further in the dissertation I use the Gramshian notion of organic intellectuals as social leaders. As put by Gramsci: “All men are intellectuals, but not all men have in society the function of intellectuals” (Brookfield, 2005, p.197).
the Middle Ages to include Croatia, parts of Serbia and Bosnia and Herzegovina. The consolidation of various Polish tribal territories under Christian rule occurred in 966. A Polish-Lithuanian union emerged in the 14\textsuperscript{th} century and the Polish-Lithuanian Commonwealth, which included parts of actual Belarus and Ukraine, was created in 1569. The Commonwealth introduced a Parliamentary system which was a political innovation for CEE.

Independent Romanian principalities of Moldavia and Wallachia were established in the mid 14\textsuperscript{th} century via the consolidation of smaller entities (Iorga, 1925). Already by the 10\textsuperscript{th} century the people living in the south and east of the Carpathian Mountains were speaking a Romance language\textsuperscript{40}, were Christians, and had several small state formations. Slav immigration and the superimposition of the Bulgarian Orthodox Church led to the assimilation of many Slavic words in the Romanian language, the acceptance of Slavic political and religious superstructures such as the Slavonic religious language and the Cyrillic alphabet (Hasdeu, 1872, p.457). Important developments took place in the East of Europe that led to the creation of the first Russian State, which became an important regional player from the 17\textsuperscript{th} to the 21\textsuperscript{st} century. In 856, the Swedish Viking chief Rurik established a state around the town of Novgorod. Through intermarriages with Slavonic wives, the Viking ruling class was gradually assimilated, while their control expanded to Kiev and Moscow. The establishment of Kiev Rusi started in the 9\textsuperscript{th} century and Christianity was adopted in 988.

Two different traditions of Christianization played an important role in the consolidation of CEE nations. The rise of the Byzantium Empire and Orthodox Churches within the Eastern Roman Empire, and the rise of the Holy Roman Empire and the Roman Catholic Church within the Western Roman Empire in the West to a large extent determined the future religious and political ties with Western or Eastern powers and the choice of feudal institutions. At different

\textsuperscript{40} Known as a proto-Romanian language.
points in time, the Byzantine Empire included territories of Serbia, Albania, Croatia, and Bulgaria, Greece, Serbia, Bulgaria and Armenia. Romanians and Russians adopted Orthodox Christianity as well and were influenced by ecclesiastical developments in Constantinople. At the very early stages of the Byzantine Empire, Greek was the language in many of these Churches. Later on, the Slavic populations and Romanians adopted Cyrillic script and Old Slavonic as their religious language. The Orthodox system was quite decentralized and churches generally supported the power and authority of the secular ruler. The Patriarchate of Constantinople had great prestige and influence, however it did not develop a predominant central institution such as the Papacy at Rome, and national patriarchates or archbishoprics exerted the prime influence over their members (Jelavich, 1996).

Parallel to the spread of Orthodox Christianity in the east and south of the Carpathian Mountains, Hungarians, other Slavs (Czechs, Slovaks, Poles, Croats, and Slovenes) and Balts adopted such Western institutions as the Roman Catholic faith, the Latin script, and the Latin language as the language of Church. Makkai (1990) argues that while Western historiography often characterizes this process as an undertaking of Roman Catholic Italians and Germans, local rulers were proactive in seeking Christianization as well. For example, Hungarian princes used Roman Christianization in the 900s to secure Hungary’s independence among European states, as well as to erode tribalism and build a unified state which was done by their ruler Stephen (Makkai, 1990). The great centralization of Catholic institutions, as well as the drive to use vernacular languages in Church services led to the spread of the Reformation in the 15th-17th century, challenging the Catholic unity in several Central European and Baltic nations (Hungary, the Czech Republic, Latvia and Estonia).
The rise of major political regional powers - Prussian, Russian, Ottoman and Habsburg Empires - and their domination in CEE until their dissolution after the First World War (WWI) in 1918 eroded dramatically the independence of CEE nations. In the case of Hungary, Romania and Moldova, the Prussian Empire did not incorporate territories belonging to these countries, and I will further focus on Habsburg, Ottoman and Russian Empires and compare their administrative policies. However, a caveat should be made here. Prussian/ German institutions such as Protestantism and the so-called Humboldtian university model had a significant impact on educational systems in Hungary, Romania and Russia-USSR, an issue that I will return to later in the thesis.

3.2.4. Intersecting imperial powers in CEE: the Ottoman, Habsburg and Russian Empires. The domination of Habsburg, Russian and Ottoman Empires in CEE altered significantly the development of nations in the region. These regional powers exposed different patterns of administrative and social reforms, which in turn influenced modern reforms in Hungary, Romania and Moldova.

The Ottoman Empire had the aim to expand and defend Islam, but if a city or a region submitted without resistance and paid taxes, the population could retain its religion and a large share of autonomy. The capacity for reforms in the Ottoman Empire was low; reforms were mostly associated with the military and did not concern other aspects as social justice, medical care or education. The Ottoman fiscal system was based on tributes and taxes from conquered countries, and in areas of direct control land passed into absolute ownership of the state. The central bureaucracy was vast, inefficient and state positions could be purchased, so the system was open to bribery. The quality of civil servants suffered because of favouritism, but also

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41 For chronological overview that illustrates major power shifts in the region between the 15th century and World War I (WWI), see Appendix 1.
because of frequent changes in personnel. The higher the rank of an official, the shorter the time he stayed in power: “Constantinople used this rule of thumb to prevent the growth of personal links” (Lendvai, 2003, p.102). The Ottomans did not generally force conversions to Islam in CEE42. When compared to Western rulers and the Roman Catholic Church that pursued Inquisition in Western Europe, Muslim Ottomans looked tolerant, however a critical interpretation of the Ottomans’ rule stresses their cruelty in battles and in public execution of officials and their families (Jelavich, 1996; Theodorescu, 2003). In addition, economic abuses, as I will further show, were extremely burdensome in territories under direct Ottoman control (such as Central Hungary, 1526-1699) and in vassal states (Moldavia, Wallachia, Transylvania).

The Habsburg Empire: Austrian monarchs, unlike Ottoman sultans, attempted a fundamental reorganization of government in all spheres of public life such as the centralization of bureaucracy and the introduction of German as the official language in the Empire, agricultural and tariff reforms, subordination of various churches to the state, and centralized education reforms. Several factors shaped the character, process and outcomes of these reforms. First, a major issue of discontent in the empire was the religious rivalry among three major Churches – the Catholic, the Protestant, and the Orthodox. Catholicism was the state religion, but Lutheranism and Calvinism were successful in Northern Hungary and in Transylvania, while the Romanians and Serbs were Orthodox. After the incorporation of Hungary, Transylvania and Banat into the Habsburg Empire, Catholic Austrians initiated an offensive against other Churches to increase their domination:

Austrian Counter-Reformation was not a Roman dictate, but grew out of dynastic pretensions. As an assertion of public doctrine, it rested on an underlying ideological engagement of which anti-Ottoman and Catholic rhetoric were merely partial manifestations (Evans, 2006, pp.8-9).

42 Parts of Bulgaria were exceptions and, according to Jelavich (1996) Albanians and Bosnians, and some Bulgarians converted voluntarily to Islam so that they would pay lower taxes.
Conducted by Jesuits and engaging forced conversions and confiscation of estates, these efforts succeeded in re-converting many western Hungarians. This increased the confessional split between Catholic and Reformed Hungarians. In Transylvania, for instance, Reformed Churches retained their dominant role. Counter-Reformation in the Habsburg Empire also led to the creation of the Greek (or Uniate) Catholic Church in Transylvania and Carpathian Ukraine among Orthodox Romanians and Ukrainians, adding to religious diversity and creating long-lasting tensions in the future in South-eastern Europe. For example, Greek Catholics were persecuted in the Russian Empire and after the World War II (WWII) in Romania and the USSR.

A second aspect of Habsburg reforms was that Habsburg Emperors Maria Theresa and her son Joseph II acted on the political ideology of enlightened absolutism, promoted the abolition of serfdom and educational reforms. In understanding the repercussions of the enlightenment in CEE, it is worth reviewing the original idea of enlightened progress. For Bourbons in France it meant a more rational organization of state and society to enhance dynastic power and to diminish the rights of nobility and church (Johnson, 2002). Larger and more effective bureaucracy, the systematization of tax systems, the codification of laws and technological improvements in agriculture, industry and infrastructure, as well as religious toleration, the extension and secularization of education, the improvement of public health were viewed to have benefited the population, but also became new tools of state domination:

Each increase in the health, wealth, and intelligence of the absolute monarch’s subjects was an incremental gain in power and potential for the absolutistic state, and in this respect monarchs recognized the benefits of enlightenment, which was ambiguously altruistic and obviously authoritarian (Johnson, 2002, p.104).

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43 It should be noted that enlightenment occurred in CEE states controlled by the Ottoman Empire as well, but it was the initiative of local leaders. Serbia, Moldavia and Wallachia abolished serfdom before it was abolished in Habsburg and Russian Empires.
Habsburg and Russian Emperors also applied Enlightenment innovation through centralization reforms. The context of enlightened reforms in the 18th century in Western Europe however was different from that in CEE. In France and England, for example, enlightenment was accompanied by political and industrial revolutions and also the rising middle class, which was ethnically uniform. The empires of CEE did not experience the phenomenon of revolution from below, and were also multiethnic and multi-confessional, which created all sorts of resistance. For instance, in the early 18th century, the situation of Hungarian peasants was extremely difficult, the burden of taxation very high, and abuses by nobility widespread – this was the time of the ‘second’ slavery or serfdom discussed later in section 3.3.3. As a result of Habsburg agrarian reforms, serfs received rights of a tenant, could marry, learn a trade, and leave the land if finding a replacement. However, local nobility resisted freeing serfs; peasants continued working long hours for the manor, and their movement remained restricted.

Finally, Habsburg economic reforms were driven by the need to improve competitiveness of the imperial economy and fund huge military expenses, often on behalf of certain ethnic groups. For instance, increasing the war tax and customs on Hungarian goods and abolishing a general levy in favour of cash payments transformed Hungary into an economic adjunct of other Habsburg lands: 87 per cent of exports and 85 per cent of imports came and went from Austria and Bohemia (Haselsteiner, 1990, p.151). This state of dependency was aggravated by internal conditions such as the lack of capital, a backward credit structure, limited technical expertise of the local nobility, and poor transportation infrastructure. Many social reforms undertaken by the Empress Maria Theresa and her son Joseph II during the 18th century in CEE nations failed because they were too rapid, did not have enough financial support and met local resistance. At the same time, opening state, secular elementary schools and foundation of new hospitals and
institutions to serve the poor and the sick44 laid the foundation for the future welfare systems in the region (Evans, 2006; Jelavich, 1996; Johnson, 2002).

The Russian Empire as well as Habsburg Empire used Enlightenment reforms to modernise the empire in the 18th -19th century. Top-down reforms involved road building, urbanization, and opening universities, and relied on importing Western innovations. Johnson (2002) argues that reforms in the Russian Empire were influenced by its low level of development (compared to the Habsburg Empire), its huge territory, and ethnical and religious diversity. If Western and Central European feudalism relied on a constitutionally defined power regulated by laws and regulations (Magna Cartum, UK; Golden Bull, Hungary, etc.), parliaments or popular assemblies, authority in Russia lacked contractual agreements, and the power of the tsar or the aristocracy was unlimited (Johnson, 2002). The tsar was the largest producer and trader in the empire, favouring a centralized and rigid public administration system, in which the extensive discretion of bureaucrats created large opportunities for corruption. Russian tsars were Orthodox Christians and claimed to be political inheritors of the Byzantine Empire, used its symbols, and introduced Byzantine court ceremony. The centralized nature of the state and feudal institutions of taxation, army organization, torture, capital and corporate punishment made Russian imperialism much more despotic than that in the West.

Policies towards nationalities evolved from focussing on administrative, social and cultural integration at the beginning of the century to strengthening bureaucratic controls by the mid 19th century, to openly pursuing cultural and linguistic russification of ethnic minorities after the 1863 reforms and to exclusion and discrimination of Jews at the end of the 19th-early 20th century (Kappeler, 2001). Economic and legal reforms ended in retractions and despotic

44 Between 1782 and 1786, the Habsburg Emperor Joseph II dissolved around 700 monasteries that he felt did not provide social service and opened hospitals and hospices instead.
retaliation, a pattern of reforms which was perpetuated later in the Russian/Soviet history. Concessions to increase the autonomy of ethnic minorities, political amnesties and re-opening institutions of higher education (e.g., Medical Academy in Warsaw in 1856) were followed by long periods of the retention of power, tough punishing measures such as estates’ confiscation, rebels’ execution, sentencing to hard labour and deportation to Siberia, and conservative social and educational reforms.

Another feature of assimilation policies was that they were applied at different times and with different intensity across the Russian Empire. Kappeler (2001), for instance, shows that local autonomy was curtailed in Basarabia in 1828 and in Poland in 1831, and was further diminished during reactionary reforms after 1863. The special status of the Baltic Provinces was limited only in the 1880-90s, but their autonomy was never completely abolished. The Grand Duchy of Finland received its own currency in 1865 and a largely independent army in the 1880s. The first pogroms of Jews were reported already in the early 1860s; however, by the end of the 19th century exclusion and discrimination against Jews was promoted by state policies. In education, for instance, the number of Jewish students was restricted to 10 per cent of the student body in Poland, 5 per cent in the rest of Russia and 3 per cent in Moscow and St.-Petersburg.

Tsarist autocratic power, overly-centralized state and almost non-existent civil society were largely incorporated into the Soviet political, economic, and educational traditions. As Foucault argued, the Enlightenment rationalistic project attempted by the Russian Empire was undertaken by the Soviet regime and was based on centralized planning of all aspects of life,

45 For instance, Romanian language was banished from public administration and religious services already in the 1830s, while Lithuanian, Byelorussian, and Ukrainian languages were banned from schools in 1863. Russian language was introduced as an official language in Estonia, Latvia and Lithuania in 1870, and using Polish became a punishable offence in 1878.
46 ‘Pogrom’ is a Russian word used in Western literature to describe violent outbursts of local population against Jews in Russian Empire. State policies of Jews discrimination intensified after the assassination of tzar Alexander II in 1881.
material, physical and intellectual, thus having a long-term impact on CEE: “Socialism has made no critique on biopower, it has taken it up, developed, reimplanted, and modified it in certain respects, but did not re-examine it” (Foucault, 1997, p. 262).

3.2.5. Shifting borders and ideologies: CEE in the 20th century. The WWI peace settlements led by the USA, Great Britain and France, and the Socialist revolution in Russia in 1917 changed the political map of CEE dramatically. The new world order was shaped by the ethnic principle of national self-determination, formulated by the American President Wilson. Three major empires – the Russian, Austro-Hungarian and Ottoman - were dissolved, while new states - Austria, Hungary, Czechoslovakia, Yugoslavia, Turkey, Finland, Estonia, Latvia, Lithuania, Poland and the USSR appeared on the European map. Germany, Hungary and Austria were the greatest losers in the peace negotiations and their territorial partitions, as well as the USSR claims over lost territories, created a terrain for future instability in the region. The Treaty of Versailles was a national humiliation for Germany and further fuelled a conservative-reactionary backlash in this country, eventually leading to Hitler taking power (Johnson, 2002). Germany lost territories to France and Poland as well as its overseas colonies; it had to assume the responsibility for the war and pay reparations. Hungary lost two-thirds of its territory and around 60 per cent of its population, with more than 3 million Hungarians becoming ethnic minorities in neighbouring countries (Somogyi & Somogyi, 1976, p.108). This created huge discontent among Hungarians and long-lasting tensions in relations between Hungary and its neighbours, especially with Romania. Between 1918 and 1940, Great Romania integrated Transylvania, Bukovina, Banat and Basarabia, and with them 2 million Magyars and significant numbers of Germans, Ukrainians and Russians.

47 Peace settlements include such treaties as Treaty of Versailles with Germany in 1918, Treaty of St. Germaine with Austria in 1919, and Treaty of Trianon with Hungary in 1920.
New Central and Eastern European countries were conceived as democratic states; however the strong legacy of authoritarian colonial governments and almost no experience in democratic statehood contributed to the establishment of various types of authoritarian regimes. Admiral Horthy founded a nationalistic-authoritarian regime in Hungary as early as 1920; Yugoslavia and Romania turned their constitutional monarchies into regal dictatorships in 1929 and 1938. Respectively, authoritarian regimes in CEE in the 1930s were based on the alliance between traditional agricultural and modern capitalistic interests that hindered reforms and modernization. Many countries in the region responded to the Great Depression by implementing policies of ‘economic nationalism’ (e.g., protectionist policies in industry in Poland, or in agriculture in Bulgaria). The increase in Soviet and German influence in the 1930s divided CEE societies between ‘Bolshevik’ and ‘Fascist’ parties. This period was marked by increased anti-Semitism and discrimination against ethnic minorities, purges against liberally minded intellectuals, and authoritarian policies. The defeat of Germany and its allies in World War II (WWII) was formalized in the Yalta agreements of February 1945. In the new post-war balance of power, the Soviet influence in CEE increased and the open confrontation between East and West started.

Sovietization in CEE was an expansionist project; it accounted for territorial gains and military, political and economic control of CEE states by the Union of Soviet Socialist Republics (USSR), imposed new types of institutions and a new ideology – Marxism-Leninism - and restricted basic human freedoms, especially in its early stages. In 1940, USSR incorporated Basarabia (most of its territory became the Moldavian Soviet Socialist Republic (MSSR), Lithuania, Latvia, Estonia, Western Ukraine and Western Belarus, which followed an intense path of integration into the Soviet Union’s economic, political, educational and social space. In
the rest of CEE, the USSR influenced national decision making through regional organizations such as the Council of Ministers of Economic Affairs (CMEA) or military associations such as the Warsaw Pact. The USSR also used direct military interventions in Hungary in 1956 and in Czechoslovakia in 1968 to suppress people’s uprisings against the totalitarian regime. The Soviet Army was stationed around the region and represented a Damocles Sword ready for action in the case of any attempt to revolt.

Expanding Soviet economic, educational and political institutions, which were supported by local Communist leaders, led to the creation of similar power structures in the region. CEE states evolved as centrally planned economies, with the Communist Party as the fundamental institution of power, and a strong interpenetration of party and state bureaucracy (Kornai, 1992; Lavigne, 1999; Whetten, 1989). Janos Kornai, a famous Hungarian economist, argued in his book the *Socialist system: The political economy of communism* (1992), that ideology, power, prestige and privilege, but also coercion, bonded the party and bureaucracy together. The relationship between the ruling elite and the society was based on the repressive and totalitarian nature of power, in which “…the bureaucracy sets out to convince people to support their policy, using the whole arsenal of education and modern political propaganda for this purpose” (Kornai, 1992, p. 45). Active opposition and organizations were repressed, and the lack of civil liberties and the cruelty of the Soviet/socialist system became the subject of many scholarly and artistic publications (see, for example, Swianiewicz (1965) in his work *Forced Labour and Economic Development*, and Solzhenitsyn (1978) in his work *The Gulag Archipelago*).
3.3. Defining CEE: One Regional Identity or Fractured Identities?

3.3.1. Conceptualizing critically a region and regional identity. Several themes transcend the interdisciplinary literature on regions that are relevant for the present discussion. Political analysis traditionally regards region as an overarching concept, comprising large geographical areas differentiated from the outside world by internal similarities, cohesion or affinity, or defined spatially (Johansson, 1999). Examples of such macro regions are the Middle East, Western Europe, and Central Europe or Eastern Europe. More recent literature related to governance in the EU views region as a smaller area, a province or a district. As such, region in the EU decision making hierarchy occupies the intermediary position between localities and nation states. Various territorial, political, economic, religious and cultural factors impact regional identity. It is generally believed that functional, economic regions and networks (which are less clearly demarcated and often extend across borders) are important but not associated with feelings of affinity and identity (Johansson, 1999). Rather, language, religion, nationality and ethnicity based on common descent are of interest where regional identities are concerned. In this context, Paasi, for instance, distinguishes between the notion of ‘historical region’ or ‘identity-related region’ as a result of historical growth, and ‘functional region’ which is constructed by economic historians and economic geographers as an analytical instrument for their own analysis (Gullberg, 1999).

The nature of regional identity is difficult to grasp or to describe, and is usually viewed from two angles – essentialist and constructivist (Johansson, 1999). The essentialist perspective presumes that identity is tangible, clearly defined and determined by the external environment. Identity is fundamental for individuals; it is manifested in the same way in individual behaviour and thinking within many generations and thus remains constant. However, this approach does
not explain why historical ties and cohabitation do not always foster a common identity. The constructivist approach of ‘imagined communities’ challenges the essentialist approach by suggesting that identities are multiple – regional, ethnical, local, gender and religious, have been created, rather than determined by the environment, and thus are malleable. Neither the essentialist nor the constructivist approaches resolve satisfactorily the question of how identities are created in the first place and then maintained. An additional critique of the constructivist approach is that it does not account for the durability of identities - once institutionalized it is very difficult to revise them. Even long after the disintegration of the Soviet Union, the mentality of the ‘Soviet person’ is perpetuated among older but also younger generations, including emigrants to North America and Western Europe.

The critical perspective employed in this research assumes that a social identity is primarily based on affinity or connection and is multiple and changing; however, social context, deliberate actions of a diversity of actors and the external environment define a group and perpetuate identities. A regional approach to history helps illuminating older spatial-social identities, either sub-national or supra-national, and complements the theoretical conceptions of nations. For instance, the efforts of decentralization and regionalization endorsed by the European Union in the ‘Europe of the Regions’ project is expected to facilitate the process of European integration by relying on nation states but also other spatial constructions of which some are historically created or are functional regions (Tagil, 1999).

3.3.2. Central and Eastern Europe – a concept, a functional region, a historical region.

The evolution of the terms ‘Central Europe’, ‘Eastern Europe’ and ‘Central and Eastern Europe’ is connected to the terms ‘Europe’, ‘Occident’ and ‘West’. According to Evans (2006), the concept of Europe was rarely used in the Middle Ages, when it mostly carried the connotation of
Christian, Occident and was contrasted to the Moslem, Turkish or Oriental world. The concept took off in the political and cultural context of the 17th-18th centuries as a notion describing the Europe-wide balance of great powers and humanism. The North-South divide within Europe was determined by the split between Catholicism and Protestantism and the rise of Northern European nations in international relations. The emergence of Russia as an important European power in the 18th century added the Eastern/Western axis within Europe; the Eastern part of Europe included Russia and the adjacent lands it controlled. The interests of two other great powers in the 19th century and early 20th century – Austria and Germany – led to the formulation of the concept of Pan-German Central Europe, or Mitteleuropa, as a German-Austrian-Hungarian confederation and free-trade area open to Slav neighbours (Evans, 2006; Johnson, 2002).

However, this concept of Central Europe was an aspiration rather than a political reality, and with the increasing role of the USSR in the 1930s and its expansion to the West after the WWII, the term ‘East/Eastern Europe’ defining a macroeconomic region different from Western Europe became the dominant term for this geographic region.

With the dissolution of the socialist bloc, a variety of groupings and approaches to characterizing the region have been engaged by scholars, political leaders in the region and international organizations. International organizations, for example, advocated the division between the Former Soviet Union (FSU) or New Independent States (NIS), on the one hand, and Central and Eastern Europe, on the other hand. The first group included 15 former Soviet republics, and the second accounted for all the other European post-socialist countries. Since the mid 1990s, the European part of the USSR (the Baltic States, Ukraine, Belarus, and Moldova) has been frequently attributed to CEE as well. The geopolitical approach to regions in Europe

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48 For instance, Evans (2006) recalls that the traditional management of English foreign affairs was organized in two departments – Northern and Southern.
has limited the term Central Europe to including present-day Poland, the Czech Republic, Slovakia, and Hungary (Johnson, 2002). Defined according to static current boundaries, it excludes Transylvania, Western Ukraine, parts of Slovenia, and Croatia, which historically were incorporated into the Hungarian Kingdom and Habsburg Empire. A pure geographical definition of Central Europe as an area defined by the Elbe, Bug, and Danube rivers and the Baltic Sea is not influenced by political changes in boundaries over time, and includes parts of Romania, Ukraine and former Soviet Baltic States, however excludes Slovenia and Croatia (Gassowski, 1997). The civilization approach marks religion as the major dividing line among civilizations. According to this approach, Central Europe is part of Western Christendom and incorporates the historical lands of the Habsburg Empire, the Hungarian Kingdom, the Polish-Lithuanian Commonwealth, Czechoslovakia, and eastern Germany, while Eastern Europe is a region that developed under the auspices of the Orthodox Church (Huntington, 1996). In his influential book *Clash of Civilizations*, Huntington (1996) argued that

> The civilizational paradigm thus provides a clear-cut answer to the question confronting West Europeans: Where does Europe end? Europe ends where Western Christianity ends and Islam and Orthodoxy begins. This is the answer which West Europeans want to hear, which they overwhelmingly support sotto voce, and which various intellectuals and political leaders have explicitly endorsed (p. 158).

This approach is widely cited in the literature, portrays the Orthodox Eastern and Western halves of Europe as profoundly foreign and promotes a non-Western, alien, image of Orthodox Christian nations. As I will show in the next sections, many CEE nations included in the Western civilizations and those included in the Orthodox civilization shared several development commonalities. In addition, new political realities of European enlargement questioned Huntington’s assumption on how Western Europeans define Western civilization. First Greeks
and then Romanians and Bulgarians – all of them Christian Orthodox - joined the EU, increasing the cultural diversity of the European Union.

The incredibly vast array of differences in economic development, degree of integration with Western Europe or Russia, ethnic, spiritual and religious background of CEE nations resulted in the 1990s in further fragmentation of the region into smaller geo-political constructions and alliances with over-lapping membership and contested margins. Geographical sub-groups include Central Europe (Poland, the Czech Republic, Slovakia, Hungary, and often Slovenia and Croatia), South Eastern Europe (Romania, Bulgaria, Albania, most former Yugoslav republics, Moldova, Ukraine), the Balkans (Greece, Albania and former Yugoslavia and in some sources Romania and Bulgaria), the Baltic States (Estonia, Latvia, Lithuania), East European former Soviet republics (Russia, Ukraine, Moldova, Belarus, Georgia, Armenia, Azerbaijan), and the Caucasus (Georgia, Armenia, Azerbaijan). The Visegrad Group was established in 1991 in the Hungarian town of Visegrad by Poland, Hungary, Czech Republic and Slovakia to coordinate their national policies in applying for EU membership. The Central European Free Trade Agreement (CEFTA) was signed initially by Visegrad members in 1992 in Krakow, Poland, and was later joined by Slovenia, Romania, Bulgaria, Croatia and Macedonia. The new EU members left CEFTA at the point of joining the EU, but in 2006 this agreement was expanded to South Eastern Europe to include Croatia, Macedonia, Albania, Bosnia and Herzegovina, Moldova, Serbia and Montenegro.

The Commonwealth of Independent States (CIS) is an alliance of former Soviet republics, which was created in 1991 and includes 11 former Soviet republics (the three Baltic republics did not join the alliance and Turkmenistan withdrew in 2005). On several occasions, the CIS leaders have raised their concerns about the usefulness of this loose confederation, particularly
given the rise of smaller geo-political regional associations which involve CIS members such as the Common Economic Space (created by Russia, Kazakhstan, Ukraine and Belarus in 2003) and GUAM Organization for Democracy and Economic Development (association of Georgia, Ukraine, Azerbaijan and Moldova established in 1997 in Strasbourg\(^\text{49}\)). Another regional association, which includes two CIS members, Moldova and Ukraine, is the Stability Pact for South Eastern Europe, which aims at strengthening peace, democracy and human rights, and the economy. It was created as a EU initiative in 1999 in Cologne and includes Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, Montenegro, Romania, Serbia, Ukraine, and Macedonia. In 2008 the Stability Pact is expected to be succeeded by the Regional Cooperation Council, a regional co-operation framework formed by the countries in the region.

### 3.3.3. Defining the region in this research

I believe that no single dividing line – geographical, religious, or political - defines the myriad of intraregional differences in this geographical space. For instance, Central/Eastern and Eastern/Western divides were never distinct, but rather fluid, influenced by frequently changing borders and geopolitical conditions. Smaller groupings are conditioned by geographic proximity, common historical developments, economic factors, or security concerns. They are generated and promoted by major powers in the region (e.g., EU-Stability Pact for South Eastern Europe, and, Russia-CIS) or by internal solidarity (Visegrad Group or GUAM). Intersecting historic, religious, linguistic and economic ties rather than a simplistic clear-cut bi-polar Western-Eastern division stand behind all these associations. Orthodox Christianity is the dominant religion in Russia, Serbia, Ukraine, Belarus, Romania, Bulgaria, Georgia, Armenia, and Moldova. Russia has played an important place in their histories. Poles, Hungarians, Slovenians, Croatians, Czechs, Slovaks, Estonians, Lithuanians and Latvians are predominantly Catholic and Protestant, and the connections with

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\(^{49}\) Uzbekistan was a member from 1999 to 2005, and the name of the organization in this period was GUUAM.
Western Europe have existed for hundreds of years. However, the interrelations with Western Europe were often built on colonial relations rather than on a equal footing, creating reticence and frustrations with the local populations. The Ottoman domination hindered the economic development of this region more in countries where this occupation lasted longer (Bulgaria, Serbia or Romania) and less in Croatia and Hungary that experienced shorter periods of occupation. However, as pointed by Johnson (2002, p.82) “…the lag in modernization after Turks left can not be solely attributed to its Ottoman heritage”. This gap was further exacerbated by common developments characteristics for the entire CEE.

Economic historians Adanir (1989), Brenner (1989) and Chirot (1989) traced the origins of slow development of Central and Eastern Europe to the differences in agricultural systems as far back as the 15th century. They attested that first Poland, later Hungary and then by the 19th century the Balkans became economic adjuncts of the more developed Western nations. ‘Second serfdom’ and a weak middle class in the late medieval period contributed to increasing the lag in development of the whole region compared with Western European nations. ‘Second serfdom’, or the reassertion of feudal rights over peasants-serfs, occurred in the 16-18th centuries and restricted rural mobility in Bohemia, Hungary, Poland, Romania, and Russian Empire. This period is often defined not as an era of transition from feudalism to capitalism as in Western Europe, but rather as late feudalism, when medieval conditions were consolidated (Johnson, 2002). Also, as discussed in this chapter, CEE experienced commonalities in how nation states and capitalist economies have been built in the late 20th century.

Most countries in the region host different ethnic groups due to numerous wars, people’s movements and borders’ rearrangements. Significant Roma minorities live in Hungary, the Czech Republic, Romania, and Serbia. Turkish minorities can be found in Bulgaria and Moldova.
Russian-speaking minorities live in all former Soviet republics. CEE was home for many centuries to millions of Jews\(^{50}\), who suffered the Holocaust and emigrated in several waves to the USA, Latin America and Israel in the 20\(^{th}\) century. Border disputes between countries, particularly as a result of Peace Treaties after the WWI and WWII, resulted in intermingled border populations in all CEE nations. This creates anxieties and tensions, often accompanied by discrimination and lower social and economic status of minorities and loss of ethnical and linguistic identity. Regional fragmentation, particularly in South Eastern Europe, led to the widespread usage of the term ‘Balkanization’, which is a political concept indicating instability, territorial claims, repression of ethnic and religious minorities, and incidents of foreign intervention (Theodorescu, 2001). However, as the same author fairly mentions, scholars of CEE rarely note that this part of the world was also a land of religious tolerance, cultural synergy and of the spiritual avant-garde. Markides (2001), for instance, points out that Western Europeans eagerly look for spirituality in Tibet and do not know about rich traditions of Eastern European Orthodox spirituality.

CEE is a macro region with fractured identities and contested margins, sharing not only common Soviet heritage but also common socio-economic developments in the period of modern nation building in the 19-20\(^{th}\) century and in Middle Ages. In addition, a prominent south eastern European phenomenologist of religion and professor at the University of Chicago, the Romanian-born Mircea Eliade, suggests that “…among the elements of unity in the peasant cultures of Southeastern Europe, the most important was the Thracian\(^{51}\) substratum” (Eliade, 1981, p. 203). As a result, deep roots in a common layer of folklore, archaeology, pre-modern history, and archaic beliefs produced common regional ideologies and mystiques. The term

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\(^{50}\) In 1913, 617,000 Jews lived in German Empire, 2.5 million in Austro-Hungarian Empire and 6 million in Russian Empire (Johnson, 2002, p.144).

\(^{51}\) Thracians, including Dacians, were the tribes that inhabited Southeastern Europe in ancient times.
‘Central and Eastern Europe’ as representing both a historical and functional region is preferred in this dissertation to ‘Eastern Europe’ for two reasons. First, it captures the political and economic meanings of the ‘socialist’ east, but also accounts for the fragmented rather than monolithic character of the region rooted in pre-Soviet history. Second, in this dissertation I concentrate on three national case studies - Hungary, Romania and Moldova. Hungary is often seen as part of Central Europe, Hungary and Romania have been attributed to Eastern Central Europe, and Romania and Moldova - to South Eastern Europe. The term CEE describes a macro region that integrates all of these sub-regions.

3.4. Conclusions
This historical overview, tracing developments in CEE for nearly two millenniums, points out three important issues which relate to this research. First, massive migrations of Slavic and Turkic tribes, different Christianization patterns and expansionist projects of various regional powers contributed greatly to establishing a very diverse CEE population, and a region with blurring and constantly changing borders. Second, features such as ‘second serfdom’, largely agrarian economies, a under-developed middle class and civil society, a dependency on regional powers, and authoritarian regimes established in the interwar period, shaped CEE as a macro region already before the establishment of the Soviet regime. Third, following WWII, for the first time in history, Eastern Europe became an officially accepted and politically defined region, determined by a fixed border for the next 45 years - the ‘iron curtain’, a term largely popularized by Churchill shortly after the war (Johnson, 2002), and by much stronger commonalities of this region’s political, economic and educational institutions. In the 1990s and 2000s, economic reforms in CEE nations also followed common trends. To see how the projects of Sovietization
neo-liberal reforms and European enlargement, on the one hand, and national cultural, political and economic heritage, on the other hand, influenced HE reforms in 1990-2005 in Hungary, Romania and Moldova, I examine educational developments in these nations before the Soviet period in Chapter 4 and analyze the impact of the Soviet structure of power, transition reforms and European enlargement on HE in these countries after WWII in Chapters 5 and 6.
Chapter 4.
Educational Institutions and Discourses in Hungary, Romania and Basarabia
– Major Historical Trends and Influences

4.1. Introduction

The objective of this chapter is to critically analyze the historical evolution of educational institutions and policies in Hungary, Romania and Moldova before the Soviet period. The need for these national historical narratives is determined by three factors. First, the historical development of educational institutions shows how various foreign practices and models influenced present reforms in HE. In the early 1990s, when facing the need to reform HE, CEE nations returned as Tomusk (2004) puts it, “…to distant past or to historically legitimate models”. Second, understanding historical university practices and models helps connect university developments in the 19th-20th century with the modernization process in these nations. Third, research in this section covers the existent gap in the English literature on comparative and national educational reforms and their intersection with other reforms in these three countries. Most of the English-speaking literature focuses on the Soviet period, and does not account for a detailed analysis of the socio-political situation in various periods of time. Individual histories of education in the three analyzed cases, rooted in the regional geopolitical analysis of the previous chapter, help answer the first research sub-question raised in this thesis: What was the importance of the regional and historical context in explaining modern HE reforms in these nations? More specifically, I focus in this chapter on how national particularities of these countries and regional powers influenced early educational institutions, and shaped modernization discourse and higher education policies in the 19th - mid 20th century.

To explore the historical roots of modern higher education reforms in Hungary, Romania and Moldova I reviewed several types of literature. First, I examined publications on the history
of education reforms in the three countries. A detailed study on the evolution of Hungarian educational reforms written by Kornis, a Hungarian professor, was published in 1932 by Columbia University. Later brochures on the history of universities were published in the United States in 1967 on the occasion of the 600th anniversary of the first Hungarian university (Bako & Horvath, 1967; Gabriel, 1969). These publications along with books on Hungarian history (such as Kosary, 1941; Somogyi & Somogyi, 1976) were written by Hungarian-born researchers that immigrated to the United States. Several immigration waves since the mid 19th century had contributed to the creation of a significant Hungarian community in the United States already by the 1930s-40s. However, English-language sources on the history of educational institutions in Hungary are often dated and uncritical, and romanticize reforms when the socio-economic context was quite dramatic.

The Romanian and Moldovan educational experiences before the Soviet period are virtually unknown in the modern Western educational literature due to the lack of English-language publications. The Romanian Diaspora in the United States and Western Europe grew more recently, and only few history books such as Iorga (1925) were published in English before WWII. In my analysis I relied on historical research undertaken by Romanian scholars on schools and universities (Badarau, 1987; Ionascu, Velichi, & Sendrurescu, 1977; Iorga, 1928/1971; Marza, 1987; Oltean, 1989; Pascu, Manolache, Parnuta, & Verdes, 1983; Platon, 1985; Stanciu, 1977). These books were very helpful records of the development of Romanian educational institutions. Iorga, a well-known Romanian historian, publicist and Minister of Education in the 1930s, was a very prolific writer and provided in his 1928 book a detailed account of various foreign influences on Romanian education from origins to the early 20th century. Stanciu, for example, located Romanian pedagogical traditions in the European context.
Ionascu and Platon gave a scholarly account of the history of the two first and best universities in Romania – Jassy and Bucharest, while others analyzed schools of different levels by regions or sub-regions (Transylvania, Brasov, Blaj, Muntenia, Moldavia). However, not all of these publications examined in detail the geo-political context; others focused on biographies of scholars and curricular structure, and lacked a comparative perspective. As a rule, researchers focussed on one institution or region in Romania.

To explore the history of education in Moldova, I reviewed history texts written at different times by Moldovan, Russian, Romanian and Western authors on educational reforms in the Russian Empire and Greater Romania in the inter-war period. While most of the Russian-language literature from the Soviet times is dated and rather fulsome, praising the achievements of the so-called ‘developing’ and ‘developed’ socialism in Moldova, certain aspects of the history of educational reforms are well covered. For instance, *History of Chisinau* by Budak, Bryseakin, Verbitskii, Constantinov, Mđdvedev, Repida, & Sytnik (1966) was based on research at St.-Petersburg and Kharkiv Archives, where most of the historical records on education in Basarabia up to the 19-early 20th century were stored, and contains valuable references to these historical documents. It has to be taken into account that Soviet historiography was biased towards the Romanian origins of Moldovan inhabitants, but at the same time it was critical of the tsarist regime and examined the assimilationist policies of the tsarist government in Basarabia, such as, for example, the Russification of education. In addition, few recent doctoral theses in history written in Moldova provided a succinct critical account of education reforms in the 19th century Russian Empire and in Basarabia (Coada, 2007; Taranu, 2005).
Significant sources for analysis in this section were the history books, which incorporate sections on education or analyze certain educational reforms. There is a multitude of history texts on Hungary, Romania and the Russian Empire in the English language (e.g., Bolovan et al., 1996; Evans, 2006; Iorga, 1925; Johnson, 1969; Kappeler, 2001; Kosary, 1941; Lendvai, 2003; Pop & Bolovan, 2006; Somogyi & Somogyi, 1976; Sugar, Hanak & Frank, 1990). In the case of Moldova, I reviewed several Romanian language publications on Moldovan history written by Nicolae Costin in the early 18th century (1976), Hasdeu (1984 [1872]), Iorga (1995 [1905]), Boldur (1992 [1937]), as well as more recently by researchers from Moldova (Bezviconi, 1996; Dabija, 2002; Enciu, 2002; Postarencu, 1998), Romania (Alexandrescu, 1994; Ciachir, 1992) and the USA (King, 2002). While education is not the major focus of these history books, they often provide a critical perspective on historical events, help locate the educational developments within particular historical contexts and are a great supplement to the sources on educational history.

To better understand certain periods of time, I drew upon few autobiographical materials. For instance, the autobiography of historian Mircea Eliade (1981) published in English was an important source of information on the educational system in Romania in the inter-war period (1918-1938), and provided thoughtful insights into conservative government policies in the 1930s and their negative consequences for Romanian intellectuals. The book Notes of the Governor related the experiences of the Russian Governor Count Urusov (2004 [1907]) in Basarabia in 1904-1906. While it represented the view of a Russian official about the relatively recently annexed territory by the Russian Empire (1812), it also provided material for critical analysis of tsarist policies in Basarabia. Travel notes of the famous Romanian historian Nicolae
Iorga (1995) on his ethnographic research in Basarabia in 1905 also reflected on many aspects of urban and rural life from the perspective of a Romanian scientist.

Finally, I reviewed a variety of publications on education published by UNESCO, the United States Department of Health, Education and Welfare, and national Ministries of Education in the period between 1960s and 1990s (Braham, 1964; 1972; 1980; Inkei, Koncz & Pocse, 1988; Manolache,1965; Mihăilescu et al., 1994). These publications were parts of larger series, served the purpose to introduce a national system to the international community and made only brief reference to the history of educational institutions. For a chronological examination of educational reforms in Hungary, Romania and Moldova, beginning with Middle Ages and ending with the 2000s, see Appendices 2, 3 and 4.

4.2. The Development of Education in Hungary from Medieval Times to WWII

4.2.1. The Medieval Kingdom of Hungary and the first Hungarian universities (1000-1526)

(Map 2). Westernization through borrowing and adapting western institutions was an important state strategy employed by Hungarian rulers from the early stages of Hungarian nation building (Kornis, 1932; Makkai, 1990; Somogyi & Somogyi, 1976). Hungarian princes introduced the German system of land organization, adopted a constitution and supported the expansion of Catholic monastic orders, Latin language and literacy. Schooling was institutionalized and organized by the Church at that time throughout Europe. Benedectines, French Cistercians, Italian Franciscans, and Dominicans transplanted the European school system to Hungary by opening monastic, cathedral, diocesan and cloistral schools already in the early 11th century. At

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52 The institutional innovations, such as the Carolingian system used in Germany (which consisted of creating permanent settlements to supervise production and storage of goods), a Westernized royal hierarchy, and the Golden Bull (adopted in 1222 or seven years after the English Magna Cartum), were promoted under Arpad Dynasty (896-1301).
the elementary level, students were taught Latin reading, pronunciation, conversational speech and writing, singing, basic arithmetic and some religious instruction. According to Kornis (1932) and Somogyi & Somogyi (1976), cathedral and cloistral schools taught the seven liberal arts (*arte liberales*) as in the West\(^{53}\).

The reform of government and education intensified during the 14\(^{th}\) and 15\(^{th}\) centuries, when for more than 200 years foreign princes from Italy, Poland or France had ruled Hungary. By the early 16\(^{th}\) century, the medieval Hungarian Kingdom was a Western-type state with a highly-performing military, courts and an increasingly urbanized and class-divided society. In this period, the number of Hungarian students studying abroad at universities in Naples, Krakow and Vienna increased. Kornis (1932, p. 1-2) estimated that by 1541 there were 275 city and village Hungarian schools, and that the presence of Hungarian students in Vienna in the 14\(^{th}\) century was so significant that they were able to organize themselves as a student body called *Natio Hungarica*. In addition, the first three Hungarian universities were created in the Middle Ages. *University of Pecs* was established in 1367 by Louis the Great, a Hungarian king of French origins, and it is believed that it lasted until 1543 as a university but probably survived as a *hochschule* until the middle of the 17\(^{th}\) century (Gabriel, 1969). Louis the Great invited Italian professors from Bologna and Padua to teach at the new University. As put by Gabriel (1969), Italian universities were close, roads to them were safer than to Paris, for instance, and Italian jurists were well-known in Europe of that time. The *University of Obuda* was founded in the last decade of the 14\(^{th}\) century by the Sigismund, King of Hungary and Emperor of Germany and it

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\(^{53}\) The lower level *trivium* included grammar, rhetoric, and dialectics, and a higher level *quadrivium* accounted for music, arithmetic, geometry and astronomy.
probably did not survive the death of its founder in 1437\textsuperscript{54}. Finally, King Mathias I Corvinus, one of the few Hungarians to be a prince of Hungary in this period, established the *Academia Istropolitana* or ‘Academy of Danube City’ at Pozsony\textsuperscript{55} in 1467. German, Italian and French professors were invited to teach at the Academy, but it declined soon after Mathias died in 1490.

Despite their short lifespan compared to most contemporary Western universities, their emergence during this period is a matter of great pride for Hungarians. The University of Pecs, for instance, was the fourth oldest Central European university created after the universities in Prague (1348), Krakow (1364) and Vienna (1365) (Gabriel, 1969). Hungarian universities followed Western traditions in terms of privileges granted by the Pope or local authorities and in terms of their organization: they had faculties of Law, Medicine, Philosophy or Theology, and they combined college (residential area) and university (classrooms). However, they were the expression of a new era in schooling determined by the growing interest in specialized knowledge and in urban life, “…when the institution of the school shifted from being the servant of the church to preparing a more diverse array of experts for an increasingly secular society” (Olson, 2003, p.181). As Gabriel (1969, p.15) argues, these Hungarian universities reflected the spirit of the century; they were created by secular princes for “…the propagation of knowledge and truth” and for training men favourable to their ideas. Hungarian historians suggest that the development of these universities was hindered by an insufficient endowment, by a lack of good leaders and, most importantly, by the devastation caused by Turkish occupation. I would also add that there were not enough students to feed new universities, since only in the 18\textsuperscript{th} century the number of secondary schools increased substantially. In 1770 there were 41 Jesuit and 25

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\textsuperscript{54} Information about this university is scattered and controversial. According to Bako & Horvath (1967, p.3) it was created in 1389, while according to Gabriel (1967, p.37) - in 1395. Engel (1990) does not mention *University of Obuda* but writes about the Dominican theological school *studium generale* established in 1304 in Buda.

\textsuperscript{55} Pozsony was located 25 miles east of Vienna and was the second city after Buda at that time in Hungarian Kingdom. It was called Pressburg in German and now is Bratislava, the capital of Slovakia.
Piarist secondary schools, several run by other orders, as well as 20 secondary schools operated by Protestants (Somogyi & Somogyi, 1976, p.116).

4.2.2. Ottomans in Central Hungary and Transylvania and the spread of Reformism (1526-1699). The defeat of Hungary by the Ottomans at Mohacs in 1526 and the 150 years of Ottoman rule that followed is viewed by Hungarian historians as

…the greatest catastrophe of Hungarian history, with fateful demographic, ethnic, economic and social consequences. One can say without exaggeration that the amputation of historic Hungary through the coercive peace treaty at Trianon in 1920 had its origins 400 years earlier in Turkish times’ (Lendvai, 2003, p.98).

Hungarians lost their political and economic independence and territorial integrity. Not only was Central Hungary occupied by Ottoman Porte, but Transylvania also became a vassal Ottoman state and Western Hungary was incorporated into the Habsburg Empire (Map 3).

Politically and economically, the 17th century is defined in Hungarian history as the century of ‘Hungarian decay’, which was a function of Turkish occupation, but also of the “…intolerant and at times cruel rule of Habsburg representatives in Royal Hungary and Transylvania…For Protestants harried by the agents of the Counter-Reformation in Royal Hungary their prosecutors were “worse than the Turks” (Lendvai, 2003, p. 111). Constant clashes between the Ottomans and Habsburgs, numerous famines and diseases, and massive enslavement of Hungarians by Ottomans led to a sharp decline in population in the 16th century. Ottomans seized the land from churches in occupied territory, and divided it into five regions, pashaliks, which were under the control of one Pasha in Buda. These administrative reforms seriously affected the local population. Frequent changes in officials - during the 145 years of Turkish occupation of Buda

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56 Formally the occupation started after the defeat of Buda in 1549 and lasted 170 years if one considers that final withdrawal of Turks in 1720 rather than Peace at Karlowitz in 1699.
57 Several sources estimate that Hungarian population had fallen from 3.5-4 million before 1526 to 2.5 million in 1600, and only by 1720 reached the level of 4 million (Lendvai, 2003, p. 99; Sugar et al., 1990, p. xii; Haselsteiner, 1990, p. 142).
58 Buda was the name of the modern Budapest.
Ottomans changed 99 *pashas* – creating grounds for corruption (Lendvai, 2003). Catholic monasteries and bishoprics and their schools were destroyed; as a result, the number of priests decreased and the lower clergy were unschooled (Kornis, 1932).

However, the Ottomans did not interfere in local institutions and did not force Hungarians into Islam, and several decades after the battle at Mohacs, laws from 1548, 1550 and 1560 declared that the revenues of abandoned Catholic monasteries should be appropriated for the founding of schools, the care of teachers and the education of priests. In addition, the spread of the Reformation during this period and its Lutheran emphasis on native languages gave a strong impetus to the development of education at all levels and in all parts of Hungary in the 16th and 17th centuries. According to Kornis (1932, p.3), “Protestant cities and Protestant magnates seemed to vie with one another in the founding of schools”, modelled after German Protestant schools and spreading German Protestant Humanism in Latin Schools of Hungary by teaching, for instance, the Greek language, classics and the Greek text of the new Testament. The educational implications of this cultural influence were long-lasting and vast: it shaped a future two-stream - Protestant and Catholic - educational system in Hungary, and consolidated Romanian intellectuals in Transylvania in their struggle to improve the situation of Romanians in Transylvania.

The spread of Reformism affected the education system in Hungary in several ways. First, lower Protestant schools supplied students to Hungarian institutes of higher learning, such as those at Tolna and Debrecen and expanded Protestant higher learning despite prosecutions during the Counter-Reformation. Graduates of these schools continued their studies at foreign universities, mainly Wittenberg, where more than one thousand Hungarians studied (Kornis, 1932, p.3). Second, increasing competition from Protestant institutions of higher learning
stimulated the reorganization of Catholic higher learning. According to Kornis (1932), the Catholic Church realized that an educated clergy and faithful Catholic intellectuals could be accomplished only through organized public schools and Gymnasia, and the Jesuit order, which possessed vast financial resources and enjoyed a near-monopoly in education, created Catholic colleges and refectories all over Hungary in the 16th and 17th centuries. The curricular structure in Catholic schools in Hungary was the same as in Western Europe and was governed by the *Ratio Studiorum* (1599). Students were taught three classes of grammar, one of humanities, and one of rhetoric at the Gymnasa, and a three-year course in philosophy at institutions of higher learning. Instruction was exclusively in Latin, except religion. Another Catholic order – the Piarists – focused on teaching practical subjects and developed professional education by creating the first agricultural school in the middle of the 18th century at Szempc, and by teaching bookkeeping and economics (Evans, 2006; Kornis, 1932; Szakaly, 1990).

In the case of Transylvania, educational developments in the 16th and 17th centuries mirrored the religious and ethnic diversity of its population, as well as political inequities. As mentioned in Chapter 3, Romanians represented the largest share in the population of Transylvania but were not recognized as an official nation and their Orthodox religion was not recognized as an official religion. As a result, Romanians were the most educationally disadvantaged group and only a few Orthodox Romanian schools existed in Transylvania. For instance, the oldest Romanian school at *Scheii Brasovului* was supported by Romanian Principalities in terms of funding and textbooks. To increase the number of Calvinists, the Calvinist Church in Transylvania created local schools and attracted Orthodox Romanian

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59 The Jesuits expanded in Western Hungary, which was incorporated by Habsburg Empire, in Central Hungary, which was occupied by the Ottoman Empire, and also in Transylvania that had an autonomous status within the Habsburg Empire and later became an Ottoman vassal state.
children. This created discontent with the Romanian Orthodox Church\textsuperscript{60}, but also increased the number of Romanian children attending schools. In 1624, the Transylvanian ruler Gabriel Bethlen required that Calvinist schools of all levels should accept Romanian children; a fine had to be paid if talented children were rejected (Pascu et al., 1983). He also helped establish a Calvinist school of higher learning in 1622 based on western traditions of learning, the \textit{College at Alba Iulia}. This contributed to the rise in numbers of educated Romanians in Transylvania, particularly teachers and priests. As I will show later, Romanian intellectuals in Transylvania, driven by the desire to improve the political and economic status of Romanians in Transylvania, played a crucial role in the development of Romanian national identity.

\textbf{4.2.3. Habsburg education reforms in Hungary and Transylvania (1699-1867).} The end of Ottoman occupation in 1699 did not bring the expected liberation. Central Hungary was united with the Western part of Hungary under Habsburg rule, while Transylvania had an autonomous status within the Habsburg Empire (Map 9). The separate status of Transylvania, in addition to cruelties associated with the Counter-Reformation, the incompetence, corruption and despotism of the Habsburg military administration and the financial burden of Habsburg-Ottoman clashes (war taxes, Habsburg army stationing with Hungarians, confiscations, etc.) were extremely frustrating for Hungarians. “In 150 years …Hungary has not paid so much to the Turks as it had to pay in two years to the Imperial armies” (Lendvai, 2003, p. 147). In the 18\textsuperscript{th} century, discriminatory economic policies towards Hungary increased its economic dependency on Austria. The low status of Hungary within the Habsburg Empire led to the strong resistance by the Hungarian nobility to Habsburg reforms, which in several cases impeded social progress.

\textsuperscript{60} The foundation of Greek-Catholic Church in Transylvania in 1697-1701 was treated by the Orthodox Romanian Church and by the political elite of Romanian Principalities as a political act intended to divide the Romanian community in Transylvania. However, as mentioned by Popa (2006, p.628), “…the Creek-Catholic Church had an opposite effect on the development of the Romanian community spirit in Transylvania”: it became a spokesperson for all Romanians, offered access to Western education and marked the intellectual life of Romanians in Transylvania.”
For instance, rejection by the Hungarian nobility of the reforms of Maria Theresa and Joseph II, such as liberating serfs, proclaiming religious tolerance, or promoting education among peasants was “a Pyrrhic victory”, as described by Lendvai (2003, p. 193). The nobility’s exclusive right of landownership and its exemption from all taxes, coupled with the system of serfdom (which was abolished only in 1848), an obsolete guild system, and under-developed towns, hampered Hungary’s development.

Educational reforms in Hungary and Transylvania in the 18th-mid 19th centuries were influenced by the promotion of the top-down Enlightenment project in which increasing quality and access to education were viewed by Habsburgs as fundamental to improving society and the state. In the early 18th century state oversight over education was declared by the Habsburgs:

The Enlightened absolutism of Maria Theresa and Joseph II, like that of Frederick the Great and the Russian Empress Catherine, desired to produce obedient and useful subjects through an educational system sponsored entirely by state (Kornis, 1932, p. 8).

The Jesuit order was dissolved in 1773, and the first educational Code of Hungarian education - the *Ratio Educationis* – was formulated in 1777. This act was the first attempt at system wide changes in education. Kornis notes that “…this epoch-making work, an organic and original synthesis of the pedagogical movements in Europe was absolutely unknown abroad”, especially when no country at that time had such a universal and unified textbook of education (1932, p. 8). Based on Enlightenment ideals this legislative act focused on creating a uniform school administration and curricula, the separation of schools from the church, and it favoured teaching ‘practical’ subjects such as mathematics, history, or geography (Evans, 2006; Kornis, 1932; Lendvai, 2003). The structure outlined in the 1777 *Ratio*, provided for elementary four-year schools located in villages and towns with one or several teachers, followed by the secondary school within a three-grade grammar schools and two-graded gymnasium. Graduates of secondary
school were eligible for courses in philosophy and law at royal academies, and then for university education.

University education in Hungary and Transylvania received a boost by the end of Maria Theresa’s reign, but royal policy continued to remain inconsistent, favouring Catholic institutions until the mid 19th century. In 1777, under the patronage of Maria Theresa, the Catholic University of Nagysszombat was moved to Budapest and renamed the University of Buda. A Jesuit University had existed in Transylvania in Kolozsvár (Cluj) since the early 17th century and the number of students increased from 50 in 1703 to 493 in 1771 (Neagoe, 1980, p. 13). After the dissolution of the Jesuit order by the Pope in 1773, Maria Theresa wanted to maintain the Catholic influence in universities by substituting Jesuits with professors of Catholic faith. However, according to Neagoe (1980), the project did not bring results and Maria Theresa transformed the university into an interdenominational one. The representatives of four official religions – Catholic, Lutheran, Calvinist and Greco-Catholic (Uniat) – were asked for advice, while the Romanian Orthodox, the majority of the Transylvanian population, were not involved in discussing the structure of the new university. The new university – also called university college or Colegii Academici et Almae Universitatis - added to the traditional philosophy and theology departments a new department of medical surgery, and restructured the old sciences department into law. These four departments (faculties) had 17 chairs (catedre). In 1784 Joseph II allowed only three Catholic universities in the Habsburg Empire to maintain the university status - Vienna, Lowen and Buda. The University in Kolozsvár (Cluj) became the Royal Academic Lyceum (lyceum regium), with only one advanced course in philosophy. Though new courses, such as universal history, economic sciences, law in mining, anatomy, obstetrics, and

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61 This university was opened in 1635 in Pozsony, the town of one of the first Hungarian medieval universities.
62 Kolozsvár is the Hungarian name and Cluj is the Romanian name for the current Romanian city in Transylvania Cluj. The Hungarian name is used by Hungarian sources and the Romanian one by Romanian sources.
surgery, were introduced in the curricula, in 1822 the Royal Academic Lyceum had only two departments\textsuperscript{63} and its status was changed to an ordinary college.

The lack of funding and teachers, and local resistance to the Germanization trend set up by Joseph II, did not support the changes proclaimed by the 1777 Ratio\textsuperscript{64}. At the same time, this law triggered important socio-economic and educational changes in Hungary and other territories of the Habsburg Empire. The trends of Germanization and Catholicization in education and the imperial control of education increased demands for national systems of education. “The national tongue from this time became the keystone of the Hungarian educational ideal” (Kornis, 1932, p. 13). Intellectuals saw their task as “...turning non-literate, vernacular, the spoken word, or archaic semiliterate traditions into a modern written language...Introducing vernacular languages in education and administration induced a linguistic reform that included the invention of thousands of new words, and this process fuelled national awareness in Hungary” (Johnson, 2002, p.102).

With this spirit, the Hungarian Parliament in the first half of the 19\textsuperscript{th} century created the Hungarian Academy of Sciences (1830) and promoted the idea of a ‘nationalistic education’, in which public education was the right of all citizens and must be placed under national rather than royal jurisdiction (Kornis, 1932):

Politics and pedagogy became closely allied, on the principle that good education is the best national policy (p. 18).

The generation of young educated Hungarian politicians\textsuperscript{65} initiated the Reform Era in 1825-1827, and triggered a whole national debate for the first time in Hungarian history about the content and structure of elementary education. The Parliament appointed a committee on educational

\textsuperscript{63}The theology department was transferred to Alba Iulia in 1774, while the medical department was transformed into a separate Institute of Medicine and Surgery in 1817.

\textsuperscript{64}Joseph II made German language the universal and official language in education in 1784-1789.

\textsuperscript{65}Such as Parliamentary Chairman Count, Szechenyi, and future first Minister of Education, Baron Eotvos.
matters, which demanded the introduction of Hungarian as the language of instruction instead of Latin, and recommended that the government increase the number of elementary schools, introduce general compulsory schools, create village libraries for adult education, and establish polytechnic schools similar to Western middle schools and practical schools. These efforts led to changing the language of instruction in secondary schools from Latin to Magyar in 1844 and to the creation of the first Hungarian Ministry of Education. Again, for the first time in Hungarian history, the Education Law, which was adopted in 1848, addressed issues of freedom of teaching and learning in the university, and placed the University of Buda under the immediate control of the Ministry of Education rather than of the Royal University of Vienna. These principles were only articulated on paper; the defeat of Hungary in the 1848-49 war of independence resulted in violent retaliation by the Austrians, and the emigration of thousands of Hungarians, including leading political figures, to Western Europe and America.

Another implication of the 1777 Ratio was that by triggering a powerful response from the Hungarian national elite, Habsburgs adopted other regulations, which were more realistic and introduced significant changes in the educational system (Kornis, 1932). In the early 19th century, the 1806 Ratio increased the number of years in the grammar school to four, and combined grammar schools with two-year gymnasia. The Ordinance of 1849 promoted Germanization of secondary and higher education, but also strengthened the secondary level, by adding two-year advanced courses and making Gymnasium instruction eight years long. The Gymnasium was again divided into two levels; the lower Gymnasium for those who wanted general education, and the upper Gymnasium for those who might pursue university education. This Ordinance also established professional (real) schools to satisfy practical and technical

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66 The Ministry was part of the first national government, which was responsible to the Hungarian King and Parliament.
needs of education, introduced specialized training and pedagogic instruction for teachers, ‘maturity examinations’ and standards for textbooks. It also modernized university education. The *Official Regulation* (1849) dealt with the organization and life of the university, which continued to govern these institutions until WWI. The Prussian model of universities – later called the Humboldtian model - was popular and its emphasis on freedom of teaching and professional education served as a basis for reforms. For instance, the Industrial School in Budapest was amalgamated with the Engineering School in 1850, and the school was raised to the rank of technological college, and later became the Royal Hungarian Joseph Technical University (Kornis, 1932, p. 26).

Finally, Habsburg educational reforms also targeted ethnic groups as well. According to the 1777 *Ratio*, students of any religion or nationality were permitted to attend royal gymnasia, academies and universities. Prior to that, Maria Theresa and Joseph II organized a state elementary education for Romanians in Transylvania (*1763 Regulation*), with mandatory instruction in the German language. The 1763 regulation referred to building schools, hiring teachers, curricula and methods of education. The Habsburgs created in 1770 a Romanian printing press in Vienna, but prohibited bringing in texts from Romanian principalities. The purpose of these reforms was to train loyal and educated citizens for the Empire, however Germanization did not work the way it was expected, and institutional reforms increased the number of schools and literacy among Romanian population. In 1781, Joseph II approved the Regulation *Norma regia pro scholis magni Principatus Transylvanae*, which applied the principles of the 1777 *Ratio* to Transylvania. Another royal edict, the *1774 Regulation*, was promulgated to improve Romanian and Serbian education in Banat.67 The number of Orthodox

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67 A region inhabited by Magyars, Romanians and Serbs, which was in the 20th century divided among Romania, Serbia and Hungary.
schools increased, however, after Banat was transferred to the Hungarian jurisdiction in 1779, only several vernacular schools continued to operate\textsuperscript{68}.

\subsection*{4.2.4. The Nation Hungarica project within the Austro-Hungarian Empire and its reflection in education (1867-1918)}

The weakening of Austria internationally, and the strong resistance of Hungarians against Austrian absolutism, led to the so-called Compromise or Dual Monarchy of 1867. The Habsburg Empire was renamed the Austro-Hungarian Empire; the multiethnic historical Hungarian Kingdom gained independence and became an equal partner with Austria (Map 4\textsuperscript{69}). In their internal affairs the two parts were sovereign, while common affairs included foreign policy, defence and the finance needed for these areas, such as common currency and customs rules (Frank, 1990). The Compromise recognized the integrity and political unity of the historical territory of the ‘Lands under the Holy Hungarian Crown’\textsuperscript{70}. The period between 1867 and World War I (WWI) was marked by population growth from 15 million to 20 million, steady annual economic growth of 2.5-3.2 per cent on average and the modernization of the economy and education (Lendvai, 2003, p. 316). A predominantly agrarian economy was transformed into a semi-industrial economy based on foreign investments, the rise of a banking sector, and the development of new infrastructure. Dynamic railway building, for instance, decreased travelling times and increased passenger and goods traffic.

By 1860 the control of Hungarian education was transferred from Vienna to Budapest.

The \textit{Act on Public Elementary Education}, promoting free, equal and compulsory elementary

\begin{footnotesize}
\textsuperscript{68} The 1774 regulation was successfully implemented in Banat by Theodor Iancovici. In 1771 there were 73 orthodox schools in Banat, but by 1778 their number had reached 205, including 150 schools with instruction in Romanian (Stanciu, 1977, p. 203).

\textsuperscript{69} Map 4 focusses on territorial and population losses of Hungary after the Treaty of Trianon (1919). The territory before the Treaty corresponds to the territory of Hungary as part of Austro-Hungarian Empire.

\textsuperscript{70} The Holy Hungarian Crown had a territory of 325,311 square km, and included the current Hungary, Transylvania, Slovakia, Carpathian parts of Ukraine, Banat, and the Kingdom of Croatia and Slavonia (this Kingdom had full internal autonomy).
\end{footnotesize}
education, was adopted in 1868, and the *Act on Secondary Education* was adopted in 1883. New universities were opened and professional higher learning was enforced. Thus, separate pieces of legislation adopted by Parliament established new universities at Kolozsvar in 1872, and Pozsony and Debrecen in 1912. The Royal Technical School was transformed into Budapest Technical University, and specialized Academies (in Mining, Veterinary Sciences, Agriculture, Music, Fine Arts) expanded. University enrolments increased from 3,500 in 1880 to 14,000 in 1910, including 1,000 Hungarian students at foreign universities (Berend, 2001, p.27). The first women were admitted to the Departments of Medicine and Philosophy in 1895.

However, by the early 20th century the structure of higher education remained traditional; 12 per cent of all students enrolled in engineering; another 20 per cent of these students chose to take medicine and pharmacy, while 60 per cent preferred theology and law (Berend, 2001, p. 27). This was still a very elite system, in which provincial universities remained small and their quality was not highly regarded by contemporaries. Neagoe (1980, p.31) quoted a rector of the University in Kolozsvar (Cluj), the Magyar Istvan Apathy, who argued that:

> …[this] university became a diploma mill for the entire Hungary…All those who wanted a university degree but could not afford it through diligent scientific work at the University of Budapest, found refuge in Cluj where, by most curious means, became doctors of law, philosophy [quotation translated from the Romanian language].

Despite the dynamic developments in industry, finance and transportation, several features of the Hungarian modernization project restricted university education to the wealthy elite, and also excluded ethnic minorities from university education. Economic growth disproportionately favoured Budapest. In the 19th century Budapest united three towns, and with one million people, became one of the largest cities in Europe. The construction of majestic new

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71 Similar Laws were adopted in Romania in 1864, in England in 1870 (no general compulsory education), in France – 1882 (a fuller version of the 1833 law), in Italy – 1871.
72 The Kolozsvar University is now the Cluj University in Romania and the Pozsony University is now Bratislava University in Slovakia.
buildings, such as the Parliament, underground subway, bridges, etc. transformed it into a center of commerce, culture, media and science,”…but this could not hide the country’s feudal social structure and agrarian-peasant character” (Lendvai, 2003, p. 318). Only a few rich magnates owned most of the land and industrial enterprises, with most of the petty nobles and intelligentsia having little land or no land at all and living conditions in the countryside continued to be difficult.

Another flaw in the Hungarian modernization process involved the principle of *Natio Hungarica*. The basis of the new Hungarian state was linguistic unity, meaning that people living in Hungary should speak Hungarian. Given that in 1867, out of a population of 15 million, Magyars represented only 40 per cent, the minorities were in fact the majority in the country. Croats and Serbs represented 14 per cent of the total population, Romanians – 14 per cent, Germans – 9.8 per cent, Slovaks – 9.4 per cent, and Ruthens – 2.4 per cent (Lendvai, 2003, p. 301). According to Johnson (2002), after the Habsburgs abandoned the idea of ‘Germanizing’ Hungary, the Hungarians pursued the idea of ‘Magyarizing’ it and used assimilation policies from above - though less ruthless than in the German or Russian Empires.

Educational and public administration reforms were major drivers of this assimilation project. Language policies, such as the 1830 declaration that officials should know Hungarian, and the introduction of Hungarian as a regular subject, enforced by Education Laws of 1879, 1833, 1891, created tensions between ethnic minorities and Hungarians. Romanians in Transylvania tried unsuccessfully to establish a Romanian academy or university, or to make the Kolozsvár (Cluj) University bilingual. Even the instruction in the subject *Romanian Language and Literature* was organized in Magyar. Eighty three per cent of students at Kolozsvár (Cluj) University were Magyars, while other ethnic groups represented three quarters of the
Transylvanian population but only 17 per cent of enrolments at this university (Neagoe, 1980, p. 32). In the early 1890s, the movement for national emancipation of Romanians in Transylvania intensified due to the arrest of a group of intellectuals who submitted a Memorandum to the Hungarian Government asking for equal rights for Romanians in Transylvania. Students protested against their arrest and the University disciplined students that sympathised with this movement.

Several Hungarian historians (Kosary, Frank, Lendvai) critiqued the authoritarian Hungarian leadership of the time for its failure to effectively deal with the growing national consciousness of these minorities, thus exacerbating the ethnic crisis. In Frank’s words: “The Compromise ended the nationalities’ hope of a federative reorganization of the empire and left them defenceless in the face of Hungarian hegemonic ambitions” (Frank, 1990, p. 257). While political leaders such as Deak and Eotvos stressed that the authority of the state should not be an instrument of Magyarization, and built a liberal-humanist foundation for the Law on Nationalities and Public Elementary Act of 1868, such liberal thinking was increasingly disregarded after 1875:

The distinctive features of this disastrous policy were underestimation of the role of Austria and particularly that of Slavs, overestimation of Magyars’ significance, disregard of Hungary’s nationalities, striving for the full Magyarization of the public life, and limitation of the political and cultural development of the non-Magyar nations (Lendvai, 2003, p. 297).

The strongest measures for implementing Magyarization included making Hungarian compulsory in kindergartens, primary and secondary schools, and introducing sanctions against incompetent or unwilling primary schoolteachers. As a result of linguistic assimilation policies, the number of non-Magyar schools declined, and by 1914 only 20 per cent of all primary schools were teaching in non-Magyar languages (Lendvai, 2003, p. 300). According to statistical data
provided by Lendvai, while national minorities represented about half of Hungary’s population in 1910, 84 per cent of secondary school graduates, 89 per cent of students, and more than 90 per cent of civil servants, public employees, judges, prosecutors, secondary schoolteachers and medical doctors were Magyars (p. 301). Since knowledge of Hungarian language was an entry card into well-paid professions, “…approximately 700,000 Jews, 600,000 Germans, 400,000 Slovaks, 100,000 Romanians, 100,000 South Slavs and 100,000 persons of other origins declared themselves to be Hungarians in 1880-1910” (p. 328). However, assimilationist policies led to increased resistance from national minorities who pursued the idea of their own national identity and language. As Kosary (1941) notes, “Magyars in their turn did not appreciate the now unfolding movements of their own minorities” (p. 215). In addition to Magyarization in public administration and education, the annexation of Bosnia-Herzegovina in 1908 by Austro-Hungary sparked the beginning of WWI in 1914, which led to the collapse of the Austro-Hungarian Empire in 1918.

4.2.5. After the Trianon Treaty - the role of education in rebuilding national identity and economy. After the Trianon Treaty in 1920, Hungary emerged as a new country with a much smaller territory and population (Map 4). The Hungarian population decreased from 18.3 million (20.9 with Croatia) to 7.6 million and 3.2 million Hungarians found themselves under foreign rule. Hungary retained only 56 per cent of its total industrial capacity, 82 per cent of its heavy industry and 70 per cent of its banks, but was cut off from its sources and markets (Lendvai, 2003, pp. 373-75). Half of its educational institutions, including the Universities in Cluj (Kolozsvar) and Bratislava (Pozsony), and numerous professional schools and academies, ended up in neighbouring countries. A few quotations help illustrate the big sense of loss and tragedy that was inflicted on Hungarians by the defeat in WWI:
…This treaty [Trianon] deprived the nation of nearly three-fourths of its thousand-year-old territory, took away almost two-thirds of her population, and subjected approximately 4 million Magyars to the rule of alien people…a terrible cultural loss of the Magyar race…(Kornis, 1932, p.37).

A single word, Trianon, sums up for Hungarians to this day the most devastating tragedy in their history. In the Trianon palace, in the park of Versailles, the Allies presented the death certificate of the 1,000-year realm of St. Stephen…On that fateful day, 4 June 1920, church bells rang all over the country, black flags flew over the buildings, traffic came to standstill, newspaper appeared with black borders, and funeral services were held in churches. Trianon meant the vivisection of the Hungarian nation and the end of historical Hungary (Lendvai, 2003, p.373).

Disintegration caused political and economic instability and was followed by a brutal, short-lived communist regime in 1919 and the invasions of Czech and Romanian Armies. As a result, an authoritarian regime was established by Admiral Horthy in 1920 which lasted until 1944. Governments in the inter-war period undertook economic, political and education reforms with the motto of restoring the historical Hungary. For instance, “…classes in schools began and ended with the Hungarian Credo, in which the resurrection of old Hungary was instilled in the students’ consciousness as God’s eternal truth” (Lendvai, 2003, p. 374). In the 1920s, Hungary became a member of the League of Nations, received a loan of 250 million gold crowns, restored fiscal stability and introduced currency reform, and achieved a growth in industrial production higher than in pre-war time (Ormos, 1990, p. 321). The press generally enjoyed freedom, the judiciary was independent and there were no restrictions on freedom of movement or travel.

Educational reforms were taken very seriously by government because, according to Kornis (1932), “…the completely disarmed and incapacitated Hungarian nation has to rely chiefly on the power of the intellect” (p. 40). The new conception of cultural policy was based on the need to increase the educational level of the population and to train professionals and experts for the needs of the economy. Literacy and education became important instruments for

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73 For instance, Romanian Army occupied Budapest from August to November 1919.
rebuilding the national identity, and the state increased funding and regulation of education. A series of legislative acts (1921, 1922, 1924, 1926, and 1927) promulgated the creation of new middle schools, secondary schools for girls, and the creation of professional gymnasia in addition to the academic gymnasia and professional schools. The exiled Universities of Pozsony and Kolozsvár were re-established in Pécs and Szeged respectively, existing universities, such as the University in Debrecen and the Technical University in Budapest, were expanded, a new University Faculty of Economic Sciences and new Hungarian institutes for scientific research were created in Budapest.

Several councils, in addition to the Ministry of Education, regulated state education and stipulated the organizational structure of universities. The discourse on governance and university autonomy, rooted in Habsburg Ordinances and Hungarian Acts of the second half of 19th century and developed in the inter-war period, was similar to the discourse that emerged in the 1990s. Hungarian universities had autonomy in electing the Rectors and Deans, nominating candidates for vacant teaching positions, determining their own courses and curricula, and admitting doctoral candidates, examining them and providing degrees. The state had a say in appointing and confirming nominated candidates. Governing bodies were established at the faculty and university levels. Faculty Councils included all professors and two representatives of private docents, and elected the Dean from among the professors. The head of the university, the Rector, was elected each year by the electors of each department. The Rector was the president of the Senate, which acted as the executive body, included one ex-Rector, the Deans and ex-Deans, and the Secretary.

However, behind this democratic rhetoric, the socio-economic context in the country, the composition of the University Senate and the role of the Rector raised serious concerns about the
real democracy of the higher education system in terms of access to university education and academic autonomy. The Rector was elected by a few electors annually, which hardly could have assured continuity of changes and accounted for the opinions of all faculty and staff. The senate did not include representatives of professors, other teaching and administrative staff and students, while the Senate and Rector exercised disciplinary rights over professors, officers, students and all employees. Historical narratives about that period of time disclose an environment outside the university that could hardly have contributed to increasing university access for all people, but rather diminished access for certain groups. Hajdu & Nagy (1990), Lendvai (2003), Ormos (1990), and Ranki (1990), for instance, acknowledged the positive impacts of educational policies that increased the number of elementary schools and modernized universities, but critiqued the increasing Anti-Semitism and racism that affected both the entire society and academia. In addition, industrialization, and financial and property reforms between the two wars did not change significantly the structure of society and the division of land, did not increase productivity in agriculture, and maintained an outmoded and underdeveloped industry. Rural pauperization remained a huge issue: 72.7 per cent of peasants owned only one tenth of the land and almost half of peasants were virtually landless, “…a proportion five to six time higher than in neighbouring Romania, Yugoslavia and Czechoslovakia” (Lendvai, 2003, p. 387).

The rising anti-Semitism in the society and in the government led to introducing in Parliament the first anti-Jewish law in Europe since the WWI\textsuperscript{74}. The \textit{Numerus Clausus Law} was passed by the Parliament in 1920 and limited the proportion of Jewish students to 6 per cent\textsuperscript{75}. Purges and denunciations of professors of various ethnicities led, in the 1920s, to an

\textsuperscript{74} The sources of rising racism are complex; for the detailed description see Lendvai, 2003.

\textsuperscript{75} According to Johnson (2002), by the end of the 19\textsuperscript{th} century Jews represented 5 per cent of population in Austro-Hungarian Empire, but 25 per cent of students at Vienna and Budapest universities (p.146). In 1920, of the students of institutions of higher learning, 12.5 per cent were Jewish or more than twice their representation in the population (Hajdu & Nagy, 1990, p.317). By 1929-30 the provisions of the 1920 Law were watered down and the proportion of Jewish university students rose from 5.9 per cent to 10.5 per cent (Lendvai, 2003, p.387)
extraordinary academic brain-drain abroad and harassment of many intellectuals that decided to stay in the country. Closer ties with Nazi Germany in the 1930 and massive German investments helped increase industrial production and military, agricultural and mineral exports to Germany. Hungary also able to gain back a large historical territory (except south Transylvania and Bratislava). However, the period from the end of 1930s to WWII was marked by coercive Magyarization measures towards non-Magyars, including expropriation of their property, a tightened quota for Jews in professions, industry, and banking, and deporting Jews from all controlled territories to concentration camps. According to Lendvai (2003), this was a very controversial time in Hungarian history and Hungarians still have to come to terms with these events.

4.3. Romanian Education Reforms: From Medieval Principalities to Great Romania

4.3.1. Institutions in Medieval Romanian Principalities and first schools (14th - 17th centuries).

The Romanian Principality of Wallachia\(^76\) was consolidated in 1359 after half a century of continuous ascent, alliances with Serbs, the Byzantine Empire and Bulgarians, wars against Hungary and subordination of its Church to the Great Church of Constantinople (Hasdeu, 1872/1984; Iorga, 1925; Salagean, 2006; Map 6). The creation of another Romanian Principality, Moldavia, by 1387, was marked by fighting against Hungarian suzerainty\(^77\), and establishing close relations with the Poles, Ukrainians and the Patriarchate in Constantinople (Costin, 1976; Dabija, 2002; Iorga, 1925; King, 2002; Map 7). While in Hungary and Transylvania, the Hungarian model of the state was inspired by German traditions, institutions in Romanian

\(^76\) Vlah is German word synonymous to Roman or Latin (Romanian or Latin); Wallachia is the name used by foreigners for Tara Romaneasca/Muntenia, which in English translation means Romanian Country/Mountainous Country (Hasdeu, 1984, p.71).

\(^77\) Suzerainty means political control of the suzerain nation over the dependent/vassal/tributary nation.
principalities were of Roman-Byzantine origins, strongly influenced by the Slavic models\textsuperscript{78} (Pop, 2006). Romanian Principalities in the 14\textsuperscript{th}-16\textsuperscript{th} centuries generally accepted being vassals of Hungary or Poland, who did not interfere in their internal affairs. The throne succession was hereditary-elective, and the sovereign was chosen by local nobility from a ruling family\textsuperscript{79}. Towns were not as developed, were less autonomous than in the west, and were ruled by chiefs rather than councils. Limited urbanization postponed the growth of laic schools in Romanian principalities in comparison with their Central European and Western European counterparts. However, like everywhere in Europe, monasteries and the Church enjoyed a monopoly in education and text writing/copying and were supported by local nobles and rulers. Educational developments in the Romanian Principalities were closely connected to monasteries of Orthodox Churches from Constantinople, Mount Athos in Greece, Serbia, Kiev, Mount Sinai, Jerusalem, and Alexandria.

By the end of the 14\textsuperscript{th}-early 15\textsuperscript{th} centuries both principalities had a network of large monasteries such as Neamt, Cozia, and Putna, which became important cultural centers, “…with schools, bureaucrats, scribes, copyists, chancellors, painting, sculpture, silverware and embroidery shops, etc.” (Pop, 2006, p. 241; Iorga, 1971). The emergence of the first printing presses in the early 15\textsuperscript{th} century increased the number of texts in the vernacular language. These developments took place in a time marked by the growing influence of the Ottomans in CEE. Romanian Principalities fought the Ottoman Empire along with Hungary, Poland, Serbia, Albania and Western forces\textsuperscript{80}.

\textsuperscript{78} These influences could be seen from the etymology of various words. For instance, words for ruler, administrative region and church – domn, tara, biserica – are Latin words, military terminology such as commander - voievod – are of Slavic origins, and words related to church hierarchy, such as patriarch, are Greek words. (Pop, 2006, p.226)

\textsuperscript{79} Basarab ruling family in Wallachia and Musat in Moldavia

\textsuperscript{80} Romanian rulers were known in Europe for their successful military tactics. For instance, Steven the Great (Stefan cel Mare) who ruled Moldavia for almost half a century (1457-1504) was highly appreciated by Western powers for
While central Hungary came under the direct rule of the Ottomans in 1526, the Romanian Principalities and Transylvania became tributary states in the 16th century 81 (Map 8). The status of a tributary state was much more advantageous than direct occupation 82. Ottoman Porte did not turn Romanian principalities into administrative units, pashaliks, and maintained all Christian institutions and local political and social structures. The agreement between Moldavia and the Ottoman Empire, for example, stipulated that Moldavia was a free and sovereign land, ruled by indigenous laws and a ruler chosen by the people, and where Christian law would never be dissolved (Alexandrescu, 1994, citing the 1538 Capitulations Agreements between Ottomans and Moldavians). The common status as independent states of Transylvania, Moldavia and Wallachia in the 16th and 17th centuries had important and long-lasting implications for the future nation-building of Romanians. First, it created a stable internal environment that promoted economic growth and social reform. Education was provided to the Romanian population through monastic schools, Latin and Slavonic schools as well as Protestant schools in Transylvania. Second, the unification of the three principalities by Prince Michael the Brave for a short period in 1600 was later viewed as a first vestige of Greater Romania.

However, Ottoman rule became increasingly debilitating, especially in Moldavia and Wallachia where it lasted longer than in Transylvania (300-400 years versus 160 years). Regular

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81 Wallachia accepted the status of a vassal state after 1420 and its dependency on Ottomans increased in 1462 and then after 1526; Moldavia, accepted vassality in 1456, and dependency increased after 1484, and came under direct suzerainty in 1538, and Transylvania became a vassal state in 1541 after the defeat of Buda (Pop, 2006, 284). Transylvania was incorporated in Habsburg Empire in 1699, while Moldavia and Wallachia gained full independence from Ottomans only in 1877.

82 Romanian historiography advanced several explanations of why the Ottomans made them vassal states (Pop, 2006). These principalities had great capacity for resistance due to a large free peasantry and gentry, and higher mobility of light cavalry compared to heavy armoured Western armies. Also, Ottomans could not effectively maintain control over large territories and they benefited economically from vassal states. Moldavia and Wallachia played a vital role in supplying agricultural products, horses, wood, furs, sugar, etc. to the imperial capital of Istanbul, which had half a million population at that time.
military campaigns of the Ottomans in CEE contributed to a worsening economic and social situation in vassal states. The Ottomans occupied some territories of vassal states, and ceded territories to other regional powers\textsuperscript{83}. In the 17\textsuperscript{th} century, the Porte\textsuperscript{84} raised labour obligations and tributes, introduced a monopoly on commerce and preferential prices which were 15-20 per cent lower than the prices on the European markets, and in the 18\textsuperscript{th} century appointed foreign rulers in Wallachia and Moldavia. However, the Ottomans did not interfere in local administration, and several rulers undertook successful social and educational reforms in the 17\textsuperscript{th} and 18\textsuperscript{th} centuries.

As a matter of comparison, the first three attempts to open medieval universities in Hungary occurred between 1367 and the end of 15\textsuperscript{th} century, but the 16\textsuperscript{th} and 17\textsuperscript{th} centuries was marked by decline. In Romanian educational literature, the 17\textsuperscript{th} century is seen as a golden age for Romanian Principalities when the interest in education was great. Stanciu (1977) argued that the old bishopric and monastic schools used to train clerics in Slavonic did not respond to the needs of a society modernising its internal administrative structures and expanding external relations to Western Europe in addition to Eastern neighbours. Consequently, more Romanian nobles attended Western universities at Padua, Rome, Venice, Oxford, Paris, or Vienna as well as Eastern educational institutions at Constantinople, Kiev, Moscow or Lviv (Andea, 2006). This contributed to the formation of local scholars and church leaders who promoted the values of humanism\textsuperscript{85}. The rise in the number of schools, their diversification and the use of vernacular Romanian instead of Slavonic played a crucial role in increasing the educational level of the population (Pascu et al., 1983; Stanciu, 1977). The Italian missionary Bandini stated that by

\textsuperscript{83} In Moldova, for instance, Ottomans occupied Cetatea Alba and Chilia in 1474, Tighina in 1538, Hotin in 1713. Transylvania, Banat and Bukovina were ceded to Habsburg Empire in 1699, 1718 and 1775 respectively, and Basarabia to Russian Empire in 1812.

\textsuperscript{84} Porte was another name for Ottoman Empire.

\textsuperscript{85} For instance, Ureche, Logofatul, Nasturel, Varlaam and Theofil.
1640 the capital of the Moldavian principality, Jassy, had 20 schools with 200 students and instruction in Slavonic, Latin, and Romanian (Stanciu, 1977, p. 158). While Slavonic continued to be the Church language and was used in most church and monastic schools to educate clerics, royal documents began to be written in Romanian largely after 1600. A number of royal schools\textsuperscript{86} and the establishment of city, rural and private schools laid the foundation for instruction in the Romanian language, and also addressed the need for instructing children from poor backgrounds from all over the country by having residential halls. Progressive writings by the Czech protestant pedagogue Jan Amos Comenius (1592-1670), who also lived in England, Transylvania, Hungary and Poland, wrote on increasing access to schooling for all children and on the need to teach in the vernacular language, shaped educational discourses endorsed by rulers in Romanian Principalities and Transylvania.

With the growth of cities in the Romanian Principalities in the 17\textsuperscript{th} century, the first institutions of higher learning were established. As in the case of Hungary, the difficult economic and political situation did not allow them to function for long period of times, but rather during the reigns of respective rulers. However, Romanian medieval institutions of higher learning resurfaced again and again in history to serve as a basis for modern schools and universities and their continuity was quite remarkable. External influences in advanced education were determined by political alliances and cultural affiliations. If in the Hungarian Medieval Kingdom the influence of French, Italian and German educational traditions predominated, Romanian Principalities turned to neighbouring Slavonic and Byzantium institutions for inspiration. In addition, the specific geopolitical location on the East-West crossroads made higher learning quite diverse. There were Latin schools in Cotnari, Galati and Jassy organized in two cycles as in

\textsuperscript{86} Such as those at Cimpulung, Bucharest, and Radaseni.
Europe – *trivium* and *quadrivium*. Teaching in other schools of higher learning was implemented in Latin, Slavonic or Greek.

Moldavian ruler Vasile Lupu founded the *Vasilian or Three Hierarchs College* in Jassy in 1640, with Latin as a language of instruction, which resembled the colleges created across the south-eastern Europe and the Middle East in the same period of time. He invited the former rector of the Kievan Academy, Sofronie Pociatstchi, to lead the school and brought along teachers from Kiev that had been educated at Padua University, knew Greek and Latin, and spread ideas of neo-Aristotelism (Iorga, 1971[1928]). The curricula of the school was similar to the one in Kiev and included Latin grammar (3 years), rhetoric and poetry (2 years), dialectic (logics) for one year and music. Readings from Greek classics, etymology and ethnography were part of the grammar course. While Latin was the major language, students were studying Slavonic, Greek and Romanian as well. Later teaching was done in Greek by Greek professors both because the school fell under the influence of the Orthodox Academy of Constantinople, but also because of a strong interest in Hellenic culture among the nobility.

Similar educational developments occurred in Wallachia, where the ruler Mathew Basarab founded a *Slavonic school* in 1640 and a *Greek and Latin School* in 1646 (Ionascu et al., 1977; Pascu et al., 1983; Stanciu, 1977). The *Greek and Latin School* had a 5-year term and was organized along the lines of Jesuit schools with subjects such as grammar, rhetoric, history, geography and mathematics. It also taught logic, making it closer to an academy and similar to a European *Collegium academicum sei illustre* (Ionascu et al, 1977). This school had a short existence (1646-51) and only 12 students; however its graduates, future rulers of Wallachia, created and then modernized a similar school, the *Sf. Sava Greek College* in the new capital.

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87 Orthodox Academies of Constantinople in Istanbul (1624), Academies in Bar (1632), Kamenita (1632), Kiev (1632), Athens (1645), and Jerusalem (1661) (Pascu, 1983).
88 These schools were located near or in Targoviste, which was then the capital of Wallachia.
Bucharest, in the 1670s (Platon, 1985). Vasilian College in Moldavia and St. Sava Greek School in Wallachia laid the foundations for future institutions of advanced learning in Romanian Principalities. Two Royal Academies (Academia Domneasca) were created in Jassy in 1714 and in Bucharest by the end of the 17th century. They lasted until 1821 (with a few interruptions because of lack of funding and wars, e.g., Russian-Turkish War in 1768-74), and then were reorganized and resurfaced as the first modern Romanian universities – the University of Jassy (1860) and the University of Bucharest (1864).

4.3.2. Ottoman hegemony, the Phanariot regime and modernization of education (1714-1821). In contrast to the ‘golden’ age of the 17th century, the 18th century saw the imposition of the Phanariot regime by the Ottomans in Moldavia and Wallachia. From 1714 to 1821, Greeks or Graecized Romanians ruled Romanian Principalities. Other territories inhabited by large numbers of Romanians came under the control of the Habsburg Empire during the 18th century. According to Costea (2006), the Habsburg domination and the Phanariot regime were experimental government formulas, with a new institutional perspective, which led to the alignment of traditional institutions to Habsburg policies (absolutism, enlightened despotism) or to Ottoman policies, and to the creation of “…a new individual sensibility and a new collective identity related to cultural parameters and to national consciousness” (p.397).

While the Ottomans used to assign Greek rulers before as well, in the 18th century they became administrative officials of the Ottoman Porte and had the responsibility to collect taxes. As already noted in the Hungarian case, the Ottomans used to frequently change local officials in occupied and vassal territories. Thus, during the Phanariot century out of 32 rulers only two were

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89 Many of them originated from Phanar, a part of Istanbul, which gave the name Phanariot to the whole period of their domination.
90 Transylvania, Banat and Bukovina of Northern Moldavia were incorporated into the Habsburg Empire 1699-1867, 1718-1778 and 1774-1918 respectively. By 1730s-40s, Romanians represented 58-65 per cent of the total population in Transylvania, and more than 77 per cent in Banat (Costea, 2006, p.402). By 1780s, Romanians in Bukovina accounted for 65 per cent of total population (and only 55.4 per cent in 1848) (Bolovan et al., 1996, p.483).
in power 11 years, the rest held the throne for one or two years (Costea, 2006, p. 411). This resulted in increased taxes and gifts to maintain the throne, in expanded intrigue, corruption and injustice and induced a great degree of internal instability in the administration. As critical historians have noted, the Phanariot regime introduced Enlightenment reforms to Romanian society both because Enlightenment ideas spread, but also due to the pragmatism of the economic policies supported by the Porte. Phanariot princes encouraged the internal production of goods, abolished serfdom\(^9\), and undertook attempts to modernize feudal public administration, justice, and education. These reforms lacked continuity, and were limited. Rather than relying extensively on capitalist innovations as enlightened despots in Europe did, they enforced feudal exploitation in favour of the Ottomans. According to Costea (2006), “…Ottoman domination was the main obstacle to the development of capitalism in Wallachia and Moldavia ….and contributed to the marginalization of Romanian society, first, within the Ottoman Empire and later… inside the European circuit” (p. 425).

At the same time, education received a significant boost in the 18\(^{th}\) century. Education was praised by rulers and scholars for its enlightenment character and contribution to literacy, but it was also increasingly seen as a way to provide adequate skills for young people in administration and other spheres of public life. Grigore Gica, a Moldavian ruler that promoted reforms in education, stated in his 1747 Decree: “schools are the source of education and intelligence for the population…and mass education is useful for the whole society” (quoted by Pascu et al. (1983, p. 350) and Platon (1985, p. 17)) \[the quote was translated from Romanian\]. Another Moldavian ruler and reformer, Constantin Mavrocordat added Latin and Turkish to the curricula of the Royal Academy of Jassy during his reign in 1741-43, “…to have educated

\(^9\) Serfdom was abolished in 1746 in Wallachia and in 1749 in Moldavia; however slavery of Roma population was maintained for another century in both principalities.
people on the land of Moldavia as well” (quoted by Platon (1985, p. 17) and translated by the
author from Romanian language). Pascu et al (1983) argued that Latin was introduced due to the
spread of humanist cultures, while Turkish was introduced at the Porte’s insistence to
counterbalance the Russian influence. However, the need to improve foreign trade and customs
revenues might have been another reason to study these languages, especially after 1774 when
the Ottoman monopoly was restricted. Romanian principalities historically had an excess of
agricultural goods and minerals and exported them to the Orient, the Balkans, Transylvania,
Poland, Hungary and other Central European states, but they also lacked manufactured goods,
which came mostly from the West92. In this context, it is plausible to suggest that knowledge of
the dominant languages – Turkish in the Ottoman Empire and Latin in Central Europe - helped
improve trading skills and consequently the competitive advantage of these small states93.

By the mid 18th century, similar to the attempts of royalty in the Habsburg Empire, a
systemic approach to educational developments was applied in both principalities94. Royal
policies enhanced education systems with several levels of instruction, while schooling started at
the age of seven and continued for a maximum of 12 years (Iorga, 1971 [1928]; Pascu et al.,
1983; Stanciu, 1977). Elementary schools included 3 years of reading, writing and arithmetic in
Slavonic and Romanian languages and were located in the capitals and larger towns of the
districts. Intermediary schools had two levels (three years with Greek and Latin as main subjects
and three years of rhetoric, poetry, Aristotelian philosophy, Italian and French) and operated in
the largest cities. The two Royal Academies in the capitals of the principalities taught math,
geometry, history, geography, philosophy, astronomy in a three-year program. These regulations also defined fiscal sources of funding schools, determined the state salaries for professors, created councils of nobles and clergy to control the state of affairs in education and initiated state education for girls. Education was declared mandatory for nobility and clergy at first, and then elementary education became compulsory for everybody (Iorga, 1971 [1928]).

The effect of these regulations on higher education institutions was noteworthy. The number of students and professors increased, and the Academies’ curriculum was modernized. More professors were assigned for teaching arithmetic, geometry and astronomy, and experimentation and applications became essential in teaching these subjects. Modern physics and Modern Greek were taught instead of Aristotelian physics and old Greek. Latin and theology continued to be separate subjects, but modern philosophy by Descartes, Newton, Locke, and Leibniz, and modern foreign languages such as Italian and French were added to the curricula (Ionascu et al., 1977; Pascu et al., 1983). Curricular changes in public institutions and the expansion of private education for the nobility prepared the terrain for the creation of the literary Romanian language and the introduction of the Latin script in the 19th century.

4.3.3. 19th century - the role of the national idea, ‘organic’ intellectuals and education in Romanian state building. The beginning of the 19th century was marked by the full change in the language of instruction from Greek to Romanian and adding engineering, political economy, law and medical studies to both academies. However, the continuity of these reforms was jeopardized by the deterioration of the geo-political situation in South Eastern Europe. While the Romanian revolution of 1821 ended the Phanariot regime, the Russian and the Ottoman Empires interfered in the local affairs of Principalities until the Crimean War of 1853-56. The Russian Empire annexed the eastern half of Moldavia (naming it Bessarabia) in 1812,
occupied both principalities in the period of 1828-34, and created a Russian protectorate which was combined with Ottoman suzerainty until 1856. Both Royal Academies ceased to exist in 1821, and later reopened as *College of St. Sava* in Bucharest and *Mihailean Academy* in Jassy.95 The 1830 *Organic Regulation* on schools became ‘the Constitution of Education’, and radically transformed the status and character of schools (Iorga, 1971 [1928], p.98). Similar to other European nations, schools became permanent state institutions and the curricula and organizational structures were standardized in an attempt to create a national, unified school system in both Principalities. It took several decades of adapting various influences from abroad and a political unification of Principalities in 1859 to implement these principles.

According to Iorga (1971 [1928]), the language of instruction in institutions of higher learning and the choice of higher education traditions to be adopted by the native schools – French or German - were highly contested issues in the 1830-50s. Studies of nobles in France, private tutoring by French tutors and a growing number of French professors in public schools determined the preference of most Romanian nobles for French civilization. The impact of French language and culture on the development of education was contradictory. On the one hand, it spread the ideas of French humanist ideas and helped modernize the Romanian language by borrowing French words, but on the other hand, as noted by Iorga (1971 [1928]), it threatened the development of schooling in Romanian language. Nobles and some princes preferred private schools in French, and also promoted the French-language instruction in public schools.96

Academy professors and the School Council that supervised the educational system opposed this project and called for instruction in the Romanian language, but also for studying

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95 Mihailean Academy was named after the prince Mihail Sturdza.
96 A program of ‘Frenchization’ of the Mihailean Academy in Jassy was promoted by Mihail Sturdza, and French professors were to be invited to train in French language a new generation of Romanian scholars.
the German system of education and improving the teaching of German language. As a result of deliberations, the Committee that studied the ‘French’ program approved some of its proposals (e.g., the university curriculum was expanded to 5 years; general subjects such as rhetoric, poetry and drawing were moved to the gymnasium level). The Committee also suggested training opportunities for professors not only in France, but also in Germany and Austria (in engineering, chemistry, physics, math and philosophy), Italy (arts, music, and theatre), and Russia (theology). For several decades, subjects such as history, philosophy, math and physics continued to be taught in foreign languages - French, German, Italian (and Latin for medical studies, theology and law), often by foreign professors, and the educational system amalgamated various traditions.\(^97\)

Resistance to foreign political control and the idea of national unity of Romanians in both principalities fuelled the 1848-49 revolution, in which the national elites were defeated, as in the case of Hungary, due to Russian interference and Ottoman military intervention. This defeat did not end the struggle for national emancipation. Philologists in Romanian principalities, as everywhere in CEE, “…were among the first and most important national awakeners” (Johnson, 2002, p.104). By writing poetry, novels, and literary critique, they were contributing to the development of a literary Romanian language. Linguistic reforms led to substituting the Cyrillic alphabet for the Latin and modernizing the language.\(^98\) A new generation of writers, poets, engineers, literary critics educated in the West in the spirit of humanism, worked actively on promoting Romanian national identity, opening Romanian newspapers and theatres, reorganizing schools and academies, and modernizing their curricula.\(^99\) Political émigrés that left

\(^{97}\) Gymnasia education, for instance, was borrowed from Prussia.
\(^{98}\) By 1860 Cyrillic script was completely replaced by Latin.
\(^{99}\) For instance, Asachi, Hasdeu, Kogalniceanu, Eminescu, Alecsandri, Creanga, Maiorescu, Negruzzi, Rosetti, and Russo.
the country after the defeat of 1848-49 revolution strongly advocated the idea of Romanian unity based on one language and common history idea abroad:

The union [of Wallachia and Moldavia] was seen as the only way towards progress and civilization and for making the Romanians a respected nation among the other European nations (Bolovan, 2006, p. 496).

A united Romanian country had its historical precedent in 1600 when Moldavia, Wallachia and Transylvania had united under one ruler for a short period of time. The name Romania was based on the ethnic label of Romanians – rumani - that was used from the 17th century as a name for peasants, but also described the whole population associated with old-time Roman rule (Hasdeu, 1984 [1872]). Wallachia was also called the Romanian Country (Tara Romaneasca) by Romanians The philosophy developed by the so-called Ardenian School in the 1770-80s in Transylvania laid the intellectual foundation for the unity of Romanian principalities in the 19th century and later the union of Transylvania and Basarabia with Romania in 1918. Representatives of this school of thought were Romanian intellectuals from Transylvania, including Micu, Sincai, Maior, and Budai-Deleanu who were educated in Rome and Vienna and advocated the emancipation of the Romanian population in Transylvania, including equal social, political and educational rights for the Romanian population along with the Hungarians, Germans and Szechlers. As I discussed earlier, while representing more than half of the population, Romanians were not recognized as an ‘official nation’ for centuries, did not have political rights and lacked a coherent state system of education. For Romanian intellectuals in Transylvania, the expansion of schooling was essential in the emancipation of Romanian peasants (Iorga, 1925). They believed that the major objective of education was the creation of national identity, based on a literary language and knowledge of the nations’ history (Stanciu, 1977). Romanian intellectuals from Transylvania wrote and published textbooks on the
history of Romanians, and theories of education and ethics, and initiated the public discussion in Transylvania and Romanian Principalities on the Latin origins of Romanian people and Daco-Roman historical continuity and unity.

The consolidation of internal forces favourable to the unification of two Romanian principalities and peace negotiations in Paris after the Crimean war of 1853-1856 resulted in the emergence of Romania as a sovereign state in 1859 and then as an independent state in 1877\(^{100}\) (Map 11). At the same time, the idea of Greater Romania, including Transylvania and Basarabia, Bukovina, and Banat, gained a lot of ground internally and became the objective of foreign policy (Iacob, 2006). This was also fuelled by the emerging struggle for independence in Transylvania in 1867 when it was incorporated into the Hungarian Kingdom and was subjected to the policies of *Natio Hungarica* – one nation, one language - addressed earlier in the Hungarian section. If initially Romanians in Transylvania struggled for more autonomy and political rights, the refusal of Budapest governments to hear their demands\(^ {101}\) and protests in Romania to support Romanians in Transylvania radicalized the movement, and they became determined to fight for unity with Romania. On December 1, 1918, the Great Romania emerged, including most of Transylvania, half of Banat (another half went to Serbia) and Basarabia. After the union, the population of Romania doubled from 7.8 million in 1914 to 14.7 million in 1919 and increased to 18 million in 1930 (Iacob, 2006, p. 534). The fact that Romania ended WWI by being in alliance with the victorious Entente helped in the international recognition of the unified state\(^ {102}\).

\(^{100}\) Romania’s full independence from the Ottoman Empire was proclaimed in 1877 after the Russian-Ottoman War in which Romanians allied with Russians. Romania was acknowledged as an independent state by Britain, Germany and France in 1880.

\(^{101}\) For instance, when Romanian intellectuals in Transylvania - signatories of the Memorandum 1892 were arrested and convicted.

\(^{102}\) The treaties with Austria (1919) and Hungary (1920) recognized the adherence of Bukovina, most of Transylvania and half of Banat to Romania. The case of Basarabia was not as successful, since Russia did not have a
4.3.4. Modernization paradigms and higher education discourses in the period of national consolidation (1880-1944). The major issue that confronted Romanian society since the creation of the modern state in the 19th century was how to integrate into the European family of nations. Iacob (2006) estimated that 75 per cent of the political elite had received education in Western Europe and considered that modernization or catching up with Western Europe was the only way forward. However, there was a huge debate on how modernization should be implemented. The Romanian conservatives, otherwise known as peasantists, supported the idea of slow evolution towards modernity, at a moderate pace without social disruption, and criticized liberals for introducing Westernization reforms that endangered traditional ways of doing things. They believed in the agrarian-based economy, based on science and technology, and the example of Denmark was an inspiration for them (Bolovan et al., 1996). Social-democrats considered that social and economic relations were altered by the imposition of the Western capitalist system, but that gradually, via industrialization, Romania would catch up with the West and develop capitalist relations, without which it was impossible to create a socialist society. Liberals expressed the interests of banks and industrial bourgeoisie, advocated neo-liberal doctrine and, since they dominated the political scene more than other parties, implemented an accelerated pace of modernization based on secularization, bureaucratization, state involvement in economic life, and industrialization.
First under a local prince, and since 1866 under a royal dynasty of German origins\textsuperscript{103}, Romanian governments executed a series of political, economic and education reforms to consolidate the new state. Among first major reforms were the secularization of monastic property which placed 25 per cent of property in state ownership, agricultural reforms which distributed 2 million hectares to 500,000 families, and public administration reforms which created the monetary system, introduced the metric system and adopted important laws\textsuperscript{104} (Bolovan et al., 1996, p. 292; Iacob, 2006, pp. 502-504; Iorga, 1925, pp. 237-38). The 1866 Constitution guaranteed equality, and freedom of the press, thought, education, and association.

The Law on Public Education (1864) was among the first in Europe to proclaim free and compulsory elementary education, and it unified the educational system of the two principalities. According to this law the system consisted of 4 years of primary education, 7 years of secondary education and 3 to 5 years of university education. Though quite progressive, it was never fully implemented due to lack of funds, and was unevenly applied, restricting private educational institutions (Bolovan et al., 1996, p. 307). In the 1890s, it was modified, and separate laws on primary, secondary and higher education were adopted. After the Great unification in 1918 (Maps 10 & 11), the development of primary schooling to reduce illiteracy was one of the major preoccupations of the government, particularly in Basarabia and Transylvania where the literacy rates of Romanians were the lowest in the nation. The 1924 Education Law made 7 years of education obligatory and introduced uniform curricula in the country.

Statistics provided by Iacob (2006, pp. 551-554) showed that as a result of reforms, industrial production and public budgets increased and infrastructure and literacy levels

\textsuperscript{103} Alexandru Ioan Cuza was followed by King Carol I who was a foreign prince, Charles of a Hohenzollern dynasty in Rhineland, and was invited to become the first Romanian king for both domestic and foreign policy reasons. For more details, see Bolovan et al. (1996) and Iacob (2006).

\textsuperscript{104} For instance, Penal Code, Civil Code, Chamber of Commerce Law, and Public Accountancy Law.
improved. Oil and sugar production increased by 8,400 and 4,500 per cent respectively during
the period 1866-1906, the volume and value of exports in 1913 were greater than the combined
exports of Serbia, Bulgaria and Greece. The number of telephone users increased from 177 in
1894 to 18,000 in 1913. Budget revenues and expenditures increased 10 times from 1864 to 1914.
The literacy rate in the Romanian Principalities evolved from 10 per cent of the total population
in the 1860s to 22 per cent in 1899, 57 per cent in 1930 and close to 80 per cent in 1939-40,
which was just a little lower than in leading European nations. Economic changes promoted the
growth of small business-owners and people in liberal professions. Notwithstanding
improvements, the benefits of these reforms, as in Hungary, were not experienced equally by all
segments of the population or sectors of the economy. The concentration on industrialization and
export-led policies was paralleled by a disregard for agriculture. At the beginning of the 20th
century, the great landowners possessed about 60 per cent of all land, while more than half a
million peasants had little or no land. One third of the Romanian population was impoverished,
and infant mortality was very high. In addition, the Prussian-style collegial electoral system,
based on income, excluded most of the population from elections, particularly peasants who
represented the vast majority of the population. Despite the progressive 1866 Constitution,
elections were controlled by a small ruling group:

Electoral fraud, including violence, soon became a ‘normal’ way of achieving power and
ruling in Modern Romania…After the elections of the fall of 1866, Romania did not have
another ‘unmanaged’ election until 1928 (Bolovan et al., 1996, p. 318).

The objectives of consolidating the national unity and modernization of the society, as
well as the continuous political debate on how to catch up with the West, dominated higher
education discourse and reforms. Universities were expected to train an educated labour force,
especially teachers, to improve national literacy and experts/professionals to manage the
increasingly sophisticated economy. The period from 1860 to early 1900s saw the expansion, diversification and professionalization of university education. The first modern universities were created in Jassy (1860) and Bucharest (1864), with medicine faculties being opened at these universities in 1879 and 1869 respectively. National Schools of Bridges and Road Construction and of Architecture were opened in 1881 and 1897, and the establishment of the Romanian Academy of Science was finalized by 1879\textsuperscript{105}. Music academies were opened in Jassy and Bucharest, along with a number of schools of fine arts, of gymnasiums and regular schools around the country. The same trends continued in the interwar period. Due to the unification, the number of universities increased to four, adding to the existing ones the University of Cernauti (Bukovina) and Cluj. Polytechnic schools functioned in Bucharest and Timisoara, a faculty of theology and of agronomy of the University of Jassy operated in Chisinau (Basarabia), industrial, commercial and agronomic academies flourished and faculties in sciences, technical studies and economics expanded. The course of study in higher educational institutions ranged from 3 to 6 years and doctoral studies were introduced.

According to statistical data provided by Bolovan et al. (1996, p. 443), in 1926, Romania was ranked fourth in Europe in terms of the number of higher education students (after Austria, Switzerland and France), and the University of Bucharest was the fifth largest in the world (following Columbia, New York, London and Paris Universities). While Law was a favourite destination for students – almost one third in 1936-37, three other domains - commerce and industrial sciences, philosophy and philology, and sciences and polytechnic schools - followed with approximately 15 per cent of all students each, and 8 per cent of all students chose medicine (calculations based on Bolovan et al., 1996, pp. 444). At the same time, the political goal to

\textsuperscript{105} Romanian Academy was founded as the Romanian Literary Society in 1866, renamed the Romanian Academic Society in 1867, and then the Romanian Academy in 1879.
create national political and academic elite, especially in newly incorporated regions, led to the over-representation of Romanians in higher education and the under-representation of national minorities. When comparing the ethnic distribution of students and the general population, only Jews were overrepresented in higher education relative to their share in the total population (which was a regional trend in CEE) while other national minorities, including Hungarians, were underrepresented (Appendix 5).

The 1864 Law on Public Education and 1866 Royal Decree on Faculty Regulations established the governance arrangements, hiring procedures and admission rules (Ionascu et al., 1977). New legislation gave faculties the right to grant degrees and instituted tenure for professors, stressed the importance of developing natural sciences, and established university and faculty governing councils that nominated the Rector and Deans. The role of the Ministry in regulating universities was significant. The Minister appointed the rectors and confirmed the deans, and approved the decisions of the university councils. Also, the Rector and the Faculty Councils were required to send a report to the Minister at the end of each academic year, which echoes the theme of accountability in CEE in the 1990s. Governance arrangements in universities, especially issues of institutional and academic autonomy were a constant matter of debate until WWII. While conservative forces were against tenure, liberal leaders promoted academic freedom for professors.

The 1898 Law on Higher Education revolutionized existing governance arrangement by creating the University Senate and making it responsible for major decisions related to instruction and administration. According to Ionascu et al. (1977) this was an attempt to significantly curtail the interference of the government in university affairs, and also introduced a new competitive mechanism of academic hiring and promotion based exclusively on the quality
of scientific publications. This law was in place until the 1930s; however, according to Iorga (1971 [1928]) it did not solve two important problems inherent in the university system. First, for years the higher education system lacked a coherent vision of its development and debates continued on whether Romanian higher education should be more ‘functional’ or more ‘liberal’, and second, institutional autonomy and academic freedom were seriously limited by political lobbying. Under Iorga’s leadership as the Romanian Minister of National Education the idea of the university as a place of critical thinking and an instigator of change was promoted, and two separate Laws were adopted: one law on university autonomy (1931) and another law on system organization (1932) (Teiusan, 1971). A generation of young and outspoken intellectuals such as Mircea Eliade or Emil Cioran rose in the early 1930s and actively participated in public debates on how Romanian society should be democratized.

With the ascending of Nazi Germany by the end of the 1930s, conservative trends in Romanian society had grown and most of the educational innovations suggested in Iorga’s legislation were annulled or not respected (Teiusan, 1971). Rising Anti-Semitism and racism (e.g., forbidding Jews to hold public positions, decreeing anti-Semitic laws, forcefully expropriating their property, deporting Jews from Basarabia and Northern Bukovina and Roma to camps in 1941-43), the dissolution of all parties, and restricting voting rights to educated people were a few examples of this conservative reorientation. A royal totalitarian dictatorship was installed in 1938-1940. The loss of half of Transylvania to Hungary, and Basarabia and Northern Bukovina to the USSR in 1940, and violent retaliations of the Iron Guard, a pro-Nazi

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106 For instance, the Criterion Group of young intellectuals, that included Eliade, Sebastian and others became famous for its series of public lectures on political figures such as Lenin or Mussolini in 1932 (Eliade, 1988, pp. 228-237)
movement\textsuperscript{107}, created an atmosphere of suspicion and street violence, restricted freedom of speech and association, and resulted in the imprisonment of many intellectuals or their emigration to the West. The policies of Marshall Antonescu, the head of the Romanian state named by the king in 1940 and executed by the Soviets in 1946, similarly to those by Admiral Horthy in Hungary, were often controversial and continue to be debated and analyzed today in Romanian society.

4.4. Basarabia – Geo-Political Status and Education in 1812-1944

4.4.1. Bucharest Treaty of 1812 and its implications for Basarabia. During the reign of Catherine the Great (1762-1796) the Russian Army gradually incorporated parts of the Ukraine, and approached the eastern borders of the Principality of Moldavia. Through the Russian-Turkish Treaty, which ended the war of 1806-12 and was signed in Bucharest in May 1812, the Ottoman Empire ceded to Russia the eastern half of the Principality of Moldova between the rivers Prut, Nistru and Black Sea (Map 13). Historically, the name Basarabia was used to refer to the Principality of Wallachia before the 15\textsuperscript{th} century and to the Black Sea shore of the Principality of Moldavia afterwards (Dabija, 2002; Hasdeu, 1984 [1872]; Iorga, 1925). However, in 1812 Russians used this name to distinguish the entire annexed territory. In the diplomatic debates of the late 19\textsuperscript{th} and 20\textsuperscript{th} century, this act was highly contested. Romanian diplomacy argued in the 1860-70s and 1930s that Basarabia was part of a sovereign political entity – the Principality of Moldavia, and that the Ottoman Porte had no right to cede it, and, consequently, it was a legitimate part of the newly created state of Romania.

\textsuperscript{107} Romanian historian and phenomenologist Mircea Eliade (1988) noted that Iron Guard or Legionary Movement started as a spiritual Christian movement, rather than a political one. However, by assassinating in November 1940, Nicolae Iorga and V.Madgareanu “…the Legionaries had irreparably discredited Iron Guard, considered from then on as a terrorist and pro-Nazi movement” (p.85).
In the 20th century, Soviet diplomacy used the arguments that the territory was inhabited by many Slavs and that the Russian Empire liberated Christians of Basarabia from Turkish occupation. In addition to placing Basarabia on the political map of Europe, the events of 1812 started a long and troubled journey for local inhabitants, which continue to impact all aspects of their lives. At different points in time, Basarabia was part of different countries – the Russian Empire (1812-1917), Romania (1918-1940; 1941-1944), and the USSR (1944-1991), changed its shape (Transnistria was included in 1944 and three regions in the south – Ismail, Cahul, Bolgrad - were part of Romania in 1856-1878), was cut in pieces (the Southern and Northern part were incorporated into the Ukraine in 1944) and most of its territory ended up becoming the independent Republic of Moldova in 1991. The issues of whether the recently created state is sustainable and what is the national identity of its people – Moldovan, Romanian, and Russian/Soviet - continue to be debated, with educational institutions and discourses playing an important role in supporting various points of view.

4.4.2. Origins and causes of ‘underdevelopment’- Basarabia under Russian tsars (1812-1918). Estimates of the total population of Basarabia and the share of Romanians in the early 19th century vary from 200,000 to half a million inhabitants and from 75 per cent to 86 per cent respectively (Boldur, 1992 [1937], p. 466; Ciachir, 1992, p. 26; Enciu, 2002, p. 136; King, 2002, p. 19). The largest ethnic minorities were Ukrainians, Armenians, Turks, Tatars and Jews. Peasants were legally free (except the Roma who were serfs), but most of them had no land, and performed labour services to the noble landowners. Towns were small, and inhabited mostly by Jews, Greeks and Armenians. “Around 1800 the eastern part of the principality of Moldavia was a remote, war-torn and economically rather poverty-stricken area of the Ottoman Empire” (Kappeler, 2001, p.99). This image of a poor, agrarian country, lacking natural resources, was
perpetuated in the Western literature in the 1990s, particularly in sources authored or sponsored by international organizations. Russian/Soviet history texts followed a similar line, stressing the positive impact of Basarabian incorporation in the Russian Empire in 1812, and in the USSR in 1944. In terms of the 1812 accession, Russian, Soviet and some Moldovan historians argued that the Russian Empire was a much more advanced capitalist society in comparison with the feudal and underdeveloped Ottoman Empire, and that it promoted the economic, cultural and educational development of Basarabia, and resulted in the growth of its towns (Budak et al., 1966; Stati, 2003).

Certainly, Ottoman economic oppression was hard, and a series of Russian-Turkish wars in the 18th century affected demographic and economic developments in Basarabia. The major town, Chisinau, for instance, was fully destroyed in a fire by the Ottomans in 1788. Thousands of men died fighting against Turkish occupation and thousands of Tatars moved from Basarabia at the end of 18th-early 19th century. In this context, stationing the Russian Army in Chisinau, and its transformation into the capital of the region in 1818 boosted the growth of a previously small town. However, a more nuanced examination of the economic and educational situation in Basarabia before its accession to Russia and the analysis of policies promoted by the tsar during the 19th century from a critical, post-colonial perspective provide a more complex picture on the development of this region. I have concluded that the ‘underdevelopment’ of Basarabia in the early 1900s was overstated, and that its development within the Russian Empire was limited. The Empire disenfranchised the local population economically and educationally and favoured an immigrant population.

By the end of the 18th and the beginning of the 19th centuries, manufacturing activities in Basarabia were on the rise and the agrarian sector was diversified and rather extensive.
According to the 1803 data, one third of the total population was involved in some sort of manufacturing activities, and Chisinau, for instance, a town of 7 thousand people had 52 small textile, leather, wax and soap producing factories (Budak et al., 1966, p. 36). Chisinau was emerging as a regional commercial center, where merchants from all over Moldavia were trading. Basarabia contributed greatly to the production of major goods that were sent as a tribute to the Ottoman Porte by the Moldavian Principality: 60 per cent of wheat, 46 per cent of butter, 40,000 sheep (and an additional 80,000 sheep were sold to Porte), and many other goods such as cereals, honey, fur, and wax; in addition, half of all the monetary contribution to the Porte was raised in Basarabia\(^\text{108}\). The Russian tsar Alexander I himself informed Russian nobles in his decree on the occasion of the incorporation of Basarabia that they would find in the new province “…fertile land, forests, lakes with fish, endless herds of horses, cattle, sheep and other wealth” (Ciachir, 1992, p. 21).

As for public schooling, several studies by Romanian historians (Iorga, 1995 [1905]; Pascu et al., 1983) show that by the end of 18\(^\text{th}/\)early 19\(^\text{th}\) century education was offered as everywhere in the Principality of Moldavia, in Romanian, Slavonic and Greek via monastic, bishopric and church schools. The large number of churches, monasteries and clergy confirms the existence of elementary schools\(^\text{109}\). According to Ciachir (1992, pp. 27-28), Basarabia had 1,274 clergy in 1803 and 775 churches and 40 monasteries in 1812. Ciacir also documented the example of several priests who organized schools in their houses for village children where they taught reading, counting and writing in Romanian and later Russian. There were no secondary

\(^{108}\) Percentages were calculated by the author based on data by Ciachir (1992, p. 19).  
\(^{109}\) Elementary schools, for instance, existed at Curchi and Dobristi monasteries, at churches in villages Buda, Raspoveni, Scumpia, Isnovat, Bumbata, Molesti, and at several churches in Chisinau - Mazarachi, St.Ilie and St.Michael.
and higher education institutions. Basarabia was historically a part of the Moldavian Principality, and most laic secondary and higher learning schools of the Principality were concentrated in the capital city Jassy and larger towns. As I noted above in the section on Romanian educational institutions, a variety and a large number of educational institutions have existed in Jassy since the 16th century. Jassy was located in the center of the Moldavian Principality, relatively close to any point in Basarabia, and the Basarabian nobility, clergy and merchants educated their children at schools and the theological seminary in Jassy. They also hired tutors, who were usually Greeks, French, or Germans and taught foreign languages, local law, history, geography, and math. Vighel, the Russian vice-Governor of Basarabia, mentioned in his report on Basarabia in 1823, that most of the Basarabian nobility spoke French and some spoke German. “None of them spoke Russian or showed any interest in seeing Moscow or Petersburg, which they believed were cold and wild, but many of them had travelled to Vienna, which was much closer, warmer and more enjoyable” (Vighel, quoted by Postarencu, 1998, p. 109) [quote translated from Romanian].

After the incorporation of Basarabia into the Russian Empire, a set of administrative, colonization and cultural assimilation policies were implemented to integrate this new territory. Soviet historians noted:

Basarabia had a special place among other peripheries of Russian Empire. It was used by Russian Empire to increase its influence in the Balkans. Economic and administrative improvements were undertaken to increase the prestige of Russian Empire among various people that continue to be under Turkish occupation (Budak et al, 1966, p. 38) [quote translated from Russian].

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110 Pascu et al. (1983) mention that a royal school seem to have functioned in Chisinau in early 19th century, however there are no other indications about this school.

111 Jassy is situated at a 2-hour car drive from Chisinau, the capital of the Republic of Moldova.
This foreign policy resulted in granting significant tax exemptions in order to increase the population and improve the economic situation in the region. Initially Basarabia was also granted quite a large degree of autonomy, similar to the Grand Duchy of Finland or Kingdom of Poland (Budak et al., 1966; Kappeler, 2001; King, 2002). The administration, the legal system and the tax system in the new district (oblast) were based on the existing order and all functions were performed by local nobility; peasants continue to be free personally and the Orthodox Church was reorganized into the Chisinau Eparchy. The local government – Sfatul Suprem - was partially elected by the local nobility, and used both the Russian and Romanian languages in issues involving the Russian government (taxes, for instance), and only Romanian in dealing with legal issues (Boldur, 1992 [1937]).

Local autonomy was significantly curtailed in 1828; during the reign of Nicholas I a reactionary trend in Russian Empire politics developed in response to increased revolutionary movement around Europe. In the case of Basarabia, the tsar was particularly concerned with the 1821 revolt led by Tudor Vladimirescu in the neighbouring Romanian Principalities, which ended the Phanariot regime. As a result of the 1828 Act on Basarabia, the Governor-General was nominated by the Russian tsar, and the local government included only the leader of the local nobility. Russian officials under a Governor-General replaced local nobility in the most important administrative and judiciary positions. Russian became the language of administration, and translation in Romanian was available only in special cases. Various economic privileges, such as tax exemption for peasants, exemptions from military service, free or low fee licences and the right to conduct foreign trade for merchants in Chisinau, remained in place in Basarabia until the 1860s. In 1871, the autonomy of the region was eliminated and its status changed from oblasti (imperial region) to gubernia (province) (King, 2002).
Fiscal policies, improvements in transportation such as the construction of the first railway in 1872, the growth of navigation on the Danube, and modernization of the capital city, contributed to the growth of population and levels of urbanization, and increased agricultural production and the volume of trade, particularly in wine, meet, tobacco and cereals. For instance, in 1846 Basarabia became the second largest producer of wine in the Russian Empire\footnote{Basarabia produced 3 million of barrels of wine out of the total of 7.5 million Russian Empire overall, and was second after Stavropol (Budak et al., 1966, p. 38).}. The population of Basarabia grew from 381 thousand in the 1820s to 922 thousand in the 1860s and to 1,935,412 people in 1897, while the Chisinau population increased from 7 thousand to 120 thousand in 100 years of Russian rule (Budak et al., 1966, pp. 38, 54; Enciu, 2002, p. 130). This is how Ciachir (1992) described Chisinau before WWI:

In 1912-13, a Belgian company installed trams in Chisinau, which was a modern city, with electricity, palaces and parks, and a magnificent cathedral built already in 1836. There were more than 30 Orthodox churches, one Catholic and one Lutheran churches, many synagogues, approximately 1300 commercial companies, 60 industrial firms, more than 40 schools, including 10 secondary, and several printing houses, newspapers and magazines. With 120 thousand people it became after the unification with Romania in 1918 the second largest city in Romania (p.78) [quote translated from Romanian].

Both the Russian governor Urusov (2004 [1907]) and the Romanian historian and politician Iorga (1905 [1995]) attested that Chisinau at the beginning of the 19\textsuperscript{th} century was a military city with many churches, large and straight streets, and magnificent public administration buildings. “It seems that this enormous empire wanted to show by these huge masses of stone its strength and long-lasting character, which nothing could destroy…What would fit elsewhere, in large and monumental cities, amazes and frightens here rather than beautifies” (Iorga, 1995 [1905], p.85). The Russian Empire invested in the capital city because it was a Russian administrative center. Overall, tsarist policies laid the foundations for an agricultural-based economy with an inequitable distribution of land, and transformed Basarabia...
into an agricultural adjunct of the Russian Empire and later the Soviet Union. For instance, in 1905 the number of factory workers was roughly 30,000 for a population of almost 2 million, with 1.9 per cent of families owning 43.2 per cent of land and the rest of the peasant families owning 48.6 per cent of land (Ciachir, 1992, pp. 77-79). In addition, the population growth, particularly in the towns and in the southern part of Basarabia, was immigrant-based, changing the ethnic composition of the population by the end of the 19th century. Appendix 6 shows the evolution and the structure of population in Basarabia from 1817 to 1897, as well as the literacy rates by ethnic groups according to the 1897 Census.

Comparative analysis of statistical data for Basarabia in the 19th and first half of the 20th century should be carefully interpreted since different sources provided different numbers and various surveys employed different methodological tools and definitions (e.g., 1897 Russian census and 1930 Romanian census). The accuracy of the 1897 Census has been questioned by several authors (Ciachir, 1992, Kappeler, 2001). Ciachir, by comparing Russian statistics from 1891 and data from the 1897 Census, shows that the share of Romanians plunged from 62 per cent in 1891 to 47.6 per cent in 1897. In six years, their number decreased by 160 thousand people, while the number of Ukrainians and Russians increased by 166 and 121 thousand respectively. He states that even Soviet historians were surprised by such changes in a short period of time, suggesting that in reality the share of the Moldovan population was larger (1992). The methodology of the literacy survey during the same Census lacked clarity, and estimated the literacy in Russian rather than in native languages. Kappeler suggests that survey methodology and much stronger assimilationist policies in education in Basarabia resulted in the lowest literacy rate of Romanians (8.8 per cent) comparatively to other European ethnic groups in the Empire113.

113 The literacy rates cited by Kappeller (2001, p.312): Estonians (94%), Latvians (85%), Germans (78.5%), Jews (50.1%), Poles (41.8%), Russians (29.3%), Byelorussians (20%) and Ukrainians (18.9%).
Despite limitations, Census data illuminate major demographic and educational trends in the 19th century Basarabia, which are also supported by documentary and historical analysis. Policies favouring incoming colonists, such as tax exemptions, military service exemptions, provision of free land for housing and construction materials for houses, etc. facilitated immigration. In the period from 1817 to 1897, the settlements of Bulgarians, Gagauz (Christian Turks), Ukrainians, Germans, Russians and Jews in Moldova increased significantly, and their rate of growth was much higher than that of Romanians. The Romanian population more than doubled, while Ukrainians increased more than 12 times, Jews – more than 11 times, and Russians – more than 25 times. Bulgarian and Gagauz communities were very small and no Germans were recorded in Basarabia in 1817, but within 80 years their numbers grew somewhere between 60,000 and 100,000 people. This strong immigration trend was accompanied by emigration of Moldovan families to the rest of the Russian Empire diminishing the share of Romanians significantly by the end of the 19th century.

The settlement patterns of the ethnic groups contributed to the fragmentation of the country along ethnic and linguistic lines. By the end of 19th century, most Romanians, Germans, Turks and Roma lived in rural areas and were underrepresented in cities (Romanians, for instance, accounted for only 14.2 per cent of the urban population). Germans, Turks/Gagauz and Bulgarians settled in the southern part of Basarabia; after 1991, Gagauz and Bulgarians received autonomous status within Moldova. Many Ukrainians and Russians inhabited Transnistria, which became a self-proclaimed republic in 1992 and remains a source of political and economic

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114 The first Russian decrees on Bulgarian immigration were in 1807 and on German immigration - in 1814.
115 Only in 1909-1914, 60,000 Basarabians, mostly Romanians, left for Siberia and Central Asia where they were promised land.
116 According to the Soviet-German Agreement in 1939 all German minorities in territories controlled by Soviets were repatriated to Germany. Basarabian Germans left the country under the Nazi escort in 1940 during three days.
tensions in the region. Most Jews, Russians and Poles lived in urban areas, where Russian was the dominant language (Urso, 1907/2004; Iorga, 1905/1995). Jews, with strong positions in the banking sector and trade, and Russians, in government organizations and manufacturing, represented the largest components of the urban population, 37.2 and 24.4 per cent respectively. For instance, in Chisinau between 1897 and 1913, the share of Romanians was 18 per cent compared to 50 per cent in 1861, while Jews represented 46 per cent and Russian and Ukrainians 27 and 30 per cent respectively (Budak et al., 1966, p.101).

The rural-urban divide contributed to the concentration of secondary educational institutions in urban areas, especially Chisinau and partly explains the low literacy rates of Romanians, Roma, Turks and Bulgarians. Appendix 6 shows that Germans, Poles, Greeks, Armenians, Jews, and Russians had the highest levels of literacy, including women. Roma, Romanians and Ukrainians had the lowest levels of literacy in Basarabia, especially women. These ethnic groups were mostly peasants, while most secondary and professional schools were concentrated in towns and Chisinau and were affordable for the wealthy nobility and clergy. By mid 19th century, Chisinau, for instance, had the largest number of secondary institutions in Basarabia. Their curriculum was coordinated by universities in Kharkiv and Odessa that trained teachers and supplied schools with literature and textbooks. The number of public secondary schools for boys and girls in Basarabia increased from 18 in 1860 to 50 in 1910 and

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117 Transnistria is not acknowledged internationally as an independent state, continues to be legally part of Moldova but is not controlled by the Moldovan authorities.

118 The population of Chisinau grew from 7 thousand people in early 19th century to 34 thousand in 1835, 63 thousand in 1856, and 93 thousand in 1861, 108.5 thousand in 1897 and 116.5 in 1913 (Budak et al., 1996, pp. 49, 99).

119 Germans lived in the countryside as well, but they had developed historically a system of comprehensive education and recorded high levels of literacy.

120 The theological seminary was created in 1813 and taught students theology, Russian, Romanian, Latin and Greek languages. Two regional colleges (uezdnoie ucilische) were created in 1828 and 1850. One regional Russian Gymnasium with 7 grades, one agricultural college in Chisinau, and several private schools for boys and girls were opened in the 1830s-1840s.

121 Currently, both Odessa and Kharkiv are in Ukraine.
56 in 1912, however none of them taught in the Romanian language or provided it as an elective subject (Budak et al., 1966, p.166; Ciachir, 1992, p.62).

In the 1860s, the literacy rate in Romania was estimated at 10 per cent of the total population, which is close to the 8.8 per cent literacy rate for Romanians in Basarabia. However, as a result of government policies that addressed illiteracy and created a system of vernacular elementary, secondary and higher education discussed above in the section on Romania the literacy rate in Romania increased to 22 per cent in 1899 and much higher levels in urban areas, followed by a steep growth in the 20th century. The low literacy levels of Romanians and few other small ethnic minorities in Basarabia to a large extent were the result of assimilationist language, administrative and funding policies.

Already in the 1830s, the Romanian language was banished from administration in Basarabia, and instruction in schools switched to Russian122. Beginning with 1854, the Russian language became the official language (King, 2002). The closure of 340 churches in 1861-82 seriously affected the instruction of Romanian children in the countryside, since church schools were the most widespread type of elementary education. The Romanian language was banned as a service language from churches and as a subject from public schools. Only a few Romanian-language textbooks and newspapers were published during the period from 1867 to 1904. The Russian Governor of Basarabia stated in 1867 that “…if we want to fully integrate Basarabia within Russia, we have to use schools to make at least half of Romanian peasants Russians. This is the objective of the recently introduced public education system” (Ciachir, 1992, p. 67) [quote translated from Romanian]. Russification in education had a two-fold effect. On the one hand, it deterred rural children from learning in a foreign language. Low and irregular attendance in rural

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122 In 1834-1852, under the Governor Fiodorov, the Romanian language was partially reinstalled in administration and was introduced as a subject at the regional Gymnasium, and regional schools in Chisinau, Hotin and Balti (Boldur, 1937/92, p. 336).
schools contributed to low literacy rates in villages, but paradoxically, according to Iorga (1995), it allowed the preservation of the Romanian national identity, spoken language and traditions within the peasant community. On the other hand, it created an exclusively Russian-speaking intellectual class. Estrangement from the native language and local traditions started by attending Russian elementary schools, and increased when Moldovan students continued their education in Russian language at gymnasia in Chisinau and later at universities in Russia: “The intellectual is Russian by language; though more recently recognizes himself ethnically as a Romanian” (Iorga, 1995 [1905], p.82) [quote translated from Romanian]. Iorga further stated that most merchants, nobles and intellectuals of Romanian origins went through a strong process of denationalization and spoke an eclectic language containing Russian, French and German words.

The 1863 tsarist reforms abolished serfdom, adopted the Law on elementary schools and Regulation on gymnasium education, and re-established university autonomy abrogated three decades earlier. An elected local body of public administration – zemstvo - was introduced to deal with funding community needs and to diminish the monopoly of the Russian Empire bureaucracy, whose corruption, delays and lack of professional skills were well-known. As a result of these reforms, the system of elementary education consisted of ministerial schools (one-grade in villages and two-grade in cities), local and regional zemstvo schools and 3-year church schools. However, these reforms did not improve peasants’ situation or their literacy rates both because resources were limited and because most Russian nobility were not interested in improving the literacy rates of local peasantry. Only 1.7 million out of 100 million rubles of revenues in Basarabia in 1901 were spent for public education, while regional zemstvo in St-Petersburg, Moscow and Kazan invested significant amounts in improving literacy rates (Budak et al., 1966, p.166). As a result, Basarabia had the lowest number of publicly-funded zemstvo
and village schools in the Russian Empire (Coada, 2007). The largest share of zemstvo’s resources was used to cover spending of the tsarist administration in Basarabia rather than local needs, and the remaining funding had to be stretched to address a large list of needs. For instance, public health issues, poor infrastructure and poverty in the countryside were a major concern. The regional zemstvo focussed on building a few hospitals, pharmacies, promoting modern agrarian techniques and marginally contributed to improving local infrastructure. Primary education fell under the jurisdiction of local zemstvos, which had even fewer resources than the regional zemstvo.

Elections in zemstvos were income-based, and they were dominated by Russian nobles. The number of non-Romanian nobles that received land in Basarabia after 1812 exceeded the number of local nobles: 273 versus 195 in 1905, which distinguished Basarabia from other European provinces of the Russian Empire (Ciachir, 1992). In Estonia, Finland and Poland, the local nobility was strong, protested against tsarist policies of russification and supported system wide, vernacular elementary education for peasants. Several Romanian nobles and priests in Basarabia, such as Casso, Striescu, Kazimir, and Ciachir organized Romanian schools and provided scholarships for peasants’ children to study in secondary schools and universities (Ciachir, 1992). However their efforts were limited, and counterbalanced by most Russian nobles in Bassarabia that occupied governmental positions and supported Russian policies. For years, Basarabian intellectuals complained about the lack of funding for elementary and secondary education, of teachers and of a coherent public strategy focussed on improving elementary education. They frequently requested the creation of a local agrarian and a pedagogical higher education institution. The Pedagogical Institute was established in Chisinau in 1915 and an

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123 Regional zemstvo, for instance, created credit unions that funded the establishment of telephone and horse mail by 1913.
Agrarian Institute was close to being opened, but because of unfavourable conditions created by WWI neither of these projects worked out.

In the aftermath of the Russian revolution of 1905-07, the language policies were somewhat liberalized. For instance, in 1906-07 the chairs of Romanian language and Romanian religious music were established at the Theological Seminary in Chisinau. The use of the Romanian language in education and the number of Romanian-language publications increased. In addition, the rise of a young generation of local intellectuals educated mostly at universities in the Russian Empire such as Dorpat (Tartu), Odessa, Kharkiv, Warsaw and St.-Petersburg\textsuperscript{124}, but also at universities in Paris, Vienna and Berlin, contributed to the creation of a revolutionary local elite that sparked the debate about a common identity for Romanians/Moldovans in Basarabia with Romanians in Romania. These intellectuals represented the Romanian-speaking population in the first local parliament - \textit{Sfatul Tarii}, which announced the cessation of Basarabia from Russia in 1917 and voted for its unification with Romania in 1918. Given that the Russian revolutionary government faced serious economic, political and military problems, Basarabia was not on the agenda in 1917; however, Russia had never renounced the right to Basarabia despite the international support of its unification with Romania.

4.4.3. Lagging in development - Basarabia within Greater Romania (1918-1944) (Maps 10 & 11). During the period 1897-1930, Basarabia increased its population by almost 900,000, reaching 2.86 million people, with Romanians and Russians experiencing the largest growth in this period (Appendices 7&8). The share of Romanians increased to 56.2 per cent and most remarkably their share increased substantially in urban areas – from 14.2 to 31.5 per cent, where Romanians became the largest single ethnic group followed by Jews and Russians (Appendix 8). The overall literacy rates increased from 19.4 per cent in 1897 to 38.1 per cent in

\textsuperscript{124} Now these universities are in Estonia, Ukraine, Poland and Russia.
1930 (Enciu, 2002, p.209). In 1921 the Romanian government introduced comprehensive elementary education, which was earlier debated by the Basarabian zemstvo but was never put in place, changed the language of instruction in most elementary schools from Russian to Romanian, and allowed the operation of schools in vernacular for ethnic minorities. As a result of these policies, in the interwar period the number of elementary schools and teachers more than doubled and the number of elementary students increased four times in Basarabia, while 89 Russian, 212 Ukrainian, 45 Jewish, 50 German and 65 Bulgarian schools were already operating in 1921 (Enciu, 2002, pp. 207, 219; Boldur, 1992 [1937], p. 508). In the 1930s, literacy rates increased to 20 per cent, land was distributed to peasants, and significant investments were made in infrastructure (roads, rail roads, bridges over river Prut, airports, radio and phone stations) (King, 2002).

However, Basarabia never attained similar levels of development with other Romanian lands. In the 1930s, the socio-economic situation in rural areas deteriorated substantially, resulting in a wave of emigration to South and Northern America, and the literacy rates of Romanians in Basarabia remained lower than in the rest of Romania. Several scholars addressed the major factors that inhibited the economic development of Basarabia in the inter-war period: severe draughts in 1928 and 1935, frequent epidemics of infectious diseases, the economic crisis of the 1930s, the low level of urbanization compared to other parts of Romania, corruption of public administration in Romania, and Basarabia especially, and inconsistencies in policy reforms implemented by the Romanian governments (Boldur, 1992 [1937]; Enciu, 2002; King, 2002).

The fact that Basarabia became part of Romania resulted in sanctions from Russia in terms of fuel and salt supply and access to its markets for agricultural goods – policies that
would surface again after Moldova announced its independence from the USSR in 1991. Eventually, fuel and other goods started to be supplied from Romania, but it took time and the Romanian government did not control the prices as promised, and prices galloped. Enciu (2002) and King (2002) noted that delays in the monetary reforms of the Romanian government after WWI in Basarabia, and the fact that industrial reforms were favoured over modernising agriculture, worsened the financial situation of the Basarabian population, of which almost 90 per cent was employed in agriculture or agriculture-related activities. For instance, the Romanian government delayed the introduction of a single currency in Basarabia, and as a result of several currencies operating simultaneously and the devaluation of the Russian ruble, prices for land lease and agricultural goods skyrocketed and agricultural production diminished. Finally, agrarian reforms fragmented land ownership, increasing costs of agricultural production. Without adequate technical and financial support from the government, peasants’ work was inefficient.

These economic hardships influenced educational levels and school attendance in rural Basarabia, which were the lowest in Romania. Thus, only 59 per cent of registered male students and 44.5 per cent of female students in 1931/32 attended village elementary schools because many peasants lacked the necessary financial resources to buy clothes, shoes and school supplies, and because children were working on the family farms (Enciu, 2002, p. 217). By the mid 1940s, the number of secondary schools, gymnasia and higher learning institutions was 25, 14 and 2 respectively (Tiron et al., 2002). Not only were the number of students enrolled in higher education limited, but also the programs offered by the existing universities, in my opinion, were of marginal importance for the local economy and did not contribute to the rise of professional elite. For instance, the Music Conservatory was opened in 1919, and the University of Jassy opened a new Faculty of Theology in Chisinau in 1926, and transferred its Faculty of Agronomy
to Chisinau in 1933. The emigration of most educated people to Romania in 1940 and 1944, and the deportation by the Soviet regime of many others that stayed in the country, depleted the limited human potential of Basarabia.

Having acknowledged that Basarabia remained a periphery of Great Romania in economic, social and political terms, I would note that the interwar period was crucial for the survival of Romanian identity in Basarabia/Moldova. Eliade’s (1988) evaluation of reforms in Romania in the period between 1918 and 1938 is even more pertinent for Basarabia, where the Romanian spirit had been methodically eliminated by Russian authorities for more than 100 years:

I had been convinced, long before, that in History we, Romanians are a luckless people. ‘History’ allowed us a scant of 20 years of national unity and political autonomy: from 1918 to 1938. In that interval many good things had been accomplished in Romania, but the only creations I was sure would survive were those of spiritual order. Only these could assure our ethnic identity and cultural continuity with the past.

4.5. Conclusions

The objective of this chapter was to examine how the national particularities of these countries and regional powers had influenced early educational institutions, and shaped the modernization discourse and higher education policies in the 19th-mid 20th century. An historical political and educational analysis of the Hungarian Kingdom, Romanian Principalities/Romania and Basarabia shows that their state and educational institutions were strongly influenced by local economic, political and cultural developments, and mirrored existing regional power relations at each point in time. Hungary and Romania both engaged the discourse of westernization, attempted system-wide educational reforms and used universities as a tool of modernization and nation-building. However reforms took place at different times and pace, and were affected by
different regional powers – the Habsburgs, the Ottomans or the Russians. Basarabia was a unique case; it was part of different larger political entities, which dictated its educational and economic development.

*Engaging the discourse of Westernization.* In order to establish themselves as equals among older populations of CEE, Hungarian rulers created their first state already in the early 11th century and actively borrowed and adapted Western institutions such as the Catholic religion, royal and military hierarchies, monastic schools, Catholic universities and later Protestant schools. Hungarians used the Latin alphabet and Latin language in public administration and education, but they maintained their vernacular language of Asian origins in everyday life and introduced it in Protestant schools in the 16th century. Over time, the image of the ‘West’ changed. For instance, occupied by Ottomans, Hungarians looked for help from the Habsburg Empire, but ‘liberation’ from the Ottomans by the Habsburg Empire was followed by an increasing political and economic dependence on Austria, forced reconversion of Protestants into Catholicism and Germanization of public administration and education. And though modern Hungarians clearly see themselves as part of Europe, they have a “…curious ambivalence about foreigners, inspiring either awe or disdain” (Lendvai, 2003, p. 505). The Romanian Principalities were consolidated by the 14th century growing out of smaller state formations with long previous histories. Their institutions had Roman and Roman-Byzantine origins, and were strongly influenced by Orthodox Christianity and South Slavic models. For instance, Romanians used for many centuries the Slavonic alphabet for their Romance language and old Slavonic language in Church services. The growth of higher learning institutions was influenced in the medieval ages by their Eastern neighbours, but also by educational innovations from the West. The discourse of westernization and affinity with European nations evolved in the early 19th century and was
enforced by the national movement of independence in the 1830s-1850s, the consolidation of the Romanian state between 1859 and 1944 and extensive training of political elites in Western Europe. In the 19th century, the Latin alphabet was adopted for the Romanian language, and German princes were invited to become Romanian kings.

*Foreign domination and education reforms.* The Ottoman expansion and the rise of Habsburg’s influence in CEE marked the loss of independence of the Romanian and Hungarian medieval states in the 16th-18th centuries. The Ottoman rule inflicted large economic and human losses and contributed to the rise of corrupt practices in CEE. However, due to the Ottoman’s non-interference in local institutions and due to the rise of Protestantism in the German states, by the 17th century protestant schools spread and the Catholic Church modernized institutions of higher learning in Transylvania and Hungary. Meanwhile, several Romanian rulers managed to successfully promote local development and created elementary schools and first institutions of higher learning. The location on the crossroads between East and West and historical openness to various models determined the diversity of educational institutions in Romanian principalities - Royal Academies as a local equivalent to Western universities, as well as Slavonic, Greek, Latin and Protestant schools. While this increasing dependence on foreigners – Austrians or Ottomans - was despised by the local population, educational reforms promoted by the Habsburgs in Hungary or Phanariot rulers in Romanian Principalities were the first attempts to create modern and accessible systems of education and to promote professional higher learning institutions. Influenced by local traditions and Greek, Slavic or German models, these institutions contributed to the rise of national intellectuals and to the development of discourses of national identity in the 19th century.
National independence, modernization and role of universities. National revival and increasing interest in vernacular languages between the mid 19th century and WWII led to the creation of independent modern states of Romania and Hungary. However, both countries looked to the West when formulating state policies to advance education and promote state modernization via industrialization and neo-liberal reforms. Romania conducted these reforms more aggressively in the 1930s, achieving faster rates of growth than Hungary which followed a more gradual approach. The choice of the development pattern was influenced by the political process in each nation, but also by the territorial changes enforced by the Treaty of Trianon in 1920. Increased territory and population favoured Romania in achieving higher growth, while Hungary had to struggle with a loss of population, territory and the supply of raw materials. Like other nations in Europe and North America, Hungary and Romania developed mass elementary education, improved literacy records and supported the growth of modern universities which were viewed as vehicles to increase economic growth and consolidate modern nations. The university model in both nations incorporated the Humboldtian principles of academic freedom and unity of teaching and research, but they also created a national Academy of Sciences (Hungary in 1830 and Romania in 1866), which, during the Soviet times, developed strong research, essentially separated teaching from research, and followed the path of specialized technical, medical or agricultural education (along the lines of professional gimnasia in Germany and Ecole Polytechnique in France). Liberal state policies attempted to support education for various groups within the population, including the Roma, rural populations, ethnic minorities, and women. Yet, the strive for independence, wars and numerous state border changes deepened the conflict around border regions such as Transylvania or Basarabia; governments also used discriminatory language and educational policies towards national minorities, whether those
were Romanians in the Hungarian Kingdom before WWI, or Jews in the interwar period in both
countries.

*The special case of Basarabia.* Developments in Basarabia went along a different path
in the 19th century compared to Hungary and Romania. It was annexed by the Russian Empire in
1812 as an autonomous region but experienced increased assimilationist and Russification
policies in administration and education, which inhibited educational and economic
developments in this territory in the 19th century. In the 20th century Basarabia was at the
periphery of Great Romania both geographically and in terms of its politics of reform. While
literacy rates increased, they were still lower than Romanian and European standards and higher
education received little support.
Chapter 5.
Soviet Higher Education Reforms in Hungary, Romania and Moldavian Soviet Socialist Republic

5.1. Introduction

The Sovietization\(^{125}\) of HE or the application of a new model of HE, centrally-regulated and ideologically driven by Marxism-Leninism, started in CEE at the end of 1940s in the context of the Soviet political and economic reforms initiated after WWII. As Sadlak (1995) noted, Soviet reforms in HE were the product of Soviet expansion in Europe and the establishment of a new power structure in CEE. To evaluate the impact of Sovietization on HE in the region, I align with critical scholars of HE that provide a complex and nuanced interpretation of academic systems in CEE during the Soviet period (Sadlak, 1991; 1996; David-Fox, 2000; Peteri, 2000a, b; Tolz, 2000; Connelly, 2000; Krementsov, 2000; Tomusk, 2004). These scholars agree that even though the Sovietization of HE was not initially perceived as a grand master model and was not intended to standardize HE systems in the CEE, HE systems in the region acquired several common features. “In the case of East Europe, despite all variations within the not-so-monolithic ‘bloc’, one can nonetheless speak of ‘Soviet-type’ academic regimes” (David-Fox & Peteri, 2000, p.6).

A few scholars who have studied the transfer mechanisms of Soviet policies and structures in HE also argue that the local scientific community played a pro-active role in promoting the Soviet system of power relations in the academy (Peteri, 2000a, b; Tolz, 2000; Connelly, 2000). The academic elites in the region supported academies of science as centers of research, and the separation of the research function from the universities, for several reasons.

\(^{125}\) The literature on the Soviet period uses are two spellings: ‘Sovietisation’ and ‘Sovietization’. In this dissertation, I use the spelling ‘Sovietization’ to be consistent with the spelling of words created in a similar manner and used in the dissertation such as ‘liberalization’, ‘privatization’, ‘molodovenization’, ‘ideologization’, ‘germanization’, etc. As in the case of the word ‘Soviet’, ‘Sovietization’ is capitalized.
Some viewed academies as a career opportunity, and a way to gain social prominence, influence state science policy and acquire personal privilege (such as access to special grocery stores, foreign travels, housing, etc.). Many academics saw in the centralized organization of science a possibility to raise adequate state funding for research and focus on research rather than combine teaching and research. Some academics internalized Marxist-Leninist beliefs. As Graham (2000) pointed out, these academic elites “…actively worked for the creation of the golden cage that the Soviet system of scientific research subsequently became” (p.257). However, as Tolz (2000) and Peteri (2000a) noted in their analyses of the role of local academic elites in the establishment of the Soviet-style Russian Academy in the 1920s and of the Hungarian Academy at the end of the 1940s, most of the academics opposed excessive state planning of scientific research and the academy’s subordination to Party control. Many also considered the organization of research in large-scale institutions inefficient.

The objective of this chapter is to analyze the legacy of Sovietization and its impact on current HE structures and governance arrangements in the three nation-cases. To capture the interplay between local variations and Sovietization, I start by examining common characteristics of the Soviet-style HE systems in the region in part 5.2 and further analyze challenges of Sovietization in the region in part 5.3 and national responses to Sovietization in HE in Hungary, Romania and Moldova in part 5.4. In addition to using the critical literature on academic systems mentioned above, I draw on other important sources of literature. Policy-oriented research published since 1960s by UNESCO and the US Department of Education provided an interesting picture of Soviet educational and HE reforms in the region at a certain point in time (Braham 1964, 1972; 1980, Heberger, 1966, Balan, 1975; Inkei et al., 1988; Tiron et al., 2003, etc.). World Bank research and staff papers published in the 1970s-1980s, but especially during the
1990s, gave insights into Soviet educational policies in the three nations and provided macroeconomic and educational statistics. Critical historical and sociological texts on Sovietization in Romania, Moldova and Hungary (e.g., Popa, 2006a; 2006b; King, 2002; Gati, 1990, etc.) helped develop a picture of the political and economic context of HE reforms in these countries. In the case of Moldova, where the debate on the impacts of Sovietization continue to be controversial, I also juxtaposed the positions of supporters of Sovietization (such as Stati, 2003, e.g.), who focussed on the analysis of Soviet reforms at a macro level, with personal reflections on how Soviet reforms affected the everyday life of individuals (Izman, 2003; Marinciuc, 2004). As in the previous chapter, I examine the regional background of reforms and focus on the three nation cases.

5.2. Conceptualizing the Soviet model of HE in CEE

The common features of CEE HE systems after WWII were shaped by several factors: radical and rapid economic and political transformations during the Stalinist period, the development of common ideological agendas that were driving HE development, the establishment of centralized governance arrangements, and the creation of a system design, which was based on the concentration of research outside universities and on the professionalization of HE institutions.

5.2.1. The Stalinist stage of socialist reforms

The establishment of Soviet-type academic regimes occurred in all countries of the region within the context of creating socialist centrally-planned/command economies. The major foundations of this economy were the control of economic and political life by a single party, collective ownership of the means of production, and the suppression of opposition and dissent.

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126 The end of the Stalinist period is formally associated with the death of Stalin in 1953; however Stalinist policies continued to be implemented for a while across CEE.
127 The dominant party was not necessarily called communist; several variations were used in CEE nations: socialist or workers’ party, for instance.
production and compulsory central planning as the main coordinating mechanism (Lavigne, 1999). Economic reforms in CEE after WWII closely followed the path of reforms undertaken by the Soviets in the 1920s-1930s, such as the nationalization of industry, transport, insurance and banking systems, the collectivization of agriculture, the liquidation of small enterprises, and the development of heavy industry (e.g., production of electricity and armament) at the expense of light industry. As stated by Popa (2006) in the case of Romania, the main goal was to create an economy “…with a developed socialist industry and a largely mechanized socialist agricultural system” (p.626). These structural and macroeconomic reforms changed labor relations. “Barbers and plumbers, newspaper vendors and psychiatrists, all worked directly for the state or in state-controlled cooperatives” (Gati, 1990, p.373, in his analysis of Soviet reforms in Hungary). The multiparty system was abolished, and the top leaders of pro-communist parties were either persons that had previous educational and political experience in the USSR and Comintern\(^\text{128}\) or joined the Communist party in the inter-war period and were prosecuted by local authorities\(^\text{129}\). In the Moldavian Soviet Socialist Republic (MSSR), top communist leaders were appointed by Moscow and were originated from Russia, Ukraine or the former Moldavian Autonomous Socialist Soviet Republic (MASSR)\(^\text{130}\).

These leaders were promoted by the Soviet leadership and they zealously implemented changes in economic, cultural and political domains. Copying Stalin’s pattern of forceful collectivization, local leaders in Hungary, Romania and the MSSR initiated a struggle against

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\(^{128}\) The Comintern - Communist International - was an international communist organization founded in Moscow in 1919 and dissolved in 1943 that included members supporting the socialist ideology from the USSR and other nations (e.g., Matyas Rakosi, Imre Nagy and Ianos Kadar in Hungary, and Anna Pauker and Vasile Luka in Romania).

\(^{129}\) For instance, Gheorgiu-Dej in Romania.

\(^{130}\) MSSR was the name of the Republic of Moldova in the periods of 1940-41 and 1944-1991. The names ‘Moldova’ and ‘MSSR’ are interchangeably used in this chapter since they account for the same territory. MASSR was an autonomous republic created by Stalin in 1924 and included border regions with Moldova. Its establishment was used to claim that Moldova should belong to the USSR, and that it was occupied by Romania in 1918 (Map 10).
**kulaks** – wealthy rural bourgeoisie and middle-class peasants; their possessions were expropriated and they were often deported from their homes. Brutal purges against intellectuals, clergymen and show trials of prominent members of the Party blamed for anti-state conspiracy induced an atmosphere of terror (Gati, 1990; Popa, 2006; Izman, 2003; King, 2002). It is estimated that during the Stalinist period hundreds of thousands of people across CEE perished, and were imprisoned, or taken to labor camps. These camps expanded both because the population was unwilling to accept Soviet reforms, but also, as in the case of Soviet industrialization in the 1930s, they were a source of cheap labor used for industrialization. In the case of Hungary, which had a population of approximately 9 million people before WWII, Gati (1990) estimated the total number of purge victims to be around 200,000 people in the period 1940s-1950s (p.374). Lendvai (2003) showed that in the 1951-53 period alone 850 thousand convicted people were recorded, 44 thousand were interned and 15 thousand were deported to camps in the spring of 1951 (p.439). In Moldova (with a population of 2.4 million people in 1941), around 16,000 families were deported to Siberia between 1941 and 1951 (King, 2002, p.97, citing Moldovan sources). In only the two-day period, on the 6th and 7th of July 1949, 11,293 families or 35,050 people were loaded on 1,573 train carriages and exiled for life to Siberia (Stati, 2003, p.380). In Romania (with a population of approximately 18 million people before WWII), about 30,000 peasants were tried in public in 1949, and then executed or sent to camps of forced labor, while 80,000 Romanian intellectuals, priests and wealthy peasants were interned in camps, and half of them were consigned to building the Danube-Black Sea canal (Popa, 2006, p.630-31).

Mass repressions and the Sovietization of political and economic life influenced educational institutions. Not only were these institutions missing thousands of teachers and
professors that had died during the war, emigrated to West or been removed from teaching positions during Soviet purges, but they also underwent deep structural, governance and curricula changes. In 1947-48, the Soviet model of education, with a special stress on Marxist-Leninist ideology and on science, was introduced in CEE nations. In secondary education, gymnasiums and lyceums were substituted by 10 or 12-year general schools. Private and denominational schools and HE institutions were nationalized. For instance, in the late 1930s in Hungary over 80 per cent of elementary schools and 50 per cent of secondary schools were denominational, most of them belonging to the Roman Catholic Church; two-thirds of the country’s 9,274 schools were immediately nationalized in 1948 (Braham, 1980, p.3). After the end of WWII, 26 out of 42 HE institutions were denominational, and all of them were transferred to the state and restructured (WB, 1998). In Romania, after 1948, the private and parochial school system was gradually eliminated, foreign or foreign-supported schools were suspended, and the assets of churches, congregations and private secular organizations supporting schools were confiscated (Braham, 1964). HE curriculum and program courses were revised, admission, examination and grading system overhauled, and centralized governance arrangements instituted. Academies of Sciences became state institutions and central institutions of research and they lost the autonomy they had before WWII in Hungary and Romania. Most CEE nations experimented with technicum education (secondary specialized institutions), introduced Soviet scientific degrees, and strengthened technical higher education at both college and university levels.

5.2.2. The ideological function of HE systems. HE systems were shaped to promote several discourses, often overlapping and changing, which were set a priori by the Communist Party. In the early stages of socialist development in the USSR in the 1920s-1930s, David-Fox (2000) argues that HE systems were permeated by the industrializing, proletarizing and Marxist-
Leninist agendas. The first “was concerned with connecting science to production, subordinating HE to the needs of economy, and boosting specialization and vocational goals”, the second focussed “on social and political promotion policies, revolutionarizing pedagogy and combating the impact of non-party intellectuals”, while the Marxist-Leninist agenda was “directed at achieving hegemony for Party Marxism and routing out deviations and rivals” (p.75). The changing international context after WWII, increasing competitiveness between the socialist and capitalist societies, and the de-Stalinization of all aspects of life in the USSR and CEE led to the reformulation of HE discourses in the 1960s-1980s. Similar to the human capital debate in the West, higher education was expected to train a highly-qualified work force that would contribute to economic growth and prosperity, and to the development of a socialist economy grounded in ‘scientific-technical progress’ and competitive with a capitalist economy. This resulted in the rapid growth of specialized training around the region (Connelly, 2000). While HE was increasingly seen as “…a functional instrument for professional and academic training and development”, HE also continued to be a “tool of political education within the ideological framework of Marxism-Leninism” (Sadlak, 1991, p.159). In his analysis of Romanian HE in the period between 1944-1960, Braham (1964) argues that “…the dual goal of indoctrination and pragmatism involved transmitting skills to build a new society but also remodelling the character in terms of values consonant with the Communist ideology” (p.14).

This ideological framework permeated university curricula, including medicine, exact sciences and technology, but especially affected the social sciences and humanities. Courses in the History of the Communist Party, Marxist-Leninist Philosophy, Socialist Political Economy, and Scientific Socialism were mandatory for all students. HE research reflected the party line and argued that these courses “…help instil a feeling of civic responsibility and patriotism in the
youth, to arouse their interest in major political developments, both on a national and international scale” (Kolmakova, 1972, p. 125). Economics, legal studies, educational and historical sciences dogmatically promoted the principles of scientific communism, socialist political economy and dialectical materialism. The curriculum excluded a detailed account of other worldviews, and the teaching methods discouraged critical thinking and reflection, and were based on memorization and taking notes of selected works by Marx and Lenin. Secular education meant not only the separation of educational institutions from the church, but it also referred to the entire content of education which promoted a unitary scientific concept of study and interpretation of natural phenomenon, and combated religious prejudices and superstitions (Manolache, 1965; Kuzin, 1972).

5.2.3. Governance structures. The Soviet-type HE system, which was applied in the 1940s to CEE, inherited the autocratic model of university governance associated with Russian universities. The first Russian universities were created mainly in the 19th century by a bureaucratic absolutist state that defined their organization in several regulations and charters (McLelland, 1979; Sadlak, 1995; Johnson, 1969; David-Fox, 2000). Several attempts to liberalize the Russian university system, such as reforms in 1802-04 and 1863, provided a significant degree of institutional autonomy, created the University Council as a governing board, and allowed the election of rectors, deans, vice-deans and even professors. However, most reforms were short-lived and were followed by reactionary regulations. For example, University Statutes of 1835 and 1867 increased the role of the Ministry of Public Education, reduced the authority and autonomy of University Councils and strengthened the police control over students (Johnson, 1969; Flynn, 1988; Pinkevitch, 1932). Russian tsars promoted the idea that university education should be government controlled and serve the interests of the state, i.e. industrial
growth, military expansion and the promotion of Russian culture. As pointed out by Sadlak (1989), this idea was adapted by the leaders of Soviet Russia, and though Lenin did not examine HE policies in his works, he stressed the need to control science, technology, knowledge and the arts.

With the consolidation of a Soviet order in Russia, policy-making and coordination of HE, as in other economic and social areas, became highly centralized, and institutional autonomy was limited. General educational policy was formulated by the Communist Party and implemented by a variety of governmental institutions. State direction was strengthened by the overall financial responsibility of the State; HE was public and funded by the state. Although tuition fees existed after WWII in Romania, Moldova and Hungary, they were eliminated in Romania and in Moldova in the early 1960s, and remained insignificant in Hungary where many exemptions and scholarships were made available. State funding of education was seen both as a way to facilitate social mobility by providing equity of access for all children, regardless of their families’ income and social status, but also to help in raising the general cultural level of the population necessary for social and economic development (Nagy, 1987). However, the fact that resources for the development of public HE got to the users through the redistribution system of the budget, provided “…a wide margin of manoeuvre for central administration, enabling it to concentrate on the most vital needs and on national priorities, while limiting the direct participation of the users in the development of teaching and education at the grassroots’ levels” (Inkei et al., 1988, p.25).

The ministry or state agency responsible for HE played a crucial role in the management of HE institutions (their everyday administration, creation and dissolution), controlled curricula,
the publication of textbooks, academic appointments and scientific degree-granting.\textsuperscript{131}

Educational management in MSSR was implemented both by the USSR Ministry of HE and Specialized Secondary Education, which co-ordinated the entire Soviet HE system, and by the HE department within the republican Ministry of Education:

The ministries and departments responsible for establishments of higher learning and technical schools plan their enrolments; provide the necessary buildings and equipment, etc. They guide the educational, methodological and scientific work of the educational establishments on the basis of general rules drawn up and approved by the Ministry of HE and Specialized Secondary Education of the USSR and the corresponding ministries of the Union Republics (Kondakov, 1972, p.143).

The ministry responsible for HE closely collaborated with political and state bodies and national Academies of Sciences, and shared co-ordination of HE with a variety of other ministries. Specialized HE institutions such as medical or agricultural institutions in Hungary, Romania and MSSR were supervised and also partially funded by the respective ministries. In Hungary, for instance, the Ministry of Education controlled 43 out of 61 HE institutions and 73 per cent of enrolments in 1992, while the rest of the institutions were subordinated to 5 other ministries (WB, 1998, Appendix 1, p.6). The control over these institutions in terms of compulsory subjects and internal governance was exercised jointly by the ministry responsible for HE and the respective branch ministry. The Ministry of education/culture was supposed to ensure the observance of comprehensive educational policies. Course programs, for instance, were approved by the appropriate ministry, but the fundamental principles of course programs and the scope of general compulsory subjects were determined by the ministry of education/culture. University teachers chose the topics of the course and their distribution over

\textsuperscript{131} The name of the ministry responsible for HE changed frequently. In Hungary, it was Ministry of Culture that regulated universities and colleges in the 1950s and 1960s, which was split into Ministry of Education and Ministry of Culture in 1974. In 1980, they were again merged into the Ministry of Culture, and in early 1990s the name was changed to Ministry of Education and Culture (Inkei et al., 1988; WB, 1998). In Romania the Ministry responsible for HE was at different times the Ministry of HE (1944-1953), Ministry of Education (1953-57), Ministry of Education and Culture (1957-62), and the Ministry of Education from 1962 (Braham, 1964).
the semesters. Consultative agencies, such as National Education Council in Hungary and Council for HE in Romania, headed by the Ministry of Education and composed of representatives of various ministries, faculty members, scientists and economic experts, were concerned with the development of the national education policy (Braham, 1980). National Planning Councils regulated student enrolment, graduate employment and their salaries as part of the national man-power plans.

Governments limited institutional autonomy by playing an important role in hiring teaching candidates, appointing university leadership and awarding scientific degrees. In Hungary, for instance, university professors were appointed by the Council of Ministers and other members of faculty - by the minister exercising jurisdiction over the institution (Braham, 1980). This appointment process in Hungary involved competitive examinations and consultation with the Academy of Sciences and the heads of respective Ministers. In Romania and Moldova, deans, pro-rectors and rectors were appointed by the Ministry of Education, while department chairs, professors and associate professors were nominated by the Faculty Councils based on the results of competitions but confirmed by the Ministry (Braham, 1972). Scientific degrees such as candidate of sciences and doctor of sciences\textsuperscript{132} in Hungary and Moldova were awarded by central accreditation councils - the Scientific Qualification Committee of the Hungarian Academy of Sciences and the USSR Higher Accreditation Council. The High Commission on Diplomas in Romania operated under the immediate jurisdiction of the Ministry of Education granted academic ranks of professor, lecturer and assistant and had the right to annul institutional decisions on granting doctorate degrees (Braham, 1972).

\textsuperscript{132} Candidate of Science was awarded after 3 years of studies in the aspiranture (aspiransok in Hungary and aspirantura in the USSR/Moldova), passed comprehensive exams and a public defence of a dissertation. After 3 years of teaching or research, the Candidate of Science was allowed to pursue their work towards the Doctor of Science degree, which involved several years of independent research and a dissertation. This system existed in Romania between 1944 and 1968.
5.2.4. System design: concentration of research outside universities. An essential feature of the structure of Soviet-type systems was the concentration of the fundamental research in academies of sciences and of applied research in specialized research institutes. As discussed in Chapter 4, Romania and Hungary created their Academies of Sciences in the 19th century, but they were conceived as scientists’ associations rather than scientific institutions and played the role of honorary academic organizations. In the Russian Empire, the Academy was created in 1836 as a primary scientific institution, and by 1917, despite growing competition from universities, academicians managed to maintain its leading position in science production with no one single university capable of challenging the academy (Tolz, 2000). Bolsheviks enhanced this central position of the Academy in fundamental science by providing large-scale financial support and the coordination function of research in various other institutions. However, Bolsheviks also subjected the Academy to tight control by the Communist Party and Soviet Government. In the 1940s, this approach to science organization was implemented across CEE. Academies of Sciences in Hungary and Romania were transformed into state institutions which operated under government jurisdiction, conducted research and coordinated the entire scientific and cultural activity in the country. While in the Western nations fundamental research was concentrated in universities, university professors in CEE were mainly concerned with teaching. According to Fortescue (2000), narrowly focussed institutes created in the 1920s in Soviet Russia were dedicated to training specialists for the economy rather than for academic research.

The tradition of universities with a narrow pedagogical scope and limited funding for research continued during the entire Soviet period in the USSR and CEE. For instance, Graham (2000, p.261) shows that 125,000 researchers in the Soviet Academy of Sciences system received similar amounts of government funding for their research as 600,000 researchers in the
Soviet university system: six percent of the research and development public budget versus seven per cent, respectively\(^{133}\). Hungarian universities had the right to award the title of university doctor *(egyetemi doktoratus)* to those students who had excellent reports in secondary schools and university, completed an additional one-year study course, defended a doctoral thesis and passed a comprehensive oral examination (Heberger, 1966; Braham, 1980). However, this degree is similar to a master degree in the Western HE; higher scientific degrees such as candidate and doctoral degrees were awarded by the Academy of Sciences.

### 5.2.5. System design: professionalization of HE institutions.

In addition to the concentration of research in academic and specialized research institutions, a major structural innovation inherent to the Soviet-style systems was the separation of major groups of disciplines such as medicine, engineering, education and agricultural sciences from general type universities and their transformation into professional institutions. The historical analysis of the development of universities in Hungary and Romania in Chapter 4 showed that specialized institutions shaped after French *Ecoles Polytechnique* have been promoted since the mid 19\(^{th}\) century and a few specialized research institutes successfully operated in the interwar period (see also Appendices 2 & 3). However, the process of HE vocationalization in CEE after WWII involved several important shifts.

First, the ideological function of HE left a mark on the system design by eliminating theology faculties from universities and by creating High Party Schools, which were Communist Party HE institutions with the mission to create political elite educated in the spirit of Marxist-Leninist ideology. The separation of religious schools and seminaries from the state system was part of the offensive against religious denominations. The Hungarian government concluded an

\(^{133}\) Data for USSR shows that industrial research institutes that implemented applied research was the largest sector in science production both in terms of the number of researchers and state funding: 800,000 researchers out of 1.5 million and 87\% out of the research and research public budget (Graham, 2000, p.261).
agreement with various religious communities and allowed confessional gymnasiums; throughout the 1960s and 1970s there were ten denominational academic gymnasiums – eight Roman Catholic, one Jewish and one Protestant (Braham, 1980). Only a few schools operated within the Orthodox Romanian system and there were no religious schools in Moldova. The Moldovan Church was fully subordinated to the Moscow Patriarchate and the Russian language became the dominant language during religious services. The Theology Faculty of the University of Jassy opened in Chisinau to train priests in 1926 was evacuated along with Romanian troops in June 1940 to Jassy (Secr{	extquoteright}eru, n.d.). After WWII, priests in Moldova were trained at the Theological Seminary of Odessa, located in the neighboring Ukraine.

The second characteristic of the HE structure within the Soviet space was the establishment of specialized technological and economic HE institutions. Graduates of these institutions were considered crucial for successful and rapid industrialization. While critiquing the totalitarian nature of the Soviet society and industrialization based on forced labour, Swianiewicz (1965) remarks on the efforts to re-educate society in a short period of time:

The technical re-education of a society involves not only the implantation of technical knowledge and skill but also a certain mental readjustment. This requires time…From this point of view the comparatively short period of time in which the Soviet Union managed to educate its technical cadres is truly impressive (p.264).

To meet the goals of rapid industrialization, narrowly specialized universities, institutes and colleges in fields such as heavy industry, chemical engineering, building industry, mining or geology were established in the 1920s in the USSR and in the first decades after WWII in Hungary, Romania and Moldova. For instance, in Hungary the faculty of economics was transformed into the University of Economic Sciences in 1948, the University of Heavy Industry and University of Chemical Industry in Hungary were created in 1949, followed by the Technical University of the Building Industry in 1955 (Heberger, 1966). In the MSSR and
Romania, these specialized institutions were named ‘institutes’ (e.g., Polytechnic, Pedagogic, Agricultural or Arts Institutes) following the tradition of higher technical institutes established in the USSR in the 1920s. Most of them were governed by specialized ministries (e.g., Ministry of Agriculture or Ministry of Culture).134

In Romania, in the second half of the 1940s, previously existing polytechnic schools were transformed into polytechnic institutes and new specialized HE institutes were created, such as the Machines and Electrical Equipment Institute in Craiova or the Institute of Geology, Petroleum and Gas and the Institute of Economic Sciences and Planning in Bucharest. In the period from 1948 to 1959, 25 per cent of all Romanian graduates of HE technical institutes were trained in metallurgy and machine construction, over 15 per cent in electrotechnology, about 10 per cent in industrial chemistry, and almost 18 per cent in architecture and construction (Braham 1964, p.147). In Moldova, Pedagogic, Agricultural, Medical and Arts Institutes were established in the period of the 1940s to the 1960s. While in the USSR narrow specialization of HE institutions started in the 1920s, Moldova, due to its small size, agricultural specialization and its status as a part of the USSR, ended up in the 1960s with one liberal arts university and seven HE institutes. To train narrow specialists, Moldova sent students to HE institutes in USSR or imported specialists from other republics. In the 1950s, narrow specialization occurred in the technicum sector in the MSSR, and their number increased dramatically. Technicums were secondary technical schools, which mostly enrolled students after the 8th year of a secondary school for a 3 to 4-year period of studies but also enrolled graduates of 10-year secondary schools for 1-1.5-year specialized training. The purpose of these schools was to train specialists of the intermediary groups: technologists, elementary schools teachers, midwives, nurses and

134 Appendices 4.1, 4.2 and 4.3 provide a detailed overview of HE systems in Hungary, Romania and Moldova, including the Soviet period.
trained service personnel. *Technicums* represented a pathway to university studies as well. In the USSR, the top 5 per cent of graduates of these schools were recommended by the ministries for enrolment at universities without having to take any entrance examinations (Kolmakova, 1972). However, universities did not recognize *technicum* courses and *technicum* graduates, and except those in the top five per cent, *technicum* graduates were allowed to apply for university only after working three years in their field.

Narrow specialization proved to be inefficient and expensive and several attempts to merge HE institutions and faculties were undertaken. For instance, the number of faculties in Romania increased from 33 in 1938-39 to 155 in 1953-54, but, as a result of 1957 HE mergers, the number of HE institutions and faculties was reduced to 38 and 88 respectively in 1959-60 (Chart 5a).

*Chart 5a. The number of university faculties (departments) in Romania in 1939-1967*

![Chart 5a](image)

*Source: Compiled from Braham 1963, pp.114-115, 134.*

However, with the doubling of the student body from 71,989 in 1960-61 to 147,637 in 1968-69 the number of institutions and faculties continued to increase, reaching 47 and 187, respectively, in 1968-69 (Braham, 1972, p.85). During the 1950s a fusion of *technicums* with identical specialities took place in Moldova, diminishing their number from 38 in 1951 to 31 in 1958 (Tiron et al., 2003, p. 25-26). A consolidation trend was also observed in Hungary in the 1970s
and 1980s (Chart 5b). The number of HE institutions increased from 16 in 1938 to 93 in 1967 (including Soviet style technicums); however in the 1970s, due to a process of concentration, the number of institutions declined, reaching 58 in 1984.

*Chart 5b. The number of HE institutions in Hungary in 1938-1989*

The third feature of HE structural arrangements in the Soviet period was the specialization and expansion of teacher training institutions as well as the establishment of institutions for teachers’ retraining and pedagogic research institutes. In pre-war Hungary teacher training institutes were attached to philosophical faculties of the universities, while after 1948 this task was undertaken by universities, which opened faculties of pedagogy within schools of philosophy and natural sciences, and educational sections within polytechnic universities to train teachers for academic gymnasiums and vocational schools (Heberger, 1966; Braham, 1980). Subject teachers for the upper grades of general schools (8-year elementary education) were trained at 4-year teacher colleges, and grade teachers for the lower grades of general schools were trained at 3-year teacher colleges (in these colleges students were admitted after graduating from secondary schools). Kindergarten teachers were trained either in 4-year vocational secondary schools, which admitted students after the 8th grade of general schools, or in 2-year

teacher-training institutes, which admitted graduates of secondary schools (Braham, 1980). The National Pedagogical Institute organized re-training programs for teachers about methodological developments and revised curriculums and syllabuses.

In Romania and Moldova, education training was provided by the faculties of philosophy, philology, exact sciences and history within liberal-arts universities, by pedagogic HE institutes and teacher-training schools (Moldova) or teacher institutes and lyceums (Romania after 1968). Teacher-training schools and lyceums were part of secondary education and trained elementary schools teachers (Braham, 1964; 1972). In both Romania and Moldova in the 1950s and 1960s, given the lack of qualified teachers, 2-3-year teacher-training institutes were used to train teachers for upper classes as well, but they were phased out in time with the expansion of university education and specialized pedagogic 4-5 year institutes (for instance, 3 Pedagogic Institutes in Moldova and the Institute of Foreign Languages in Romania). In addition, Romania maintained a large number of 3-year teacher-training institutes that admitted graduates of academic lyceums with a baccalaureate diploma or its equivalent to train subject-matter teachers for grades 5 to 8 of the elementary school system (Braham, 1972). Institutes of pedagogic sciences were created in Romania and Moldova to study teaching methodology, and develop subjects’ curricula. In addition, special institutes were created to provide continuous professional education for teachers.\footnote{In MSSR, for instance, this institute was called the Institute for Teachers’ Upgrading, and every five years, teachers all over the republic had to attend one-month mandatory courses.}

The trends of HE specialization changed the distribution of students by faculties. In 1937 in Hungary, law and theology students represented half of the 11 thousand students. Law students accounted for 39.8 per cent of the total number, and only 9 per cent of students were enrolled in engineering departments, 5 per cent in agronomic faculties and 5 per cent in
economic sciences (Heberger, 1966, p.9). In 1936-37, out of 34,093 students in HE in Romania, 9,886 studied law and 4,514 letters and philosophy, and only 2,260 studied in polytechnic schools (Braham, 1964, p.13). After WWII, the total number of students and the share of technical, economic and agronomic students increased, while the proportions of law students shrank in both Hungary and Romania. According to Braham (1963, p.146) law was considered a ‘bourgeois’ field of study and was deliberately de-emphasised in CEE. I would also add that the importance of law as a discipline diminished because the legal profession had been ‘nationalized’, i.e. with the nationalization of private property and diminishing private ownership, most professionals, including lawyers, became public servants and private legal practice essentially ceased to exist.

Engineering and agricultural sciences, on the other side, were seen as crucial in promoting scientific progress and supporting economic growth. Consequently, the enrolment quotas (determined by the state in accordance with the requirements of the national economy) and enrolments in these areas of HE study surged. In Romania, for instance, out of 47 thousands of graduates in 1956-57, 57 per cent were engineers and agronomists, and over 29 per cent physicists, chemists, mathematicians, etc. (Braham, 1964, p.146-147). The numbers of engineering students continued to increase until the 1980s when the share of engineering students was 67 per cent (Laporte & Ringold, 1997, p.40). The share of engineering students in Hungary increased to 23 per cent by 1964, while students of law and agriculture represented 3 per cent each (Heberger, 1966, p.9). By mid 1980s, 29.1 per cent of Hungarian HE students studied in technical universities, 13.8, 8.4 and 7.4 per cent were enrolled in medical, economic and agricultural universities respectively, one third of students wished to become teachers and
only 3.5 per cent of students studied law (Nagy, 1987, p. 26). In 1990, 9.6 per cent of the 20-24 year old population in Moldova studied engineering (WB, 2000, Appendix 1A).

5.3. Challenges Imposed by Sovietization on HE systems

5.3.1. Stagnation of system expansion. The HE systems in Hungary, Romania and Moldova experienced a surge in HE student participation in the period of 1940s-1970s (Table 5a). For instance, Hungarian universities in 1980 were attracting 10 per cent of youngsters between 18 and 24 instead of 1-1.5 per cent before WWII (Berend, 1990, p.395).

Table 5a. Gross Enrolment Rates (GER) in Hungary, Romania and Moldova, 1937-1990

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<tbody>
<tr>
<td>Hungary, thous</td>
<td>11.7</td>
<td>26.5</td>
<td>29.3</td>
<td>53.8/80.5</td>
<td>64.0/101.2</td>
<td>99.3</td>
<td>102.4</td>
</tr>
<tr>
<td>GER, %</td>
<td>14.1</td>
<td>15.4</td>
<td>14.0</td>
<td>14.0</td>
<td>14.0</td>
<td>14.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Romania, thous</td>
<td>34,093</td>
<td>53</td>
<td>71.9</td>
<td>151.9</td>
<td>192.8</td>
<td>159.8</td>
<td>192.8</td>
</tr>
<tr>
<td>GER, %</td>
<td>12.1</td>
<td>10.0</td>
<td>9.7</td>
<td>12.1</td>
<td>10.0</td>
<td>9.7</td>
<td>12.1</td>
</tr>
<tr>
<td>-university</td>
<td>na</td>
<td>na</td>
<td>96.8</td>
<td>110.3</td>
<td>114</td>
<td>105</td>
<td>105</td>
</tr>
<tr>
<td>-technicum</td>
<td>8.7</td>
<td>16.2</td>
<td>44.8</td>
<td>51.3</td>
<td>53</td>
<td>55</td>
<td>55</td>
</tr>
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In the 1980s, extensive character of economic development under the Soviet system reached its limits and CEE economies experienced sever structural and financial problems. The growth of HE students was modest in Moldova, and suffered a minor decline in Hungary and a larger dip in Romania (Table 5a). In 1991, gross enrolment ratios were 2 to 4 times lower than in Western

136 Tertiary gross enrolment ratio (GER) is calculated as tertiary enrolments divided to five-year age group following from the secondary school leaving age and in the international classification (ISCED) it accounts for tertiary students of level 5 and 6 (short-term and long-term HE) (UNESCO Institute for Statistics, 2002). In the case of Moldova the GER of 33% in 1985 is a national estimate and includes technicum students most of whom are admitted with incomplete secondary education, consequently tertiary enrolments ratio is inflated and is higher than in the other two nations. If only university students are considered, the ratio will be around 17% which is similar to the 14% enrolments ration in Hungary. For instance, tertiary GER in Western Europe ranged in 1991 from 29-31% in UK, Ireland, Italy and Sweden to 39-42% in Belgium, France, Netherlands and Norway.
European nations, with Romania registering one of the lowest enrolment ratios in Europe of 10 per cent. The rigid centralization of HE, the strict separation of research and teaching, and the over emphasis on utilitarian, cadre-oriented aspects of HE raised serious concerns around the region related to equity of access to HE, the quality of university education, labour market misbalances and the international competitiveness of academic research.

5.3.2. Asymmetric access policies. Policies designed to improve access to university education for workers’ and peasants’ children substantially increased their participation rates in HE, which were extremely low before WWII. For instance, Johnson (1969) reveals that in the 1880s only 3.3 per cent of university students in the Russian Empire were of peasant origins, and only 12.4 per cent were from other labouring classes (p.147). In the 1920s-30s, Bolsheviks promoted workers and peasants into ruling administrative positions (so-called vydvizhenie). To ‘speed-up’ the creation of a ‘red’ intelligentsia, admission to universities was facilitated through evening courses for workers - *rabfaks*, semi-vocationalization of general schools and examination free access to party and social science universities (Fitzpatrick, 1979). Similar policies were followed by socialist governments around the region in the 1940s and 1950s. To assist workers in obtaining HE, CEE governments increased the number of evening schools and correspondence courses, provided paid study leaves and reductions in working hours, as well as refunding travel expenditures for distance education (Heberger, 1966). In Romania, in 1938 only 4 per cent of workers and peasants children were enrolled in high schools, while their share in the total population was 85 per cent, and one quarter of the country’s population – 4 million people - were illiterate or semi-illiterate (Manolache, 1965, p.14). In 1957, the percentage of students of ‘proletarian’ origins had increased by 50 per cent over the 1948 level (Braham, 1963, p.149). In Hungary, before WWII, 3-5 per cent of all students were of working-class or peasant
origins; however by the end of the 1960s the students with a worker and peasant background accounted for half of the total number of HE students (Nagy, 1987, p.25). In Moldova, their share was 61 per cent in 1987 (Tiron et al., 2003, p.87).

While promoting access for workers’ and peasants’ children, governments in the early stages of socialist regimes restricted or prohibited access to ‘unreliable’ elements such as children of clerics and intellectual and professional elites educated in pre-socialist times (Braham, 1963; Berend, 1990; Koutsky, 1996). Social origin became a decisive criterion of admission; for instance, in the 1950s in Hungary, the former big landowners, manufacturers and officers had been deported from Budapest with their families, and their children were considered ‘class aliens’ and were not allowed to register in universities (Berend, 1990). With the expansion of HE systems, admission was largely based on school-leaving certificates and admission exams; however quotas for children from workers’ and peasants’ families continued to be used as tools of admission policies. The governments saw the increased participation of these groups as critical to creating an intelligentsia of proletarian origins.

5.3.2. System overstretching. Access politics based on social origins in addition to quick HE massification promoted by the CEE states in the 1950-70s and the excessive focus on vocational education rather than general education increased the share of students with mediocre preparation and led to a decrease in the overall quality of HE. As Peteri (2000b) argues:

 Thousands of students lacking appropriate secondary education were enrolled and rushed through the universities in which neither competent staff nor the equipment and general conditions necessary for up-to-date professional and scientific training could possibly be secured (p.281).

The HE system became increasingly overstretched and also stratified, creating grounds for nepotism and corruption at admission exams. Even though formally all universities were equal and had similar curricula, it was largely acknowledged that competition to enter leading
universities such as Moscow State or Leningrad State\textsuperscript{137} was fierce, requiring a better academic preparation than for other HE institutions across the USSR. Liberal arts universities in Hungary, Romania and Moldova were more prestigious than specialized HE universities and institutes. Graduating in physics from leading specialized Soviet HE institutions such as the Moscow Institute of Physics and Mathematics or the St.-Petersburg Polytechnic Institute was more prestigious than graduating in physics major from other Soviet HE institutions. Informal institutional differentiation was accompanied by informal departmental differentiation. Planning and commerce majors had higher social status than accounting within economic departments, international relations was highly regarded within political sciences faculties, and access to legal studies within liberal arts universities was extremely limited. With the demand for several institutional and departmental specializations higher than the supply of budgetary-funded seats, they became ‘deficit goods’ and often nepotism and bribery secured successful admission. Given that students from urban areas and with university educated parents were better ‘socially connected’ and better prepared academically, they were over-represented in comparison with students from rural or working families at departments or universities with a higher social profile, which often provided better career opportunities\textsuperscript{138}.

5.3.3. Labour market imbalances. Educational planning attempted to coordinate demands of the population and forecasts of the labour markets; however the demands of the national economy received priority (Inkei et al., 1988). In addition, labour market forecasting by fields of specialization was implemented within the framework of centrally-approved 5-year plans, leaving little space for adjusting or constantly changing economic needs. By the 1980s, Leningrad State University was renamed in St.-Petersburg State University in 1991, when the name of the city was changed from Leningrad to St.-Petersburg.\textsuperscript{137} Research in the 1980s pointed out that children whose parents did not have HE experience and children from the countryside were less prepared to succeed in HE compared to children from intellectuals’ families and urban areas (Sadlak, 1995).\textsuperscript{138}
hidden unemployment or underemployment among HE graduates in certain professions was accompanied by shortages in other professions and rural areas (Avis, 1983). At the same time, earnings did not necessarily increase with the level of education. The drive for equalization of salaries was huge and was determined by the social and welfare policies promoted by the socialist states. The state paid generally low salaries, but taxes and household expenditures were low too. Housing was free of charge, private or cooperative dwellings were relatively expensive but affordable, and food and consumer goods were heavily subsidized by the state. In addition, the state provided free-of-charge education, medical services and guaranteed pensions, and relatively early retirement.

While there was no systematic research on whether the level amount of remuneration depended on the level of education and whether the HE system produced too many graduates in certain areas, the general feeling by the end of the 1980s was that university education did not always assure higher salaries than college or professional education, a postulate of human capital advocated in the West. Often skilled workers were paid much better than engineers with university degrees, and situations where engineers filled in workers’ positions were not rare. Already in the 1960s, some CEE researchers addressed the problem of graduate underemployment. Szczepanski (1968), for instance, suggested that HE institutions were like “a machine running idle” and estimated that about 20 per cent of HE students dropped out during the first year of study and up to 35 per cent of graduates were employed in fields not related to their majors (p.19). A survey in Moldova in 1988 showed that 10,600 recent university graduates (this is comparable with the annual graduation cohort from universities) were employed in positions that did not require such a high level of education, and many of them occupied workers’ positions (cited by Tiron et al., 2003, p.28). When asked why they chose a worker
position, the major reason for 28 per cent of respondents was the higher level of salaries than in the case of positions requiring a HE diploma.

5.3.4. Lagging in research quality. Governance of the research system generated serious concerns regarding its quality and capacity to compete with Western science. The achievements of Soviet science were internationally acknowledged in areas such as atomic energy production, theoretical physics, mathematics, and chemical engineering. Scientific and technological innovations had been a national pride and HE research always stressed that “…the world’s first atomic power station was built in the Soviet Union, as were the world’s powerful synchrophasatron, first passenger jets, sputniks and spaceships, etc.” (Kolmakova, 1972, p.120).

Governments spent large amounts of money on both fundamental and applied research; the block grant method of funding research institutes provided some flexibility in terms of the choice of projects to be funded within institutions, but also concentrated power in the hands of few top leaders in science:

This system tended to reinforce existing tendencies, usually mediocrity, but occasionally creativity and heterogeneity. The system of Soviet research emphasized quantity over quality, seniority over creativity, military security over welfare and orthodoxy over freedom. The scientists who were in charge of this system had great authority, little accountability, few teaching responsibilities and enormous personal privileges. No wonder they liked it (Graham, 2000, p. 263).

Over time, as both Graham (2000) and Peteri (2000b) argued, inefficiency in research became a major problem. For instance, the USSR devoted a larger share of resources to science than other leading industrial nations; however it was behind many of these nations in its scientific creativity and productivity (whatever measure is chosen for comparison: number of citations or Nobel laureates). In addition to rigid academic hierarchy and inefficiency, environmental unsustainability of large industrial projects became a matter of concern by the end of the 1980s. The plan to reverse the course of Siberian rivers towards Central Asia or pollution of Baikal, the
world’s largest fresh-water lake, by the industrial plants located around it, generated heated
discussions in the Academy and media during the 1980s. And certainly the Chernobyl Power
Plant accident in 1986, which had disastrous health and economic consequences for people
across Europe and suppressed economic development of large areas in Ukraine and Belarus,
confirmed earlier concerns about the irresponsible use of scientific achievements.

5.4. National Responses to HE Sovietization in CEE

5.4.1. Different degree of Soviet influence across CEE. Despite commonalities induced by
Sovietization, national HE systems in CEE managed to maintain a certain degree of variation.
Connelly (2000) studied the mechanisms of transferring the Soviet HE model in Czechoslovakia,
East Germany and Poland during the Stalinist period and pointed out the relative passivity of the
Soviet leadership in cultural and educational affairs in CEE compared to leadership in fields such
as industry, defence, and finance, where Soviet experts were quite involved. He identified three
reasons to explain this situation. First of all, culture and education required intimate knowledge
and sensitivity, while Soviet diplomats seldom spoke native languages of CEE nations and had
limited expertise on cultural issues. Second, academic exchanges were inhibited by security
concerns on behalf of the Soviet leaders and required time-consuming bureaucratic formalities in
both host and inviting country. Finally, the USSR Ministry of HE was involved in HE matters in
a huge and diverse country and did not have resources to manage changes in CEE nations.

East Europeans suffered perennial lack of basic information [on how the Soviet HE system
operated], but were often inexplicably inundated with curious texts they did not
request…By 1950 it had become impossible in provincial Poland to receive Western
literature, but Soviet literature was not available…There were occasional trips to the Soviet
Union by East European HE functionaries, hoping to procure information directly, but
security concerns and bureaucratic inefficiencies limited the effects of these as well
(Connelly, 2000, pp. 160-161).
A series of scholars also mention that by not integrating CEE countries within the USSR, the Soviet government deliberately gave them a certain degree of independence in policymaking (Lundestad, 1975; Peteri, 2000a; Connelly, 2000). According to Lundestad (1975) the degree of independence depended on risks and costs of expansion compared to benefits, and consequently he divided CEE in several zones of Soviet influence. The regions of the absolute sphere such as Basarabia, Western Belarus, Western Ukraine, and the Baltic nations were parts of the Russian Empire before 1917 and were re-incorporated into the Soviet Union in 1940 and 1944. Consequently, institutions in these areas were exposed to a full degree of integration into the Soviet structures. Romania, Bulgaria and Poland represented the inner sphere and came under Soviet influence in 1944, while in the middle sphere nations (Czechoslovakia, Hungary, East Germany, and Yugoslavia) local elites were able to hold their positions until 1947-48.

While this grouping reflects accurately the speed of changes immediately after WWII, it also has several drawbacks. First, some authors argued that the degree of Soviet interference depended on whether the CEE nation was on the side of USSR or Germany during or by the end of the war. For instance, Peteri (2000a) concluded that Soviet occupation was particularly tough in Hungary after the Soviets gained control in 1947-48 because Hungary ended the war as an ally of Germany. In addition to dramatic measures of Sovietization, Hungary had to pay war reparations to the USSR. Lendvai (2003, p.439) estimated that by 1954 the Soviets were able to get more than $1 billion in profits from Hungary through reparation payments, oil drilling, and bauxite and aluminum mining. Second, the classification of CEE nations in the inner and middle spheres is not very helpful for the period of 1970s-1980s. For instance, by that time both Romania and Poland had distanced themselves significantly from the Soviet regime and aligned themselves closer to countries referred to as the middle sphere. Finally, the difficulty with this
classification lies in the fact that nations disengaged themselves from the Soviet doctrine at different times and to different degree. Albania and Yugoslavia completely separated from the socialist block in the late 1940s. Hungary after 1956, Czechoslovakia and Romania after 1968, and Poland after 1980 remained members of the Warsaw block, however undertook quite radical economic reforms.

Political and economic reforms in the 1950s and 1960s in CEE were influenced by the post-Stalin liberalization policies in the Soviet Union, but were carried out by local leaders, supported by the local population and had different implications in these nations. I will further argue that specific elements of political and economic reforms since 1960s in Hungary, Romania and Moldova have influenced the development of HE systems and created a different background for transition reforms during 1990s.

5.4.2. Hungary – a revolutionary and a cautious reformer. In Hungary de-Sovietization started with the anti-communist revolt in October 1956. Like the anti-Habsburg revolution in 1848, intellectuals and students, according to Lendvai (2003, p. 453), became “…the harbingers of the unexpected revolution”. As in 1848, the 1956 revolt was toppled by Russians. On November 4, Russian tanks entered Budapest and as a result of military confrontations 2,700 Hungarians died, 19,000 were wounded, and 210,000 fled abroad, of which only 40,000 returned (Lendvai, 2003, p.453). Political repercussions were harsh; political leaders such as Imre Nagy, the prime-minister during the 1956 uprising, and leading intellectuals were arrested, executed or imprisoned for life. Under the new leader, Ianos Kadar, socialism based on industrialization, collectivization, state ownership and a one-party system remained the major direction of Hungarian development; however several changes had been introduced by the end of the 1950s. The government critiqued repressions from the 1940-50s, allowed wealthy peasants to join
collective farms, and used academic accomplishments as a basis for university admissions instead of class origin (Berend, 1990).

Cautious economic reforms began in 1957 and were enforced in 1968 when the ‘New Economic Mechanism’ (NEM) was adopted. These reforms attracted $600 million in credits from the Soviet block nations, the WB and IMF, boosted the development of small enterprise, increased real wages, and allowed for privatization and a de-politicization of economic reforms (Lendvai, 2003; Berend, 1990). The initial reforms did not radically change the system, but they set the foundation for future reforms. The government revised the economic policies of industrialization and collectivization and introduced a flexible price system\textsuperscript{139}. Central planning was retained but obligatory plan directives were abolished and enterprises were to be regulated through indirect economic mechanisms – taxes, price regulations, and wage guidelines. The policy of economic isolation was not entirely abandoned, but at the same time priorities shifted from inefficient and costly industries such as metallurgy to chemical industries, light industry and infrastructure (Balassa, 1969; 1982). Only 5 per cent of agrarian land remained in private ownership; however the stimulation of the peasantry’s self-interest led to impressive levels of agrarian development in the period from 1968 to the early 1980s when the yearly growth in agriculture increased from 0.7 per cent to 3-4 per cent, or twice the world’s average (Berend, 1990, p. 393).

After initiating economic reforms in 1968, Hungary retained Soviet academic degrees and institutional research structures, but eliminated the institution of technicums and returned to a diversified secondary education. Four-year academic gymnasiums were created as a pathway to liberal-arts universities. Graduates of 4-year vocational secondary schools generally applied to polytechnic universities and colleges. Graduates of 3-year vocational schools were able to access

\textsuperscript{139} Under NEM, most prices were no longer fixed by state except basic foodstuff and raw materials.
HE after attending additional courses. HE was further consolidated into a binary system: 4-6 year universities and university level colleges, and 3-4 year colleges and institutes. Admission to most colleges and institutes required a secondary diploma and only a few enrolled students after the 8th grade of general school. The freedom of travel to western countries was an important aspect of changes in Hungary. The number of travelers to the West increased from 3,040 in 1954 to 120,000 in 1963 and to 708,000 in 1986, and these numbers were much bigger than for other CEE nations (Lendvai, 2003, p.459). According to Lendvai (2003), openness to West and more advanced private sector development created favorable conditions for increasing access to further education and made specialized knowledge a priority over party affiliation for various positions in industry and administration.

Economic reforms “…transformed the developmental strategy of the 1940s, an imitation of a Soviet model, into a specifically Hungarian economic model” (Berend, 1990, p. 334). Inkei et al. (1988) notes that even the streets looked differently: “…the large number of private taxis and colorful small new shops strike the eye” (p.14). Further reforms in 1979 centered on increasing standards of living, refocused from import-substitution policies to export-oriented development140 and encouraged private sector development. At the same time, Kadar’s government failed to respond successfully to the international oil crises141. Social tensions and inequality increased significantly, foreign debts mounted and the exclusion of the Roma population became more explicit (Inkei et al., 1988; Ladanyi, 2001). By 1980s:

Income redistribution worked as a camouflaged form of discrimination that made the poor (Gypsies in particular) even poorer. For example, the theoretically equal elementary education system included special classes for poor, especially for Roma pupils; and while

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140 Import-substitution industrialization, sometimes referred to as autarchy or economic isolationism, relies on indigenous production of most goods, while export-oriented development focuses on the stronger sectors of the economy so that they become internationally competitive.

141 For instance, Kadar’s government did not account for international changes and continued maintaining high growth rates even during oil crises.
special programs for those living in traditional Gypsy communities improved their housing conditions, these policies reproduced the extreme residential segregation of the rural Roma and provided Gypsy families with only very little, low-quality housing that was without land for self-maintenance farming (Ladanyi, 2001, p.66-67)

In addition, Hungarian development was tied to developments in the USSR. A policy change in the USSR in the late 1980s, when Gorbaciov admitted that socialist nations had the right to choose their own path of development, removed this constraint. New governments aimed at fully implementing the reforms of 1968 and 1979. Broad political and economic changes between 1985 and 1990 included restructuring the party, introducing austerity measures to diminish debt, changing the constitution and becoming a multi-party democracy, holding the first multi-party elections in February 1989, acknowledging past mistakes, granting free travel rights to Hungarians, etc.

5.4.3. Romania - a specific case of communism. Romania’s distancing from the Soviet Union followed a different scenario than Hungary. It did not entail a revolutionary movement, but was rather a strategy of its leaders, Gheorghe Gheorghiu-Dej (1944-1965) and, after his death, Nicolae Ceausescu (1965-1989). Popa (2006) describes Dej as “Stalinist in structure but anti-Stalinist in his speeches” (p.639). Both Dej and Ceausescu critiqued the USSR policies, allied to its enemies (first China, then Israel and Western democracies), and refused to follow recommendations of agrarian specialization suggested for Romania by the Council for Mutual Economic Assistance (CMEA). They also successfully appealed to the national feelings of their population that did not view Sovietization positively. However, they used these policies to strengthen their leadership position and finally Ceausescu turned Romania into one of the worst known dictatorial regimes. Mild economic and political liberalization in the late 1950s - such as

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142 It has to be noted though that several former members of the army, lawyers, magistrates, students joined a partisan movement in the forest and mountainous areas, which lasted until 1960 (Popa, 2006).
143 CMEA was an association of socialist nations created in 1949 and dissolved in 1991. Another English acronym is COMECON.
ending food rationing, implementing price reforms, announcing limited amnesty, and the beginning of the Soviet Army withdrawal – were followed by a new wave of repressions against former activists of the underground movement and intellectuals: “Dej thus turned prophylactic terror into a method of government” (Popa, 2006, p.647).

Repressive policies were turned against intellectuals, politicians and wealthy peasants of national minorities as well, who accounted for 14.3 per cent of the total population in 1956. The largest minorities were Hungarians (9.1 per cent) and Germans (2.2 per cent); Jews, Roma, Ukrainians, Serbians and others represented less than 1 per cent each (calculated from Braham, 1964, p. 77). In the period of 1945-1956, the Romanian state followed a policy of expansion of schools teaching in the national language (except for the Roma population) and created a General Directorate for Education for the Resident Nationalities. The Hungarian-language population had a series of schools ranging from kindergarten to high schools, while other largest ethnic minorities had one high school each and most minorities had elementary schools, teacher-training and vocational schools. Instruction was provided in national languages, though the essence and context of instruction was ‘socialist’. However, as Braham (1964) shows, the number of minority schools and their enrolments diminished during the 1950s. The Directorate was eliminated in 1961, while the Hungarian-language Bolayi University in Transylvania was amalgamated with the Romanian Babes University followed by the amalgamation of several Romanian and Hungarian high schools in Transylvania. The language of instruction in these institutions became Romanian:

Although the element of chauvinism diminished (which to a considerable degree characterized the Romanian education in the past as it did the systems of the neighboring states), it has been replaced by a new nationalism euphemistically referred to as ‘socialism patriotism’ and ‘proletarian internationalism’. In spite of great efforts of the Romanian Communists to assimilate resident nationalities, especially the Hungarian, within the larger
framework of the new society, the difficulties that characterized intergroup relationships of the country seem to be persisting (p.78).

Romania had also large enclaves of Roman-Catholics (Hungarians) and Greek Catholics (Romanians in Transylvania) that were subject to repressions more than believers of the dominant Orthodox Church. Popa (2006), in analyzing the overall changes in Romania after WWII, noted a larger issue about the role of the Orthodox Church. Lacking foreign help and dependent on the resources allotted by the state, but at the same time without a tradition of conflict with the state, [the Orthodox Church] aligned itself quite easily to the official policies” (p.627). This argument supports an earlier thesis advanced in this dissertation that national differences across CEE lay deep in the historical meanings and traditions of its institutions, including Roman Catholic, Protestant and Orthodox Churches (Chapter 3). The Orthodox Church historically was subordinated to the national ruler and collaborated with the state, and within totalitarian states, such as Russian Tsarist regime in Basarabia, Soviet regime in MSSR or Ceausescu regime in Romania, its institutional structures lacked the capacity to critically respond to repressions. In addition, being decentralized into national churches, Orthodox Churches in Romania or Moldova did not enjoy the same Western support as the Roman Catholic Church in Hungary, for instance, had from the Vatican.

In the economic field, both Dej and Ceausescu supported trade with Western nations and rapid industrialization which, as I showed in section 5.2, relied on narrow technical specialization of HE. Between 1959 and 1961, imports from and exports to Western nations tripled and Romania was enjoying the highest economic growth in CEE (Popa, 2006). By the end

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144 In 1948, communists dissolved the Greek-Catholic Church, which numbered 1.5 million believers; parts of them were incorporated into the Orthodox Church, another part continued to practice their faith illegally. Similar repressive policies were attempted against the Roman-Catholic Church, however as a result of Vatican’s protested and international pressure, the Church continued its activity barely tolerated by authorities (Popa, 2006, p. 628).

145 Clerics that voiced against the official policies of the state and religious establishment were deported or executed.
of the 1960s, Ceausescu launched a program of action to increase industrial and agrarian efficiency, the productivity of scientific research and living standards of the population based on extensive technological transfer from industrialized nations such as Western Germany, USA, France and the UK.

Ceausescu’s educational reforms between 1964 and 1968 were designed to de-Sovietize education. The Russian language was removed from the mandatory curricula, the Soviet model based on general secondary education and technicums (technical colleges) was revised and lyceum education was restored and diversified. Four-year lyceums were differentiated into academic and specialized lyceums. Academic lyceums had one of the four majors – science (math and physics), science (biology and chemistry), humanities (foreign languages, Romanian literature, philosophy), and classical (Greek and Latin). Specialized lyceums (or former vocational secondary schools) were of four types – agricultural, economic, health-oriented and industrial. Two-year teacher-training institutes were gradually transformed under 1968 reforms into 5-year teacher-training lyceums. Technical colleges were closed in 1970, and replaced with 2 and 3-year higher education institutes within the framework of technical and polytechnic HE institutions. They trained junior engineers and architectural foremen that occupied intermediary positions between full-fledged engineers or architects and technicians or master craftsmen. Along with three-year teacher-training HE institutes that trained teachers for gymnasiums and lyceums, these institutes were the only HE institutions resembling colleges in countries with binary HE. These reforms strengthened lyceum secondary education and differentiated secondary education. The structural and curricula changes led to improvements in the quality of instruction especially in the exact sciences, and to outstanding results of Romanian students in
international contests in math, physics and chemistry, which were highly regarded internationally, and increased the prestige of Romanian education.

The overall course of reforms in the country during the 1970s and 1980s was increasingly conservative. Popa (2006) provided an interesting critical perspective on the Romanian foreign and domestic policies during this period. Externally, Ceausescu followed the strategy of autonomous policy by going against the grain within the socialist camp and supporting, for instance, the Prague events in 1968 and Israel during the Arab-Israeli conflict in 1967. This helped Romania gain the support of many Western nations and receive a series of economic concessions, particularly after joining the General Agreement on Trade and Tariffs (GATT), the IMF and the WB in the early 1970s. However, this foreign policy kept the relationship with USSR at a low point for a long time and had negative implications for Romanians living in former Basarabia, which became part of the USSR after WWII. Ceausescu’s support of the unity of all Romanian provinces, including Basarabia, almost eliminated the connections between Romanians in Romania and MSSR (see more about this in the next section 5.4.4)\(^{146}\).

Inside the country, Ceausescu promoted a program known in Romanian historiography as ‘the cultural mini-revolution’\(^{147}\), which led “to the triumph of mediocrity in both culture and science” (Popa, 2006, p.661) and to many intellectuals fleeing the country. Cultural politics and policies of extreme centralization and forced industrialization, transformed Romanian society into a terrain of its intelligence service Securitate, the Romanian counterpart of the Soviet

\(^{146}\) Due to the specific relationship between USSR and Romania, Romanians from the Moldavian Soviet Socialist Republic (otherwise referred by the official Soviet statistics as Moldavians) rarely received the clearance from Moscow to visit even family in Romania. My grandmother, for instance, as a wife of an Orthodox priest, was viewed as ‘alien’ to the Soviet regime and could not get a foreign-travel passport to visit her terminally-ill brother in Bucharest in the second half of the 1970s. Only with extreme difficulties and after a long waiting time her son managed to obtain a foreign-travel passport from the Soviet Ministry of Foreign Affairs in Moscow in 1979.

\(^{147}\) Informed by the Chinese, North Korean and North Vietnamese experience, this program was adopted in 1971 and proposed a return to a uniform cultural landscape controlled by the party.
KGB\textsuperscript{148}. For instance, Ceausescu introduced unprecedented measures to increase birth rates. Abortions were forbidden in 1966, and in 1981, mandatory gynaecological exams were introduced at the industrial plants and institutions to track pregnancies, hospitals and birth centers were supervised, the allowed age of abortions was raised from 40 to 45 years, and a ‘celibacy’ tax was imposed on unmarried and on childless couples over 25 years of age (Popa, 2006, p.667). The birth rate increased, but so did the number of abandoned children needing institutionalized care. Huge spending on projects such as altering the course of Dambovita river, building the House of People in Bucharest and investments in inefficient and uncompetitive industrial factories increased the foreign debt of Romania in 1981 to around 10 billion US Dollars (USD) (Popa, 2006, p.664). Increasing exports of food staff and raw materials and decreasing imports created a huge domestic deficit of consumer goods, which inevitably resulted in increasing corruption and nepotism\textsuperscript{149}.

In 1982, Ceausescu announced severe austerity measures such as strict rationing of food, electricity, natural gas, petrol and thermal energy in order to pay the country’s debt by 1990. To meet this goal, minimum wages were eliminated and wages were cut by 40 to 70 per cent, and “…bread rations sliced to 300 grams per day, the equivalent of that received by prisoners in the Soviet Gulag” (Whetten, 1989, p.85). Several authors have been extremely critical of the Western approach of tolerance towards a regime that imposed unprecedented politics of physical and emotional privations (Popa, 2006; Muresan, 2001). The IMF, for instance, recommended export-led development to decrease the foreign debt. Certainly, IMF experts did not expect that Ceausescu would adopt such an extreme approach, but such a recommendation illustrated either

\textsuperscript{148} KGB – Russian acronym that stands for State Security Council.

\textsuperscript{149} Popa (2006) eloquently described the nature of the deficit economy in Romania, but this quotation is applicable to many CEE nations and to the USSR republics that experienced this phenomenon in the 1980s: “The ‘queue’ became the way of life for the Romanians” (p.666).
poor knowledge of the nature of the Ceausescu’s regime in the West or unwillingness to critique
the internal totalitarian politics:

Ceausescu’s regime, even after it had started to compromise the fundamental values of his
own people, withdrawing until abolition an entire set of fundamental rights, has continued
for a long period of time to be ‘useful’ for the West, for his opposition against Moscow

In the economic, demographic and political context of the 1980s, education was
increasingly subordinated to production needs, the number of institutions managed by
specialized ministries increased and students had to alternate study with physical labor150. To
save money and energy, the size of classes increased to 40-45 pupils, the number of teachers
decreased and a three-shift educational system was implemented by the Ministry of Education
(Popa, 2006). Loss in university autonomy and the increasing isolation of academics from the
West – around mid 1970s contacts with Western academia which were allowed for a decade
were virtually discontinued - hit HE hard. Engineering was emphasized, while humanities were
neglected or eliminated151 and represented only 10 per cent of enrolments. Doctoral training was
transferred from the Academy of Sciences to research institutes subordinated to line ministries
(WB, 1996a). At the same time, the entrance into academic lyceums was so competitive that only
a small share of students managed to get into them. For instance, out of the total secondary
enrolment, only 3.5 per cent of students were enrolled in general secondary education in 1990,
and the rest were enrolled in specialized lyceums or vocational schools, which did not offer the
prospect of progressing to HE (WB, 1996a, p.9). As a result of extreme specialization of
secondary education and very high competition in university admissions, enrolments in
universities grew in 1970-1989 only by 0.4 per cent annually and declined during the 1980s. As a

150 A similar trend existed in Moldova and the rest of the Soviet republics as well, where high school and HE
students had to work one-two months per year in collective farms or at industrial enterprises.
151 Faculties of Education, Sociology and Psychology were closed in 1970, which was the only case in CEE.
result, the university enrolment rate declined from 11 per cent of the age cohort in the 1970s to 9-10 per cent in the 1980s, and was the smallest in Europe (WB, 1996a; WB, 2006).

The continuing worsening of living conditions and democratic changes in the whole region resulted in the December 1989 revolution, which took the life of hundreds of people but also ousted Ceausescu from power. A newly established power group detained, tried and executed him and his wife. While it probably meant a decisive break with the past, it was far from a democratic trial and the otiose TV image of this execution was shown around the world.

5.4.4. The Moldavian Soviet Socialist Republic (MSSR). The Moldavian Soviet Socialist Republic (called Moldavia in short form), was created in August 1940 after Basarabia was annexed by the USSR, and reincorporated into the Soviet Union in June 1944. The new republic was the second smallest republic with a population of 2.4 million people and 33 thousand square km\(^{152}\) (Map 14). Similarly to the name Basarabia, which was introduced in 1812 and intended to serve the interests of Russian Empire, the geo-political construct ‘MSSR’ was more than a new name; it represented a different administrative and political unit. MSSR accounted for most of the pre-war Basarabia, however it excluded the northern part and the Black Sea shore of Basarabia, which were ceded together with 337,000 Romanians to the Ukrainian Soviet Socialist Republic (King, 2002, p.95). In addition, the MSSR included a strip of land along the left bank of the river Nistru, which was never part of the Medieval Moldavian Principality, Basarabia or Greater Romania; however, being a border region, about half of its population was Romanian-speaking. In the period between the wars, this region used to be part of the Moldavian Autonomous Soviet Socialist Republic, created by Soviet authorities in 1924\(^{153}\), and after the

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\(^{152}\) The size of MSSR/Republic of Moldova is comparable to the size of Belgium.

\(^{153}\) For detailed analysis on the political reasons of the creation of the Moldavian Autonomous Soviet Socialist Republic in which Romanian –speaking population represented less than one third of its population, and on the policy of Russification in this region see King (2002).
Soviet disintegration in 1991 it became known in the Western literature as ‘Transnistria’ (Romanian spelling), ‘Pridnestrovie’ (Russian spelling) or ‘Pridnestrovskaya Moldavian Republic’ (the name used by the government of the self-proclaimed republic). King (2002) argues that the creation of the new political unit – MSSR - instead of Basarabia accounted for the demographic structure of population, but was also meant to “create another obstacle against possible complaints from Bucharest” (p.95). Also, as part of the overall strategy of Sovietization, it helped shape new identities, and later created sources of ethnic and political tensions.

As in Romania and Hungary, Sovietization in the MSSR started by instituting a centrally planned economy, one-party political system and Soviet educational institutions. However, the character and length of Sovietization, strong assimilation policies of the USSR government and the fact that HE was essentially created during the Soviet period left a special mark on the HE system in MSSR.

**Character and length of Sovietization.** MSSR experienced a period of Sovietization from the end of the WWII to the early 1990s, going through the same stages as other Soviet republics. Moldova applied Stalinist policies of terror and forced collectivization in the 1950s, and after a short period of openness and democratization (*ottepeli*) in Hrushchev’s times in the 1960s, entered Brejnev’s 15-year era of stagnation (*zastoi*) in the 1970s, known for increasing economic inefficiency, dissident movements, and corruption. In the mid 1980s, Gorbachev initiated democratic reforms known as economic restructuring (*perestroika*) and transparency (*glasnost*). However, all these stages were characterized by the change of top leadership rather than by major reforms of the Soviet system and even Gorbachev’s reforms did not overhaul the system. Economic restructuring policies were designed to improve economic efficiency and democratize society, and they managed to increase private provision of many consumer goods by supporting
small private businesses and leasing small plots of land to the population. Political reforms contributed to the consolidation of the national movement by 1989 and led to the country’s independence in 1991. However, the economic reforms were incomplete, were imposed from above and did not take into account the specific context of each republic. Thus, Gorbachev’s anti-alcoholic campaign in 1986 had disastrous implications for Moldavian viticulture, a major branch of its agriculture and a major source of export revenues. The destruction of many vineyards undermined future agricultural development and economic growth of the independent Republic of Moldova.

As part of the USSR, the Moldavian economy was isolated from the West and highly integrated into the Soviet economy, and consequently encountered the endemic problems of Soviet economics such as extensive development, a high degree of bureaucratization, regional specialization, and centralization of decision-making (Whetten, 1989; Smith & Swain, 1998). These features, combined with the almost full elimination of private ownership, the establishment of collective and public enterprises, the forced industrialization, and the collectivization of agriculture determined the agrarian character of the Moldavian economy, but also limited the entrepreneurial spirit of the population and generated a weak political and administrative elite. The implications of the particular geography of the Soviet system described by Smith and Swain (1998) relate very well to the Moldavian case:

The central planning system generated a ‘hub and spokes’ network between the center and outlaying areas in which all significant decisions were taken outside the region…As a result, formal regional institutions, enterprise and local authorities were merely ‘transmission belts’ conveying decisions taken beyond the boundaries of the region. The dependence of the region on the center was accentuated by the isolation of institutions in the same region, since all formal relations between them were articulated through the center…Another consequence of the centralized structuring of space was the blurring of the boundary between territorial agencies, such as local and regional authorities, and state owned enterprises. This ambiguity created the basis for the development of local informal
networks amongst proximate enterprises and between them and territorial organizations (p.37).

The state and the Communist Party were taking major productive decisions, funded social security systems, planned career promotion and guaranteed life employment. Trade unions and professional associations played a rather formal and subordinate role to the party and state bodies, while independent NGOs did not exist.

**Strong assimilation policies.** In addition to economic policies, education, ethnic, language and immigration policies were also the prerogatives of the central government in Moscow, and served the purpose of building the new identity of ‘the Soviet People’. In Hungarian and Romanian schools, Russian was studied as a foreign language for a 10-15-year period after WWII. In the case of MSSR, systemic immigration policies and the Russification of education for over 40 years resulted in a decline of Romanians/Moldavians\(^{154}\) and of small ethnic groups as a share in the total population. Policies of cultural assimilation in MSSR had several dimensions.

First, the Soviet government stimulated immigration to Moldova from other republics as part of its strategy of mixing various ethnic groups and building ‘the Soviet man’. Political, administrative and professional elites were brought into Moldova from other Soviet republics. Graduates of Soviet universities and specialists were assigned to work in MSSR and were provided apartments. In 1944, 5,000 agronomists, teachers, engineers, medical doctors and other specialists were sent from other Soviet republics (Tiron et al., 2003, p.23). Workers from Russia and the Ukraine dominated at heavy industry factories, especially in Transnistria. The 14\(^{th}\) Soviet Army was stationed in Transnistria, and most of its officers and staff were enlisted from outside MSSR. In addition, upon retirement, Soviet militaries had the right to choose the place of residence, and Moldavia, due to its favourable climate and location and the generally hospitable

\(^{154}\) During the Soviet period the official name of Romanian-speaking population in MSSR was Moldavians. In this section I use interchangeably ‘Moldavians’ with ‘Romanian-speaking population’ and with ‘Romanians in MSSR’.
nature of its native population, was in high demand from military retirees from all over USSR. As a result, the share of Ukrainians increased from 11.1 in 1941 to 13.8 per cent in 1989 and the share of Russians doubled in the same period (from 6.7 to 13 per cent) (King, 2002, p.99, citing Soviet Censuses).

The inflow of population to the MSSR after WWII was accompanied by a diminishing share of Romanians, Bulgarians and Gagauz, from 68.8, 7.5 and 4.9 per cent in 1941 to 64.5, 2 and 3.5 per cent in 1989 respectively155 (King, 2002, p.99). Most local intellectuals, teachers and priests did not support the Soviet regime and went to Romania in 1944; others died during the war or were deported to Russia after WWII. For instance, out of 10,760 primary school teachers in 1940, only 1,195 survived after the war (Tiron et al., 2003, p.23). Tens of thousands of Moldavians perished during the famine in 1946-1947 and as a result of massive deportations to Siberia156. After 1955, as part of a ‘voluntary’ migration plan, 40 thousand Moldavians were selected from densely populated areas to move to the Russian Federation (King, 2002, p.97). In 1918, Russian and Russian-trained professionals, intellectuals, teachers and administrative staff left Basarabia for Russia. After the WWII, Moldova again faced a similar situation when entire social groups literally disappeared – intellectuals, professionals, clergy and wealthy peasants left to Romania or were persecuted by the Soviet regime. The impact of both waves was disastrous and the quotation below by a Moldovan university professor illustrates the shock of such a loss:

These people left and took with them their family archives: letters, photos, personal documents, diaries and memoirs. Local museums, exhibitions, archives were destroyed, and what was left – was well hidden from public. The times came when it was dangerous to write memoirs, share memories with a friend and ask about the past…My post-WWII

155 The share of Jews also declined from 3.2% in 1959 to 1.5% in 1989. Jewish population also declined in absolute terms, due to emigration to Israel and the USA in the 1970s-80s.
156 There are no statistics on the number of deaths during the famine. It was generated both by severe draughts in 1946 and 1947, but also by the fact that the local Soviet authorities forcefully confiscated from farmers most of their food reserves to implement the state plan for agricultural production. Agricultural goods were sent to other, non-agrarian parts of the USSR. Section 5.2.1 discussed the numbers on Siberian deportations.
Language was an important tool of assimilation. While formally the Communist Party supported the equality of languages, Russian became the dominant language of public administration, religious services, university education, as well as the majority of schools in urban areas. This limited the use of the Romanian language to family life and schools in the countryside, and people speaking this language were regarded as second-class citizens. For instance, Chisinau, the capital city with a population of more than 600,000 people in the 1980s, had only a couple of Romanian general schools\footnote{Two of these schools with full instruction in Romanian language – N 1 and N 11 - were specialized in French and English languages, were highly competitive and strong academically. From my own experience in studying in one of them and the experience of many family members and friends who attended these schools at different points in time during the 1970s and 1980s, Russian language was used by students as a language of communication. In addition, even though district and city events always had at least one-two Romanian-language presentations, the reaction of the Russian-speaking audience towards them and towards speakers was often derogatory.}, and few mixed Romanian-Russian schools. Instruction in universities was bilingual in the first year of studies, after which it became exclusively Russian. The increasing number of mixed marriages limited the use of Romanian within families as well, since most of these families used Russian as a language of communication and children were enrolled in Russian schools\footnote{For instance, Karklins (1986, p.156) states that by 1970 mixed marriages in MSSR attained one of the highest levels among non-Slavic nations of the USSR, accounting for 16.5 per cent of Romanian Moldovans (Karklins, 1986, p.156).}. In the case of the Romanian language, the alphabet had been changed from the Latin to Cyrillic and names of people, streets and settlements – Russified. The border with Romania was closed and family and tourist exchanges were very limited. Romanian books were prohibited and any pro-Romanian ideas or acts (e.g., student demonstrations) were severely punished. The official name ‘Moldavian’ for language, history and ethnicity was adopted and the theory that Moldavians were different from Romanians was promoted. According to the 1989 Census, Russian became the native language of 4.3 per cent of Romanians, 36.7 per cent of Ukrainians, 7.4 per cent of Gagauz, 18.1 per cent
of Bulgarians and 72.9 per cent of Jews, and these numbers were higher among younger people (King, 2002, p.123). At the same time, only 3.9 per cent of the non-Romanian population spoke fluently the Romanian language.\textsuperscript{159}

\textit{Lack of pre-Soviet traditions of HE.} A final distinction of Sovietization in Moldova comparatively to Hungary and Romania, is that HE was virtually created during the Soviet period. Newly created HE and research institutions after WWII invited professors and scientists from Russia and the Ukraine. In the case of the Medical Institute, for instance, it was completely relocated with professors, students and staff from St. Petersburg. HE system expanded in terms of students (more than 100,000 in 1990), professors, researchers, departments and academic institutes within the Academy, and trained tens of thousands of engineers, teachers, doctors, scientists, nurses, technicians, etc. These and other educational developments, such as the elimination of illiteracy and the increasing educational levels of women and the Romanian population, were viewed as a success of Sovietization by the Soviet leaders and scholars. They are continuously brought up by the supporters of the Soviet annexation, who assert that the Soviet system created and promoted Moldavian science, education and arts nationally and internationally (Stati, 2003). Undoubtedly, significant state funding of Moldavian education, science and arts in the 1970-1980s resulted in impressive HE growth and a ‘golden’ period in the development of Moldavian cultural life.

At the same time, Moldavian HE was built on Soviet-style curricula and academic traditions, and thus embedded all the drawbacks of this system, including extreme vocationalisation, the ideologization of curricula, centralized governance arrangements, etc. Academic research institutes proliferated, the number of researchers increased and the best

\textsuperscript{159} The knowledge of Romanian language varies by ethnic group: 30.6 per cent of Roma spoke Romanian versus 4.4 per cent of Gagauz.
students continued their graduate studies and participated in research exchange programs at universities in Moscow, St. Petersburg or Novosibirsk. However, Moldavian science remained at the periphery of Soviet research, had extremely limited contacts with Western and even CEE academia and literature, and as a result few researchers were able to compete internationally. In addition, as everywhere in the USSR, the social sciences were highly ideologized. Given the discrepancies between the USSR and Romania on the Basarabian question, Moldavian linguists, historians, and ethnographers, for instance, had to write papers and articles supporting the Party line on differences between Moldavians and Romanians.

The rise of a new Moldavian academic elite and its role in social change. Despite the efforts of the Soviet authorities to create the multiethnic ‘Soviet people’, the 1970s and 1980s saw the consolidation of a new Moldavian intellectual elite that acknowledged the linguistic and cultural unity of Romanians and Moldavians, and was a driving force behind democratic changes in the late 1980s - early 1990s in the Moldavian society and HE. The new elite was educated in HE and academic institutions, but was also shaped by urbanization, a policy shift in language politics, informal connections with the Romanian culture, and by the perestroika and glasnost reforms.

In the 1980s, HE enrolments increased and so did the number of Moldavian professors and students. For instance, in 1987-88, the share of Moldavians in the first-year students of HE institutions was 64.4 per cent (Tiron et al., 2003, p.48). Well-educated Moldavians occupied top positions in the party hierarchy, state institutions, and industry, and dominated the leadership of collective farms and state enterprises in agriculture. With the rise of a national movement in MSSR, many of them supported the change, if not openly then tacitly. The linguistic and historic research was institutionally consolidated by the creation of the Institute of Language and
Literature and Institute of History of the Academy of Science. Even though they had to follow
the party line on the issue of Moldavian identity, young scholars were allowed to access archives
and enriched their knowledge about the culture, history and traditions of Moldavians/Romanians.

Intensive urbanization was decisive in increasing the Romanian speaking population in
the cities. In the 1960s and 1970s, many Moldavians from the countryside moved to cities both
because there was an excess agrarian labour force in the rural areas but also because university
educated people were needed in the urban areas and imported specialists did not cover local
needs. Statistics on levels of urbanization in Basarabia discussed in Chapter 4 showed that
Romanian-speakers represented only 14 per cent of the urban population at the end of the 19th
century and increased to one third in the interwar period. The share of Moldavians in the cities
importantly, these Moldavians maintained close relationships with their parents in the
countryside, the cradle of cultural traditions. This demographic shift increased the use of the
Romanian elements in urban areas and created a large population basis for the national revival
movement in the 1990s, which originated in Chisinau.

The change in language politics was another important factor that contributed to the rise
of Romanian-speaking elites in the MSSR. In the 1930s, authorities of the Romanian
Autonomous Soviet Socialist Republic engaged actively in disseminating and implementing
policies of ‘Moldovenization’ of the Romanian language, often contradicting each other160. King
(2002) investigated Western and Romanian comparative linguistic literature on the Romanian
and ‘Moldavian’ languages, and concluded that in the 1980s there were few differences between

160 For a while Latin alphabet was reintroduced and ‘Moldovan’ language was promoted in public administration.
Overall though in the period of 1918-1940, the trend of Russification was quite strong (e.g., various words of
Russian origins have been used to create new words and the idea that Moldavian language is different from
Romanian was promoted).
the Romanian language spoken in Romania and MSSR, except the Cyrillic alphabet and Slavic words used in MSSR. He concluded that by the early 1980s, the authorities tacitly accepted the literary Romanian language as a grammatical norm leading to the gradual Romanization of intellectual life. Even a non-specialist review of Romanian-speaking publications in the 1960s and 1980s in Moldova shows an increasing reliance on Francophone words and a higher degree of sophistication in the style of local writers in the 1980s compared to the 1960s.

Communication with Romania never ceased completely and played an important role in keeping the interest in common roots of Moldovans and Romanians alive. Despite the difficulty of obtaining a visa for travel and no official connections between Romania and MSSR, many families in Moldova had relatives in Romania and visited or wrote to each other. While there was no access to Romanian books in Moldova, Moldovan intellectuals travelled to other Soviet cities, where they could purchase Romanian books through a network of book stores called ‘Drujba’161. Romanian radio programs were available in Moldova, and many intellectuals tuned to these programs. In addition, the generation born in the inter-war period was educated in Romania and remembered Romanian literature, poetry and history.

Finally, by the end of 1980s, the policies of *glasnost* initiated by Gorbachev in the Soviet Union created a favourable environment for cultural changes. The Moldovan non-governmental organizations initiated by intellectuals raised the issues of education in the Moldavian language, its identity with the Romanian language and reintroducing the Latin alphabet instead of the Cyrillic. These ideas found strong support from native Moldovans that actively participated in large demonstrations and public meetings. The election of pro-reform politicians to the Moldavian Parliament (one third of all the seats) and the Soviet Union Congress of Deputies (ten

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161 These book stores existed in Odessa, Cernauti, Kiev, St. Petersburg and Moscow, and sold books in original languages of other socialist countries and published in these countries. The store existed in Chisinau as well, but did not have Romanian-language books.
out of 16 deputies representing MSSR) provided a legal basis to promote the interests of the constituency that wanted changes at the end of 1980s. A demonstration gathering half a million people in the downtown piazza of the capital city, Chisinau, in August 1989 forced the Moldavian Parliament to adopt three major laws on language. These laws stipulated Moldovan language (in brackets Romanian) as the state language and Russian language as the language of communication among nations, changed the script of the Romanian language from the Cyrillic to the Latin, and supported increased utilization of Moldovan language in public administration, education and economy. After the failed coup d'état in Moscow, the Republic of Moldova declared its independence in August 1991 and entered a new era of transition reforms.

5.5. Conclusions

Soviet influence was significant across the region, including Hungary, Moldova and Romania. Economic and educational policies adopted by local elites resulted in a high degree of ideologization of HE and standardization of HE institutions, governance and curricula. The separation of universities and research institutions deeply affected the quality and competitiveness of research. Centralized governance arrangements and overspecialization of HE institutions resulted in the lowest enrolments levels in Europe. The HE structures were a result of negotiations between local elites and the Soviet regime; however once established they became well-rooted in the local environment.

National variations in HE in Hungary, Moldova and Romania were determined by differences in strategies of Sovietization/de-Sovietization and economic reforms. In both Hungary and Romania, the Stalinization of their economies and HE systems was reversed by a course of reforms in the 1960s intending to de-Sovietize economy and education. Moldova was
subject to a longer period of Sovietization and tougher assimilation policies and lacked a critical and independent-minded elite and its HE was fully integrated into the Soviet structures. The course of reforms impacted Hungarian and Romanian HE differently. Hungary, coined as a cautious reformer, did not openly denigrate the Soviet system and left intact, for instance, the Soviet academic degree system. However, its leaders undertook a course of economic and political liberalization reforms, and opened up to the West more than other CEE nations. Romanian leaders, on the other hand, confronted the USSR in many foreign policy issues and thus were highly appreciated by Western nations. However, conservative domestic policies led to outrageous violations of human rights. Romania re-instated educational structures that existed before WWII, but the content of instruction, and governance in HE remained Stalinist in nature.

Despite the implementation of standardized Soviet HE reforms, socio-economic contextual factors put the three analyzed nations in different positions when transition reforms started (Table 5b).

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Romania</th>
<th>Hungary</th>
<th>Moldova (1991)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface (sq km)</td>
<td>237,500</td>
<td>93,033</td>
<td>33,200</td>
</tr>
<tr>
<td>Population (million)</td>
<td>23.1</td>
<td>10.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Share of native ethnic group (%)</td>
<td>89</td>
<td>92</td>
<td>64.5</td>
</tr>
<tr>
<td>- Share of Roma minority</td>
<td>2*/9-10</td>
<td>1.4*/5-6</td>
<td></td>
</tr>
<tr>
<td>Trade balance ($ million)</td>
<td>3,800</td>
<td>700</td>
<td>3.5</td>
</tr>
<tr>
<td>Gross debt ($ billion)</td>
<td>2.7</td>
<td>17.3</td>
<td>0</td>
</tr>
<tr>
<td>- As % of GDP</td>
<td>3.8</td>
<td>61.8</td>
<td>0</td>
</tr>
<tr>
<td>- Net debt ($ billion, end of 1990)</td>
<td>0.6</td>
<td>20.2</td>
<td>0</td>
</tr>
<tr>
<td>University participation rate, % of age cohort (1991)</td>
<td>9.7</td>
<td>14</td>
<td>35.5**</td>
</tr>
</tbody>
</table>


* Table 2 provides numbers from 1990 Hungarian census and 1992 Romanian census. However, estimates of Roma population vary in both countries, and the real numbers are considered to be higher reaching up to 2.5 million Roma in Romania and more than half a million in Hungary, which represent approximately 10 and 6 per cent of their total population respectively (see for instance, Berend, 1999, p. 404). European Council data estimated that in 1991-94 Roma population in Romania represented 2.15 million people, or 9.4 per cent of the total population, and the largest Roma population in Europe (out of a total of 5.52 million) (OECD, 2003, p.288)

** See WB (1999 a, b); includes technicum students. Given that a large share of technicum students are enrolled after the 8th grade of general school it is difficult to estimate real participation rates. The number of technicum and university students is 55,000 and 50,000 respectively, so HE participation rates would be much smaller than 35.5 per cent; in my estimate it was around 20-22 per cent.
Hungary entered the 1990s with a significant private sector in trade and services, but also a large per-capita debt, a coalition government which proved to be weak historically, and a socially, economically and educationally marginalized Roma population. At the same time, comparatively to Romania and Moldova, Hungary has accumulated significant experience in economic and educational reforms, and had a relatively longer exposure to Western economies, educational systems and international organizations.

Romania began the transition period with no debt, but with an autarchic and isolated economy, dependence on Soviet oil\textsuperscript{162}, a large intelligence service, and incredible human suffering. Rigid HE structures, extremely low university participation rates, inequitable access to education in native languages of its national minorities, which represented 10 per cent of the total population with Hungarians being the largest minority group, and marginalization of Roma population, shaped the general feelings both within and outside the country that reform would be complicated.

Moldova, the smallest out of the three nations, emerged with a developed agricultural sector and no foreign debt. Moldovan government and the international community did not envision great difficulties in managing the change. However, Moldova had a large share of ethnic minorities – one third of its population, and its economy fully depended on Russian markets and fuel. The HE system had entirely adopted the Soviet model and had limited pre-Soviet traditions. The intellectual elite created in the last decades of the Soviet period mobilized the Romanian-speaking population to implement important social changes in early 1990s, however being inexperienced in politics and public administration, it was not able to handle the growing ethnic tensions.

\textsuperscript{162} Soviets supplied 47 per cent of Romania’s electricity output, compared to an average of 36 per cent of other CEE nations (Whetten, 1989, p.90 quoting Soviet sources).
Chapter 6.
Transition Reforms and International Educational Discourses: Their Impact on Modern Higher Education Systems in CEE

6.1. Introduction

The debate on reforming higher education in CEE in the 1990s and 2000s centered on westernization and deregulation, which were the spirit of broader economic and political reforms. The emerging political elite shared strong pro-western and anti-statist feelings; Hungarian economist Kornai, Polish Minister of Finance Balcerowicz, and Russian Prime Minister Gaidar supported and implemented liberalization reforms (Amsden, Kochanowicz & Taylor, 1994). The scientific community actively participated in the project of economic, political and social transformation. The following quotation of Jan Szczepanski about the role of Polish intellectuals in the early 1990s is relevant to any country in the region:

Professors and other scientific workers were involved in the restructuring of political institutions, ideologies and political doctrines. They offered critical analyses of the state and its political doctrines. They expected this great change to bring about freedom of research and abolition of censorship on scientific publications. It was also to liberate new creative forces…making science the prime force of social advance (Peteri, 2000, p.277).

Free markets were viewed as ideologically neutral; an escape to freedom from a totalitarian rule and a way of aligning to the so-called ‘civilized’ world. International financial institutions (IFIs) advocated neo-liberal reforms in the region and encouraged privatization, lower public spending and liberalization of trade, capital, prices and labor markets in exchange for loans. By the early 2000s, European Union enlargement changed the geopolitical situation in CEE, and increased the influence of the EU in the region. Political and economic transformations in CEE after the disintegration of the Soviet block, otherwise referred to as transition reforms,
and the creation of the European Higher Education Area (EHEA)\textsuperscript{163}, profoundly influenced higher education systems in terms of governance, autonomy, curricula and financing.

The objective of this chapter is to analyze the regional, economic and political context of HE reforms in CEE in the period 1990-2005 by examining academic literature on transition reforms and EU integration, and policy documents published by the WB, the OECD, the European Commission and UNESCO. In sections 6.2 and 6.3, I examine the evolution of transition discourse, various approaches to economic reforms engaged in the CEE nations in the first half of the 1990s, and the role of IFIs and local elites in promoting economic, political and educational reforms in the region. Section 6.4 analyzes the European project of integration in HE in the 2000s. Closer integration with the EU has been promoted by all CEE nations since the early days of transition; however it was only in the 2000s that EU-CEE connections were institutionalized through the evolution of the EHEA and EU enlargement into CEE. It is still too early to evaluate the impacts of the European integration project in HE – the implementation of the first EHEA provisions in CEE only started in 2004-2005. However, the EU integration contributed to shaping the discourse of reforms in CEE, and this part of the dissertation focuses on the history of EU integration of education and the rise of neo-liberal policies in European HE and their implications for CEE HE systems. This chapter is intended to provide a regional overview of reforms in 1990-2005 and answers the research question: \textit{How have neo-liberal globalization and European enlargement impacted current HE structures, governance arrangements and policymaking in CEE, including Hungary, Romania and Moldova?}

\textsuperscript{163} Otherwise referred to as the Bologna Process, after the city Bologna in Italy where the agreement on the creation the EHEA was signed in 1999.
6.2. Conceptualizing Transition in CEE: the Emergence of Economic and Educational Neo-liberal Discourses in the Region

6.2.1. Approaches to economic reforms in the region. In the early 1990s, the neo-liberal view on transition was the conventional and dominant view, shared by international agencies, foreign experts, and strongly supported by most national governments. This approach saw transition as a relatively unproblematic implementation of a set of political and economic policies in a period of time, which started with the policy formulation and ended when the transfer of property rights and wealth from the state to the private sector was over (Pickles & Smith, 1998; Hillman, 2003). From this perspective, most CEE countries entered the transition in 1990-1991 and by the early 2000s national governments and international agencies considered the transition over. The set of policies applied in CEE, otherwise referred to as the Washington Consensus (WC), discussed in detail in Chapter 2, was a standard package of macroeconomic stabilization policies (price and domestic trade liberalization, balancing the government budget, restrictive monetary and income policies), and structural reforms (privatization and reformation of accounting standards, tax and legal systems, financial sector, civil service, and social safety nets). This consensus was achieved between the WB, the IMF and the US Treasury as a response to Latin America’s structural crisis in the 1980s, and the approach was applied to transition economies. Kolodko, Poland’s first vice prime-minister and minister of finance in 1994-97, described the approach as: “Liberalize as much as you can, privatize as fast as you can, and be tough in fiscal and monetary matters!” (Kolodko, 1998, p.1).

Two major models were experimented with in the region. The shock therapy or ‘big bang’ approach was initiated by Poland, relied on the introduction of a macroeconomic stabilization program in a short period of time and resulted in high costs for the population in terms of galloping inflation and loss of jobs. For example, in January 1990, the Polish
government liberalized 90 percent of prices, eliminated most trade barriers, abolished the state trading monopolies, and introduced the internal convertibility of currency. Most countries in the region followed this path of reforms. Hungary, on the other hand, represented an example of gradualism or a phased approach defined as gradual price and trade liberalization and privatization. Hungary started economic reforms much earlier than other CEE countries (in 1968), and by the mid 1980s undertook significant efforts in privatization and in the creation of a competitive banking sector.

It is however difficult to categorize reformers into these two models. The majority of CEE countries, e.g., the Czech Republic, Moldova, the Russian Federation, Bulgaria, Eastern Germany, the Baltic states, implemented shock therapy reforms such as price liberalization, currency convertibility and privatization. Many of them slowed down later on both because the electorate opposed liberalization, but also because structural reforms were much more difficult to implement at a fast pace. For instance, Moldova progressed very slowly with post-privatization reforms, particularly in agriculture, and with reforming the legal system. Business registration was still convoluted, time-consuming and corrupt in 2006 (Hensel & Gudim, 2000). Even Poland, known as the regional blueprint of shock therapy strategies, elaborated in 1994-97 the so-called Strategy for Poland, which combined gradual and radical policies to mitigate the negative social effects of the deregulation and denationalization of the economy. This strategy also promoted an increasing role of the state in industrial policies (Kolodko, 1998). Romania and Slovenia were considered to be gradual reformers, but, like Hungary, they adopted shock therapy measures later during the 1990s164. For instance, Romania liberalized 50 per cent of prices in 1990, however direct state controls were reinstated in 1993, and price liberalization was again carried out in 1995. Hungary liberalized 84 per cent of its prices in 1997 and deregulated energy prices in 1998.

164 See Appendix 9 on comparative reforms measures in Hungary, Romania and Moldova.
Privatization of public property is a good example showing that CEE nations combined various strategies and paces depending on what was privatized (for a detailed discussion see Padure, 1998; 1999a).

*Small privatization* was implemented at a fast pace throughout the region by transferring small state assets to private persons in trade, housing, services, passenger transportation, and construction. Small privatization was relatively easy to implement and was also politically advantageous since it diversified consumer markets and improved the quality of services. On the other hand, *large-scale privatization* of big enterprises took longer in all CEE nations. The privatization of industrial enterprises and infrastructure for cash required large amounts of capital which was not easily available within these countries. Hungary was an exception; due to earlier economic reforms it had a relatively higher level of savings than in other CEE countries. In Romania, where Ceausescu introduced severe austerity measures to reduce external debt, local savings were depleted. In other countries, the existent savings evaporated very fast in the early 1990s with increasing inflation and currency devaluation. With low national savings, foreign investments became an important source of cash for privatization. A legal framework for foreign investments had already been adopted in the 1980s in Hungary, Romania, Poland, Bulgaria, Russia and Czechoslovakia, and in the remaining CEE nations in the early 1990s. However, the inflow of foreign investments was slowed down because of the sluggish pace of industrial modernization and delays in legislative approval in the face of strong negative perceptions towards foreign ownership, especially the ownership of land. Even Hungary, the country most open to foreign capital in the region, passed the land law in 1994 banning new purchases of land by foreigners (Lavigne, 1999).
To speed up large privatization and involve as many people as possible in this process, most CEE governments developed various schemes of free distribution of ownership known as mass privatization (Amsden et al., 1994; Lavigne, 1999). Shares in industrial property were transferred to the public via free distribution of vouchers or coupons to be converted into shares (Czech Republic, Bulgaria), or via free distribution of shares in investment funds that in turn had shares in companies (Poland). A combination of both occurred in most Soviet republics when the citizens were permitted to ask an investment fund to auction their vouchers. All of them included a possibility for employees to buy shares of their enterprises. In Hungary, a plan for mass privatization was approved in 1994 given approaching elections in May 1994, but as the elections were lost by the government, the scheme was not implemented (Lavigne, 1999, p.173). Mass privatization was a politically appealing method of privatization, did not require capital and was implemented in a relatively short period of time (1-2 years in mid 1990s in the case of Romania and Moldova, for instance). However, it did not yield the immediate increases in production that were desired, and the restructuring of these enterprises and the improvement of governance took a long time after mass privatization was completed.

6.2.2. The role of local governments and IFIs in implementing market reforms. In the early 1990s, newly elected liberal CEE governments accepted full responsibility for transition reforms. A complex set of factors determined the commitment of new political elites to market reforms and their interest in the libertarian ideology. Less state intervention was viewed as an alternative to centrally planned, bureaucratic and inefficient socialist states. The fast growth of monetarist economics and neo-liberal ideology in the Western countries profoundly influenced CEE politicians, academics and journalists. “Members of a younger generation of post-socialist economies, often educated in the West, have been fascinated by the mathematical elegance of
neoclassical economics” (Amsden et al., 1994, p.167). In addition, the simplicity of the Washington Consensus policy recommendations contributed to its success as an intellectual doctrine (Sachs & Warner, 1996; Kolodko, 1998; Berend, 2000). It was based on straightforward accounting frameworks and a few economic indicators such as inflation, money supply, interest rates and trade and budget deficits, quite easy to understand and apply.

In the late 1980s to early 1990s, the idea of less state intervention increasingly spread through direct academic contacts with Western, especially American, universities, and through a variety of exchange programs funded by Western governments\textsuperscript{165}. The idea was further supported through the dissemination of translated American textbooks and pro-market publications of several distinguished regional scholars\textsuperscript{166}. At the same time, information on economic reforms in South-East Asia where states played a significant role in their economies was limited. The Eastern block countries had no diplomatic relations with South Korea and Taiwan, and, according to Amsden et al. (1994), CEE elites associated themselves more closely with Western traditions rather than the Asian model of authoritarian state, social conformity and labor discipline.

Amsden et al. further argued that social-democratic parties were not successful in advocating a greater role for the state and a more gradual transition. Their critique of the monetary approach was weak, did not have a strong theoretical background, and often had been promoted by people associated with the old regime. Political elites saw the choice of shock therapy as an opportunity to break with the past immediately and use a unique occasion in

\textsuperscript{165} Within the Muskie Fellowship Program, the USA government, for example, funded one and two year professional and master degree programs at American universities for citizens of the former USSR.

\textsuperscript{166} For instance, the Hungarian economist Janos Kornai publishes a series of books on socialist economics and market reforms, including \textit{Economics of shortage} (1980) and \textit{The socialist system: The political economy of communism} (1992). His work had a great resonance among students and scholars in the region. As a graduate student in St.-Petersburg, Russia in 1989-1992, I attended one of his lectures and the audience showed a great interest in his work.
history (Lavigne, 1999). For instance, the new government in Poland in 1989 had to build credibility in a short time period in conditions of high inflation, coupled with shortages, as well as large budget deficits and debt. In the case of Czechoslovakia, the macroeconomic indicators were relatively good (low inflation, budget deficit and debt) and shock therapy was more an expression of political victory over conservatism. In Hungary, the choice of a gradualist approach was determined by a longer history of economic reforms and by a particular macroeconomic environment. By the early 1990s the level of debt, budget deficit and inflation were still high, but the country began to service its debt and the economic situation improved (Berend, 2002).

The activities of IFIs in the region contributed greatly to the spread of neo-liberal discourse. IFIs had supported neo-liberal reforms in Latin America, Africa and Asia since the early 1950s, creating the notion and the discipline of Development Economics. Their approach to reforms advocated economic liberalization and an economic system preponderantly based on market relations, similar to the one that existed in the USA. The World Bank’s annual report The Challenge of Development (1991) synthesized and interpreted the worldwide lessons of development, and while it did not directly recommend policies for CEE, the transition reforms in these nations represented an important reference point. This policy document, along with other WB publications released at the end of 1980s and early 1990s, described successful national examples of countries in Latin America and Asia that followed export-led industrialization policies such as Brazil, Malaysia and Hong Kong (WB, 1991; WB annual reports from 1990, 1992, 1993). While mentioning South-East Asian national reforms that relied on significant state intervention in economic reforms and adopted protectionist policies, such as Singapore, the reports focused on reforms leading to improved elementary education and export-based
economic development. The major conclusion of WB research was that governments should interfere less in areas where markets tended to work well (production sphere) and do more in areas where markets yielded failures (education, health, nutrition, family planning, poverty alleviation, infrastructure, and environment protection) (WB, 1991). This conclusion resonated in CEE.

However, further analysis of the WB texts reveals the neo-liberal character of WB recommendations. Successful development policies were those that advocated substantial economic deregulation, unconditional opening of economies to international trade and tight macroeconomic policies (low budget deficits and low inflation). For instance, the 1991 report did not convey clearly the idea that a dramatic change could have resulted in diminishing standards of living for a short period of time in the best case; required substantial financial assistance from abroad to offset human capital losses and needed modifications to address national characteristics\textsuperscript{167}. According to this report, investments in human capital should increase but also become more efficient in particular areas, such as primary education, basic healthcare, and family planning. Such a positioning was greatly influenced by the South-East Asian examples, but did not respond to the demographic and educational trends in CEE where the population was highly literate, HE and health care systems were well developed, and birth rates were declining rather than sharply increasing as was the case in Asia.

Given limited knowledge of market economics and no policy experience in competitive environments, CEE governments turned for advice and financial support to western experts and to WB, IMF, USAID, EU and the UNDP. Professor Jeffrey Sachs of Harvard, for example, a well-known advocate of shock-therapy reforms, was the advisor to the Polish government when

\textsuperscript{167} As Grindea (1997) states, this approach was successful in Western Germany after the WWII only because it had this assistance and several corrections were implemented along the way.
it started reforms in January 1990, and in the mid 1990s he advised the Bulgarian government (Sachs & Warner, 1996). Most Central European nations became members of WB, IMF and GATT/WTO\textsuperscript{168} and signed their first loan agreements with the WB and the IMF in 1989-91. Hungary and Romania had joined the WB and the IMF already in the 1970s-1980s (Lavigne, 1999). Former Soviet republics built their relationships with these organizations after the dissolution of the USSR in 1991. In recollecting how first contacts with international organizations were established by the Moldovan government and parliament, one of the policy makers interviewed for this study stated that:

> We were the ones to initiate the conversation. In June 1991, the Moldovan government approved the decision to join the IMF and WB. Earlier that year, on April 1, Moldova was recognized by the UN. I was a member of the first Moldovan parliamentary delegation to Washington. As a result of this visit, Moldova adhered to IMF on August 12, 1992 and to WB on August 13, 1992. I have to acknowledge that we did not know very much about these organizations, we were like children…In fact, two Romanian ladies working at IMF helped us set up the meetings. At the time of that first visit Moldova received the first credit - USD 10 million – which was used to buy US agricultural goods (Interview # 1).

> By the time the first WB and IMF country reports came out and the first loans were received, most former Soviet republics had already initiated economic reforms, largely informed by pro-market reforms in neighboring Central European countries. Moldova, for instance, introduced shock therapy reforms in January 1992, using the blue-print of Polish reforms and inviting experts from Poland. The Czech Republic model of voucher privatization was followed by most former USSR republics. By the mid 1990s, the relationship between national governments and international organizations such as WB, IMF and EU became more systemic. Not only did they have a better picture of CEE economies – for instance, the 1996 WB Development Report \textit{From Plan to Market} (WB, 1996) was exclusively dedicated to CEE and China and analyzed different paths of reforms and focused on economic reforms, but also the

\textsuperscript{168} General Agreement on Trade and Tariffs (GATT) was renamed into World Trade Organization (WTO) in 1992.
influence of these organizations on the choice of policies significantly increased through the attachment of conditions to their loans. The most important conditions were reducing inflation (under 40 per cent per year), maintaining a low budget deficit (3-3.5 per cent of the Gross Domestic Product - GDP) and low state debt (up to 60 per cent of GDP), and eliminating trade deficits. This conditionality had a major impact on the social sector, including education, and often had a destabilizing effect on both the political and economic situation in these nations. Historically, social spending represented large shares of the budgets in CEE nations. With price liberalization and the privatization of public enterprises, inflation increased and the tax base decreased leading to lower revenues and higher budget deficits. In this context, implementing conditions on fiscal and trade deficits was very difficult. The deteriorating economic situation in CEE after the first wave of reforms put politicians promoting liberalization in a precarious situation. On the one hand, they could not create national budgets with high deficits because of the World Bank’s conditions; on the other hand, the electorate and left-wing opposition pressed them for higher social support. This dilemma was faced by governments in Poland and Hungary in 1992, in Romania and Bulgaria in 1994, in Moldova in 1997-2000 and in Russia in 1996-98 (Lavigne, 1999; Berend, 2002; Padure, 1998). The inability to meet WB targets usually resulted in delays in implementing the agreements between the IMF and these nations; with no international funding, the education sector was among the first to experience budget cuts.

**6.2.3. Various international actors and their impact on HE policies in the region.** In the early 1990s, policy reports on CEE published by the WB and IMF focused on economic reforms, and educational reforms were mainly mentioned as a part of broader public sector reforms. The WB funded only a few projects on HE reforms in the entire region, one of which was in Hungary, which received a $150 million WB loan for HE reforms in 1991. At the same time, a variety of
WB policy documents on education in developing countries emphasized the idea that investments in primary education yielded higher returns than higher education (Birdsal, 1995, a review of policy documents). The view that public resources for HE in developing nations should be reallocated from higher to lower levels of education became dominant among international donors and led to reduced public funding of HE in developing nations and in CEE. While expansion and the reforms of HE were seen as a priority, the major source of support for this expansion was private funding. The WB (1996) report *From Plan to Market*, for instance, positioned educational reforms in CEE within the human capital framework, and provided a hint on what efficient reforms meant: “incorporating private provision of educational services, particularly in HE and adult education, and providing vouchers as part of retraining assistance” (p.145). Private provision was seen as a way to supplement plunging public funding, but also to increase the number of HE places and thus improve access to HE. This resulted in the expansion of tuition-based HE at public HE institutions and the emergence of many private HE institutions. Along with introducing written examinations in public HEIs, private provision of HE was expected to diminish corruption in HE. However, during early transition reforms standards of living and social prestige of university professors dropped significantly. Lower salaries, delays in their payment and increased inflation, as well as a history of nepotism in public HE inherited from the Soviet model contributed to the expansion of bribery in public HE. Private universities, on the other hand, proved to be much more flexible and quick in de-ideologizing curricula and introducing new disciplines, particularly in economics. And even though private universities were often blamed for diminishing quality, they played an important role in democratizing HE in the first half of the 1990s.

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169 Since oral examinations were a major tool of admission and course evaluation, payments and personal relations were used to receive better grades, pass the course, or access HE programs.
The EU’s strategy in influencing HE reforms in CEE differed substantially from the WB’s loan-based projects. European aid was channeled through regional educational projects such as SOCRATES, ERASMUS, PHARE TEMPUS and TACIS TEMPUS\textsuperscript{170}. The projects had the scope to build a wider Europe and enlarge the European dimension towards non-EU members. However, the limited interest of EU national governments in the early 1990s to co-finance joint projects with poorer Central and Eastern European nations resulted in cautious formulations in the Maastricht Treaty (1992). Article 126 accounts for “cooperation with third countries”, without mentioning European countries outside the EU. The 1993 European Commission’s \textit{Green Paper on the European Dimension of Education} equated Europe with the European Union (Sayers, 1995). As such, the SOCRATES projects had a geographical limitation, allowing the participation of countries beyond the EU, but not funding them. As Sayers (1995) argued, this limitation was very strange given the EU commitment for research and development generally, and its view that university-led projects have a positive effect on leadership and research.

The TEMPUS program was modeled after ERASMUS, and focused on the restructuring of CEE higher education and university cooperation and exchange between universities in CEE and EU. Sayers (1995) and Van de Bunt-Kokhuis (1995) analyzed several TEMPUS projects and noted their inefficiencies, such as tedious and bureaucratic processes of application, delays in funding and different research priorities in EU nations and CEE. As Altbach (2001) noted, the EU nations had a highly developed research and publication infrastructure, while CEE nations had

\textsuperscript{170} ERASMUS stands for \textit{European Action to Support Mobility of University Students}; SOCRATES was a project promoting the European dimension in eight separate domains: higher education (through the ERASMUS project), school education, adult education, learning of European languages, etc. TEMPUS – \textit{Trans-European Mobility Programs for University Studies} and had two ramifications in CEE: PHARE and TACIS; PHARE – is the acronym for \textit{Poland-Hungary Action for Economic Reconstruction}, was established as a EU aid framework for these countries and was later extended to other Central European countries and the Baltic States of the former USSR; TACIS – stands for \textit{Technical Aid to the Community of Independent States}, was another EU aid framework focused on 12 former Soviet republic.
small and poorly equipped scientific systems and lacked access to sophisticated communication networks. At the same time, joint university projects within TEMPUS prepared the ground for the Bologna Process by developing credit transfer systems, increasing the transferability of qualifications and providing opportunities for CEE scholars to participate in exchange programs abroad.

6.3. Transition Reforms in CEE in the Second Half of the 1990s – Implications for HE Systems

6.3.1. Changing public attitude towards neo-liberal reforms. Considerable public disillusionment with economic and social policies resulted from falling standards of living, high unemployment, and unequally shared sacrifices. In 1990-1993, all CEE nations, no matter the speed of reforms, experienced a decline in GDP and this decline was higher in the former USSR republics (Table 6a).

<table>
<thead>
<tr>
<th>Countries</th>
<th>Average annual GDP growth</th>
<th>1997 GDP (1989=100)</th>
<th>Consecutive years of output decline</th>
<th>Cumulative output decline,%</th>
<th>Real GDP, 2000 (1990=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>-3.1</td>
<td>6.3</td>
<td>1.6</td>
<td>111.8</td>
<td>2</td>
</tr>
<tr>
<td>Hungary</td>
<td>-4.8</td>
<td>2.5</td>
<td>-1.1</td>
<td>90.4</td>
<td>4</td>
</tr>
<tr>
<td>Estonia</td>
<td>-9.7</td>
<td>4.1</td>
<td>-2.8</td>
<td>77.9</td>
<td>5</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>-7.4</td>
<td>-3.6</td>
<td>-5.5</td>
<td>62.8</td>
<td>4</td>
</tr>
<tr>
<td>Romania</td>
<td>-6.4</td>
<td>2.1</td>
<td>-2.2</td>
<td>82.4</td>
<td>3</td>
</tr>
<tr>
<td>Moldova</td>
<td>-12.6</td>
<td>-10.2</td>
<td>-11.4</td>
<td>35.1</td>
<td>7</td>
</tr>
<tr>
<td>Ukraine</td>
<td>-10.1</td>
<td>-12.1</td>
<td>-11.1</td>
<td>38.3</td>
<td>10</td>
</tr>
</tbody>
</table>


In the period 1994-97, most Central European nations had modest growth, while economies in the former Soviet republics continued to decline. By 1997 only Poland had achieved a higher GDP level than in 1989. The Hungarian GDP in 1994 represented 90.4 per cent of its GDP in 1989, but was followed by continuous economic growth. GDP in Romania reached 82 per cent of the pre reform level in 1997, and stagnated at the same level until 2000. Moldova showed one
of the largest economic declines in the former Soviet republics; its GDP fad fallen by 63 per cent in the period 1989-2000. The failure of neo-liberal reforms to account for the social dimension increased inequality and poverty in CEE societies, especially in the former Soviet republics. CEE nations had historically large welfare states and, by the mid 1990s, the need to initiate reforms of the social sector became urgent. For example, in the 1997 Polish Parliamentary elections, Solidarity Election Action called for a larger welfare state following German ideas for a social market economy, and linking privatization to pension reforms.

The 1990s saw a diversification of types of universities and academic programs, and a huge increase in the numbers of higher education institutions and students attending universities. Universities became more autonomous from the governments, with academic senates playing an increasing role in administration. At the same time, a dramatic decrease in public funding not only made universities dependent on private sources of financing, including tuition fees, but also raised serious concerns about equity of access to higher education. The opening of national economies and their integration into the world economy meant changing the purpose of university instruction. The education of highly qualified professionals, who would be competitive in the global marketplace, was conceived as imperative for increasing national competitiveness in the world.

The role of higher education in the development of Central and Eastern European nations became a hotly debated issue in the late 1990s, the public being particularly concerned with the declining quality of instruction and public spending in higher education, unregulated growth of tuition fees and private universities, and low job prospects for graduates. Political leaders increasingly articulated the importance of government in the provision of social services, and looked at different international models of economic development in addition to neo-liberalism.
Leftist parties advocating an increasing role for governments were back on the geopolitical landscape of the region, and the EU challenged the USA as a role model for Eastern Europeans. As pointed out by Berglof & Roland (2001)

…the desire to ‘return to Europe’ has played an important role in breaking political constraints and sustaining the momentum of reform in many countries. Perhaps never before in history has the attraction of joining an association of countries had such profound impact on the political and economic development of an entire region (p.1).

In addition, there was a clear difference between EU and WB/IMF economic projects. WB lent money while EU mainly offered grants, and according to Davey (2002), EU funds provided some CEE governments with far greater investment finance than other sources. In terms of higher education reforms, geo-political changes across the region in the second part of the 1990s had two important implications. On the one hand, national accreditation systems of higher education had been favored in most CEE countries therefore increasing the state involvement in HE; on the other hand, the creation of the EHEA challenged the role of nation states in terms of determining HE structure and standards.

6.3.2. Diversification of transition research. Increasingly critical academic research on transition economies led to a more realistic understanding of market economy operation (Emigh & Szelenyi, 2001; Grindea, 1997; Hillman, 2003; Pickles & Smith, 1998). By the mid 1990s, CEE leaders and scholars became more familiar with international economics. In early publications, authors tended to idealize market systems, but over time an increasing number of publications on the role of the state in South Eastern Asia addressed the need to combine growth and equity strategies, and to promote high investments in public health and education (Rana, 1995). The social justice perspective towards transition rooted in critical political economy, feminist studies, and new cultural theory increasingly challenged the dominant neo-liberal paradigm and saw transition as a complex phenomenon, in which historical and geographical
specificity plays a crucial role on the choice of reform path (see various approached in the publication edited by Grindea, 1997; Kornai, 2000; Pickles & Smith, 1998). Critical scholars raised the issue of the excessive emphasis on speed of reforms. They critiqued the shock therapy policies that did not address social reforms, examined the implications of wealth reassignment, the growth of an informal sector and illegal activity, the gender and ethnic inequalities that resulted from shock therapy policies, and the growth of privatization within the broader context of neo-liberal globalization.

A critical interpretation of mass privatization shows that while intended as an equalizing mechanism that theoretically allowed the participation of an entire population in the management of formerly public property, it increased inequities and stimulated an illegal market of vouchers and coupons. Wealth distribution favored and enriched former state nomenklatura and industrial elites, while marginalizing and impoverishing ordinary people. Populations in most cases sold their shares to financial institutions, and gradually, a complex structure of ownership in privatized enterprises emerged, involving banks, investment funds, state assets management agencies, other enterprises, local governments, and former bureaucracy. There was a great deal of misunderstanding as to the role of new investment funds created in the early stage of privatization. Mass privatization also did not lead to the emergence a large class of small capitalists as expected, or to improved corporate governance, and in countries of the former Soviet Union it facilitated the appearance of highly polarized societies where the former national wealth was concentrated in the hands of few oligarchs. This is how the Hungarian economist Kornai evaluated transition reforms 10 years after they were initiated:

171 Some of these funds collapsed and people lost their money (the notorious example of MMM fund that collapsed in Moscow in August 1994 was the beginning of an era of investment scheme collapses in the former Soviet republics).
172 Currently, magnates of privatization in Russian Federation and Ukraine, for instance, own billions of dollars and occupy top positions in international rankings of wealthy people.
Ironically, the expression ‘mass privatization’ used as synonym for give-away and voucher schemes, is the inverse of the mass collectivization imposed by Stalin... Luckily, no gulags were required and no brutality occurred in the 1990s. Change was forced by milder means. Nonetheless, there were similarities: the subordination of ownership reforms to political and power purposes, the horror of gradual change, the impatience, and the obsession with speed (Kornai, 2000, p.5).

The critical analysis of transition also addressed the challenges of defining transition as a policy process with clear cut starting and ending points. The CEE transition is often understood as moving from a centrally-planned totalitarian political and economic system to a multiparty democracy based on market economy\(^{173}\). Yet, difficulties arise both in defining the centrally planned economy, and also in evaluating the nature of societies that emerged after 10-15 years of reforms (Lavigne, 1999). Was the CEE-type economy a specific socialist system plagued by unsuccessful reforms, or rather a monopolistic state capitalism in which party nomenklatura became the true owner of the means of production? Grindea (1997), for instance, argued that ‘socialism’ was just an ideological label, and that socialist society was rather a period of neo-enslavement or neo-feudalism. What kind of political system was established in these countries by the end of 1990s-early 2000? The desired result was a democracy as understood in the West based on free media, multiparty free elections, a transparent political process and an independent judiciary. Political reforms in CEE started in the early 1990s by establishing parliamentary, presidential or mixed parliamentary-presidential democracies based on free multiparty elections, adopting new constitutions that promoted the protection of human rights and establishing new political institutions. However, mechanisms had to be put in place to support these democratic institutions to transform the desired democracy into a real one. In addition, the pace of political transition in various CEE nations varied due to differences in the nature of authoritarian ‘socialist’ regimes and the history of corruption in each of these nations.

\(^{173}\) For instance, *From Plan to Market* was the title of the 1996 WB annual report dedicated exclusively to reforms in CEE.
By the mid 2000s, many of the former USSR republics were still struggling with establishing democratic political systems. In the case of economic reforms the major expectation of transition was, according to a WB report, building “…a thriving market economy capable of delivering long-term growth in living” (WB, 1996, p.5). However, local elites and the general public in CEE did not have a clear vision of what kind of institutions should be put in place. Market mechanisms functioned differently across Western nations with more market oriented economies in Anglophone nations and more state regulation in continental Europe. This distinction was not well understood by most national elites in CEE in the early 1990s, and consequently it was difficult to conceptualize the economic model of reforms and the final product of these reforms. For many countries in the region, the accession to the EU in 2004 and 2007 became the final step in a successful transition. For non-EU members, transition was formally over once privatization was complete and new fiscal and monetary arrangements were implemented. At the same time, both new EU members, including Hungary and Romania, and also those that obtained the ‘EU neighborhood’ status, such as Moldova, continued to face political instability and increased inequities after the process of transition formally ended. Kornai (2000) argued that transition from socialism to capitalism had to be viewed as an organic development:

Transition is a curious amalgam of revolution and evolution, a trial-and-error process in which old institutions are either retained or liquidated, new ones tested and accepted or rejected. Different elements in the process may be very rapid, fairly rapid, or slow (p.5)

6.3.3. Changing balance of influence: increasing role of the EU. In the second half of the 1990s the debates on the implications of transition intensified among international donors. An interview with the head of the Transition Division of the WB Policy and Research department, Alan Gelb, who led the team that prepared the WB report on transition reforms in
1996, indicated that there was a new trend in the WB evaluation of regional reforms by the mid
1990s. Gelb recognized that the size and nature of previous economic systems mattered a lot in
explaining the outcome of reforms and suggested that “…we should avoid being dogmatic and
saying that one type of policy is always the best for all countries” (Gelb, 1996, p.2). The 1997
World Bank Development Report, The State in the Changing World, discussed the importance of
state provision of defense, law, property rights, public health, macroeconomic management, and
antipoverty programs in addressing market failure and improving equity. In addition, the report
recognized that modern economies also experienced an increase in state regulatory functions,
leading to the reformulation of the Washington Consensus into the augmented Washington
Consensus or post-Washington Consensus. This new view recognized that a broader set of
instruments were needed to achieve success and that goals were much broader and included
improving health and education rather than just achieving economic growth (Rodrik, 1999;
Unger, 2000; Beyond the Washington Consensus, 1998). Stiglitz, who joined the WB as Chief
Economist in 1997 and won the Nobel Prize in Economics in 2001, critiqued the asymmetric
governance arrangements of the IMF and other international economic institutions, in which the
wealthiest industrial countries and their commercial and financial interests dominated over other
nations. Arguing that most economic policies promoted by these institutions were not taking
into account local particularities, he concluded that liberalization often resulted in increased

Stiglitz and other critical institutional theorists and WB consultants (e.g., Rodrik of
Harvard, 1999; Kolodko, Poland’s vice prime minister, 1998), critiqued the narrow economic
focus of development policies and the technical approach to reforms. Technical solutions for
development – better planning algorithms in the 1960s, better trade and pricing policies in the
1970s and 1980s and better macroeconomic frameworks in the 1990s lacked the historical perspective and failed to recognize that successful economic development in many industrial nations was supported by strong state intervention (Stiglitz, 1998; 2003). Kolodko (1998) remarked that governments were on the rise in CEE by the end of the 1990s. According to him, neo-liberalism became almost irrelevant and governments could not afford to narrowly focus on the neo-liberal approach: “What should pull back instead [of governments] is neo-liberalism as an economic theory and, especially, as an economic policy” (p.2). This debate led to the formulation of a new comprehensive developmental framework by the WB in January 1999, which accounted for structural, social and human dimensions and reevaluated transition and Bank’s reforms in CEE (Wolfenson, 1999). Kornai (2000), for instance, considered that he had been too optimistic in the early 1990s in his expectations of future growth and had paid little attention to consolidating reforms. While still believing that macroeconomic adjustment required prompt action, a decade after the beginning of reforms he explained the causes of recession in the following way:

The socialist system left a badly distorted structure of input and output. Correcting this structure called for creative destruction. Because destruction is rapid, whereas creation process precedes much more slowly, the two processes led to a deep recession… Sustainable growth requires not just one macroeconomic intervention but a deep, comprehensive program of institutional reforms (p. 4).

By the early 2000s, the WB recognized that it had underestimated the difficulty of reforms in many CEE countries. Several studies showed that aid, on average, did not speed policy change, but rather the success of reforms was systematically related to domestic political and economic factors (Davey, 2002; Collier, 2000). Collier (2000) analyzed the results of a WB study of 220 reform programs and concluded that coercive reforms, such as conditionality of aid on policy change resulted in inefficient allocations between countries over time. Periodic
elections created a cycle of change – governments generally increased expenditures and were reluctant to implement financial adjustments before elections and were more responsive to aid conditionality after elections. Aid for reform had weakened governments’ capacity to communicate their strategies and diminished government’s responsibility for policy change. Often national governments depicted the WB as a scapegoat and blamed it for unpopular but necessary policy changes, while conditionality created a reactive attitude towards reforms on behalf of political elites and the general population. At the same time, foreign consultants were often prone to simplistic perceptions of national situations and rarely gave adequate weight to the political costs of their recommendations or to the need to communicate a clear rationale for change (Davey, 2002). In addition, aid from large donors such as the WB and the EU was associated with high transaction costs in terms of data analysis and discussion, while serious concerns have been voiced about nepotism in awarding contracts within EU programs, inconsistency in spending patterns within WB or conflict of interests among donors. For instance, Davey (2002), in his analysis of donor funding, provided several examples of these inconsistencies and differences in agenda: the WB macroeconomists urged spending cuts, while sectoral departments lent ministries money to increase spending; a UK aid program was concerned with poverty and social exclusion, the IMF with cutting expenditures and economic liberalization, and USAID with reforming tax systems.

WB vice-presidents Linn (2000, 2001, 2006), Collier (2000) and Stiglitz (2002) identified serious errors in WB policies and aid programs in the region in the 1990s. They argued that WB was overly optimistic in former USSR countries and oversimplified the impacts of Soviet disintegration and the degree of corruption, did not recognize the dangers of certain policy
recommendations that led to financial crisis\textsuperscript{174}, and lacked flexibility with regard to conditionality to prevent or alleviate the impact of financial crises in the region. Various studies by the WB on lessons of transition (Hellman, Jones & Kaufmann, 2000; Kornai, 2000) enhanced the understanding of reforms and their impact in CEE. They concluded that strengthening the social safety net was as important for economic growth as economic restructuring of enterprises, and that the private sector was not a panacea. Rousso (2006) argued that expectations about the potential impact of private sector participation were unrealistically high: the total proceeds from infrastructure privatizations from 1992 to 2003 amounted to about $40 billion, at 2000 prices, but financed only 8 per cent of the region’s cumulative deficit (p.25). The perspective on the value of Chinese economic reforms for CEE also changed. Transition economies did not have the resources for the sort of phased transition for state enterprises that China did; however the Chinese experience of encouraging new enterprises as a basis for wealth creation and economic growth could have been extremely valuable to the CEE region (Popov, 2006; WB, 2002).

Individual country assessments also provided comprehensive analyses of WB activities in each national setting. For instance, a team of experts evaluated Bank’s assistance to support Moldova in its development efforts in 1992-2002 and found that WB efforts were unsatisfactory and the impact of institutional development was mixed (WB, 2004). While noting some positive developments such as reforms of the banking system, they also acknowledged that social institutions remained weak and unsustainable, while rampant corruption indicated that the legal framework was not being effectively implemented (WB, 2004, pp. vi-vii).

As a result, the discourse on transition reforms promoted by international financial institutions in the late 1990s had been influenced by three major lessons from reforms in the

\textsuperscript{174} For instance, loans-for-shares privatization program in Russia in 1995-96 and pyramid scheme in Albania in 1997.
region: the need to seriously tackle corruption, apply a broader regional perspective rather than a narrow country-focused perspective, and analyze the political context of reforms. In negotiating reforms, IFIs promoted closer collaboration with other donors and endorsed a participatory approach in which governments and local non-governmental organizations were involved, for instance, in elaborating poverty reduction strategies in many former Soviet republics (see *Moldova Poverty Reduction Strategy Paper*, IMF, 2004). In the 2000s, the WB and the IMF continued to fund projects in infrastructure, rural development and legal reforms in many CEE nations and particularly in the former USSR nations, Romania and Bulgaria. They focused on social reforms and promoted CEE integration within the EU. For example, the 1999 WB project on HE reforms in Hungary included a component supporting curricula reforms in accordance with European standards in order to facilitate Hungarian integration into the EU. The themes of WB annual development reports also showed an increasing interest in social issues: *Knowledge for development* 1998-99 (WB, 1999), *Making services work for poor people* 2000-2001 (WB, 2001), and *A better investment climate for everyone* (WB, 2005).

The changing role of the WB and the IMF in developing development strategies in the region in the 2000s was accompanied by the increasing importance of the EU and by the decreasing influence of the USA. For example, Hungary and Slovenia stopped borrowing from the WB and the IMF, while Poland received only $30 million in assistance from USA in comparison to 90 billion Euros in 2006 (Ostrowski, 2008). In addition to differences in funding aid, several other developments challenged the US-EU balance in CEE. Due to EU enlargement, Europe became more open to CEE nationals, while the USA continued to require visa for citizens of most countries in CEE even though these nations lifted visas requirements for USA citizens. More people from CEE traveled to Europe than to the USA, and more remittances
came from Europe rather than from USA. Also, the negative post-Iraqi intervention image of the USA contributed to the decreasing prestige of the USA. Finally, according to Dr. Skotnicka-Illasiewicz from the Polish Academy of Sciences who had been studying the Poles’ attitudes towards European integration since early 1990s, a more realistic perception of the EU emerged in Poland and other CEE societies instead of “…previously felt, perhaps somewhat childish and excessive emotions” (quoted by Ostrowski, 2008, p.2). The EU leverage over CEE governments to maintain reforms efforts increased over the 1990s. However, two major caveats should be made. First, while the narrative of CEE leaders had been increasingly aligned with the European social-democratic model, the neo-liberal discourse continued to impact economic and education policies in CEE but also in the EU, as I will show in section 6.4. Second, as EU accession prospects increased, the EU’s influence became more intrusive. Berglof and Roland (2001) correctly predicted in 2001 that: “The attitude of the population is likely to grow more negative as bargaining gets tougher and shifts towards issues of EU self-interest” (p.1).

6.3.4. Changes in the educational discourse promoted by international financial institutions. In the early 1990s, high public returns from basic education and high private returns from HE were the important themes in IFIs consulting activities related to educational reforms. The major implication for educational funding strategies in developing countries was that they should focus public resources on basic education and stimulate private provision in HE. By the end of the 1990s, the WB acknowledged the low level of funding of HE. Several WB documents, for instance, stressed the importance of public funding of post-secondary education and the need to improve educational access for marginalized groups. The 1998-99 WB annual development report (1999) called for reducing the knowledge gap between poor and rich countries:

Basic education is critical for enhancing people’s capabilities to harness knowledge, particularly in poorer countries. But it should not monopolize a nation’s attention as it
becomes a player in the global markets. For one thing, the tremendous enrolment gains in basic education in the past decade suggest that in many countries improvements in areas beyond basic education offers higher returns...Besides teaching new and better skills, tertiary education and technical training produce people who can monitor technological trends, assess their relevance to country’s progress and help develop an appropriate national technological strategy (p.42).

Hence, countries needed strong tertiary systems and research institutions to compete in the creation of new knowledge. The report recommended strengthening research within universities, adapting curricula to changing environments and developing partnerships with industry – terminology engaged in neo-liberal reforms of HE around the world. At the same time, it acknowledged that public support in graduate education was crucial to create the intellectual and technological elites of developing nations. The 1998-99 WB annual development report was followed by the Report of the Task Force on HE in developing countries convened by the WB and UNESCO and published in 2000 (WB, 2000; Post, Clipper, Enkhbaatar, Manning, Riley, Zaman, 2004). The report challenged the notion that public investments in HE were socially inequitable, and argued that an educated elite had a positive spillover effect for the entire society, was crucial for social and economic development and was a powerful mechanism for upward mobility:

An effective system of HE relies on the active oversight of the state. The government must ensure that the system serves the public interest, provide at least those elements of HE that would not be supplied if left to the market, promotes equity and supports those areas of basic research relevant to the country’s needs. The state must also ensure that HE institutions, and the system as whole, operate on the basis of financial transparency and fairness. However, the government must also be economical in its interventions (WB, 2000, p.53).

The report recommended broadening access to HE for disadvantaged groups, and changing funding mechanisms to increase HE participation for people from poorer backgrounds. It is important to note that this report on HE in developing nations was paralleled by similar
reports to improve equity of access in Anglophone nations that largely promoted neo-liberal reforms in HE, stressed private returns to HE and the need to increase private sources for funding HE in the 1990s (Maasen, Magalhaes & Amaral, 2007; Jones, Shanahan, Padure, Lamoureux, & Gregor, 2008). The report also had clear implications for governance reforms, suggesting the need to create buffer bodies in HE that included representatives of government, HE institutions, the private sector and students. Intended to democratize HE, these bodies however often masked increasing governmental control of HE institutions and had mixed implications for institutional autonomy.\textsuperscript{175}

In Hungary, the WB provided another loan of $150 million in 1998 (following the 1991 loan of $150 million). This second HE project merged HE institutions and reformed the funding system. In Romania, several educational reform projects were initiated by the WB in 1992-2003, focusing on pre-university education\textsuperscript{176}; a $50 million loan to reform higher education was negotiated in 1996. In Moldova, the WB funded only one general education project ($20 million loan) in 1997 and co-funded European-sponsored projects on reforming economics education\textsuperscript{177}. The WB and other international organizations supported projects to improve educational access to rural populations in Romania and Moldova, and the Roma population in Hungary. In addition to individual country system-wide HE projects, the WB, the EU and other international aid organizations funded projects in HE that had the purpose to build a transparent public bureaucracy and to train market-educated professionals. Stiglitz, in his capacity as the Chief

\textsuperscript{175} See more on the impact of buffer bodies on institutional autonomy in Hungary, Romania and Moldova in Chapter 7 and 8.
\textsuperscript{176} The 2006 Public Expenditures Review on Romania cautioned against low level of public spending in education in Romania and mentioned that basic education in Romania accounted for 41% of total educational spending in 2004, however the situation “…should not be remediated by relocating funds currently used in HE to primary and secondary education” since spending for HE was kept at a low level as well (WB, 2006, p.19).
\textsuperscript{177} See more on the regional project on reforming economics education bellow.
Economist of the WB in 1997, saw the role of the WB in capacity building and as a learning center for transition economies:

For the transition economies its [WB] has a unique potential: most of these countries have highly educated labor forces and highly educated populations, but they were not educated in the principles of a market economy. They have the learning capacity but not the knowledge about market economies. We have learned in eight years of the transition process that making market economies work is extremely difficult (Stiglitz, 1997, p.3)

The need of training Western-style professors in economics, professionals and researchers surfaced already in early 1990s as part of national discourses of reforms. The change from planned economies to market economies required specialists with new skills in accounting, finance and management, but who were also able to develop the policies needed to achieve sustainable development and economic growth. As a result, American-style business departments in universities flourished around the region, exchange programs were set up between CEE nations and Western states to train professionals and policymakers, and visiting fellows and professors from the West came to teach to various local universities. American and British governments, through their international aid organizations and national teaching councils, and American-based foundations, such as the Eurasia Foundation and the Soros Foundation were actively engaged in this process. The Soros Foundation, for instance, was created by the Hungarian-born American entrepreneur George Soros with head offices in New York, London, Brussels and Budapest, and national offices all around CEE. Its programs co-funded scholar and student exchange programs to American universities, invited professors from abroad, and provided scholarships for local professors and researchers. The Central European University (CEU) was set up in 1994 as a regional center to train graduate students in economics, political science and public administration. With diminishing public investments in education, the Foundation’s funding was an important source of research, teaching and conference funding for
local professors and researchers. Its programs promoted the de-ideologization of the social sciences and the introduction of Western-style economics in teaching economics. As mentioned earlier in this chapter, exchange programs, visiting professors, training workshops and summer schools were an important channel for transmitting neo-liberal discourse.

The WB had already become involved in supporting economics education in transition economies in 1994, when a meeting in New York was initiated between the WB, U.S. foundations and universities to discuss ways to strengthen economics education and research capabilities (Pleskovic, 1999; Pleskovic, Aslund, Bader & Campbell, 2002). The WB initiated partnerships to support economics education and research in CEE, involving in 1998-2001 the governments of Sweden, Norway, Finland and the USA, and IMF and EU representatives. In 1995, the WB and Eurasia Foundation co-authored a report entitled *Critical Economics Education and Research Needs in Ukraine and Russia* and in 1999 sponsored an assessment study of HE in the region. By the mid 1990s, economics consortia were set up in Russia and Ukraine, and the Center for Economic Research and Graduate Education at Charles University was established in Prague. Moscow’s New Economics School, the first non-state graduate school of modern economics established in Russia in 1992, was actively supported by international donors in terms of funding and paying Western professors to teach there. These institutions began by providing Western-style master’s and eventually developed PhD programs in economics. In 1997-98, foreign donor organizations spent an estimated $35 million to support economics education and related activities in CEE, with the EU contributing an additional $14 million, the Open Society Institute of the Soros Foundation - $12 million, and USA governments and agencies - $6.5 million (*Investment with high return*, 2001, p.6). Same source notes that the WB helped establish the Ph.D. program at the Budapest-based CEU, and funded the New
Economic School in Moscow in 2001 at the rate of $250 thousand a year (p.3). By the end of the 1990s, the major issue related to these institutions was their sustainability. As a result, while the intention was to develop strong economics education in all countries, by the end of the 1990s international institutions focused on regional centers, pioneered student loan schemes, increased reliance on local teachers and looked for private sector and alumni support.


6.4.1. Initiation of HE integration - the Bologna Process. HE reforms in CEE in the 2000s were channeled under the project of European integration of HE. On June 19, 1999, the Ministers responsible for higher education from 29 European countries, including ten CEE nations, signed the Bologna Declaration in which they formulated the idea to create the European Higher Education Area by 2010. The declaration acknowledged the creation of “…a Europe of Knowledge as an irreplaceable factor for social and human growth and as an indispensable component to consolidate and enrich the European citizenship” (Bologna Declaration, 1999, para.2). The adoption of a system of comparable degrees, based on three main cycles, undergraduate, master and doctoral, the establishment of a common system of credits, and the advancement of European co-operation in quality assurance were the main objectives of a closer integration of higher education systems in Europe. These developments were expected to promote Europeans’ employability, improve labor force mobility and enhance the international competitiveness of European higher education.

178 Austria, Belgium (French Community), Belgium (Flemish Community), Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, Swiss Confederation, United Kingdom.
In the period of 1999-2005, the Bologna Process expanded its agenda, institutional support and membership. Promotion of life long learning, involvement of students in governance, and accreditation became major issues of discussion. The concept of a European Research Area as a second pillar of the knowledge-based society, which should closely co-operate with the EHEA, was introduced, and Follow-up Groups and Boards chaired by the EU Presidency were established. The EHEA expanded geographically to new partners, such as Cyprus, Turkey or Croatia, and CEE countries that were not EU-members. Thus, Albania, Bosnia and Herzegovina, the Russian Federation, Serbia and Montenegro, and Macedonia joined the EHEA. In 2005, Armenia, Azerbaijan, Georgia, Moldova and Ukraine became new participating countries in the Bologna Process.

As mentioned in the chapter’s introduction, this section does not intend to fully evaluate the impact of the Bologna initiatives on HE systems in CEE. First, it took several years to prepare the legislative basis for the systemic changes. The implementation of the first, undergraduate cycle of university education began in 2004-2005, and it is too early to entirely assess the implications of these changes. Second, the creation of EHEA is a comprehensive and broad reform program and accounts for a variety of actions, such as the introduction of a unique quality assurance system, the expansion of the private sector, and the standardization of doctoral programs. It also involves 45 countries and each of them – whether a Western or Eastern European nation - faces individual challenges. Several recent doctoral dissertations have been focusing on one aspect of HE reforms in one country, for instance, private higher education development in Poland (Duczmal, 2006) and quality management in Hungarian HE (Csizmadia, 2006). In this section I locate the development of the EHEA within the broader European educational and economic discourse, identify major themes that determined the development of
the Bologna process both in Western and Eastern Europe, and outline additional problems that CEE societies and their HE systems had faced in the process of European integration. I argue that the creation of the European Union instead of the European Community (EC) in 1992 reflected in the new Maastricht Treaty meant more than a name change; it accounted for an ideological shift. The new European discourse incorporated many neo-liberal principles but also increased the role of the supra-national organizations in education.

By 1999, when the EHEA was initiated, the CEE nations continued to struggle with the consequences of the period of Soviet domination and were dealing with economic stagnation or decline following after the implementation of neo-liberal reforms. They also faced the challenging task of integrating within the European space. Western European nations developed a new economic and educational architecture in the 1990s. However, they had a long history of diverse national traditions and competing national and regional interests, and a more recent history of bureaucratic rules and bodies. CEE governments lacked or had a limited understanding about the driving forces behind European integration of HE. In section 6.4.2, I examine how the EU educational politics has been shaped since the creation of the EU in 1957 and argue that this is a complex process with competing and constantly changing agendas. These agendas, often imposed on the political landscape of CEE nations, made the process of European integration more difficult and caused concerns about the quality of HE reforms in CEE, as I will further discuss in Chapter 7 and 8 on Hungarian, Romanian and Moldovan HE reforms in the 1990s and 2000s.

6.4.2. The evolution of EU educational politics: the role of nation states and EU bodies in HE. While vocational education and training (VET) featured from the beginning of European integration in the Treaty of Rome in 1957, higher education was never mentioned as an area of
responsibility of European supranational structures. The role of nation states was viewed as
decisive in defining strategies of development and financing higher education. “The history of
the EU as an institution demonstrates a profound resistance to a process of standardization that
would indicate a surrender of the Member States’ control of their educational systems” (Ertl &
Phillips, 2006, p.78). In time though, the European Commission and the Council of Ministers
became increasingly involved in higher educational issues. It started in the 1980s, after the oil
crisis, when unemployment among university graduates grew dramatically. Exchange education
and training programs such as Socrates, Erasmus, and Leonardo da Vinci were initiated with the
purpose of increasing students’, teachers’ and researchers’ mobility across the borders of EC
members. European Community programs were willfully vocational, utilitarian and instrumental
in their emphasis, sharing the tendency towards the rationalist approach (Szerszynski, Lash &
Wynne, 1996). At the same time, European bodies always stressed the inheritance of European
civilization’s values and attachment to the humanistic tradition, which historically had a
powerful influence on European education. The name of European exchange programs, even if a
symbolic gesture, as Field (1998) mentions, shows the EU deep commitment to the European
dimension. Developing this argument, Field (1998) concluded:

This tension between instrumentalism and humanism has dogged the EU human resources
policies since their genesis, just as it has characterized a wider and continuing conflict
within European educational thinking (p.8).

The number of EU exchange programs involving HE students and professors increased in
the 1980s, and the term ‘vocational education and training’ evolved to include HE. According to
Ertl (2006) and Milner (1998), the European Court of Justice, in a number of verdicts and
decisions in the 1980s, interpreted HE as part of VET and gave the Community the right to adopt
legislation in the field of VET that was binding on the member states. In the Maastricht Treaty
(1992) increased international competitiveness and the effects of globalization were brought up as major justifications for the EU larger involvement in economic, social and educational policymaking. In economic, fiscal and monetary affairs, the EU adopted the neo-liberal discourse, acting “…in accordance with the principle of an open market economy with free competition, favoring an efficient allocation of resources” (the Maastricht Treaty, 1992, Title II, art.105). A fiscal balance was to be achieved more by containment of public spending than by increases in the tax base and the EU received significant control over nation-state economic policy by regulating levels of national public debts, budget deficits, inflation and interest rates.

In higher education, Field (1998), Pollack (1994) and Ertl & Phillips (2006) argued that the transfer of competencies to the European Union was not an easy process, but rather incremental and uneven. “The support for the principle of subsidiarity179 as well as the growing influence of regions in the EU context, indicates that national and regional actors have been increasingly cautious in surrendering power to supranational bodies” (Ertl & Phillips, 2006, p.78). The careful formulation of article 126 on Higher Education in the Maastricht Treaty (1992) showed the continuing dilemma between the nation states, which sustained national (and indeed sub-national) identities, and European institutions, which promoted supranational policies to increase European competitiveness in the world. According to this article the European Union contributes to the development of quality education by encouraging cooperation between member-states and other countries, while the states are responsible for content of teaching and the organization of educational systems. Harmonization of national education systems and

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179 According to the principle of subsidiarity, established in the Treaty of the European Union the Community’s principles are strictly limited to areas in which the Treaty explicitly allows such actions and in which the intended aims can not be achieved by Member States independently (Maastricht Treaty, 1992, Art.3b).
curricula was explicitly excluded. Though the Maastricht Treaty allowed the EU to support and supplement educational co-operation, the wording “if necessary” introduced an ambiguity and the treaty failed to end the struggle over definitions and competencies.

How had the distribution of power between nation states and European institutions in higher educational policymaking changed in the period from 1995 to 2005? The EU actively participated in building bridges among the EU nations and other countries. For example, the joint Council of Europe-UNESCO Lisbon Convention (1997) on the recognition of higher education qualifications set a framework to expand cooperation between EU countries, other European countries, members of the UNESCO European Region such as the USA, Canada and Israel, and the rest of the world. The need for this convention was justified by tremendous changes in higher education such as the diversification of institutions, courses, degrees, and qualifications. The Convention was based on the assumption that a fair recognition of qualifications was a key element of the right to education and the responsibility of society. The Convention was also concerned with the importance of increasing access to higher education for people from different countries, including refugees.

By the end of the 1990s, the EU bodies increased allocations for traditional exchange projects and new projects on quality assurance, and secured its role in administrating the European Higher Education Area. The HE discourse changed from recognition of degrees and transparency between national educational systems to increased integration of European educational policies. The Sorbonne Joint Declaration (1998) of France, Germany, Italy and the United Kingdom, which laid grounds for the Bologna Declaration in 1999, was a good example.

180 'Non-harmonization’ refers in this context to the principle of ‘cultural autonomy’, which explicitly emphasizes the Community’s contribution to the “…flowering of cultures of the Member States, while respecting their national and regional diversity” (Art.128(1), Treaty of European Union).
of how the language of policy documents had changed. Six years after the Maastricht Treaty was signed, the major national players in the EU called for harmonizing the architecture of the European higher education systems. The Berlin Communiqué (2003) was explicit on administrative bodies of the Bologna process. The European Commission’s representatives, along with member states, are full-members of the Follow-up Group, and the Council of Europe is a consultative member. By 2005 all countries had initiated and most of them completed the change to a two-cycle university degree – three year undergraduate and two-year master degree programs. The Bergen Ministerial meeting (2005) and then the London meeting (2007) promoted the introduction of the third cycle – three-year Ph.D. The issue of standardization within the Bologna process remains a controversial one. While the agent of change in the whole Bologna Process was set to be the nation states – Ministers of Education initiated this process, signed the agreement and monitor progress, various structures and mechanisms within this process contributed to its ‘unionization’181 in terms of the development of similar political action in education and training in Europe (Ertl & Phillips, 2006; Novoa & de Jong-Lambert, 2003). According to Van der Wende (2001), the role of the European Commission gradually expanded, leading to a lack of democratic control over policies. On the other hand, research on exchange programs showed that the same EU policy directives and initiatives were interpreted and implemented differently in different countries and that standardization was affected by specific features of national educational systems (Ertl & Phillips, 2006).

The debate within the Bologna Process on the role of nation states in HE policymaking in the 2000s was closely connected to the growing influence of the neo-liberal discourse worldwide, which promoted the inevitability of globalization, fundamentally challenged the concept of

181 ‘Unionization’ as a concept has various meanings ranging from understanding the European integration as intergovernmental cooperation to ‘fusion’ of European policy-making competence.
nation-states and limited the national control over policies that regulate higher education (Enders & Fulton, 2002; Van der Wende, 2001; Van Vught, 2003). Also, the financial crisis of European welfare systems and the expansion of HE led to under funding (de Rudder, 2000). The liberalization of higher education markets and privatization were understood both as the withdrawal of government and corporatization. The deregulation of European universities was expected to make institutions more responsive to the international dimension and eliminate or diminish government failures generated by governmental inefficiency and corruption. The need to increase competitiveness and respond to globalization challenges surfaced as the major motivation for higher education integration in the Sorbonne Joint Declaration (1998) and the Bologna Declaration (1999). However, the first follow-up conference of Ministers of Education in Prague in 2001 defined education as a public good and a public responsibility (Prague Communiqué, 2001). The second conference in Berlin in 2003 reaffirmed the importance of social cohesion:

The need to increase competitiveness must be balanced with the objective of improving the social characteristics of the European Higher Education Area, aiming at strengthening social cohesion and reducing social and gender inequalities both at national and European level (Berlin Communiqué, 2003, Preamble, para.2)

This shift in the policy rhetoric towards social cohesion within the European Higher Education Area was rooted in the long history of public provision of higher education in Europe. Contemporary universities were created, regulated and funded by nation-states to contribute to national cultures, civil service and defense system. Besides, issues of equity, accessibility, diversity and welfare provision were important elements of the European state philosophy. However, increasing emphasis on economic efficiency and indicators, benchmarks and standards poses serious threats for the traditional European university “as a project of the nation state and its cultural identity” (Enders & Fulton, 2002, p.2) and for the implementation of socially oriented
and equitable HE reforms. According to some authors, diminishing public funding and shortening the length of university education studies converted higher education into a private good and challenged historical values and diversity of universities in continental Europe (Amaral & Magalhaes, 2004). Important EU policy documents had been promoting convergence of national education systems to improve the international competitiveness of the EU economy in the world. For example, the European Council of Heads of State or Government in Lisbon in March 2000 provided another strong boost to global economic competitiveness by formulating the new strategic goal of the European Union for the next decade. EU should “…become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion” (Ertl, 2006, p.5).

Ertl (2006) analyzed the legal basis of the EU and concluded that the Lisbon meeting marked a new era in educational policies on the European level, which built on intergovernmental foundations and followed the rationale dictated by the concept of global economic competitiveness. The post-Lisbon model promoted the discourses of economic competitiveness, convergence of educational systems and creation of the ‘European space’ rather than economic co-operation, vocationalism and creation of the European dimension. Quality assurance and educational standardization were viewed as mechanisms that would ensure the convergence of HE systems. Whole issues of the European Journal of Education (September 2003) and of Comparative Education (February, 2006), the Amsterdam Conference on European Dimension of Quality (March 2002) and the Graz Convention on Higher Education (May 2003)

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182 European dimension was stipulated at the creation of the European Community and aimed to instill the European identity in young people. The legal basis of the original European Community rests upon three treaties: the Treaty of Paris (1951), which set up the European Coal and Steel Community (ESCS), and the two Treaties of Rome (1957) which set up the European Economic Community (EEC) and the European Atomic Energy Committee (Euratom). Founding Treaties did not specify any specific competence in HE and general education; just the vocational education and training became a supranational competency (Maastricht Treaty, 1992, Art.128). Educational Committee (including national Ministers of Education and the European Commission) was created in 1974.
were devoted to this topic. Haug (2003) captures the general feeling about the role of quality assurance in noting:

Even though the quality assurance/accreditation dimension has not been easily accepted in the Bologna process, it has soon imposed itself as an absolutely essential building brick of the European higher education area (p.230).

As a starting point, the Tuning project was intended to “…approach educational structures in Europe by launching a debate on quality, effectiveness and transparency” (Gonzalez & Wagenaar, 2003, p.242). The major purpose of this project was to attain a Europe-wide convergence in higher education in seven subject areas (Business, Chemistry, Education Sciences, Geology, History, Mathematics and Physics) by defining commonly accepted professional and learning outcomes. This project involved 140 experts from 25 countries, hoping to bring “international insight, validation and realism” (Gonzalez & Wagenaar, 2003, p.242).

Major concerns expressed in the quality assurance debate within EHEA in 2000-2005 were related to the impact of regional standardization on institutional autonomy and academic freedom. Excessive standardization in the name of transparency and the application of business models to higher education could affect the vibrant environment of innovativeness and creativity and marginalize such educational values as curiosity and delight. Real academic freedom and diversity were crucial for breeding new ideas and new approaches, or, as Chomsky (2004) put it, “a free university should be expected to be ‘subversive’ ” (p.302). The UK experience in quality assurance (for example, the Research Assessment Exercise), but also the processes that emerged in Australia and New Zealand, showed that an intrusive quality assessment system based on performance indicators could restrict academic freedom and encourage uniformity rather than foster diversity (Broadhead & Howard, 1998; Bruneau & Savage, 2002; Vidovich & Porter,
In addition, as Brennan and Sursock noted, quality assurance was really about power (Sursock, 2002).

The quality assurance debate affected the interests of a wide variety of actors, including academics, students, assessment agencies, international organizations and the society as a whole, and there was always a risk that a quality assurance system or standards would induce distortions that would not be in the best interests of stakeholders. Issues of power also transcended the debate about the best type of assessment/accreditation for European countries. Institutional evaluation was favored in the academic literature for intellectual reasons, its respect for institutional autonomy, and its ability to promote a dynamic higher education sector (Gonzales & Wagenaar, 2003; Hamalainen, 2003; Sursock, 2002). In reality though, the institutional audit approach represented less than one third of all quality assurance systems used in the European Higher Education Area. Program accreditation and benchmarking accounted for the rest and increased the power of units and departments (Jensen, 2003).

In discussing what kind of accreditation system would be the best for Europe, voluntary professional accreditation such as in the USA, and national/sub-national, regional or European accreditation systems were considered. European higher education institutions were looking towards professional accreditation to become internationally recognized. A meta-accreditation European agency as an “accreditation agency of accreditation agencies” was considered by the Follow-up Group (Haug, 2003). Meanwhile, the establishment of national accreditation bodies was under way in many European countries. During the London Ministerial Meeting in 2007, participants approved the creation of national quality assurance systems and a regional registry of higher education institutions/degrees. While acknowledging the danger of replacing “a jungle of degrees” with a “jungle of accreditation agencies” (Haug, 2003; Van Vught, Van der Wende
& Westerheijden, 2002), nation states seemed to be confident that they could handle the issue of quality assurance better than a regional body.

6.4.3. The Bologna Process in the CEE nations. The Bologna Process encouraged national efforts of Central and Eastern European countries in creating a three-cycled HE system, spreading and enforcing the application of European-compatible credit systems, and joining the European Network of Quality Assurance Agencies. These requirements had been met or were under way by 2005 in CEE nations, including countries such as Moldova that adhered to the EHEA in 2005. Local policy makers and HE practitioners were being praised by foreign experts: “Even if you continue facing many problems, you are very good, and in some instances – excellent” (MEYS, 2006). However, several features made the process of HE transformation in CEE within the Bologna Process a challenging one (Padure, 2005; 2006).

These countries had less economic capacity and democratic experience, compared to the EU countries. The promotion of neo-liberal reforms in Central and Eastern European countries, either in the form of shock therapy or gradual liberalization, in exchange for the WB loans, increased public indebtedness in these countries. Reduced public spending for education, health care and social services, and increased reliance on private funds deepened poverty and inequities in many of the newly independent states. Addressing these problems required additional funding from the EU structural funds. Corruption in Eastern European governments, particularly Romania, Bulgaria and former Yugoslavia, became a great issue of concern for EU peers\textsuperscript{183}. Considerable differences in educational systems along the East-West divide represented another obstacle on the way of real integration of CEE HE systems within the Bologna process. Although

\textsuperscript{183} The scandal on the misuse of the EU funding for rural development projects in Romania in early 2002, for instance, confirmed the fears of EU members concerning efficient spending of European structural funds in this part of the world.
historically influenced by Western European traditions, CEE higher education systems inherited from the socialist era the centralized management, planning and finance, and the separation of teaching and research. After more than a decade of higher education reforms, the level of autonomy of public higher education institutions, institutional diversity, and participation rates increased significantly. Despite this, even in countries such as Estonia, the Czech Republic and other Eastern European countries that became EU members in 2004, governments continued to direct higher education systems via state accreditation procedures. Accreditation almost always had a power component (Rozsnyai, 2003). Tomusk (2001) put forward the idea that Eastern European countries opted for state accreditation because it was an approach most suited to a region accustomed to an autocratic mentality. The tendency to over-regulation can be seen around the region, as governments determine the basic content and structure of curricula, control enrolment numbers and use normative approaches to financing.

There is also a wide gap between the real situation and the rhetoric of change (Kogan, 1998; Tomusk, 2004). All the HE actors in CEE advocated Europeanization and European standards of quality; presidents of countries cited the Bologna process in their speeches to promote their political agendas¹⁸⁴. ‘Bologna’ became a ‘buzz’ word; the process was fuelled by Pan-European sentiments and was viewed as part of a broader agenda of national development and European integration, particularly by CEE non-EU members. A concern in the region was whether educational standardization would improve the quality of teaching and increase the competitiveness of CEE graduates in the global/European markets. Several progress reports found that the commitment to standards and benchmarks was more rhetorical than real even in ‘core European countries’ (Ertl, 2006). In addition, integrating the European and local themes in

¹⁸⁴ See, for example, the discourses of Iliescu, Romanian President, and Nastase, Romanian Prime-Minister, at the International Symposium on intra-regional relations in education, science, culture and communication, Higher Education in Europe, 26-2, 2001.
history, literature, and geography curricula in Southeastern Europe was a challenge. Beyond technical issues of educational standardization, important philosophical, developmental and governance issues associated with European HE integration continued to be debated by local scholars, policymakers and the public.

Finally, the labor force in Eastern Europe had significantly lower salaries than in Western Europe. A 1992 study showed that hourly labor costs for workers in the Czech Republic and Poland constituted 5 per cent of the German levels (Field, 1995, p.12). Even though salaries increased in the Czech Republic, Poland and other Central European countries where economic reforms were successful, they did not reach Western levels, in fact by some estimates they were only one-fifth of the labor costs of Western Europe (*Europe beckons investors*, 2006). Other CEE countries have even lower standards of living and labor force costs for both workers and well-trained professionals. With Western European countries experiencing high unemployment rates, in March 2004, 15 EU governments restricted the flow of workers from eight of the ten countries that were joining the EU on May 1, 2004, or limited their access to benefits (Rybkova, 2004). That move led to retaliation measures from Hungarian and Polish governments, and increased anti-European sentiments in these nations.

The unequal treatment of the labor force from CEE in the early 2000s inevitably limited labor mobility - a major objective of the European Higher Education Area. This also had much larger political implications, raising questions about the character of democracy and freedom in Western Europe. The drive towards equity and social cohesion was present in all the key statements, declarations and communiqués of the Bologna process issued between 1999 and 2005, but only an equitable partnership between Western and Central and Eastern European counterparts could made the process of European enlargement socially relevant for new members.
By mid 2000s, a key challenge for CEE nations, particularly for non-EU members, was articulating the national voice and being pro-active in promoting their interests. Bureaucratic procedures of project application and money disbursement, insufficient monitoring of joint projects and discriminatory treatment of the labor force from CEE not only inhibited the real European integration of CEE HE systems, but also questioned the nature of European social-democracy itself.

6.5. Conclusions

The neo-liberal discourse of economic reforms and international expertise played a crucial role in formulating and implementing economic and HE reforms in CEE in the 1990s and first half of the 2000s. Early transition was marked by privatization of state ownership and diminishing state involvement in public affairs. Spending for social programs, including education declined dramatically and the private provision of HE was encouraged. The role of international organizations in policy making in CEE evolved from summarizing international policy lessons to providing technical assistance, expertise and funding, establishing benchmarks attached to loans and coordinating systemic changes in HE (such as the Bologna Process). In addition to the proliferation of the neo-liberal paradigm, power dynamics between local governments, HEIs and international organizations left a strong mark on regional policy discourses and HE reforms.

First, new local political and intellectual elites actively sought contacts with IFIs in the early 1990s and took full responsibility for economic and political reforms. As shown in this chapter, market reforms were seen as a panacea for problems inherited from a centrally planned system, while mathematical formulations of the neo-classical economic theory were relatively easy to understand. Local governments lacked expertise in market economics, which often led to
the simplistic application of economic theory to real life. However, over time new elites, educated in the West or in local universities with Western-style programs in economics, started questioning aid principles in the region, and claimed ownership over strategies for reforms.

Second, transition reforms rested on two important pillars: de-statization of economies and democratization of political systems. Along with the neo-liberal character of economic reforms, decentralization of HE governance and de-ideologization of curricula became essential aspects of reforming HE in the first half of 1990s. The development of a private sector in HE was an important factor in opening, democratizing and modernizing HE systems. Based on more flexible governance arrangements private institutions rapidly acquired new knowledge and methods of research and instruction, and helped promote both critical thinking and healthy competition within HE. The support of private non-governmental organizations, especially such as the Soros Foundation, was valuable in terms of providing additional funding and sources of new knowledge for scholars in the region.

Third, by mid 1990s the idea of smaller governments was challenged as the initial enthusiasm of the local population for liberalization reforms began to fade, therefore increasing critical scholarship on transition reforms, changing the attitudes of the international organizations how to handle reforms and increasing the role of the EU in the region. Growing poverty in CEE societies and dissatisfaction with neo-liberal reforms led to rising leftist parties on the political arena and to the formulation of new themes in HE policymaking. Both local governments and international organizations stressed the need to increase funding for HE, improve access to HE for marginalized populations and enhance the quality of HE. The outcome was a symbiosis between macroeconomic policies that promoted increased state control over the process of establishment and the closure of HE institutions through centralized state accreditation systems,
and microeconomic/ institutional policies that relied on neo-liberal foundations and focused on efficiency, benchmarking and public-private partnerships (see for more details in the next two chapters on national case studies in Hungary, Romania and Moldova). While intending to protect students and parents from ‘ghost’ private institutions, accreditation procedures bureaucratized HE systems and increased the power of public institutions.

Fourth, the EU emerged as an important player in HE reforms in CEE by the end of the 1990s. The social-democratic project of European states appealed to CEE governments and shaped the policymaking by increasingly focusing on social reforms. However, I would argue that the underlying motive of institutional HE reforms continued to be market-oriented. The WB, USAID and other international, non-governmental organizations such as the Soros Foundation continued to fund projects related to the modernization of HE within the neo-liberal framework (for instance, *Economics Education Project*). A decade after the transition began, their activity shifted from individual scholars and institutions to working with governments on system-wide projects such as initiation of income-contingent student loan schemes and aligning with European standards of education. The EU itself increasingly promoted neo-liberal discourses of efficiency, standardization and the need to increase competitiveness. The project of European integration of HE within the EHEA stimulated curricula standardization to improve quality of HE and increase labor mobility and international competitiveness of European HE systems. The themes of state accreditation, privatization in HE and buffer bodies became important components of the European project of integration. CEE nations rapidly implemented the requirements for the first undergraduate cycle of university degree; however the major concern was whether development within the Bologna Process indicated real change in the CEE HE systems, accounted for local traditions and promoted their real rather than formal EU integration.
Chapter 7.
Higher Education Reforms in Hungary, Romania and Moldova in 1990-2005:
A Comparative Perspective

7.1. Introduction

While Chapter 6 provided a regional perspective on how transition reforms influenced HE, the objective of Chapter 7 is to start exploring HE reforms in 1990-2005 in three nations: Hungary, Romania and Moldova. This chapter introduces the three national HE systems and focuses on Hungary and Romania (Chapter 8 will discuss Moldovan HE reforms). In section 7.2, I outline structural changes in the HE systems of the three case studies and identify major trends and specific features of HE development in the three nations as well as challenges of international comparisons. I used economic and HE statistical data collected by national governments, the OECD, UNESCO, UNDP and the WB.

Sections 7.3 and 7.4 examine the evolution of HE policy discourse in Hungary and Romania. To locate HE systems in Hungary and Romania in the specific political and economic context of reforms, I compiled several sources of data and information available in the English and Romanian languages. First, I critically analyzed policy and research papers produced by these international organizations. Second, I examined English-language papers and articles on HE reforms in these countries published in international journals, including the on-line journal Transition, well-known in the region for its critical perspective on political, economic and social events. Third, in developing the Romanian case, I consulted several local sources in the Romanian language, such as media articles and interviews with various policy actors, and on-line

185 For instance, the number of WB publications (research and policy papers, staff papers, policy notes, and project appraisal on reforms in various sectors) as counted from WB (n.d.) reached 530 papers on Romania (period 1991-2008), 281- on Hungary (1986-2007) and 277- on Moldova (1992-2007).
web sites dedicated to HE reforms. I also used data from one interview conducted with a Romanian educationalist and from personal correspondence with experts on HE in this country.

Consequently, this chapter provides a more nuanced answer, based on national case studies, to the research question introduced in the previous chapter: How have neo-liberal globalization and European integration impacted current HE structures, governance arrangements and policymaking in Hungary and Romania?

7.2. Structural Changes in Hungarian, Romanian and Moldovan HE in 1990-2005

7.2.1. The Hungarian case. By the mid 2000s Hungary was an upper middle-income country, the wealthiest and the most urbanized of the three countries (Table 7a & Map 5).

Table 7a. Selected comparative data on Hungary, Romania and Moldova, 2005-2006

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Hungary</th>
<th>Romania</th>
<th>Moldova</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population, million (2006)</td>
<td>10.1</td>
<td>21.5</td>
<td>3.6*</td>
</tr>
<tr>
<td>Share of dominant ethnic group, %</td>
<td>Hungarians: 92.3%</td>
<td>Romanians: 91.1%</td>
<td>Moldovans/Moldovans: 78.2%*</td>
</tr>
<tr>
<td>Other ethnic groups</td>
<td>Roma, Romanians, Serbians</td>
<td>Hungarians, Roma</td>
<td>Ukrainians, Russians, Gagauz</td>
</tr>
<tr>
<td>Share of urban population, % (2005)</td>
<td>66</td>
<td>54</td>
<td>47</td>
</tr>
<tr>
<td>GDP per capita, USD/PPP** (2006)</td>
<td>17,887</td>
<td>9,060</td>
<td>2,100</td>
</tr>
<tr>
<td>GDP growth rate, % (2006)</td>
<td>3.9</td>
<td>7.7</td>
<td>4.0</td>
</tr>
<tr>
<td>The first year in the 1990s when GDP started growing</td>
<td>1997</td>
<td>2000</td>
<td>2000</td>
</tr>
<tr>
<td>Adult literacy rates, % (2006)</td>
<td>98.9</td>
<td>97.6</td>
<td>97.5</td>
</tr>
<tr>
<td>Tertiary enrolment (60 regional average), % (2006)</td>
<td>69: m:56; f:82</td>
<td>52: m:46; f:59</td>
<td>39: m:33; f:46</td>
</tr>
</tbody>
</table>


*excludes population in the breakaway region of Transnistria, which explains a large decline in population and an increase in the share of Romanians/Moldovans. According to the last Soviet census Moldovan population was 4.4 million and the share of Moldovans was 64 per cent.

**USD/PPP shows that the value of USD was standardized via parity purchasing power.

In 2006, 66 per cent of the total population lived in cities, and beginning with 1997, the Hungarian economy experienced a steady 3-5 per cent annual rate of growth. Hungarians – the major ethnic group - represented 92.3 per cent of the overall population; among other ethnic groups the Roma population was the largest. According to the 2001 Census, the share of Romani
in the total population was 1.3 per cent, but various estimates ranged from 6 to 10 per cent (see Table 5b in Chapter 5).

Hungary joined NATO in 1999, signed the Bologna constituency agreement on the European Higher Education Area in 1999 and became an EU member in 2004. In the period of time between 1990-91 and 2004-05 the number of tertiary students increased more than 5 times (from 77,000 in 1990 to 279,000 in 2000 to 422,000 in 2004-05) and gross enrolment rates surged from 14 per cent in 1990 to 69 per cent in 2006, exceeding the regional CEE average of 60 per cent (Tables 7a & 7b). Women’s participation was higher than that of men, while HE participation of Roma students lagged far behind the national average. Only 0.24 per cent of the Roma population obtained a degree in HE in 1999, and the drop-out rate of Roma students from secondary schools was extremely high (Benfield & Raffay, 2002, p.577).

| Table 7b. Number of higher education institutions and students, 1990-2000 |
|----------------|------------------|------------------|------------------|------------------|
| Year          | Universities     | Colleges         | Total            |
|               | N of institutions| N of students, thousands | N of institutions| N of students, thousands | N of students, thousands |
| Hungary       |                 |                  |                  |                  |                  |
| 1990-91       | na              | na               | 77               |                  |
| 1995-96       | 30              | 81.4             | 60               | 98.2             | 179.6             |
| 1999-00       | na              | na               |                  |                  | 280               |
| Romania       |                 |                  |                  |                  |                  |
| 1990-91       | 48              | 193*             | na               | 29               | 222               |
| 1995-96       | 95              | 336              | 62               | 55               | 391               |
| 1999-00       | 121             | 453              | 90               | 94               | 547               |
| Moldova       |                 |                  |                  |                  |                  |
| 1990-91       | 8               | 55               | na               | 50               | 105               |
| 1993-94       | na              | 47               | na               | 34               | 81                |
| 1995-96       | 20              | 55               | 51               | 31               | 86                |
| 1999-00       | 49              | 79               | 65               | 25               | 104               |

Source: Data compiled from OECD (2000); (2002); (2000a); Tiron et al (2003); Georgescu & Palade (2003); websites of national Ministries of Education; Hungary: World Education Encyclopedia (2002). * 27,278 private students not included.

Colleges in Hungary were distinct HEIs that provided 3-4 year-long programs both in the Soviet period and in the 1990s. In Romania – college education, otherwise known as short-term university education, was re-established in 1990 and was provided in the 1990s by university colleges. These colleges were part of universities; however, some lyceums called themselves colleges as well. In Moldova, colleges were the former technicums, which enrolled both lyceum (high school) and gymnasium graduates, and were offered by distinct institutions. Sometimes, universities had their own colleges.
The number of college students exceeded the number of university students in 1995-96 and the share of college students in the total number of students was 55 per cent (Table 7b). Total number of HE institutions (HEIs) reached 100 in 1998, but as a result of a merging project, 55 public institutions were transformed into 25 colleges and universities in 2000-2001 and the total number of HEIs diminished to 69 in 2004-05 (Table 7c).

| Table 7c. Number of private and public HE institutions in Hungary, Moldova and Romania, 1999-2005 |
|-------------------------------------------------|----------------|----------------|----------------|
| Public                                         | Private        | Total          |
| Hungary                                        |                |                |
| 1999-2000                                      | 55             | 34             | 89             |
| 2004-2005                                      | 31             | 38             | 69             |
| 2005*                                          | 30             | 41             | 71             |
| Moldova (only universities)                    |                |                |
| 1999-2000                                      | 13             | 15             | 28             |
| 2003-2004                                      | 15             | 26             | 41             |
| 2004-2005                                      | 18             | 41             | 35             |
| Romania (only universities)                    |                |                |
| 1999-2000                                      | 57             | 83             | 140            |


In terms of student capacity, the public sector grew faster than the private sector. The number of students enrolled in private HEIs reached 58,000 students in 2004-05, however only 14 per cent of all students were enrolled in private institutions. By the mid 2000s, the private sector played a larger role in Romania and Moldova (Table 7d).

| Table 7d. Number of students in private and public HEIs in Hungary, Moldova and Romania, 1999-2000 |
|-------------------------------------------------|----------------|----------------|----------------|
| Country                                         | Years          | Public         | Private        | Total          |
|                                                 |                | thous          | %              | thous          | %              |                |
| Hungary                                        | 1999-2000      | 240            | 86%            | 39             | 14%            | 279            |
|                                                 | 2003-2004      | 351            | 86%            | 58             | 14%            | 409            |
|                                                 | 2004-2005      | 364            | 86%            | 58             | 14%            | 422            |
| Moldova                                        | 1999-2000      | 88             | 87%            | 13             | 13%            | 101            |
|                                                 | 2003-2004      | 81             | 78%            | 23             | 22%            | 104            |
|                                                 | 2004-2005      | 94             | 82%            | 21             | 18%            | 115*           |
| Romania**                                      | 1999-2000      | 310            | 70%            | 130            | 30%            | 440            |
|                                                 | 2003-2004      | 477            | 77%            | 144            | 23%            | 621            |
|                                                 | 2004-2005      | 576            | 78%            | 163            | 22%            | 739            |

Source: CEPES (n.d.). * Data provided by the Moldovan Ministry of Education was 117,000 in the case of total number of students and 23,000 for students in private HEIs (Bulat, 2005, p.2). **Data for Romanian enrolments in 1999-2000 seem to include only university students. If compared to other sources (see, e.g., Table 7b), total number of students including college students was 547,000. Most probably beginning with 2001-02 the number of students provided by CEPES included college students given a large increase in the total number of students from 453,000 in 2000-01 to 582,000 in 2001-2002. Data for 2004-2005 was the first year to include doctoral students.
In 2002-03, Hungary spent 21 per cent of its public educational expenditures on tertiary education, half of which covered salaries and 17 per cent - capital investments (Tables 7a & 7e). Salaries continued to be low in absolute terms, while the share of capital investments lagged behind Western European countries (Horobet & Chiritoiu, 2000). Over the period of 2002-2005, the share of public spending for tertiary education decreased from 21 to 11 per cent, but the government spent a relatively high share of public expenditures on education (18 per cent).

Table 7e. Tertiary expenditures in Hungary, Romania and Moldova, share in educational spending and functional structure, 2002-2003

<table>
<thead>
<tr>
<th>Country</th>
<th>Tertiary spending, % of educat. expend.</th>
<th>Tertiary spending, Total in %</th>
<th>Current tertiary expenditures, %</th>
<th>Capital tertiary Expenditures,%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Salaries</td>
<td>Other</td>
<td>Total</td>
</tr>
<tr>
<td>Hungary</td>
<td>21</td>
<td>54.3</td>
<td>28.3</td>
<td>82.7</td>
</tr>
<tr>
<td>Romania</td>
<td>17</td>
<td>48.8</td>
<td>34.5</td>
<td>83.3</td>
</tr>
<tr>
<td>Moldova</td>
<td>11</td>
<td>25.5*</td>
<td>72.4</td>
<td>97.9</td>
</tr>
</tbody>
</table>


7.2.2. The Romanian case. In 2006, Romania was a middle income country and 54 per cent of its population lived in urban areas, lagging behind Hungary but ahead of Moldova in terms of GDP per capita and urbanization level. At the same time, it experienced a larger rate of GDP growth than Hungary in the 2000s, reaching 7.7 per cent in 2006 (Table 7a & Map 12). Also, it was the second largest country in the CEE and sixth largest out of 25 EU nations (Romania in Brief, n.d.). Romanians – the major ethnic group – represented more than 90 per cent of the total population. Romania joined NATO and the EU later than Hungary, in 2003 and 2007 respectively. Along with Hungary and 27 other European nations, Romania was a signatory of the Bologna agreement of HE integration in 1999. The number of HE students more than tripled from 222,000 in 1990 to 739,000 in 2004-05, and HE participation rates increased from 9.7 per cent in 1990 to 52 per cent in 2006 (Tables 7a & 7b). The female participation rate was higher than the male participation rate, while the Roma participation rate, as in the case of Hungary, was much lower than that of other ethnic groups. The university colleges were re-
established in 1990 as part of universities and provided short-term 3-year university education. The number of university colleges grew to 90 institutions in one decade, representing around 15-16 per cent of the total number of students (Table 7b). The number of public universities stayed relatively the same, while the private sector surged in 1999 to 83 institutions or 59 per cent of the total number of institutions, and 30 per cent of the total number of students were enrolled in the private sector (Tables 7c & 7d). However, after 1999 many private universities were closed by the Accreditation Council and the number of universities declined to 62 in 2004-05 (53 per cent of all institutions). In 2002-03, Romania spent 17 per cent of public educational expenditures on tertiary education, of which, similar to Hungary, 83 per cent was spent on current spending and 17 per cent on capital investments (Tables 7a & 7e). By 2005, the share of tertiary spending increased to 23 per cent; however Romania registered the lowest share of GDP among the three nations.

7.2.3. The Moldovan case. In 2006, Moldova - the smallest of the three nations (Map 14) - was a lower-middle income country with a 47 per cent urban population highly concentrated in the capital city Chisinau. Moldovans/Romanians - the major ethnic group – accounted for 78 per cent of the total population, the largest ethnical minorities being Ukrainians, Russians and Gagauz (Table 7a). From 2000 to 2006 the GDP grew by 46 per cent, which did not offset the 60 per cent decline in GDP the country experienced in the period from 1990 to 1999 (Moldova in Brief, n.d.). Moldova lagged behind the other two nations in the European integration project, by joining EHEA in 2005 and acquiring the status of the ‘EU neighbor’ in 2004. As in Hungary and Romania, female HE participation in Moldova was higher than male participation (Table 7a). By the mid 2000s, HE participation of larger ethnic groups corresponded generally to their share in

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187 Close to 1 million out of 3.6 million of Moldovan population lives in Chisinau (Transnistrian population is not included in the total number).
population, while participation of small ethnic groups such as the Roma population was difficult to evaluate both because of the challenge of self-identification and because Roma students were included in a general group classified as ‘other nations’ (see, e.g. Tiron et al., 2003). Soros Foundation Moldova identified the need to increase access of the Roma population in higher education and provided HE scholarships (Interview # 18).

The overall number of HE students declined from 105,000 in 1990-91 to 86,400 in 1995-96, but then increased to 104,000 in 1999-2000 and 115,000 in 2004-2005 (Tables 7b & 7d). The enrolment decline in the first half of the 1990s was unusual and occurred because of a sharp drop in the number of college students from 50,000 in 1990-91 to 20,000 in 1990-2000188. In the same period, the number of university students grew steadily from 55,000 to 80,000 (Table 7b). The number of private HEIs increased at a high pace leading to twice as many private universities in 2001-2002 than public universities: 31 private vs. 14 state universities (Bulat, 2005, p.2). This differed from Hungary where universities were predominantly public, and from Romania, where the number of private and public universities was comparable. The number of students in private universities in Moldova increased as well from 13,000 in 1999 to maximum 23,800 in 2002-2003 (Table 7c; Bulat, 2005, p.2). In the period between 2001 and 2006 the Accreditation Council closed more than half of the private universities and their number plunged from 31 to 14. In the same period (2001 to 2006), the number of students enrolled in private HEIs declined by more than 10 per cent. Spending patterns showed a smaller public contribution to HE than in Hungary and Romania (Tables 7a & 7e). In relative terms as a share of GDP and public spending, Moldova spent more than its neighbors on education and increased tertiary spending from 11 per cent of the education expenditures in 2002-03 to 18 per cent in 2006. However, Moldova had the smallest GDP per capita out of the three nations, spent the least on

188 See for more details on cause of college enrolment decline in Chapter 8.
capital investments in relative terms (only 2 per cent of tertiary spending in 2002-03) and was heavily dependent on revenue from private sources.

7.2.4. Challenges of regional comparative statistical analysis. Comparative and measurement difficulties have always been acknowledged in international HE statistics, but the problem of comparative analysis is exacerbated in the case of transition economies due to the complexity of transition from one economic system to another. The continuity and comparability of data series in CEE in the period of 1990-2005 was seriously undermined by the lack of nationally collected data, frequent changes in statistical indicators, and differences in counting final/total enrolments. HE statistics, especially for 1990-1996, were limited and scattered in both national and international sources and suffered from serious definitional and methodological deficiencies. Academic literature in the English language traditionally engaged the notion of ‘higher education’; international policy documents referred to both ‘higher education’ and ‘postsecondary education’. By the early 2000s, the term ‘tertiary education’ was increasingly used in the OECD, WB, EUROSTAT\(^{189}\) and UNESCO statistical series. While often used as synonyms, differences in enrolments accounted by terms ‘higher education’, ‘postsecondary’ and ‘tertiary’ could be substantial (NCED, n.d.; OECD, n.d.; UNESCO, n.d.). According to the 1997 International Standardized Classification of Education (ISCED-97), ‘tertiary education’ includes academic higher education below doctoral level (ISCED 5a), doctoral level of academic higher education (ISCED 6), but also vocational higher education programs (ISCED 5b) designed to prepare students for the labor market and lasting 2 to 4 years (UNESCO Institute for Statistics, 2002). ‘Higher education’ includes university and college programs, but it does not always

\(^{189}\) Created as the Statistical Office of the European Communities; current status – Directorate-General of the European Comission responsible for data collection and harmonization across EU members.
account for graduate or part-time students. ‘Postsecondary education’ comprises all programs following secondary schools, including trades and apprenticeship.

In the case of CEE, interpretation of numbers that stand behind the term ‘higher education’ requires even more caution, since higher education enrolments do not always include college students. For instance, in Romania, the college sector did not exist in the period 1970-90; in 1990 colleges re-emerged as university colleges and were part of universities. In Moldova, technicum education during the Soviet period was defined as secondary specialized education. As discussed in Chapter 5, the Moldovan HE participation rate was over inflated in international sources because it included technicum students enrolled after the 8th grade of general school. This problem persisted after 1990 as well: technicums were renamed into ‘colleges’; however students enrolled after the 9th grade of gymnasia continued to represent a significant part of their student enrolments. When using international sources on HE enrolments in the three nations in the 1990s, it was not always clear whether they accounted for total HE enrolment or university enrolment, included doctoral students and private enrolments and whether they differentiated between total and full-time enrolments (see notes to Table 7d). As Tomusk (2004), pointed out in the case of Romania:

Data on quantitative expansion of Romanian higher education is far from conclusive. Different sources offer figures that vary greatly. One wonders if any reliable source of statistical data is available, for example, the total number of HE institutions in the country and the students studying in them (p.25).

Measurement inaccuracies of enrolments and different structures of national educational systems made difficult regional comparisons of HE participation and enrolment rates - the eligible school-age population as a percentage of the corresponding age cohort. Defining a common age cohort was always problematic in international comparisons. For instance, during the Soviet period, formal schooling in Hungary, Romania and Moldova started at different age (6
years in Hungary and Romania, and 7 years in Moldova), and the length of elementary and secondary education varied between 10 and 12 years (see Appendices 2, 3, 4 and Chapter 5). In Hungary and Romania, the traditional entrance age into HE was 18 years of age\textsuperscript{190} and university education lasted 4-6 years. In Moldova, the entrance age was 17 in the case of universities and 15 in the case of technicums, and the duration of studies varied from 2.5 years to 6 years.

To reduce inaccuracies of international comparison of tertiary participation rates, the WB and UNESCO built historical data series of gross enrolment rates, in which enrolments were divided to the 5-year age group following on from the secondary school theoretical leaving age\textsuperscript{191}. However, this measure of respective age cohort had limitations as well. Since Hungary and Moldova had 3 to 4-year college institutions, with almost half of the students enrolled in the college sector, comparing total enrolments to a five-year cohort did not accurately reflect participation rates. In Moldova, choosing a relevant age cohort became even more difficult in the 1990s. Parents were allowed to enroll their children in schools at either 6 or 7 years of age. The secondary education was diversified and both 11-year general secondary schools and 12-year lyceum programs functioned at the same time. As a result, the entrance age into universities changed from 17 to 18-19 and the duration of university studies was one-year longer for general school graduates than for lyceum graduates. Because of difficulties to determine the relevant age cohort, UNESCO-CEPES used a university participation indicator which compared enrolments to total population (the number of students per 100,000 inhabitants) rather than to the age cohort. EUROSTAT used several indicators of participation rate such as students in tertiary education aged 20-24 years old as a percentage of the 20-24 year old population and as a percentage of all students in tertiary education (EUROSTAT, 2008).

\textsuperscript{190} Except 1948-1968 in Romania when schooling started at 7 years of age and lasted 11 years.
\textsuperscript{191} See definitions of educational indicators, UNESCO Institute for Statistics (2002).
Comparing HE data of these three nations was also difficult because standardized data series did not always contain information on all three of them. For instance, OECD data series accounted for member states, and only Hungary, of the three nations, is a member of the OECD (OECD StatExtracts, n.d.). At the same time, OECD provided interesting and comparable educational statistics in country reviews of educational policies in Moldova and Romania, however no such review was produced for Hungary. Detailed data on HE participation by gender, programs and types of institutions in Moldova were missing from the UNESCO standardized international data series. Also, EUROSTAT data series does not include Moldova, which is not an EU member. As a result, international/regional comparative data was often compiled from different national sources and did not always provide enough explanations on how the indicators were constructed (see Tables 7c & 7d). To minimize the negative impact of data inconsistency, I used triangulation of analysis by comparing and cross checking the consistency of data derived at different times and from different sources (CEPES-UNESCO, the WB, and National Ministries of Education). Further in the text, I combined insights from both quantitative and qualitative analysis, such as documentary analysis and interviews, and compared what people say in public and what they say in private (for instance, in the case of Moldova I conducted interviews with HE stakeholders and also analyzed public interviews with top university administrators).

Analysis of HE statistics not only helped identifying general trends in HE reforms in Hungary, Romania and Moldova and their national particularities in 1990-2005, but also raised questions about the nature of change in HE systems and pointed to the areas that need in-depth analysis. For instance, statistical analysis showed that all three nations experienced a surge in overall and female participation rates, in the number of students and in the number of private institutions (Table 7a & 7f).
Table 7f. Gross Enrolment Rates (GER) and public expenditures on tertiary education in Hungary, Romania and Moldova

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>14.1</td>
<td>15.4</td>
<td>14.0</td>
<td>20.7</td>
<td>23.6</td>
<td>45</td>
<td>69</td>
</tr>
<tr>
<td>Moldova</td>
<td>29.7**</td>
<td>32.8</td>
<td>35.5</td>
<td>25.3</td>
<td>26.5</td>
<td>32</td>
<td>39</td>
</tr>
<tr>
<td>Romania</td>
<td>12</td>
<td>10</td>
<td>9.7</td>
<td>18.3</td>
<td>22.5</td>
<td>32</td>
<td>52</td>
</tr>
</tbody>
</table>

Share of tertiary public expenditures in total education spending, %

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>20.8</td>
<td>16.9</td>
<td>15.2</td>
<td>18.3</td>
<td>20.0</td>
<td>21.0</td>
<td>10.9</td>
</tr>
<tr>
<td>Romania</td>
<td>na</td>
<td>na</td>
<td>9.6</td>
<td>17.3</td>
<td>na</td>
<td>17.0</td>
<td>23</td>
</tr>
<tr>
<td>Moldova</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>11.0</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: WB, 1999 a, 1999 b; * UNESCO (n.d.). ** as mentioned in the text above information on enrolments rates should be used with caution; *** includes technicum students.

If compared with other developed HE systems, gross enrolments rate (GER) in Hungary reached 69 per cent in 2006, closely approaching the regional North American and Western European level of 70 per cent and exceeding participation rates in several Western European nations such as the UK (59 per cent) and France (56 per cent) (Table 7g). Romanian enrolment rates of 52 per cent in 2006 did not reach even the CEE regional level of 60 per cent, while Moldovan enrolment rates of 39 per cent lagged behind.

Table 7g. Participation rates and tertiary spending in selected industrialized nations, 2006

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP per capita, USD/PPP</th>
<th>Gross Enrolments Rates, %</th>
<th>Tertiary spending, as % of total spending on education</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>41,890</td>
<td>82</td>
<td>na</td>
</tr>
<tr>
<td>Norway</td>
<td>41,420</td>
<td>78</td>
<td>33</td>
</tr>
<tr>
<td>UK</td>
<td>33,238</td>
<td>59</td>
<td>23</td>
</tr>
<tr>
<td>France</td>
<td>30,386</td>
<td>56</td>
<td>21</td>
</tr>
<tr>
<td>Italy</td>
<td>28,529</td>
<td>67</td>
<td>17</td>
</tr>
<tr>
<td>Average North America &amp; Western Europe</td>
<td>30,386</td>
<td>56</td>
<td>21</td>
</tr>
</tbody>
</table>


However, the sharp increase in participation rates challenged the capacity of HE systems to expand and to provide equitable access to a high quality HE. As in the industrialized nations, HE massification in CEE was accompanied by diminishing per-capita funding and deteriorating quality of HE. High unemployment of HE graduates also came under public scrutiny, since
increased HE participation rates were not always matched by similar growth and diversification of jobs and occupations. The exceptional expansion of HE in CEE took place in a very short period of time, while the decline in funding was dramatic. For instance, while participation rates, measured as GER, in Norway almost doubled from 1990 to 2006 (from 42 to 78 per cent), in Hungary and Romania the growth was almost six fold\textsuperscript{192}. The share of public spending for tertiary education in all three nation cases was lower or comparable with most Western European nations, however HE spending in absolute terms in Hungary, Romania and Moldova lagged behind Western nations with high levels of GDP per capita in USD (41,000 in USA, 41,000 in Norway, 33,000 in Canada and UK, 30,000 in France and 28,000 in Italy versus 18,000 in Hungary, 9,000 in Romania and 2,000 in Moldova) (Tables 7a, 7f & 7g). Finally, demographic indicators question the future sustainability of enrolment expansion. All three nations were estimated to experience a negative population growth rate in 2008, which was the trend during the 1990s as well (Table 7h).

### Table 7h. Demographic indicators, Hungary, Romania, Moldova, 2008 estimate

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Hungary</th>
<th>Romania</th>
<th>Moldova</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birth rate, births per 1,000 population</td>
<td>9.59</td>
<td>10.61</td>
<td>11.02</td>
</tr>
<tr>
<td>Death rate, deaths per 1,000 population</td>
<td>12.99</td>
<td>11.84</td>
<td>10.8</td>
</tr>
<tr>
<td>Net migration rate, migrants per 1,000 population</td>
<td>+0.86</td>
<td>-0.13</td>
<td>-1.13</td>
</tr>
<tr>
<td>Fertility rates, births per woman</td>
<td>1.34</td>
<td>1.38</td>
<td>1.26</td>
</tr>
<tr>
<td>Population growth rate, %</td>
<td>-0.254</td>
<td>-0.136</td>
<td>-0.092*</td>
</tr>
<tr>
<td>Age structure:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-14 years, % in the total population</td>
<td>15.2</td>
<td>15.6</td>
<td>16.3</td>
</tr>
<tr>
<td>15-65 years, % in the total population</td>
<td>69.3</td>
<td>69.7</td>
<td>72.8</td>
</tr>
<tr>
<td>65 and over, % in the total population</td>
<td>15.6</td>
<td>14.7</td>
<td>10.9</td>
</tr>
<tr>
<td>Life expectancy at birth</td>
<td>73.2</td>
<td>72.2</td>
<td>70.5</td>
</tr>
</tbody>
</table>

Source: CIA (n.d.)

They have been facing ageing of their population and declining shares of youth under 14 years of age. Hungary in this respect had the lowest population growth rate, the smallest share of children (0-14 years of age) and the largest share of old people (65 and over).

\textsuperscript{192} These calculations are based on WB, 1999 a; 1999 b.
An analysis of available data revealed several particularities of HE development in each nation case in the period 1990-2005. Moldova and Romania, for instance, experienced a higher rate of growth of private universities than Hungary. The share of college students within the total number of HE students was much higher in Hungary than in Moldova and Romania (Table 7b). In Moldova, the number of college students declined sharply by the mid 1990s, while in Romania the college sector was reestablished in 1990 and the number of students increased. The number of students in private HEIs increased in all countries, but their share of the total number of students remained modest in Hungary in 2004-05 (14 per cent), and increased in Moldova from 13 per cent in 1999 to 23 per cent in 2004-05 (Table 7d). The data on private enrolments in Romania was inconsistent in the 1990s (see note to Table 7d), but in 2004-05 the share of students in private HEIs was 22 per cent and was comparable to Moldovan data. To find out what policies underscored these differences, I conducted a documentary analysis of available materials and contextualized HE reforms within economic and political developments, and I review my findings from this analysis in the next two sections.

7.3. The Evolution of HE Policy Discourse in Hungary

7.3.1. Hungary: a coordinated political transition. Kovacs (2003) argued that Hungarian transition in the early 1990s was:

…revolutionary in content but not in modality…Caution, daring and the mutual willingness to compromise led to co-operation between the political forces within and outside institutionalized authority and prevented the collapse of political coordination (p.76).

The new Constitution adopted in October 1989 established a presidential republic with a strong premiership as a form of government. The 1989 Suffrage Act elaborated on the voting procedures and new political actors began shaping the policymaking in Hungary: the Parliament,
political parties elected in the Parliament every four years, the President and the Premier. The President became the head of state elected by Parliament every five years, and the Premier - the head of the executive elected among the members of the Parliament upon the President’s recommendation. A coalition of parties that came to power in 1990 had Christian and national orientation, and enjoyed the full support of the population (Table 7i).

Table 7i. Results of parliamentary elections in Hungary, 1990-2006

<table>
<thead>
<tr>
<th>Electoral period</th>
<th>Winning party/coalition</th>
<th>Prime-Minister &amp; party affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-1994</td>
<td>Christian-Conservative coalition led by Hungarian Democratic Forum (MDF)</td>
<td>Joseph Antall &amp; Peter Boross (MDF)</td>
</tr>
<tr>
<td>1998-2002</td>
<td>Conservative coalition between Hungarian Civic Union (FIDESZ) &amp; Hungarian Democratic Forum (MDF)</td>
<td>Viktor Orban (FIDESZ)</td>
</tr>
<tr>
<td>2002-2006</td>
<td>Socialist-Liberal coalition between MSZP &amp; SZDSZ</td>
<td>Peter Medgyessy &amp; Ferenc Gyurcsany (MSZP)</td>
</tr>
<tr>
<td>2006 -</td>
<td>Socialist-Liberal coalition between MSZP &amp; SZDSZ</td>
<td>Ferenc Gyurcsany (MSZP)</td>
</tr>
</tbody>
</table>

Source: CIA (n.d.), Parties and Elections in Europe (n.d.)

In the economic domain, the governing coalition followed the neo-liberal discourse, and continued reforms started earlier in the 1980s, which tightened budget spending, diminished the state intervention in the economy, allowed privatization and expanded the operation of labor and capital markets (Balassa, 1986; Nagayoka & Atyas, 1990; WB, 1993; Appendix 9). By 1992, 60-70 per cent of retail prices were liberalized, and there were 14,000 state enterprises, but 103,000 private enterprises in retail and services (WB, 1993, p.48).

In education, tensions ran high between conservative, liberal and socialist values, private HE institutions and church groups, local and central powers. According to Kovacs (2003), conservative parties tried to promote compulsory confessional education, but failed to do so. Election results data suggested that resistance was strong (Parties and Elections in Europe, n.d.). While conservative parties held slightly more than half of the Parliamentary seats in 1990-94, the liberals represented a significant counterforce with the Alliance of Free Democrats holding almost one quarter of the Parliamentary seats and the country’s president being a liberal as well.
In addition, the Socialist Party, a partial successor of the former Hungarian Socialist Worker’s Party, managed to hold 8.5 per cent of Parliamentary seats. At the same time, public consensus had been achieved in terms of the need to decentralize and depoliticize the system. HE was seen as an important determinant of labor market status and also as a way to provide intellectual and professional leadership and skills for market economies.

The *1985 Education Act*, additional acts in the 1990s and the 1993 *Higher Education Act* recognized the right of Churches to provide education, allowed the creation of the private sector, liberalized curricula, and diminished the compulsory number of years of schooling from 10 to 8 years (WB, 1993; 1998). Educational institutions that belonged to Churches before WWII were returned to them in 1990 (Benfield & Raffay, 2002, p.573). The HE system remained binary with non-university institutions or colleges (*foiscola*), and university-level liberal arts universities or specialized institutions (*egyetem*). However, structural reforms had been implemented to diversify both secondary and higher education in terms of types of schools, programs and owners. Before the 1990s only 25 per cent of primary school graduates were enrolled in gymnasiums, and 40-50 per cent of gymnasium graduates followed to universities (WB, 1993, p.21). To improve access to university education and strengthen secondary education, formerly 8-year general education schools followed by 3-4 years of secondary schools were replaced by 6 or 4-year primary schools, 6 or 8-year secondary schools and mixed-type schools that offered both general and vocational education (Kovacs, 2003; EURYDICE, 2000; Appendix 2). During this first stage of reforms – 1989-1994 - enrolment in the social science and humanities surged from 4 per cent of total student enrolment to 25 per cent, while enrolments in engineering declined from 30 per cent to 14 per cent (Laporte & Ringold, 1997, p. 19). In the same period, private enrolments
reached 10 per cent of the total, and as shown in Table 7d above, they continued to be low in Hungary until the mid 2000s, and were concentrated in denominational colleges.\textsuperscript{193}

Within a new HE governance system, HEIs fall under the authority of one ministry - the Ministry of Education and Culture\textsuperscript{194} - and several autonomous bodies were created to advise the Ministry of Education and Culture such as the Higher Education and Research Council and the Student and Tuition Fund. The Hungarian Accreditation Council had already been established in 1993 to review post-graduate programs, establish and recognize new HEIs, examine curricula and the quality of academic staff, and accredit existent institutions every 8 years (WB, 1998, Appendix 1). The role of the Ministry in defining the content of curricula was limited. Universities were allowed to determine the number and type of admissions, nominate professors, who were then confirmed by the government, and elect their rectors, who were then appointed by the national president\textsuperscript{195} (WB, 1998). Along with the Academy of Sciences, universities received the right to grant scientific degrees. The Soviet degree system was replaced with a 4-6-year university degree equivalent to a Master degree at the end and a 3-year PhD degree (instead of the previous 3 types of scientific degrees).

\textbf{7.3.2. Reforms in the second half of the 1990s.} By the mid 1990s, as Kovacs (2003) pointed out, it became clear that structural and legislative initiatives and system expansion had to be complemented with qualitative and content transformations, and that modernization became a stringent task. Modernization meant curricula reforms, computerization of education, and reorientation from outdated socialist methods of instruction based on memorization to active and

\textsuperscript{193} By 2000, there were 26 denominational HEIs most of them sponsored by the dominant Catholic Church. In 2005, there were 7 non-state universities and among them only one laic – Central European University (CEU) funded by Soros. Out of 34 non-state colleges few were training in business, economics and international relations, while the majority remained theological (Act of 2005 on HE, 2008, Appendix 1).

\textsuperscript{194} In the 1980s, HEIs were under the jurisdiction of five ministries.

\textsuperscript{195} Rectors were elected by the vote of 60 per cent of the staff and students representatives (25 to 33 students in various institutions).
interactive methods that would stimulate students’ creativity. However, a radical overhaul of the system in the second half of the 1990s was impeded by several factors.

First, the HE system remained plagued by structural rigidities such as a high degree of specialization, institutional fragmentation and the fact that professors were frequently employed by multiple institutions. Enrolments in such fields as medicine, agriculture and engineering increased but the employment prospects in this field were low. Out of 100 HEIs, half had less than 500 students, and only 3 HEIs had more than 2500 students (WB, 1998, p.4). Social science departments, due to the significant increase in enrolments at both private and public HEIs, experienced a shortage of professors:

Many professors and lecturers hold positions in two or three institutions concurrently and many of them travel around the country every week. The institutions thus share the available human resources, and none of them can establish outstanding departments with high quality scholars (Derenyi, 1997, p.35).

Second, the boundaries of institutional autonomy were not well defined. For instance, the 1993 Act on HE did not mention institutional autonomy. In the light of democratization reforms in early 1990s, institutions received independence in academic issues but not in financial issues. The funding system penalized institutions for having non-budgeted revenues by automatically decreasing public funding (Derenyi, 1997). As a result, a lot of institutional resources were hidden by HEIs and generated ‘underground’ or informal activities. Because these activities went unrecorded, the surplus revenues were not reinvested in modernization but were spread around in wage payments.

The third barrier to reforming HE was the complex system of state governance including a variety of new agencies. Not only were the functions of these new institutions not always clear, but also the interests of various actors clashed when it came to influencing the policy process in HE. According to Derenyi (1997) this increased the degree of lobbying activity of HE actors:
The way different decisions have been made is almost identical: preparatory committees of experts and representatives of the main actors of the HE sector were established to consider proposals. They prepared documents which served as a basis for governmental bodies to discuss final decisions. Of course, governmental bodies often substantially changed the common points; therefore the governing political parties have become a target of lobbies. For this reason, the transition of HE has been impregnated with political debates and actions, and the ultimate decisions were based on political points rather than professional considerations, a fact which had brought a great deal of frustration (p.31).

Further, Derenyi (1997) brought several examples of favoritism in HE policymaking such as introducing tuition fees with no student financial assistance in place, delaying the introduction of normative funding because larger HEIs opposed it, and authorizing certain private institutions without accreditation. He also identified several groups of powerful policy coalitions/networks in HE, which represented interests of university rectors, college directors, civil servants, buffer bodies, the Hungarian Academy of Sciences and the Ministry of Culture and Public Education.

The fourth impediment to reforms was imperfect internal governance structures. Several scholars, such as Derenyi (1997), Barkopnyi (2001) and Hrubos (2000), have identified major problems inherent to the system of institutional governance in the second half of the 1990s. The system of rector election was flawed since the rector could have been elected only as a result of numerous compromises limiting the rectors’ capacity to implement radical reforms. A four-year term of the rector and his/her team was not enough to ensure continuity of reforms. New managerial knowledge and skills were required to manage complex knowledge-based organizations such as universities, but “the creation of modern institutional management is progressing slowly, and specialists specifically trained for this sector are rare” (Hrubos, 2000, p.9). Barkopnyi (2001) also critiqued a hierarchical Humboldtian principle of management in Hungarian universities. A multi-staged hierarchy (rector-faculty-institute-department-chair-professor) led to the existence of numerous departments with few academics.
And finally, fiscal deficits were a considerable constraint in promoting the modernization agenda in HE. Real expenditures for education increased in Hungary by 7 per cent between 1990 and 1994, an unusual trend for the region where real expenditures generally declined. However, this increase was accompanied by a decline in GDP, high inflation and increasing public deficit – the annual inflation in 1990-94 was 30 per cent on average, while budget deficit reached 8.2 per cent of GDP in 1994 (Appendix 10).

In 1994, the Socialist Party won elections and formed a very unusual coalition with a libertarian party – the Alliance of Free Democrats (which proved to be however longstanding and lasted until 2008). The 1995 financial crisis hit the education sector hard with currency devaluation, school closures, teacher firings, and a decline in public HE funding. For instance, salary allocations decreased by 20 per cent and lay-offs hit HE personnel (Szilagyi, 1996; WB, 1998). The economic crisis played a huge role in educational discourse in Hungary in 1995-2000. The Socialist-Liberal coalition implemented in 1995-96 several neo-liberal austerity measures such as cutting back funding for health care, education and social insurance, liberalized prices and pursued privatization (Appendix 9). On the other hand, the socialist-liberal government increased its involvement in HE system design and quality assurance through several amendments to the 1993 HE Law. In 1996, to ensure a tighter control over quality in HE, the Accreditation Council began reporting to the Parliament rather than the Ministry of Education. 1996 Amendments to the Higher Education Law also defined the degree system, which included a 3-4 years undergraduate degree, 3-year doctoral programs (Ph.D.), and 2-year programs of specialized post-graduate degrees.

The conservative government led by the Alliance of Free Democrats that won elections in 1998 (Table 7i) supported the trend of increased state control over quality, but also increasingly
debated whether tax revenues were an equitable way to fund HE. One argument was that that less than one fifth of the population benefited from HE and since private returns to HE were high, beneficiaries of HE had to pay as well. That resembled very much the debates on equity in HE in UK, for instance, when it introduced tuition fees in 1998 (Jones et al., 2008).

The 1998 HE reform project, funded by a $150 million WB loan and $100 million governmental funding, advocated the need to adjust to market economies and facilitate access to EU, but also increasingly stressed the need to increase efficiency, private funding, and improve quality (WB, 1998; Hrubos, 2000). Post-secondary vocational training and HE were integrated, a series of institutional mergers began, and funding changed towards introducing student loans, attracting private funding, and rationalizing staff/student ratios. In terms of governance, rectors were to be elected by the University Senate rather than by staff for 4-year terms and were subject to governmental approval. At the same time, a second consecutive term was allowed to improve the long-term sustainability of HE institutional policies.

The most controversial component of the WB project and HE reforms in 1997-98 was merging small institutions and creating regional networks of institutions. Based on the Soviet model, a number of specialized HEIs were established in the 1960-70s making the HE system costly and inefficient. The amalgamation of HEIs was expected to reduce public costs, as well as create regional centers of educational excellence to stimulate regional development. Given that major universities were concentrated in Budapest, integrated university centers in cities such as Debrecen, Szeged and Pecs were expected to increase regional access to high quality HE. For instance, the University of Debrecen was created by merging four small institutions, and designed to have 1,600 full-time faculty members and 14,000 students (Benfield & Raffay, 2002). However, cost reductions and lay-offs in a context where Hungarian professors already
had low salaries, and the loss of autonomy for many HEIs generated resistance from both individuals and HE institutions (Tomusk, 2004; Benfield & Raffay, 2002). This resistance slowed down the process of mergers and stopped the second wave of lay-offs; however, as pointed by Tomusk (2004), the total amount of funding of $150 million was too attractive for institutions to completely reject the project:

> So, the controversy was created: on the one hand universities agreed with the conditions imposed upon them, but on the other hand worked against them using other, indirect channels, including political ones, in order to reduce the perceived negative consequences…Seeing consultants staying for weeks and months in the most expensive hotels in Budapest and reaping consultancy fees outrageous in comparison with local faculty pay-scale created additional tension around the project (p. 177).

The clash between local academia and the WB resulted in closing the project following the 1998 elections; however the process of negotiating the reversal of a WB loan proved to be painful, long and expensive, and the number of state HEIs was reduced to 18 universities and 12 colleges in 2005 (Act of 2005 on HE, 2008)

**7.3.3. The European integration and challenges in HE reforms in the 2000s.** In the 2000s, the discourse of reforms, including in HE, continued to represent a mixture of neo-liberal strategies and state-involvement policies and were promoted by conservatives (until 2002 elections) and by socialists (after 2002) (Table 7i). Despite the growing division within the Hungarian society by the end of 1990s between socialist/liberal and conservative parties, these parties endorsed the European integration project and their political, social and economic programs were not very different:

> …both the conservatives and the liberals spoke in support of decreasing the tax burden. Socialists concentrated their attention on the improvement of professional education, and the right-wing conservative did not object them, too. At the same time they actively voiced the average socialist-style demands to bring down the prices for electricity and medicines and change the level of minimum wages. For many years already the party of Hungarian socialists is headed by people with no connection with the proletarian environment [prime-
minister Medgyessy, a former banker, was replaced by the millionaire Gyurcsany] (Araloff, 2006, p.1).

The overlapping ideological agendas of the major parties and the stable character of the presidency (Table 7g) facilitated continuity in HE policymaking, which incorporated both market mechanisms and governmental regulation in HE. Reliance on private tuition and business activities of HEIs as additional revenue sources increased, but also a larger degree of state regulation in quality assurance and funding was promoted.

<table>
<thead>
<tr>
<th>Length of the presidency</th>
<th>President</th>
<th>Party Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-2000</td>
<td>Arpad Goncz</td>
<td>Alliance of Free Democrats (SZDSZ)</td>
</tr>
<tr>
<td>2000-2005</td>
<td>Ferenc Mall</td>
<td>Non-partisan</td>
</tr>
<tr>
<td>2005 - incumbent</td>
<td>Laszlo Solyom</td>
<td>Non-partisan</td>
</tr>
</tbody>
</table>

In the debate on the strategy of HE development in the 2000s, two major parties – conservative and socialist – engaged with the discourses of European integration, efficiency, cost reduction and standardization (Benfield & Raffay, 2002; Hrubos, 2000). The Hungarian government argued that the expansion of HE in the 1990s had resulted in public spending boosts at a world-wide scale and it acknowledged that increasing funding would be required to sustain these efforts. Budgetary resources were preferred to the privatization of HE:

The assurance of the operation [of further HE expansion] can be carried out in several ways. One of these ways is to shut off the financial resources intended for development and introduce tuition, in other words to make HE market oriented. Under present conditions the formulators of the aims of the Development Program of HE consider that putting into practice of this idea would be a professional mistake and damaging to society (The Future University, 2002).

However, despite this rhetoric of public provision, insufficient public funding increased the importance of private funding. Under the new 2005 HE Act, the state allowed HEIs to open businesses, introducing at the same time certain conditions to prevent institutional deficits (for

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196 According to statistical data examined at the beginning of this chapter, the share of public tertiary spending in total educational spending was cut in two in the first half of 2000s.
instance, only ventures expected to be profitable in three years were allowed). State agencies continued to play a decisive role in institutional accreditation and increased the number of years of compulsory schooling from 8 to 10 years. The political elite acknowledged that the structural transformation of universities (mergers and the creation of excellence centers) was only the foundation for the development and renewal of universities and colleges, and that along with large universities there should be a place for specialized, smaller institutions. The increase in admission capacity improved access, but the rising costs of attending HE also introduced social inequities (Hrubos, 2000). Hungary followed the example of New Zealand and Australia and introduced income-contingent loans in 2001 with a repayment period of 15-20 years and repayments proportional to income at a rate of 5-6 per cent of the personal income. The Social Grant System of HE was set up to provide subsidies for underprivileged students beginning with the last term of secondary education.

Within the project of European HE integration197, Hungary actively participated in EU exchange programs such as Socrates and Leonardo da Vinci and in the consolidation of EHEA. The new HE degree structure (3-year undergraduate programs, 2-year master degree and 3-year doctorates) was adopted in December 2004 and implemented by the 2006-07 academic year. The European Credit Transfer System (ECTS) was adopted in November 2003, and introduced in 2003-2004, and the standardized diploma supplements had been issued by HEIs since July 2003. As in other European nations, the new 2005 HE Act endorsed the discourses of HE standardization and integration within EHEA to increase Hungarian international competitiveness. Management reforms were expected to ensure “businesslike, effective and efficient execution of tasks” (Act of 2005 on HE, 2008, p.25) The Act clearly stated the quotas

197 Hungary joined EU in 2004, however the process of EU integration started with Hungarian associate membership in the EU granted in 1994, after which it had to fulfill several requirements to confirm to EU educational standards.
for state funded students\textsuperscript{198} and established Financial Boards within HEIs. The board was placed under the leadership of the rector, included representatives of the Senate and Ministry of Education, and had to invite representatives of State Treasury to participate in its sessions. This separated the functions of the Senate (responsible for academic issues) and Financial Board (responsible for funding issues), and introduced more state regulation in the funding process.

The law took steps to dissolve the binary HE system. With the transition to the new European degree structure (3+2+3) in early 2000s, the unclear status of colleges was a major issue of concern for college administrators in European nations that had binary systems of HE (Finland, Germany, Belgium, etc.). According to the new Hungarian law, colleges continued to exist, however the difference between the two types of institutions was diminished. They were allowed, along with universities, to offer undergraduate, graduate and doctoral studies. Universities had to offer graduate courses at least in two fields of training, offer and confer doctorates in at least one scientific field, and at least one third of its academic personnel and researchers had to have scientific degrees (\textit{Act of 2005 on HE}, 2008)\textsuperscript{199}.

Though the Bologna process was fully under way in Hungary by 2005, HE practitioners, students and civil society, like neighboring CEE nations, voiced concerns about the proliferation of pedagogical practices dating to pre-transition times, as well as increasing private costs and insufficient public spending for HE. For instance, cutting budgets for admission exams led to leaking exam questions and answers before the examination in 2005 (Szakacs, 2005). A WB comparative analysis of HE autonomy in selected Central European nations showed that Hungarian universities had quite significant autonomy in academic appointments, in setting

\textsuperscript{198} The number of state funded Master degree students should not exceed 35 per cent of the newly admitted students in the 3\textsuperscript{rd} undergraduate year (leading to a Bachelor degree), and the number of state-funded doctoral students – 10 per cent of the graduating Master class.

\textsuperscript{199} Similar trend took place in Ontario, Canada, which in the 1960s designed a binary HE system. In 2000, colleges were allowed to provide degree programs up to 15 per cent of the total number of degrees (Jones et al., 2008).
salaries, and tuition fees, but limited autonomy in controlling their assets, in borrowing funds and determining the size of enrolment (Canning, Godfrey, & Holzer-Zelazewska, 2007). In 2006 and 2007 Hungarian economy suffered from stagflation - low economic growth of barely 2 per cent and growing inflation - and high unemployment and budget deficit (Cardais, 2008a). These problems, as well as the 2006 riots in Budapest, located HE reforms by mid 2000s into a broader regional social and economic context characterized by reform fatigue, political radicalization, and unstable governments200 (Mungiu-Pippidi, 2007; Szlanco, 2008). The regional context of developments in HE in the mid 2000s was also influenced by negative demographic situation (Table 7g). An aging population, diminishing birth rates and a prognosis of diminishing enrolments were serious concerns for all European nations. However, CEE nations were expected to suffer the most; with low birthrates and increased institutional competition for the brightest students, many youngsters from CEE could leave to study in renowned Western European universities (Mizikaci & Baumgartl, 2007; Klemencic & Fried, 2007).

7.4. The Evolution of HE Policy Discourse in Romania

7.4.1. Romania: the case of radical political change and mixed economic reforms. The Romanian transition was characterized by several features. First, while most CEE nations, including the USSR, promoted social change after 1985, Communist rule in Romania was sustained until the end of the 1980s. The change began abruptly and violently. Popular riots in December 1989 ended with Ceausescu’s deposing and execution and with the establishment of

200 Riots in 2006 followed the political scandal when the Socialist Premier Gyurcsany tried to hide from the public the amount of real budget deficit. The political and economic instability further escalated during the recession in 2008-09: when Ferenc Gyurcsany resigned, GDP fell by 6 per cent and the country was close to receive an IMF bail-out (the fact that 60% of all private-sector lending was in foreign currency made the country’s finances vulnerable) (The whiff of contagion, 2009, pp.27-29). “Hungary remains hobbled by corruption (a cozy cartel, especially in local governments, slices up European Union funds, a heavy burden of debt and a black economy that may account for one-fifth of GDP” (Gyurcsany goes, 2009, p.63)
the National Salvation Front, which was composed of former second and third tier communist nomenklatura. In 1990 a former communist official, Ion Iliescu, headed the National Salvation Front\textsuperscript{201}, and in 1992 he became the President of the country (Table 7k).

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|c|}
\hline
Electoral period & Ruling party* / coalition & President & Prime-minister \\
\hline
1990-1992 & National Salvation Front (NSF) & Ion Iliescu (NSF) & Petre Roman (NSF); Theodor Stolojan (non-party) \\
\hline
1992-1996 & Center-left coalition led by Social Democratic Party (PSD) & Ion Iliescu (PSD) & Nicolae Vacaroiu (non-party, PSD) \\
\hline
1996-2000 & Centre-right, liberal coalition led by Democratic Convention of Romania (CDR) & Emil Constantinescu (CDR) & Victor Ciorbea, Radu Vasile (CDR); Mugur Isarescu (non-party) \\
\hline
2000-2004 & Center-left coalition led by PSD & Ion Iliescu (PSD) & Adrian Nastase (PSD) \\
\hline
2004 - & Centre-right, conservative coalition led by National Liberal Party (PNL) & Traian Basescu (Dem.-Liberal Party PDL**) & Calin Popescu-Tariceanu (PNL) \\
\hline
\end{tabular}
\caption{Results of parliamentary elections in Romania, 1990-2006}
\end{table}

Source: CIA (n.d.), Parties and Elections in Europe (n.d.). * Most recent name of the party is used. ** Since 2007 PDL has been in opposition.

The second feature of the Romanian transition was the long and painful process of political consolidation given the nature of the previous authoritarian government, the type of new political arrangement and the endemic corruption in the public sector. According to the Constitution adopted in 1991, Romania became a parliamentary democracy, in which power was divided among the bicameral Parliament which represented major parties in the country, the President, the head of state elected by universal vote, and the Prime-minister, the head of the executive branch appointed by the President with Parliamentary approval. Parties and coalitions emerged and disappeared and their names and ideologies changed frequently\textsuperscript{202}. As in Hungary, political coalitions often included parties with different ideological orientations. For instance, in 1994-96, 2000-2004 and after 2004, the Social Democratic Party led coalitions which included

\textsuperscript{201} In February 1993 Iliescu became the president of the Provisional National Unity Council.

\textsuperscript{202} Democratic Party, for instance, one of the major party which emerged after the dissolution National Salvation Front in 1992-93, became a Liberal Democratic Party in 2008 shifting from social democracy to centrist and greater conservatism after 2004 parliamentary elections. Democratic Convention of Romania – a Christian Democratic Alliance - held 20% and 30% of the Parliamentary seats in the 1992 and 1996 elections but did not get elected in 2000. National Liberal Party had modest or no representation in Parliamentary election between 1990 and 2000; however became the second-largest faction in 2004 election. Social Democratic Party (PSD) governed the country in 1990, 1992, 2000 election, but was in opposition after 1996 and 2004 election.
right-wing conservative parties. While blurring left-right divisions was a characteristic of transition in the entire region, in the Romanian semi-presidential political system the balance of power grew particularly precarious after the 2004 elections when all three centers of power were represented by different parties (Table 7k).

Inconsistent economic performance was the third characteristic of Romanian transition. The Romanian economy in the 1990s-2000s resembled a rollercoaster, experiencing a large decline in the early transition period, a modest increase between 1993-96, and then again a decline in the 1997-99 period and a growth after 2000. According to the 1995 Education Act, Parliament set educational policy; while the sector was coordinated by the Ministry of Education and Research (MER)\textsuperscript{203}. Frequent changes of major policy actors, including the minister of education, and a complex economic situation affected the continuity and sustainability of HE reforms. For instance, radical, but also chaotic liberalization reforms in the early 1990s led to the disintegration of the earlier economic system, a sharp fall in GDP (by 33 per cent in 1989-93), a surge in inflation (to 200 per cent in 1992 and 296 per cent in 1993) and an increase in unemployment (to 10 per cent of the labor force in 1993) (WB, 1996a, p.1; Appendices 9 & 10). Public expenditures on HE were 39 per cent lower in 1994-95 than in 1989-90, while per student funding decreased by 60 per cent in the same period (WB, 1996a, p.8). State withdrawal from the direct regulation and management of HEIs in the early transition period, as discussed in Chapter 6, was a characteristic feature of transition around the region, leading to increased institutional competitiveness and innovation. According to Reisz (1997), \textit{laissez faire} policies in Romanian HE in 1990-92, gave universities a real, though not legally protected autonomy. As in other countries in CEE, the democratization agenda of early transition reforms stimulated curricula de-

\textsuperscript{203} MER was created in 1992 after the amalgamation of the Ministry of Education and Ministry of Research and Technology).
ideologization, governance de-politicization, and diversification of secondary and higher education to increase HE participation (Korka & Nicolescu, 2007). Romania, however, faced huge challenges in improving access to HE since it had the most elite academic secondary education and lowest HE participation in the region before the 1989 revolution. Only 8 per cent of secondary students were enrolled in academic lyceums (OECD, 2003, p.318), while “…the doctorate system was highly elitist and served as a mechanism of academic and political promotion and power influence by the communist party” (Interview # 21).

Structural changes in the early 1990s involved a renewed attention towards lyceums at the secondary level; the development of the binary HE system by re-establishing colleges and the establishment of private HEIs (Appendix 3). In 1990, the legal foundation for the development of a private sector was created, and the number of private institutions, especially training lawyers and economists, surged and remained virtually unregulated for several years. Several types of HE institutions that had been eliminated during Ceausescu’s time were re-established, such as schools of education, sociology and psychology, and the Institute of Educational Sciences. University colleges provided short-term HE and were created within universities. In the academic year 1990-91, 29 thousand students enrolled in university colleges (Table 7b). Public institutions were allowed to charge fees, including entrance exams fees, repeated course work fees and tuition fees for foreign citizens in 1990. In 1993-95, the Ministry of Education and Research allowed public universities to enroll tuition-fee-paying students beyond the state funded quota, which generated a strong negative response from student organizations (WB, 1996a; Reisz, 1997). Institutional and program diversification resulted, like everywhere in CEE, in increasing numbers of HE students and in the changing distribution of students by fields of study. The share of secondary school graduates admitted to HE increased from 10 per cent in
1989 to 59 per cent in 1994; engineering enrolment fell from 65 per cent of the total in 1989 to 31 per cent in 1994, while enrolment in social sciences surged from 9 to 31 per cent and in economics from 9 to 20 per cent (WB, 1996a, p.5). The number of years of compulsory education was decreased from 10 to 8 years and included a 4-year primary school and a 4-year gymnasium.

Language and ethnic politics in education were inconsistent. On the one hand, education in the Romani language for the Roma people was allowed for the first time in history in 1995. The Ministry of Education and Research provided scholarships for students from the Republic of Moldova, who were enrolled at all stages of the educational system: from gymasia to doctoral programs. This was part of the broader foreign affairs strategy of the Romanian government to support the newly created independent state of the Republic of Moldova and increase the cultural connectedness of Romanians in Romania and Moldova who were separated for such a long time. On the other hand, the 1995 Education Law contained a controversial article that listed fields in which HE could only take place in Romanian, such as law, military HE and engineering (Reisz, 1997, p.61). This was denounced by the Hungarian Democratic Union of Romania.

7.4.3. Emerging themes in the HE discourse: accreditation, European integration and private HE. By the mid 1990s, Romanian GDP experienced a modest recovery, with inflation lowering to 28 per cent in 1995 (WB, 1996a, p.1). Educational reforms became more comprehensive and, like in Hungary, rested on both market mechanisms and state intervention. A $73.5 million HE reform project was launched in 1994 and funded by a $50 million WB loan in 1996 to improve the market skills of graduates, increase efficiency and access by marginalized groups of the population (Tomusk, 2004; Georgescu & Palade, 2003). The reform agenda included the need to mobilize private resources, fund programs for poor students, introduce
funding formula based on enrolments and average unit costs, and institute grants for
development projects. The WB and the European Commission also contributed to the
development and adoption of the new *Education Law* in 1995. The new minister of education
(Liviu Maior) sought to exercise greater regulation over the HE system. He believed that before
1992 the “…institutional autonomy of HE was defined in terms of the goals of the academic
oligarchies that had come to control institutional life” (Reisz, 2006, p.77). The Accreditation
Law was adopted in 1993 and several buffer bodies were established to assure quality (National
Council for Academic Evaluation and Accreditation, National Committee of Academic Titles).
According to Tomusk (2004), state accreditation and formula funding were the two innovations
initiated in Romania, which were then borrowed by many other nations in CEE. Minister Maior
also promoted the establishment of national core curricula for each discipline, centrally-
determined admission numbers, and more restrictive promotion policies and also re-examined
the right to grant doctorates. The Law on Education adopted in 1995 defined institutional
autonomy. Institutions designed and implemented academic programs with no intervention from
the Ministry as long as they followed national core curricula and were accredited. Also,
universities were responsible for admission exams, and professors’ election and promotion
(except for the highest academic positions that had to be approved by the National Committee of
Academic Titles). In terms of financial autonomy, HEIs had little space to maneuver since the
ministry set the amount of salaries and scholarships. At the same time, the amount of public
funding did not diminish with increasing private sources of income, as was the case in Hungary.

The need to align to EU educational standards was already being used as a justification
for increasing state control in quality assurance in 1993-94 (see the reforms goals for 1993-94 in
Georgescu & Palade, 2003), however, as noted by Tomusk (2004), there were no unified
European educational standards or quality assurance procedures at that point in the EU.

Education was the responsibility of nation states and there was a diversity of systems and traditions in Europe and only later, as I showed in Chapter 6, did a standardized educational approach emerge. However, the population had supported European integration since the early transition, and aligning to EU policies became a cliché for political elites in CEE. It could be argued that creating accreditation councils around the region was a way to increase state control over newly-created, unregulated private institutions under the cover of European integration. Governments articulated several reasons for creating those councils: inadequate quality of instruction in HEIs that became ‘diploma’ mills, and public disillusionment with the educational outcomes of these institutions. A Romanian educationalist, for instance, viewed private universities as institutions that were created to generate profits. The respondent acknowledged that several private institutions had good reputation and that the mechanism of institutional decision-making was much more flexible than in public HEIs, but at the same time, expressed concerns about the overall quality of private HE and justified the need for a state controlled quality assurance system (Interview # 21).

Several studies at the end of 1990s undertaken by Sapatoru (2000), Sapatoru, Caplanova & Slantcheva (2002)\textsuperscript{204} and Nicolescu (2003) examined the success of graduates of private and public HEIs in the labor market and compared the public attitudes and perceptions towards the two HE subsectors. Employers acknowledged positive and negative features of both types of institutions: rigorous admission process but inflexibility of public HEIs and lower quality of instruction, but better infrastructure and flexibility of private HEIs. However the perceptions about the two categories of graduates were different and public institutions enjoyed a better reputation with high school students, employees and even private sector graduates even though

\textsuperscript{204} The results of these two studies are quoted by Korka & Nicolescu (2007).
the image of private institutions had improved since the early 1990s. Graduates of public HEIs had better chances to find a job and start their careers with higher salaries than private sector graduates. As a result,

...graduates of private institutions enroll in master’s programs at a public university in order to ‘clean’ their initial diplomas, raise the credibility of their studies and obtain final degrees from a renowned public university (Nicolescu, 2005, p.13).

At the same time, it is important to note that both public and private HEIs grappled with serious issues related to inadequate quality of their programs, which did not respond to the needs of the labor market. The study by Nicolescu (2003) showed that the business community was not satisfied with skills of either private or public HEIs. Employers believed that HE programs were not practice-oriented and were too theoretical.

Korka & Nicolescu (2007) in their analysis of private universities in Romania supported the view expressed by many Romanian academics that private universities were not a real alternative to public universities (see pp.375-376 for a brief review of previous research). The majority of professors in private universities were from the public sector, teaching part-time in private universities and transferring curricula and teaching methods from the public sector. Also, private universities attracted students that were not admitted into the public universities, and from low-income families. In 2001 alone 14 private universities were denied accreditation, and in 2005, only 20 private HEIs out of 67 operating received full accreditation. Consequently, Korka & Nicolescu (2007) concluded that the external quality control system increased the legitimacy of accredited private HEIs, eliminated private HEIs that were inadequate to reach the status of a university, and protected the public from low-quality education (p.376).

205 Negative attitudes of public universities and population towards private ones, as I will show in the next section, existed in Moldova as well.
While the quality issue represented a serious problem with private institutions, the quality debate was closely related to the emerging power structure in Romanian HE by the end of the 1990s. First, the fact that the majority of students in private HEIs came from low-income families pointed to inequities in the Romanian HE system since low-income students had lower levels of academic preparation and were not successful in entering higher quality public institutions. Developments in HE in the 2000s confirmed that rural, low-income and Roma population were increasingly marginalized in HE and required special governmental policies to improve their access. One might argue that private institutions helped improve the access to HE of low-income students. Second, traditions of authoritarian governance of HE and the influential role of large state universities in Romanian public life played an important role in increasing government role in regulating the HE private sector. Conditions for accreditation favored public institutions over private ones. Romanian public universities created before 1989 were automatically accredited and faced only periodic evaluations, while private universities had to go through a complex process of accreditation. As Reisz (2006) showed, the accreditation process involved self-evaluation reports and external evaluation and was based on a variety of performance indicators, while students of provisionally authorized private institutions had to take graduate exams at an accredited institution. Tomusk (2004) argued that increasing competition between public and private institutions for tuition-fee-paying students and the support of public universities by the accreditation agency put private institutions in an unfavorable position.

7.4.3. The socio-economic context of HE reforms at the end of 1990s-early 2000s. After the 1996 elections, a coalition of opposition parties led by the Democratic Convention of Romania came to power, and the former rector of Bucharest University, Emil Constantinescu, became the president of the country (Table 7k). The new technocratic government initiated a
series of liberalization policies to speed up privatization. EU-PHARE funded a 25 million euro vocational education restructuring program, and the Soros Foundation expanded academic exchange programs and training programs for local HE professors. For instance, to improve school attendance and performance of Roma children the Soros Foundation initiated a ‘positive discrimination project’ which offered grants for Roma teachers to stay in the school system (WB, 2003). Under the new Minister of Education, Andrei Marga, appointed in 1998, MER promoted HE policies to accept private education as an alternative to the public sector, created the legal basis for tuition fees in the public sector, introduced per capita funding instead of detailed line budget funding, and initiated European integration of HE within the Bologna process. 1999 amendments to Education Law increased compulsory education from 8 to 9 years, and the secondary education was reformed consequently into 4-year primary schools, 5-year gymnasiums and 3-year lyceums.

However, the second half of the 1990s was a period of unstable political coalitions, frequent changes of prime-ministers (five prime-ministers, including two interim) and declining standards of living (GDP declined in 1997-1999 and inflation rose again to high levels – 152 per cent in 1997; Appendix 10). In 2000, Ion Iliescu was again elected as a president and his social-democratic party won parliamentary election. The new government, with one prime-minister during the four-year period, guided Romania toward greater macro-economic stability. GDP began growing in 2000 and by 2004 the GDP reached the level of 1996 (this rate of growth still lagged far behind such CEE nations as Poland and Hungary; Table 6a). In 2003, the government changed the structure of general education to 4+4+2+2 and increased the compulsory general education back to 10 years. Between 1999 and 2003, 14 out of 68 private HEI were not accredited and their licenses were withdrawn (Reisz, 2006). Similar to the previous government,
European integration remained a policy priority under Social-Democrats, and later, under the Liberals. The EU Summit in December 2000 gave Romania (and Bulgaria) the target date of 2007 to accede to EU, and Romania joined NATO in 2003. However, the traditions of patrimonial state and clientelistic political elite, the slow pace of judicial and administrative reforms, and high unemployment, especially among HE graduates, remained major problems (OECD, 2001a; 2003; Gallagher, 2005; Ciocanu, 2005).

In the 2000s, the difficult socio-economic situation in rural areas made labor migration abroad a huge issue in Romania (as it as in the neighboring Republic of Moldova). Since the end of 1990s, the lack of well-paid jobs had resulted in Romanians migrating to EU nations such as Italy, Spain, Portugal, France, and Ireland for jobs in construction, nursing the elderly or housework. Migration for jobs to Western Europe had economic and demographic implications and impacted HE in various ways. In 2004 Romania spent 2.99 per cent of GDP on education, while Hungary, for example spent 5.5 per cent, and many other CEE nations spent around 6-7 per cent of their GDP (WB, 2006, p.18-20; Table 7a). Often unaccounted remittances represented a considerable source of the population’s consumption including tuition fees for HE studies. However, a massive migration diminished the Romanian labor force, left a growing number of children without parental supervision and aggravated the prospect of rapid demographic decline and respectively HE enrolments rates. For instance, in 1989-2000, birth rates declined from 16 to 10.7 per 1,000 population, and by 2013, enrolment in schools was expected to decline by 800,000 students (Georgescu & Palade, 2003, p.64; WB, 2006, p.27).

In 2004, the former Bucharest Mayor Traian Basescu, representing the center-right alliance, was elected as a president. In the period 2004-2007 the GDP grew annually at a rate of

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206 Forty per cent of unemployed population had high schools education (OECD, 2003, p.278)
207 For instance, Romanian migrant workers in Italy, Portugal and Spain had been estimated to have reached 1.5 million in 2006 (BBC News, 2006).
6 to 8 per cent and Romania joined the EU, but this period was also marked by an unstable political coalition and enmity between the President and Prime Minister. By the mid 2000s, the importance of European Commission and European assistance increased. The Bologna process became an important political and educational goal of the Romanian government. The European Credit and Transfer System was introduced in graduate and post-graduate programs at the end of 1998. By 2005-06, a standardized diploma supplement was issued by all HEIs free of charge and the degree structure based on three main cycles was implemented. Within the new European degree structure, programs provided by university colleges fell under the category of bachelor (undergraduate university) 3-year programs, and the term ‘colleges’ was used only by several lyceums.

7.4.4. Structural HE reforms in 2000s - access and quality concerns. In the 2000s, the HE system continued to face enrolment decline, but also other structural, access and quality problems. The multiple employment relationships of professors trying to cope with a difficult economic situation raised concerns about the quality of instruction in HE. High competition for admission into well-known public universities and outdated lyceum curricula (which was focused on the memorization of large quantity of knowledge rather than critical analysis and interactive methods of teaching) stimulated the growth of private tutoring. Insufficient public funding contributed to corruption in the educational sector (‘gifts’ from parents), threatening equity of access for children from low-income families, from rural areas where the number of

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208 The 2004 elections generated the situation when representatives of different political parties led the three branches of power (see table 7k). The Social Democratic Party received the largest amount of votes in the Parliament but was not capable of creating a governing coalition and remained in opposition. The Prime-Minister was a member of the National Liberal Party, the second leading party in the Parliament. The President, who enjoyed the support of the population, represented another party – Liberal Democratic Party, which was a member of governing coalition in 2004-2006, but after the conflicts between the President and Prime Minister reached the highest point, the party joined the opposition. Since the President can not dismiss the Prime-Minister, this conflict of power led to the paralysis of the system. The President was suspended by the Parliament, new elections held and the President reinstated in his position.
lyceums was small, and from the Roma population with historically low education participation. For example, only 8.6 per cent of rural children were enrolled in lyceums in 2003-2004 versus 89.8 per cent of urban children (WB, 2006, p.29). Roma children were enrolled in primary education at a rate of 64 versus 98.7 per cent nationally (Sandi & Moarcas, 2007, p.5). Several WB and OECD reports cautioned against the emerging inequities in the education sector, such as social polarization of education, regional disparities in funding schools, a centralized and non-transparent budgeting process, as well as the weak role of the Ministry of Education compared to other ministries and with the Ministry of Finance making most important decisions related to educational funding (OECD, 2000; 2001a; WB, 2006, 2007). HE practitioners were concerned with low levels of public spending for HE and consequently low quality of research. Romania spent only 0.5 per cent of GDP in 2005 for research and development, less than the 0.6-0.7 per cent in other CEE nations and 1.9 per cent of the EU average (Bradatan, 2006, p.1). The number of publications by Romanian scholars in international journals was low, and universities put little weight on the quality of publications. One opinion, especially promoted by younger Romanians, holders of Western PhDs, was that:

Many teachers rose to full professorships on the strength of publications in obscure, non-peer reviewed journals or on self-published books. Doctorates are easily obtained by students lacking minimal scholarly credentials, and many dissertations have been revealed to be based on plagiarized research (Bradatan, 2006, p.1).

Attempts to introduce stricter standards of academic promotion in 2005, particularly in terms of publishing in peer-reviewed publications, were resisted by HE professors (see for more details Bradatan, 2006). Many questioned the promotion system which was based on peer-reviewed articles and international visibility. For instance, according to Bradatan (2006), more than 200 full and associate professors who rose to ranks without having doctorates openly denounced the requirement to hold a Ph.D. for academic positions. Some academics considered
that this shift in policies was supported by Romanians educated abroad who called for Western standards which suited them better. Others believed that well-defined academic standards would stop the advancement of incompetent scholars. Young Romanians with Western Ph.D. degrees complained that they were not able to find well paid academic jobs, but also questioned the academic practices in Romanian HE: cases of plagiarism among professors, limited choice of courses and professors, and outdated content of curricula, which did not respond to the new needs of the labor market.

This public debate indicated a struggle for power between several groups in academia rooted in the imbalances generated during the Ceausescu period when the access to doctoral programs was highly restricted\(^{209}\). As a result, Romanian HE experienced a large generational gap in the 1990s. In 1994, only 10 per cent of teaching staff were in the 30-50 age-group:

The generations represent a very powerful structure. As the middle generation has limited weight and membership in all decision-making bodies is restricted by academic position, all policy decisions as well as current decisions are taken in a highly gerontocratic circle, the power of the state authority having passed after the fall of communist regime to the academic oligarchy (Reisz, 1997, p.63)

The public debate on excellence vs. mediocrity in Romanian HE also pointed to the need to improve the quality of instruction. By the mid 2000s, according to a Romanian educationalist:

Romanian educational system exposed two major disadvantages. First, it continued to be focused on reproducing knowledge rather than creating abilities and skills. The graduating document seemed to matter more than abilities and skills. Second, the system was reactive rather than proactive, i.e., it educated human resources lacking creativity and incapable of suggesting system wide solutions (Interview # 21).

A presidential committee on education and research policies expressed similar concerns about the quality of education in Romania. The committee produced a critical report that concluded

\(^{209}\) In a conversation with Ghenadie Ciobanu, currently a Romanian professor, who as a Moldovan national became a doctoral student in 1991 at the Academy of Economic Studies in Bucharest, Romania, he mentioned that his department did not have new doctoral students for a decade before he arrived (Ciobanu, 2008).
that Romania faced major risks because its education and research systems did not correspond to the needs of a modern society (Report, 2007). The committee acknowledged that the low degree of differentiation of university missions made the system excessively uniform. All universities provided too many programs and relatively similar programs without specializing in certain areas, while a uniform funding and promotion system did not differentiate between fields (medicine, engineering or social sciences) and programs (undergraduate vs. graduate), and was too centralized and bureaucratized. In 2007, the Government introduced draft legislation on pre-university education, higher education and academic promotion for public debate. The need for such legislation was widely recognized; the Draft HE Act clearly stated the connection with the Bologna Process (transferable credit system and structure of the HE systems) and internal and external governance arrangements.

According to the Draft, the Senate was responsible for academic matters, while the newly created body of Council of Directors oversaw the economic and financial activity. The rector, associate rectors, deans, associate deans, heads of departments and chairs were the university executives. Several provisions of the legislation were directed to exclude the practice of diploma’s falsification in HE and make universities more accountable to the public. For instance, the law on HE suggested creating a national registry of all university documents at the Ministry of Education and Research\textsuperscript{210}. HEIs had to publish twice per year, including on their websites, official reports on their academic activities (e.g., awarded degrees and academic titles), and administrative and funding activities (performance indicators, financial report, etc.). The Ministry of Education and Research had to present in the Parliament a report on the state of HE every three years. However, this legislation was not approved by December 2008, pointing to

\textsuperscript{210} This is a national data base of diplomas listing all awarded degrees by accredited HEIs, including the name of the recipient, year of graduation, specialization and serial number of the document to exclude forgery of diplomas.
difficulties in reaching a consensus among various HE stakeholders on how to define and sustain institutional autonomy.

7.5. Conclusions

HE policymaking in these nations evolved from chaotic changes in the early 1990s to more comprehensive reforms in the 2000s that strengthened state regulation and increased European integration of their HE systems. Declining funding during the periods of shock-therapy economic reforms such as price liberalization and tightening budget deficit led to periods of stagnant or diminishing funding for HE and declining professors’ standards of living. HE systems in Hungary and Romania in the period of 1990-2005 went through HE expansion and diversification, curricula de-ideologization, and governance democratization. Policymakers in these nations pondered how to deal with the negative consequences of economic declines and rapid system expansion. The multiple employment relationships of professors, the high degree of institutional specialization and inadequate public funding for technical renovation and equipment were important challenges for reforms in HE. Also, the problems of ethnic and geographical inequalities in accessing HE persisted - Roma participation continued to be much lower in HE than their shares in total population, and the participation of the rural population was endangered by their lower level of academic preparation than of their urban counterparts.

At the same time, the strategy of economic reforms and political environment left particular marks on each national HE system. The Hungarian economic transition from a centrally planned economy to a more flexible economic order began already in 1968 and was accelerated after 1985. It also managed to reach a national and multi-party consensus in terms of domestic economic reforms and European integration. As a result, economic decline in the early
1990s was not as bad as in Romania (and Moldova, as I will show in the next chapter), and price liberalization in the mid 1990s did not affect HE funding as much as in the neighboring nations. Hungarian policymakers showed caution in privatizing HE, favored the development of the historically large denominational and college sectors in HE, and actively pursued European integration, including in HE. Mergers of public HE institutions under the auspices of a WB project in the 2000s actively engaged the discourse of efficiency and were seen as a way to tackle the structural rigidity of HE system inherited from the Soviet model. National elites and the university community actively negotiated the terms of this project and its adjustment to local developments, and acknowledged the need for reforms beyond simple institutional rearrangements. However, the Hungarian HE system continued to encounter serious problems such as rigid institutional arrangements, dated pedagogical practices, increasing private costs and inefficient spending, which were aggravated by slowing economic growth by the mid 2000s.

In Romania, a greater degree of political instability, the application of shock-therapy methods in the first years of transition (1990-1992) and a long history of corrupt practices in public life led to economic decline and increasing inequities in the 1990s. Surging numbers of university students and in the development of a large, unregulated private sector characterized HE changes in early transition. Private HEIs proved to be more flexible than public sector to the needs of changing economy, but the withdrawal of state from regulating their operation had implications on quality of education in these institutions and generated negative perceptions about private HEIs. In the 2000s, many private HEIs in Romania were not accredited. The low quality of instruction in many private institutions was an important reason for these closures; however, the evolving power dynamics in HE played an important role as well. Growing competition between public and private HEIs for fee-paying students and the privileged position
of public universities, as well as their ability to influence national decision-making contributed to the strengthening and expansion of large public universities. The state steering of HE in Romania was historically strong and Romania was the first CEE nation to adopt accreditation legislation in 1993. In the 2000s both the government and public HEIs emerged as dominant policy players of HE in Romania and engaged regional and world-wide HE discourses of European integration, standardization, efficiency and a ‘knowledge-based economy’. The changes in HE involved growing reliance on private funding, and an increasing role of the state in quality assurance. The high degree of political instability in Romania postponed the adoption of a national strategy for HE and delayed the solution of serious problems, such as inequitable access to HE of marginalized groups of populations, and mediocrity in teaching and research.
Chapter 8.
A Special Case of Transition and Higher Education Reforms in Moldova –
A Stakeholders’ Perspective

8.1. Introduction

The objective of Chapter 8 is to examine the transition and HE reforms in the Republic of Moldova in the period 1990-2005. A detailed analysis of the Moldovan HE reforms in a separate chapter is undertaken for several reasons. Moldovan transition in the 1990s and 2000s embedded unique development features, compared to Hungary and Romania, requiring in-depth examination. Transition and HE reforms in Moldova have not been the subject of comprehensive analysis in the international literature. Only very few English-language scholarly articles and papers on reforms in Moldova were published in international journals. As in the case of Hungary and Romania, I critically analyze policy and research papers that were produced by international organizations such as the WB, OECD and UNESCO. However, I extensively rely on Romanian and Russian-language sources such as media articles, on-line web sites dedicated to HE reforms, and personal conversations with various stakeholders of HE during my study trips in Moldova: students, parents and experts. I also conducted and analyzed 20 interviews with Moldovan HE policymakers and practitioners to obtain their perspective on HE reforms. Finally, I used my own experience and knowledge as a policy adviser and HE researcher while working for the Moldovan Parliament, international non-governmental organizations and HEIs in the period 1992-2001.

By analyzing the context of HE reforms in Moldova, this chapter will continue exploring the answer to the question: How have neo-liberal globalization and European integration impacted current HE structures, governance arrangements and policymaking in the three nation-
cases? In addition, my analysis of interviews on HE reforms in the Republic of Moldova will attempt to respond to the third sub-question addressed in this dissertation: *How did Moldovan HE policymakers and administrators understand reforms and power dynamics in HE?*

**8.2. Special Features of Moldovan Transition: From a ‘Model of Democracy’ to Slow and Contradictory Reforms**

Moldova, similar to other CEE nations, started the transition with political democratization, and proclaimed human rights, civil liberties, and equality of all people regardless of their ethnicity, religious affiliation or race. New political parties emerged and economic reforms relied on market mechanisms, price liberalization and the privatization of state property. The country encountered a much more complex economic and political situation than the two nations analyzed above. Republic of Moldova, established in 1991, never existed as an independent state, and the disintegration of the USSR posed enormous challenges for building a sovereign state and nation, educating a national elite and creating an independent economy. As analyzed in Chapter 6, the Moldovan GDP experienced the second largest decline in CEE and in 2000 it was only 35 per cent of its 1989 level (Table 6a). Social inequality tripled from 1993 to 1999; the wealthiest five percent of the population earned almost half of the national income (UNICEF, 2001, p.14). After a decade of transition reforms, the country was the poorest in Europe, with a Communist Government supported by 70 per cent of the population, and a dangerously growing foreign debt. By the mid 2000s a quarter of its population worked illegally abroad and the government did yet not control the breakaway region of Transnistria211.

This more difficult transition of Moldova, compared to the other two nations, was related to several factors (Padure, 1997; 1998; 1999a). First, Moldova experienced stronger ethnic

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211 See for details on Transnistria further in this section.
fragmentation and more complex identity issues than Hungary and Romania. At the beginning of transition, Moldovans, the dominant ethnic group, represented 64 per cent of the total population. They spoke the Romanian language; however only few Moldovans shared a distinct Romanian identity. The share of ethnic minorities was higher in Moldova than in Hungary and Romania. Russians, Ukrainians, Gagauz and others spoke the Russian language and closely affiliated themselves with the Soviet culture. The creation of an independent Moldovan state was associated with pro-Romanian feelings among the majority of Moldovans. The Cyrillic alphabet was replaced by the Latin alphabet in the Moldovan language, the name ‘Romanian’ was increasingly used to define the language, and the ethnic group formerly called Moldovan, the Romanian tricolor flag was adopted and calls to reunify with Romania were heard from various political groups. These events increased tensions between the majority of Moldovans/Romanians and the rest of the population, triggering the territorial fragmentation of this multiethnic country. The fear of complete isolation from Russia, integration within Romania and the introduction of the Romanian language in administration and in education ran high in the eastern part of Moldova, in a region called Transnistria, where Moldovans represented around half of the population, and in the southern part of Moldova, where Gagauz and Bulgarians lived in small but compact settlements (less than 200,000 people each).

In the case of the Gagauz minority, the situation was managed peacefully and the Gagauz were given an autonomous status within the Republic of Moldova. The Transnistrian conflict, on the other hand, started with the proclamation of the Transnistrian Moldovan Republic in 1991, was followed by a civil war in 1992, and evolved into a latent conflict unresolved for a long

212 The official Party line in the Soviet times supported the idea of Moldovans being a different ethnic group as Romanians. See more about this issue further in this chapter.
213 Even if the newly adopted Constitution in 1994 excluded the reference to the Romanian language, in public and private life the adjective ‘Romanian’ was increasingly used to define the Moldovan language and ethnic group.
time\textsuperscript{214}. This part of the country was never controlled by the Moldovan government and became a source of continuous political and economic destabilization; the trafficking of drugs, weapons and people through the territory of Transnistria contributed to a large, informal economy in Moldova and raised security concerns for the whole South-Eastern European region. The Transnistrian government discriminated against the local Moldovan population by not allowing the use of the Latin alphabet and closing Romanian-language secondary schools. Also, Transnistria accounted for the larger share of industrial and energy production in the former Moldavian Soviet Socialist Republic and its separation helps explain the large decline in the Moldovan GDP.

The second feature that characterized transition in Moldova was the sharp economic decline following the application of a neo-liberal package of reforms. A shock therapy program of reforms was undertaken in January 1992, and prices were liberalized in three stages during 1992. Similar to other nations in the region that engaged in fast and radical economic reforms, price liberalization resulted in currency devaluation and high inflation measured in thousands of per cent (Appendix 10). However, the situation in Moldova was worsened substantially by the USSR breakup. As mentioned earlier in the dissertation, Moldova was tightly integrated into the Soviet economy and produced 30 per cent of Soviet tobacco, 20 per cent of table grapes and wine, 13 per cent of fruit and 10 per cent of vegetables, but also imported 99 per cent of its energy resources from Russia and Ukraine (WB, 1994). The loss of traditional Soviet markets and the lack of access to new markets, the increase in the cost of imported energy resources and raw materials from Russia and Ukraine, and higher transportation costs, led to huge declines in agricultural and industrial production, rationing of electricity and gas, and a shortage of basic consumption goods.

\textsuperscript{214} At the time I was writing this dissertation in 2008 the conflict was not settled yet.
In addition to economic difficulties, the new independent Moldova inherited an inexperienced local bureaucracy. While generally the highly educated labour force was regarded as strength of former socialist nations, lack of adequate training in the early 1990s rapidly depleted the supply of educated human capital. In the case of Moldova the situation was exacerbated by the fact that economic reforms took place simultaneously with creating new public institutions such as a National Bank (established in 1991) and a new public service system. The political and administrative elite – presidents and most prime-ministers – were former Communist party officials, educated in the Soviet Party training institutions. Local bureaucracy was either part of the highly-centralized Soviet administration system, did not have experience in independent decision-making and was plagued by corrupt practices, or consisted of new people hired from various professional domains. As a result, the new national currency, for instance, was introduced too late. By November 1993 when the new currency - the Leu - replaced the old Soviet Ruble, neighboring Ukraine already had its own currency and abundant Rubles from Ukraine flew into Moldova, increasing the monetary supply and inflation, and dramatically reducing the value of personal savings\textsuperscript{215}. These economic and monetary policies contributed to stagnation of production, delays in privatization and diminishing public revenues and standards of living.

By the mid 1990s, tight monetary policies reduced inflation and stabilized the exchange rate of the Moldovan currency. The Moldovan government was highly praised in the Western media and by IFIs. However, these policies were not accompanied by needed changes in industry and agriculture, and public enterprises were not able to respond to changing conditions. The voucher privatization that took place in 1993 and 1994 did not bring an inflow of financial

\textsuperscript{215} For instance, after the adoption of new currency, savings in the banks were exchanged at a rate of 1000 rubles for 1 leu.
resources to industrial enterprises, was not preceded by restructuring programs, and was largely used to privatize the housing sector (Padure, 1998; Veverita, Ciobanu, & Padure, 2003). Privatization for cash and restructuring programs of industrial enterprises started in 1996-97, when the population did not have any savings left. While the land code was approved as early as 1991, reforms mainly focussed on restructuring collective farms in joint-stock companies but did not break collective structures. As stated by Hensel & Gudim (2000):

…the resistance of powerful vested interest among collective farm managers, who were well connected politically at both regional and national levels, effectively blocked consideration of more substantial sectoral reforms. Vested interests in wine and tobacco, two of the most important processing sectors, prevented any restructuring there as well, with parliament waiting until 2000 to approve at long last the legislation needed to privatize large enterprises that the state still controlled in these sectors (p.2).

Land privatization started in 1998 within a large-scale USAID project. By the end of 2000 most collective farms were closed and hundreds of new agricultural enterprises and thousands of individual landholders emerged, but farmers lacked expertise on legal, technical and marketing issues, did not have modern equipment, and could not access financial instruments such as mortgage lending.

The third characteristic of Moldovan transition was the complex relationships among major political actors (the Prime-Minister, the Parliament and the President). The frequently changing prime-ministers and the precarious political balance among the right, center and left political forces impeded reforms. While that was the case for the entire region, political instability in Moldova triggered major changes in the political order. According to the 1994 Constitution, Moldova was proclaimed as a semi-presidential republic, and the president, as in Romania, was elected by popular vote. In 2000, the Moldovan Parliament amended the Constitution, and Moldova became a parliamentary republic, with the president elected by the Parliament. Contradictions between left-wing and right-wing parties and their supporters ran
deep on such issues as Romanian versus Moldovan identity, the role of the state in public life and the relationship between Moldova and Russia, Romania and the EU (Cibotaru, 2006; Gorda, 2003). As shown in Table 8a, center-right and center-left parties or coalitions interchangeably ruled during the 1990s.

### Table 8a. Results of parliamentary elections in Moldova, 1990-2006

<table>
<thead>
<tr>
<th>Electoral period</th>
<th>Ruling party* coalition</th>
<th>President</th>
<th>Prime-minister</th>
<th>Minister of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-1994</td>
<td>Center-right Moldovan Popular Front (NSF)</td>
<td>Mircea Snegur</td>
<td>Mircea Druc; Valeriu Muravschi; Andrei Sangeli</td>
<td>Nicolae Mateas</td>
</tr>
<tr>
<td>2001-2005</td>
<td>Party of Communists of Moldova</td>
<td>Vladimir Voronin</td>
<td>Vasile Tarlev</td>
<td>Gheorghe Sima, Ion Vancea, Valentin Beniuc</td>
</tr>
<tr>
<td>2005 -</td>
<td>Left-right coalition, led by the Party of Communists</td>
<td>Vladimir Voronin</td>
<td>Vasile Tarlev, Zinaida Greceanii</td>
<td>Tvircun, Larisa Sauga</td>
</tr>
</tbody>
</table>

Source: Compiled from ADEPT (n.d.)

Liberal and Christian democratic forces, influential in public life in the periods 1990-94 and 1998-2001, reinforced the Romanian identity of Moldovans, promoted liberalization and privatization reforms and closer relations with Romania, the EU and other Western powers. Leftist parties, such as the Agrarian Democratic and Communist Parties, insisted on a Moldovan identity distinct from Romanian, a greater role of the state in economic affairs and a closer relationship with the Russian Federation. Unlike Hungary and Romania, where EU integration was a priority for all parties, Moldovan foreign policy constantly oscillated between Russia as a major partner and the EU. In 1994, for instance, Moldova joined the Commonwealth of Independent States along with other 10 former Soviet republics, but in 1995 it was among the first former Soviet republics to join European Council and WTO.

The 2000s were another period of controversial political slogans and reforms. By the end of the 1990s a weakened and fragmented right was counterbalanced by a unified left represented by the Party of Communists of Moldova which won a decisive majority in the 2001
parliamentary elections. The electoral platform of the Communists in 2001 outlined the major priorities as building socialism and communism and re-establishing brotherly relations with Russia. Also, the IFIs were labeled as tools of American imperialism (ADEPT, 2003a). However, soon after the elections the President announced that economic liberalization and European integration were paramount and an Economic Growth and Poverty Reduction Strategy was developed along the lines of WB recommendations (ADEPT, 2003b). After the 2005 parliamentary elections, the Communists built a coalition with a right-wing Christian party to be able to elect the president and form the government; yet on the issue of Moldovan identity, their position remained unchanged. Communist initiatives to change the curricula and content of history textbooks generated resistance among the Romanian-speaking population.

The implications of economic and political reforms for HE were multiple and complex. The first half of the 1990s was marked by the national revival movement and de-ideologization of HE, the consolidation of the local Ministry of Education, but also chaotic institutional changes and declining public funding. The second half of the 1990s was a period of more comprehensive reforms, when the new educational legislation was adopted. An expanded policy community in educational matters emerged involving foreign donors such as the Soros Foundation and the WB that funded HE exchange programs and secondary education reforms. This period was also associated with political instability, often changing prime-ministers and ministers of education (three ministers between 1998 and 2001), large budget deficits and liberalization reforms, and the increasing pauperization of the population. The period 2000-2008 was a time of consolidation of state control over HE institutions and their accreditation and was marked by the Communist Party coming to power in 2001, remittances-induced economic growth, the rising influence of the Europeanization agenda, and growing numbers of people working abroad.
8.3. Transition and HE Reforms in the 1990s

8.3.1. Chaotic changes in HE: 1990-1994. As everywhere in CEE, Moldovan reforms in HE began with de-ideologization of curricula and modernization of secondary education, diversification of HE institutions and democratization of governance arrangements. In addition to these common regional features, HE reforms in Moldova were deeply influenced by language politics. Both education and language policies have remained, as in previous historical periods, important vehicles of identity formation. The pro-Romanian political elite, which included many intellectuals and academics, represented a majority in the parliament between 1990 and 1994, and elected a government composed almost exclusively by ethnic Moldovans. The Parliament, the Government and the President promoted the agenda of expanding instruction in the Romanian language in HE institutions, supported students’ and professors’ exchanges with Romania, and reformed secondary education along the lines of the Romanian traditions that existed in Moldova while it was part of Romania in 1918-1940. Ten-year general education was replaced by a 12-year system which included 4-year primary school, 4-year gymnasia and 4-year lyceums. One of the policymakers evaluated this change as a great performance.

...Ten years of general education was too much for academically weak students, and not enough for strong students to be competitive internationally. Moving towards lyceum education allowed the concentration of the best students at the lyceum (Interview # 1).

A Russian-language school system existed parallel to the Romanian school system, instruction in Russian was available for Russian students in HEIs, and the 1991 legal provision for state employees to speak both languages was never seriously enforced (Roper, 2006).

Structural changes within HE started with consolidating the binary system of HE (Padure, 1999). Technicums were transformed into colleges, which offered short-term 2-3 year programs, and the university sector was differentiated into public and private universities, academies and
institutes, which offered long-term 4-6 years courses. Before transition, there were eight university-level HE institutions. However, only one was a liberal arts university, the rest were specialized institutes of medicine, technical studies, agriculture or pedagogical sciences. In 1990-91, these institutes were transformed into universities for a number of reasons. It was believed that a liberal arts university education was important for the overall development of the personality, while education provided by institutes was too specialized. The transition also meant opening the system to foreign practices and escaping from Soviet domination. The fact that universities rather than institutes were a dominant form of HE institution in the West represented a strong incentive to change the status of institutes. Besides, “even during the Soviet times, universities had a higher social statute than institutes” (Interview # 2). Initially the change involved mostly renaming the institutes as universities. Institutional specialization was maintained (as in Romania and Hungary), but over time the liberal component of the curricula was strengthened.

Another important HE development in the first years of transition was the emergence of private institutions and a rapid increase in their number. This phenomenon was quite controversial and very soon became a hotly debated issue. The following quotation from one interviewee represented a common view among the HE policymakers and practitioners I interviewed:

While I am now against most of them [private institutions], at that moment [early 1990s] they played a positive role in implementing HE changes that public HEIs were incapable of. They began teaching many courses that did not exist in the USSR, and were “imported” from America, France, and Germany...In the field of Economics, for instance, Anglo-American courses dominated. Even if the quality of teaching these courses was not always very good, they meant an opening to a different kind of Economics. Soviet school was not bad, but it contained many ‘parasitic’ courses, with approximately one third of courses being dedicated to Marxism-Leninism, which was a loss of time. Economic changes towards market economy required a different type of knowledge and professionals, and private institutions speeded up the process of changing Soviet curricula...Institutional
competition was a positive development, and private HEIs not only changed curricula but also created a choice for population (Interview # 1).

Another respondent added that private universities had several advantages in comparison with public universities; they were usually smaller, more flexible and open, and thus were easier to administer, and offered more opportunities for individual work with students (Interview # 8).

In addition to new private institutions, several new public HEIs were created. For instance, the Academies of Economic Sciences and Public Administration were established in 1990 and 1994 respectively to train economists and public servants. The Academy of Economic Sciences of Moldova was designed along Romanian traditions of Academies of Economics, and a well-known Romanian scholar Paul Bran was invited to become the rector and set up the new institution. New HE institutions emerged, but also new departments and chairs were established, especially in such fields as Economics and Political Science. Institutional and departmental expansion and diversification increased the number of students and changed the distribution of students by majors. As mentioned in interview # 2,

HE system in the Moldavian Soviet Socialist Republic was created to train teachers; this was the major mission of HE in Soviet times. At the beginning there were college-level teachers’ institutes, and then HE institutions - pedagogical institutes – were opened. With transition, it was believed that pedagogical institutes did not attract ambitious students.

Since the early 1990s high school graduates had been increasingly favoring law and economics, and enrolments in medicine, agriculture and engineering had been declining. The share of students in pedagogical universities continued to be significant and represented around one third of all enrolments in 1996. However, with the changing structure of secondary education, the mission of pedagogical universities became training teachers for gymnasiums and lyceums, and they expanded in other non-teaching areas as well, such as foreign languages, translation, management, etc.
The final component of HE reforms during the early transition was the period of decentralization of governance, determined by political democratization, economic liberalization and Soviet disintegration. Elections for university rectors were initiated and university senates had already been set up during perestroika in 1985-1990, and by the early 1990s HE graduates were no longer required to take assigned jobs for the first three years after the graduation. In the period of national revival and enthusiasm, the Ministry of Education and Research was seen as a tool for promoting the national agenda. As one of the interviewed HE policymakers mentioned, the early 1990s “…was a crucial point in time when the Ministry and the Minister Nicolae Matcas put together a team of young and talented people” (Interview # 5). The Ministry attracted people from academia not only because it offered interesting and challenging jobs, but also because the worsening situation in HE and the Academy of Science generated a strong outflow of professors and researchers to the private sector and government. HE was among the sectors that suffered the most from Soviet disintegration since it had been centrally funded by Moscow. The discontinuation of central funding and insufficient locally generated public revenues led to rapidly decreasing HE public funding after 1992. As a result, the salaries in HE were lower than in public administration, HE buildings were not well heated during winter and inadequate student preparation for admission made teaching in HE very difficult (Interviews # 4, 19). The emergence of national governmental institutions created many vacant positions which required well-educated people, knowledgeable in foreign languages; these requirements fitted the skills and abilities of former researchers.

At that point in time, the Ministry coordinated both HE institutions and the Academy of Sciences, developed numerous international partnerships to study international practices in HE, such as Master Degree programs or the organization of research in HE, and improved
international collaboration with European nations and the USA. For instance, by mid 1995 a
$10.5 million EU technical assistance project was initiated to reform the public service system
by consolidating the Academy of Public Administration, training its personnel, and organizing
study visits abroad (Interview # 19). The Ministry stressed the need to improve university
research, which was a weak link in the Soviet research system, and it also promoted the change
from the Soviet two-level degree system – Candidate of Sciences and Doctor of Sciences - to one
level of doctorate. However, resistance from top academicians and graduates of the Doctors of
Sciences was strong, resulting in a renaming of the two levels into Doctorate of Sciences and
Doctorate Habilitat (following the example of the German system). The debate was heated and
generated concerns related to the international comparability of degrees, especially within the
project of European standardization of HE in early 2000s.

Overall governance changes remained chaotic until the new Education Law was adopted
in 1995. The complex character of economic and political transformations made economic
development a priority, leaving education reforms in the shadow. One of the interviewed
policymakers mentioned, for instance, that “…the first years of independence represented a
period of legal nihilism in education, when Soviet regulations were declared invalid in the
Republic of Moldova, while local regulations were missing” (Interview # 2).

8.3.2. Comprehensive reforms in HE: 1995-2000. The second half of the 1990s in
Moldova was marked by a political change in 1994, when an agrarian party supported by the
directors of collective farms, won parliamentary elections (Table 8a). Consisting of mid-level
former Communist nomenklatura, the Agrarian Democratic Party came to power on the wave of
the population’s disillusionment with neo-liberal reforms, declining standards of living and
increasing prices. By that time, the presence of IFIs in Moldova became much more visible – the
first WB country report on Moldova appeared in 1994, IMF provided its first structural
adjustment loan and USAID started several large projects in banking and fiscal reforms and land
privatization. The IFIs worked closely with the Ministry of Finance, the National Bank and the
Parliament, promoted lower social spending and the elimination of subsidies to industrial and
agricultural state enterprises, and insisted on Moldova’s adherence to international free trade
agreements. Various privatization programs were adopted in 1993-1997 (Appendix 9). A tight
monetary policy and the development of a competitive banking system led to diminishing
monthly inflation from 31 per cent in 1993 to 0.9 per cent in 1997, and stabilizing currency
exchange at 4.6 lei/USD in 1995-97 (Padure, 1998, p.28). This was described by Western media
and consultants as a huge success and Moldova was characterized in the *Economist* as a “perfect
laboratory of reforms” (*Moldovan transition reforms*, 1995, p.8).

While the governing party was not supportive of many WB and IMF-led economic
reforms, the conditionality of loans was usually brought up as a major reason for their approval.
The lack of political will to push back against the WB and the IMF cost the governing party and
the population dearly. The Agrarian Democratic Party was not represented in the Parliament after
the 1998 elections. The decline in GDP and the budget deficit continued to be significant. Energy
dependency on Russia and Ukraine\(^{216}\), in the context of increasing prices, led to a huge foreign
debt of more than $300 million in 1997. The unsettled Transnistrian conflict stimulated a large
informal economy, estimated at more than 60 per cent of the official GDP (Appendix 9).

Asymmetrical free trade agreements, in which the interests of Western producers were put above
those of local producers, diminished competitiveness of local products in comparison with

\(^{216}\) Moldova imported from Russia and Ukraine 90 per cent of consumed fuel, electricity, fertilizers, wood and paper
imported ones. By the 1998 Parliamentary elections, the influence of the Communist Party in Moldovan society had increased dramatically, shaping a new political balance for the next decade. Once banned, the former Communist party regenerated under a slightly different name – the Party of Communists of Moldova, and won 40% of parliamentary seats in the 1998 elections.

During 1998-2001, the Communists were the official opposition. Democratic forces managed to create a governing coalition and form the government, which backed Western-led economic reforms (Table 8a). While praised by the Western media for their commitment to neo-liberal reforms, the governing coalition proved to be very unstable, with three prime-ministers and three ministers of education during their three years in power. Moldova, coined in 1999 as a “model of democracy” by The Washington Times (1999), registered in 2001 only $131.3 million of foreign direct investments or the lowest level in CEE (Infotag, 2002). Privatisation programs of large enterprises consisted of the formal distribution of the state property and did not involve any movements of capital or direct investments in production, especially as far as the undeveloped capital market was concerned. It only enriched a few bureaucrats in the public administration, politicians and well-connected managers of large enterprises. Fragmentation of land within the USAID privatization project aggravated the poverty crisis and inequality in the rural area. Financial and trade openness increased Moldovan financial vulnerability during the Russian financial crisis in 1999. The controversial Pension Reform project supported by IFIs was intended to diminish government social spending, but contained a provision to increase the retirement age and was highly opposed by the population and the opposition. Inconsistent reforms contributed to the decline in GDP during the second half of the 1990s and also generated

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217 For example, European Union had included Moldova in its Generalized System of Preference scheme to enhance Moldova's access to the EU market, but the exports of wine, fresh fruits and vegetables, which represented 70 per cent of Moldovan exports, did not qualify for these benefits. In addition, Moldova unconditionally decreased its import tariffs on these goods.
an immense cash-flow problem in the economy, thus increasing arrears in the public sector. By November 1997, the public sector debt on salaries and pensions and the debt of domestic consumers on payments for electricity, gas and fuel amounted to 2,183 million lei or a quarter of annual GDP (Padure, 1998, pp.7, 28, 37).

These economic and political developments impacted higher education reforms in various ways. First, economic decline diminished public funding in HE and increased the reliance on private sources (Bordei, Iacone, & Padure 2003). The number of private HEIs more than tripled from 1995-96 to 1999-2000 and reached 35 HEIs (Bulat, 2005, p.2). Private HEIs employed many professors from public universities on a part-time basis. Multiple employment relationships created a hazard for the quality of teaching since professors had to juggle several teaching loads at once. On the other hand, employment at private HEIs provided a source of revenues for public sector professors in times when salaries were low or not paid for months.

According to one respondent,

"During my academic career I hold concomitantly 3-4 teaching positions. Low remuneration in the public sector transformed me into a ‘mercenary-professor’. I remember that in 1999, I received the January salary only in July. Lack of money was the major reason that made me to work in several places (Interview # 10)."

In addition to the proliferation of private HEIs in the second half of 1990s, the numbers of fee-paying students at public institutions increased after public institutions were allowed in 1996 to charge tuition fees for students above their publicly-funded quota. This policy change was associated with the general trend of liberalization reforms in the 1990s, and particularly 1998-2001, but also with increasing dissatisfaction of public HEIs with declining public funding.

Second, market-oriented reforms and changing labor market conditions generated a structural shift in enrolments. University education in the social sciences, especially economics,
business and law, was expected to generate new better-paid jobs and was favored over college studies or university degrees in exact sciences, medical and technical fields. The number of university students increased between 1995 and 2000 from 55,000 to 79,000; while the number of college students declined from 31,000 to 25,000 (Table 7b). In 1996-2001, Enrolments in economics and law grew by 33.8 and 187 per cent respectively (Tiron et al., 2003, p.91). At the same time diminishing enrolments in medicine, agriculture, and engineering significantly affected the share of these enrolments (Chart 8a).

Plummeting enrolments became a characteristic feature in exact sciences as well, which were highly regarded in the Soviet times. According to one respondent,

Theoretical physics, for instance, which was an excellent school during the Soviet times, with very high standards and well-esteemed professors, was completely ruined. There are not enough applicants to cover even budget-funded seats (Interview # 5).

The third characteristic of HE transformations in the second part of the 1990s was the changing role of the state in HE. Public funding diminished, but state involvement increased in
HE governance and quality assurance. The legal framework was established; the *Law on Education* was approved in 1995 and was followed by the *Law on the Evaluation and Accreditation of Educational Institutions* (1997), the *Law on the Endorsement of the Regulations on the Evaluation and Accreditation of Educational Institutions* (1999), the *Law on State Policy of Research and Development* (1999), and the *Law on the Academy of Sciences* (2000). The National Council for Academic Evaluation and Accreditation was set up in 2000. Increasing state control over HEIs was determined by the conservative nature of government in 1994-98 who pleaded for more governmental control overall, not only in education. Also, the electorate was concerned with quality in private institutions. As one respondent stated:

"After 4-5 years of activity, the quality of private universities degraded, because the number of students increased too rapidly. In Soviet Moldova there were 52,000 university students, now [2006] we have 135-140,000 together with the unrecognized Transnistria. An almost threefold growth of student population was accompanied by large emigration of young people in search for work abroad. It is estimated that 1 million Moldovans are working abroad, which represent one fourth of our population. The problem in the second part of the 1990s was that the quality of university education declined overall but particularly in private universities since public ones enjoyed a better situation – more financial resources, longer institutional history, relatively more stable teaching staff and state recognition (Interview # 1)."

The fourth feature of HE reforms in 1995-2000 was the increased role of foreign funding for exchange programs for students and teachers, scientific publications, international conferences, curricula modernization and research travel grants. The Soros Foundation Moldova, established and funded by the Hungarian-born American philanthropist George Soros, became an important policy actor in the educational policy community, and participated in a variety of policy networks related to education and HE in the 1990s and 2000s (Interview # 3, 4, 6, 18, 19). From the first annual budget of USD 1 million in 1993, Soros Foundation funding reached USD 8.3 million in 1998 (Interview # 3; Soros Foundation Moldova, 1998). The Soros Foundation employed locals and had a National Board and field councils consisting of national experts who
were rotated on a regular basis. Strategies and budgets were approved by the Board and by the Open Society Institute, first every 3 years and later every year.

Over the years, the Foundation managed to build relationships with various actors in the educational policy community. To implement national projects the Foundation signed a Memorandum with the Ministry of Education. The Foundation, jointly with the US Embassy in Moldova and American non-profit organizations, funded and selected candidates for undergraduate, graduate and research exchange programs at the US universities. The Soros Foundation Moldova coordinated a Higher Education Support Project (HESP) together with the Open Society New York, London and Budapest, and collaborated with Central European University (CEU) in Budapest and other international non-profit organizations such as Civic Education Project (CEP). Grants were provided locally to individuals and non-profit organizations for a variety of projects ranging from education reforms to funding agriculture, increasing transparency of media and public administration, and diminishing gender and ethnic inequities.

…at the beginning the foundation had no experience and relied on projects imported from outside such as exchange programs for English teachers. I am not sure that they were always adjusted to local conditions. For example, the program on healthy ways of living was imported from Africa and its implementation was not a priority for Moldova at that point in time. It is more relevant now, and it is implemented by other organizations in a more systemic way…not without problems though…Over time we developed our own programs, of course heavily influenced by head offices in Budapest or New York who helped with information and training…Regional boards were a sort of advisors, telling us what to do. Maybe they were concerned that we did not have abilities to implement them. However when local staff showed a good understanding of priorities in the national context and organizational skills, there were no problems with regional boards (Interview # 3).

The WB did not have national projects aimed at system-wide HE reforms in Moldova, as in Hungary and Romania. However, it had an impact upon HE reforms through various channels. The WB co-funded, with other international policy actors, the regional project of improving
economics education (and the Academy of Economic Studies of Moldova was part of this project). In 1997 the WB provided a loan of $17.5 million for a general education project, which consisted of developing curricula, publishing textbooks and training teachers, and which influenced the quality of elementary and secondary education. The project was implemented jointly by the WB, the Soros Foundation Moldova, and a non-profit organization called Pro-Didactica (an off-spring of the Soros Foundation). Both the WB and Moldovan HE educational policy makers evaluated this project as one of the most effective WB projects. An important element of these reforms was designing and introducing a scheme for leasing textbooks. According to one respondent this was an important achievement.

While the leasing scheme was criticized later, at that point there was no other solution since the state did not have enough resources and schools lacked modern textbooks. Ideally the state should take responsibility for purchasing textbooks and improve children’s access to textbooks. The scheme helped parents save resources, since leasing arrangements were cheaper than purchasing textbooks. In addition, it created incentive to take better care of books and increased parents’ responsibility for textbooks (Interview # 4).

Another respondent believed that WB projects faced problems when the Bank provided unaccountable funding for government to cover the budget deficit, for instance:

In the case of sector projects, I believe that WB did quite well, and education project was among the best. Of course, it was not perfect and encountered drawbacks. Some critiqued, for example, that textbooks were not very good, but the project achieved many positive results. It contributed to curricula modernization and de-ideologization, and trained teachers in interactive methods of teaching that stimulated critical thinking rather than memorization (Interview # 3).

Finally, the indirect impact of WB advice on HE through its economic agenda was similar to other nations in the region. Neo-liberal policies advocated by WB relied on diminishing social spending and increasing the presence of private sector, which as a result lowered public funding for HE and stimulated expansion of HE on behalf of private sources.
8.3.3. **HE reforms in the 2000s: economic growth, communist government and European integration.** The period from 2000-2008 saw a consolidation of the role of state in coordinating HE and centralization in the HE decision-making. The growing reliance on external debt in the 1990s (130 per cent of the GDP) increased the budget expenditures for debt service in 2003 to 70 per cent of public revenues (*Interfax*, 2003). As a result, public expenditures in education, health and social protection fell from half of the total in 1997 to less than a quarter in 2001. The Law on Education provided free and compulsory education for children from age 5 to 16 years. However, 11 per cent of children of compulsory school age did not attend school in 2000 due to poverty, parents pressuring children to work, or children lacking interest (*UN*, 2000). In addition, under-the-counter payments for medical care and prices for medications, which had been fully liberalized by the mid 1990s, were exorbitant, with individual informal payments for surgeries measured in hundreds of USD.

High social costs represented a heavy burden for families, and could not be paid by individuals living on public sector wages; these factors drove the population abroad to earn money. The Party of Communists won a decisive majority in the 2001 Parliamentary elections on a platform that critiqued liberalization reforms, and questioned the role of Western aid and its impact on policymaking in Moldova. Though Moldova became a Parliamentary republic in 2000, the new Communist President played an even greater role in policymaking since he was supported by a Parliamentary and government majority. While the Communists’ critique of previous policies was in many cases correct, the suggested measures to remedy the situation were overly naïve or simply unattainable\(^\text{218}\). Promises to decrease the retirement age and prices

\(^\text{218}\) One of the infamous pre-electoral promises was decreasing the retail price on bread to the levels existing in the Soviet times, which was not possible without providing substantial subsidies for producers. Grain and fertilizers prices reached international levels, and the price for bread continued to increase after elections. Communists advocated closer ties with Russia to settle the Transnistrian crisis and negotiate better prices for oil, however failed
on consumption goods appealed to pensioners, the poorest segment of the population, but not to the IFIs. Because the government did not follow conditions imposed by the WB in implementing economic and social reforms, the IMF discontinued its structural adjustment loan.

Despite this critical situation, Moldova entered the early 2000s with moderate but stable economic growth, and the problem of salary arrears was resolved. Communists credited this improvement to their interventions in economic policy; however poverty, especially in the case of pensioners and the rural population, and corruption in the public sector, continued to be serious issues. Public revenues continued to be low. A more realistic assessment of economic developments suggested that by 2001 the previous reforms were providing some results, and more importantly, remittances from Moldovans working abroad increased dramatically and were estimated to exceed the annual budget. Remittances were mostly oriented towards consumption, which created a large cash flow in the economy, boosting economic growth and increasing private funding for HE. In 2006, 36.2 per cent of Moldova’s GDP came from money sent home by emigrants (Cardais, 2008b).

8.4. Stakeholders’ Perspective on HE Reforms in 2000-2008

The power dynamics in HE policymaking in the 2000-2008 period was associated with a series of concomitant changes related to political agenda of HE reforms, system design and governance arrangements. Also, the theme of HE European integration within the Bologna process dominated debates on HE reforms after 2003.

to do it. They also promised to stop the effect of increasing retirement age, which was immediately implemented after winning the Parliament majority. The new Communist Parliament stopped the gradual increase in retirement age at 57 years for women and 62 years for men (instead of 60 and 65 according to the Law on Retirement Age). However the Communist government did not pursue a real reform of the pension system.
8.4.1. Changes in the political agenda of HE reforms. The divergences between pro-Russian and pro-Romanian agendas in education deepened with the Party of Communists coming to power. The pro-Russian governing party restarted the debate on the name of the Romanian language and the status of the Russian language, and attempted unsuccessfully to increase the number of hours of Russian language instruction in Romanian schools. Themes from history, such as the Roman conquest of Dacia in the early first millennium and the role of Slavs in the consolidation of the medieval Moldovan state, became again subjects of political discussions. This resulted in increasing politicization of education. The pro-Romanian intellectual elite, students and opposition vehemently opposed reversing the status of the Romanian language and history back to pre-transition times. A series of protests of teachers, high school students, and intellectuals against Communist language politics made the government step back and announce a moratorium. Language reforms did not come back with the intensity of the early 2000s, however they remained at the center of the Communists’ attention. To promote the desired changes the Communist Party frequently changed the leadership of the Ministry of Education. For instance, while there was one prime-minister in the period from 2001-2007, there had been four ministers of Education. Generally, the Ministers and Vice-ministers of education during the entire period of transition were political appointees in Moldova rather than public bureaucrats. As one respondent put it:

The minister of education can be dismissed by the prime-minister and the president without parliament’s approval and is not protected by the Labor Code. In some cases the minister left in the morning for a meeting to a neighboring town, and discovered on the way that he was not the Minister anymore. Other times, the Vice-minister came to work; everyone knew that the person was dismissed except her. So, these positions were usually assigned to reward political favors (Interview #2).

Frequent and sudden changes in leadership affected the continuity of policymaking and involved long periods of Ministerial reorganization (Interview #2, 4, 19). Since 1998 Ministers of
Education have had average terms of office of 1.5 years (Table 8a). One respondent reflected on his first arrival to the Ministry of Education:

Everybody left, there was no institutional memory or legislation on transmitting the governance, and it does not exist today [2006] either. When I came to the ministry, the previous person in charge was gone and the office was empty…I found a secretary and a large table with many phones, but no reference materials on previous activities or structural arrangements. Directors of school and colleges were attending meetings at the Ministry, and I had to ask them if their institutions were subordinated to the Ministry of Education (Interview # 2).

In addition to staffing politics, the Communist Government actively engaged the discourse of European integration to promote their ideas. For instance, the course on the History of Romanians was renamed as Integrated History in 2002 under the pretext of standardizing history courses from the perspective of European integration. According to President Voronin, the course was supposed to help the government’s efforts at European integration and “raise good patriots and Europeans” (Moldova Azi, 2004). The text was heavily criticized by local historians, the public and opposition who argued that it was based on politics rather than good scholarship and its major objective was to promote the Moldovan rather than Romanian identity of Moldovans (Roper, 2006; Interviews # 9,10, and 19). The Europeanization discourse came in handy in the new geopolitical context when the collaboration with both Romania and Russia did not go smoothly. Romania was not envisioned to be a close partner after the victory of the Communists. Russia, against the expectations of Moldovan communists, continued tacitly to support Transnistria rather than Moldova in settling the Transnistrian conflict, which further increased fuel prices and even blocked the import of wines from Moldova for a period of time. The relationships of Moldova with Russia and Romania under the Communist leadership were constantly shifting. Consequently, the Communist Government searched for alternative alliances and discourses. Western European social-democracy was ideologically more suitable than the
American free market approach. Also, integration within the EU weakened the position of political forces that pursued unification with Romania.

Unfortunately, the governing party proved to be inconsistent and slow in promoting the project of Europeanization compared to other CEE nations. It supported European projects within selected sectors rather than implementing a system-wide project of integration. Thus, the Bologna project of HE European integration came to be among those reforms that were relatively easy to implement. Moldova joined the EHEA in 2005, introduced ECTC and the first cycle of new undergraduate degrees in 2005-2006.

8.4.2. New system design arrangements in HE and quality implications. In the 2000s tensions between universities and colleges, private universities and public universities, large and small universities increased, and quality concerns became a major issue in policy debates on the appropriate structure of the HE system. The number of HE students continued to increase: from 86.4 thousand in 2001-2002 to 119.5 thousand in 2005-2006 (Bulat, 2005, p.2). Unlike the 1990s, when the expansion occurred in the private sector as well, in the 2000s the number of students increased only at public HEIs, including colleges, and enrolments at private institutions began declining.

Enrolment data for the college sector between 1993-94 and 2002-03 showed a continuous decline from 33,800 to 15,200219 (Gremalschi, 2005, p.3). No data were available on the evolution of college enrolments after 2002-03, but the example of one of the largest colleges in Moldova showed increasing public college enrolments in the 2000s. In the 1990s, enrolments in this particular public college declined from 1,700 students in 1990 to 600 students in 1997, but after the government allowed tuition-fee students, enrolments climbed to 1300 in 2006-06 (Interview # 7). According to one interview subject, similar trends were observed at most public

219 The university enrolment increased in the same period from 46,900 to 95,000.
colleges. At the same time, the relationship between colleges and universities remained tense and unclear (Interviews #2, 7, 9, and 11). On the one hand, through a Ministry of Education decree, each public college was assigned a university-tutor, and 10 per cent of admission seats at universities were reserved for college graduates. On the other hand, the initiative to coordinate college and university curricula in similar subjects belonged to colleges, and universities did not recognize courses that the colleges taught. College graduates pursuing university degrees had to start all over again along with lyceum graduates, often repeating the same courses they had taken in college. With the expansion of the Bologna process, respondent #7 estimated that two thirds of the courses in the 3-year undergraduate programs and college programs overlapped. The perception of a university education’s superiority compared to a college education was rooted in the Soviet system and was perpetuated during transition despite general acknowledgement that college students had better applied knowledge than universality students in their respective fields. As put by one respondent,

If parents have to pay approximately the same tuition fee for their children at a college and a university they will choose a university, because in the Moldovan mentality university education is more prestigious than college education (Interview #2).

It was only by the mid 2000s, when the high unemployment rate of university graduates became chronic, that the prestige of a college education offering hands-on experience increased.

The policy offensive against private institutions was implemented through the state accreditation of HEIs, and by 2006 the number of private HEIs was cut in half: from 31 in 2000 to 14 in 2006 (Bulat, 2005, p.2). The low quality of teaching in private institutions continued to be a significant part of the public debate on the role of private institutions, however the debate

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220 It should be noted that in OECD nations with binary HE systems the rates of growth of university enrolments exceeded college enrolments. For instance, in Canada postsecondary participation rate among those aged 18 to 20 years in 1999 increased from 54 per cent in 1999 to 79 per cent in 2005; however, university participation in the same period almost doubled (from 21 to 40 per cent), and college participation increased from 26 to 42 per cent (Shaineks, Gluszynski & Bayard, 2008).
acquired new connotations as well. First, the quality of instruction declined at both public and private universities, and several respondents identified reasons for this decline. The quality of instruction in rural schools plummeted because poverty increased. Also, rural schools experienced a huge shortage of teachers who, with low salaries, left to work in construction or households in Italy, Spain, Portugal and Russia (Interviews # 1, 6 and 9). As a result, the divide between rural and urban secondary education increased.

In the cities lyceum professors are better trained, their remuneration is higher and grades are much stricter. In villages, on the other hand, many professors left to work abroad. Many subjects are simply not taught, and especially critical is the situation with teaching subjects such as physics, math and computer science, that determine the modernization process and technological progress. However, grades, because they serve as a basis for university admission, are inflated in rural schools due to bribes. Grade point average of rural students is higher than that of urban students, while the situation with their quality is opposite (Interview # 9).

Several respondents reflected on the limited capacity of the system for expansion. The HE system grew too fast, while the quality of instruction and teachers lagged behind. Most respondents agreed that, compared to Soviet times, HE during transition experienced a higher degree of differentiation in the level of academic preparation of students. In Soviet times, access to university education was limited, and thus students had relatively similar levels of preparation. By the mid 2000s several interviewees estimated that a small share of students, perhaps 10 to 20 per cent, were much better prepared for university education than in Soviet times due to improved access to information, knowledge of computer technologies, possibilities for travel and studies abroad, as well as knowledge of more foreign languages. Another 40 per cent were average students, while the rest were simply not prepared to study in universities. However, they noted that both HEIs and parents perpetuated the situation. HEIs were interested in growing enrolments to increase their revenues. Parents wanted their children to receive university education both to increase their social status, but also to postpone their entrance into an
extremely limited labor market in Moldova. With few jobs available, HE studies were a good occupation for children, especially when parents worked abroad.

The issue of inadequate student preparation was closely connected to the problem of corruption in HE, when the practice of paying for exams, better grades, papers and even doctoral dissertations proliferated.

People talk a lot about corruption in HE, especially in law, economics and medicine; it is difficult to demonstrate such cases but nobody really tries to find out about the issue more and take adequate measures…(Interview # 5).

A survey on corruption in education, conducted by Transparency International, estimated that annual under-cover payments in university education reached 10 million USD in 2004 (BBC News, 2005). While university administrators vehemently criticized the results of the survey, claiming that it did not show the real situation in universities and that it harmed the reputation of universities, the general public, many professors and all the interview subjects in this study acknowledged the reality of corruption. A survey of 1,199 students from ten Moldovan universities was conducted with the support of the Open Society Institute, USA, and the findings confirmed that corruption had reached a dangerous magnitude, estimating that:

In the period of 2000-2004, 13,000 students were asked for a bribe during their admission exams, and 6,000 accepted the offer. Approximately 30,000 students paid to pass 2 to 10 exams or for receiving a better grade. 4,000 students paid bribes for almost every exam. More than half of respondents considered that several professors created obstacles for students to pass exams, two-thirds of respondents believed that a position in university administration was profitable and one third of students purchased at least a book as a gift to pass the exam (Esanu, 2005).

By the mid 2000s cases of corruption were found at some private institutions as well, where initially that was never an issue (Interview # 15). The fact that professors’ salaries and the level of students’ preparation were lower in private institutions than in the public sector might have contributed to the emergence of this phenomenon. Low salaries in the public sector and the low
level of academic preparation of students were thought to be major explanations of this phenomenon in the 1990s; however by 2000s respondents suggested that it had became a habit, a behavioral issue since the salaries increased significantly in the public sector. As one respondent stated: “The entire society is affected by this phenomenon and it penetrated the education system as well” (Interview # 9). In addition to bribery, frequently encountered in all spheres of public life, HE also developed particular forms of corruption, such as cheating on exams and tests and plagiarism in writing course papers, articles and dissertations by both students and professors\(^{221}\).

In discussing the low quality of instruction in private HEIs, a common theme in the interviews was the growing conflict between private and public HEIs (Interview # 8, 10, 15). Both representatives of private and public institutions acknowledged the importance of the private sector, but also mentioned that the lack of state regulation in the early 1990s resulted in the emergence of many for-profit private institutions that discredited the idea of private HE. A respondent from the private sector recognized that

…it was so easy to create a private HE institution that some of them were opened in residential apartments. If clear regulations existed at that time, we would have avoided the unfortunate situation when numerous private institutions were created to gain profits rather than provide quality education (Interview # 8).

Both this respondent and several other interviewees representing private sector and non-governmental HE organizations (# 2, 10, 15), confirmed that by the end of the 1990s, the attitude towards private institutions changed dramatically. Multiple changes in legislation, favoring of public over private universities (particularly with regard to the accreditation of masters degree programs), and a derogatory attitude in public institutions towards students and professors from the private sector were mentioned as major obstacles for the development of a competitive

\(^{221}\) Ads in newspapers and in other public displays suggested writing for a fee any type of student assignment. Sums as large as 3,000 USD were expected to be paid for writing and defending a doctoral dissertation.
private sector. Respondent # 8 labeled the end of 1990s and the beginning of 2000s as “a period of torture for private institutions”, and reasoned that while low quality at several private institutions contributed to the negative image of private HEIs in the 2000s, discriminatory state politics and the strong lobby of public institutions were to be blamed for the change in social attitude towards private institutions as well:

Budget allocations to HE were miserable and to deter the public’s attention from this issue, government allowed public institutions to enroll an unlimited number of tuition-fee students [until 2006]. Over time, tuition fees paid by these students became the largest source of revenues of public HEIs. At the same time, private institutions were criticized for having fee-paying students. Public institutions did not need a license to operate and accreditation was much easier for them. If a large liberal-arts public university wanted to establish a gynecology department it could easily do so. Public universities are monopolists and are in position of power (Interview # 8).

The attitude of this respondent was fueled by the disillusionment with stagnant enrolments and revenues of private universities, but several other respondents, including policymakers as well as public university officials, confirmed the existence of a strong competition between sectors and institutions, and the high degree of concentration of students in public sector. For instance, respondent # 13, a public university official, insisted that the private and public sectors should have equal opportunities, however personally would not employ graduates of a private university or any other Moldovan HE institution but would give preference to the graduates of his own institutions. The same respondent offered the following statistics: out of 14 public universities, the three largest ones – State University, Technical University and Economic Academy - enrolled approximately half of all students in 2005-2006. Table 8b provided an interesting picture on the degree of concentration in both public and private sector.
**Table 8b. Enrolments at selected Moldovan HEIs, 2005-2006**

<table>
<thead>
<tr>
<th>University</th>
<th>N of students</th>
<th>% to public/private enrolment</th>
<th>% to total enrolment</th>
</tr>
</thead>
<tbody>
<tr>
<td>State University (Chisinau)</td>
<td>26,700</td>
<td>27</td>
<td>22.3</td>
</tr>
<tr>
<td>State Technical University</td>
<td>23,400</td>
<td>23.8</td>
<td>19.6</td>
</tr>
<tr>
<td>Academy of Economic Sciences</td>
<td>16,000</td>
<td>16.2</td>
<td>13.4</td>
</tr>
<tr>
<td>State Pedagogical University (Chisinau)</td>
<td>7,000</td>
<td>7.1</td>
<td>5.9</td>
</tr>
<tr>
<td>State Medical University</td>
<td>4,000</td>
<td>4.1</td>
<td>3.3</td>
</tr>
<tr>
<td>State University (Cahul)</td>
<td>2,500</td>
<td>2.5</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Total public sector</strong></td>
<td><strong>98,462</strong></td>
<td><strong>100</strong></td>
<td><strong>82.4</strong></td>
</tr>
<tr>
<td>Free and Independent University</td>
<td>5,000</td>
<td>23.7</td>
<td>4.2</td>
</tr>
<tr>
<td>Trade and Cooperative University</td>
<td>2,700</td>
<td>12.8</td>
<td>2.3</td>
</tr>
<tr>
<td>International Institute of Management</td>
<td>1,200</td>
<td>5.7</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total private sector</strong></td>
<td><strong>21,065</strong></td>
<td><strong>100</strong></td>
<td><strong>17.6</strong></td>
</tr>
<tr>
<td><strong>TOTAL university enrolment</strong></td>
<td><strong>119,527</strong></td>
<td>-</td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Data on total numbers from the Ministry of Education (Bulat, 2005) and on individual university enrolments – university website pages and interviews

The three largest public universities enrolled 67 per cent of public enrolments and 55.3 per cent of total enrolments in 2005-06, while one quarter of private students were concentrated in one private institution. These data also confirmed the small scale of private sector institutions: even the largest private university accounted for only 4.2 per cent of the total number of students and was comparable to a small public university. Respondent # 16 offered an explanation on why the social status of large public universities increased in the 2000s:

During 1990s, salaries in private HEIs were more competitive than in public HEIs, and they attracted the best teachers from the public sector. Meanwhile, public institutions were allowed to enroll tuition-fee paying students, the salaries increased and even exceeded those in the private sector. Not only professors returned to public universities, tuition fees at large universities were smaller than at private universities. Public universities offered residence on campus, while only two largest private universities were able to afford housing on campus, but it was much more expensive than at public universities. In addition, public universities always enjoyed an open support from society and state, and this allowed them to attract more grants and resources from international sources to develop ‘prestigious’ specializations, such as international trade, that existed in early transition only at private ones and to invite professors from abroad. This was a serious blow for private universities who suffered a social and financial loss.

In this context, more students meant larger revenues, as well as increased opportunities for institutions to increase staff and teacher salaries and training, and invest in fixed assets such
as buildings and laboratories. While the level of investment still lagged behind what was desired, large universities certainly did more in this regard than small ones. Public universities and two largest private universities benefited from increasing funding related to the Bologna process because they had qualified administrators responsible for international cooperation that promoted their institutions and applied for international funding. These HEIs had better chances to receive project funding; their longer history and traditions and a larger size limited the chances of their disappearance overnight. They also had better infrastructure and significant numbers of students and professors in the social sciences (e.g., history, political science and economics). The Soros Foundation, for instance, funded pilot projects to develop masters degree programs, implement quality assurance projects and develop European credit systems at three large public universities (State University Chisinau, Technical University, Pedagogical University Balti) and two private universities (International and Free University, Trade and Cooperative University).

**8.4.3. Major policy actors and governance reforms in HE.** The extent of governmental intervention in HE represented another area of concern for most respondents. By the early 2000s a sophisticated policy network had emerged in HE. The major national policy actors were the President, the Parliament, the Government and the Prime-Minister, Ministry of Education, Branch Ministries in charge of specialized HEIs, Ministry of Finance, Ministry of Education, National Council for Accreditation and Attestation, Academy of Science, and international donor organizations. University rectors and college directors and their associations were important institutional players.

The Parliament determined the educational goals but also approved important regulations regarding quality controls and admissions. The Ministry of Education formulated educational policies and monitored their implementation, rather than managing the sector on a day-to-day
basis as in the Soviet times. The Soviet practice of subordination to several ministries remained however unchanged (as in the Romanian case): most institutions were directly subordinated to the Ministry of Education, while specialized institutions were subordinated to the Ministry of Education and to the respective branch ministry (for instance, the University of Medicine was placed under the jurisdiction of the Ministry of Public Health). Staff appointments and budgets were approved by the Ministry in charge, but the Ministry of Education was responsible for educational policies, overall supervision of the sector and quality assurance. The Ministry of Finance provided funding and when planned expenditures were not covered by revenues, the Ministry of Finance had considerable discretion. The Ministry of Economy coordinated with the Ministry of Education the admission process to HEIs. Also, the Ministry of Economy compiled a list of graduation specializations (nomenclator de stat) and determined the number of specialists needed by the economy. As one respondent put it,

The Ministry of Economy tries to fulfill the role of the former Gosplan [Soviet Planning Committee]. It determines, for instance, the annual national demand of specialists. Say 10,000 economists and lawyers are needed this year, but it is not clear how this number was calculated. Also, the Ministry of Economy developed a sophisticated system of codes for HE specialties. When they are changed, private institutions have to apply to the Licensing Chamber to confirm the change of the code at their institution, and this takes time and money, and the Chamber might not even change the code (Interview # 8).

By 2000, institutions had much more freedom in academic matters than in Soviet times and universities were autonomous in terms of selecting and promoting didactic personnel, in organizing the process of instruction, and in determining the content of courses and forms of evaluation. However, multiple reporting lines, excessive bureaucracy, the lack of student freedom to choose courses and professors, and the increasing role in HE governance of other state agencies, such as the Ministry of Finance, Ministry of Economy, National Council for
Accreditation and Attestation, and Academy of Science, increasingly limited institutional autonomy as noted in several interviews.

The 1995 Education Law proclaimed university autonomy; however de facto, even by 2006, there was no governmental regulation that clearly defined university autonomy, or the rights and obligations of universities and the role of state. Until 2002, rectors were elected by academic senates on the basis of competition among eligible candidates and winning candidates were confirmed by the Government (Tiron et al., 2003, p.33).

The rector was an important actor in HE decision-making and had the political support of the President. In the opinion of the state leader, the rector controlled a large share of young electorate…Rectors, on the other hand, promoted the interests of their institutions by using political connections. The major domain that affected university autonomy was contract admission, i.e., the enrolment of tuition-fee students. To increase enrolments and revenues, Universities wanted to open new specializations (or change old names) that were attractive for young people. For instance, elementary education specialization did not attract many candidates, but in combination with English Language or management it became a prestigious field. When the ministry tried to regulate the list of specializations, rectors bypassed the ministry and used their political connections at the presidential level (Interview # 2).

Rectors were elected every five years and the duration of rectors’ tenure was not limited by legislation. Generally, the individuals I interviewed did not see this as a problem; rather they considered that it helped to advance institutions’ agenda in the political marketplace. Only one respondent (# 9) believed that term of office of rectors should be limited to two consecutive terms in order to maintain an innovative and fresh approach to institutional reforms. Unlimited terms and strong political connections made rectors very powerful during 1990s, and the Council of Rectors, created as a consultative body, was actively involved in decision making. The Council discussed legislation, suggested changes to the Parliament, and involved several rectors of private universities and Ministers of Education. As several respondents pointed out, Ministers
were former academics and the collaboration between the Ministry and Council ran quite smoothly (Interview # 5, 2, 13, 4).

In 2002, the Communist-controlled Parliament revised the Law on Education and as a result the Ministry of Education became involved in the process of rector elections. After being elected by University Senates, rectors were to be appointed by the Minister of Education and then confirmed by Government Decree. The Council of Rectors remained as a consultative body, but the growing power of various state agencies limited institutional autonomy in all fields – academic appointments, institutional accreditation, research, funding, and admissions. As one respondent put it, the university system became increasingly centralized:

The state currently takes all important decisions – admission procedure, specializations of admissions, number of admitted students, the way of professors’ retribution. Universities are independent in selecting didactic personnel, however can not independently approve academic and scientific titles, which requires a ministerial approval. Formally universities are autonomous in selecting rectors, but in reality they are not because the rector has to be appointed by the Minister and confirmed by the Government. And we had situations when the Ministry did not confirm a rector for half a year (Interview # 2).

Another area, in which the state became increasingly involved, was quality assurance. The National Council for Accreditation and Attestation (NCAA) was established as an independent body by the government in 2000 and evolved to control the process of attestation of didactic and research cadres, and the accreditation of universities and their programs every five years. In addition, the Ministry of Education had an accreditation department, which developed a series of academic and technical indicators and confirmed the NCAA decision on institutional and program accreditation. In general, respondents agreed that the state should play a role in assuring quality in HE and that often institutional autonomy was understood as total lack of control from the state (Interview # 1, 2, 8, 11, and 18).

In mature societies, where laws function and civil society is active in decision making, maybe the state should not interfere so much, especially in HE. But when civil society is
weak, and the cult of the document is strong, the state should play a bigger role in protect parents and students from fraud and in assuring a minimum quality in HE (Interview # 2).

However, many respondents cautioned against increasing bureaucratization of the process of both attestation and accreditation, which endangered academic freedom and stimulated corrupt practices in defending doctoral dissertations and accrediting institutions (Interviews # 1, 15, 16).

The State Committee for Attestation (a department within NCAA) had a variety of responsibilities, such as allowing the creation of institutional doctoral councils\textsuperscript{222} in various fields, and confirming all academic titles. It also formulated, and frequently changed, the requirements for doctoral programs, as well as provided detailed explanations on the structure of dissertations, types of articles required for the defense, etc. The accreditation system was consolidated by 2005 and was similar to the accreditation procedure introduced elsewhere in CEE. Institutional self-evaluation reports based on a variety of performance indicators were subjected to external reviews. External experts in each discipline were appointed by the Parliament and generally were employees of public HEIs. Respondent # 15 pointed out that the accreditation process was a very complex process and that requirements were exaggerated, especially in the case of private institutions. According to another respondent:

Legislation requires private universities to have a statutory capital of 1 million lei. I understand that the state wants the university to have a solid capital to be able to organize the educational process. However, the state does not allow using this capital for institutional development, which is non-sense. Further, in 1997 the government adopted the regulation on master degree level. We wanted to register a master degree program in 2003 but still don’t have any answer [2006]. This is discrimination; all the public institutions have master programs (Interview # 8).

\textsuperscript{222} Doctoral councils are established by NCAA within a certain HEI. These are permanent bodies, specialized in a field of research (assigned by NCAA), and its members hold Doctor Habilitat degrees. Doctoral candidates, regardless of their institutional affiliation, defend their dissertations at council (similar to oral exams in Canada). There should be a match between the area of specialization as the doctoral programs and of the council were the dissertation is defended. In some fields of research, there is only one council in the nation. Doctoral candidates have few options or none in choosing their defense council, and, as several respondents stated, defending outside their HEI could be a hurdle for doctoral candidates.
A non-partisan respondent, a HE policymaker from a non-governmental institution, confirmed this point of view, but also mentioned the low quality of many private HEIs:

The actual state politics with regard to private universities is to make them disappear. Requirements for their accreditation are being tightened every year. I believe that this politics is a result of engaging a Stalinist approach to private-public sector relationship: state ownership is good, while private entrepreneurship is against the state interests. Certainly, public universities were right when claiming that private universities often provided low-quality HE. However, I also believe that the lack of corporate responsibility and ethics in the university sector significantly contributed to the creation of phantom universities and to the transformation of universities (both public and private) in diploma mills (Interview # 2).

Legislation related to the organization of science initiated at the end of the 1990s revived a Soviet state agency - the Academy of Science, which in the 1990s suffered a huge decline in funding and in personnel. The Communists actively supported the strengthening of the Academy of Science after they came to power in 2001, and it was reformed in several ways. First, the Academy of Science was taken from being administered by the Ministry of Education and Research and the President of the Academy became a member of the Cabinet. Essentially, the Academy became a quasi-ministry of research as it was during the Soviet period. Second, the Academy concentrated all the research institutions in the country by subordinating the branch institutes (that earlier were under jurisdiction of various branch ministries). Third, it was assigned responsibility for the management of funding resources and the organization of competitions for research grants, including those from universities. Private universities were not allowed to participate in the competitions for public research funds. Fourth, the Academy concentrated the training of doctoral students within the Academia under the umbrella of one Center. The Centre for Doctoral Studies organized enrolment and qualifying exams for doctoral students enrolled at the academic institutes\(^{223}\). The Center also determined the number of

\(^{223}\) Before the establishment of this Center, every institute administrated its own doctoral program.
doctoral students by majors at all universities. Finally, the number of doctoral students, and the number of research and branch institutes was significantly reduced (for instance, the number of institutes declined from 101 to 40). The rationale for these reforms was to spend public resources more efficiently, increase salaries for researchers and scholarships for doctoral students, induce more competition for state funding within doctoral and research programs, and attract private funding for doctoral studies (Interview # 17).

The increasing role of the Academy generated heated public debate and was especially critiqued by the universities. The HE practitioners I interviewed expressed their dissatisfaction with reforms to the research system. The centralization of research in the Academy reduced university autonomy in determining research priorities and doctoral enrolment planning, and contributed to the hierarchization and bureaucratization of research. In addition to various other structures, the Academy became an important actor in HE governance. According to the new system, research funds were allocated by the Ministry of Finance to the Academy, which in turn distributed them among academic institutes and universities. The Academy also played an important role in the process of defending doctoral dissertations²²⁴, confirming scientific degrees and consolidating research data collected by universities. Respondents saw this change as a major set back in academic reforms; university research was dominant in industrialized nations, and many former Soviet Republics had transformed Academies into honorary institutions. Most respondents agreed that these academic reforms had political support:

The change in the Academy is probably fueled by political reasons. The Academy works for the state and it is much easier to promote a political project especially in social sciences. Through a loyal Academy the state can influence many scholars, which for instance was the case of writing the Integrated History textbook (Interview # 10).

²²⁴ Before, a Doctor Habilitat candidate was expected to pass a university specialized seminar before defending the dissertation. After academic reforms have been enacted, such specialized seminars were created at the Academic institutes, and the candidates had to pass them as well.
Finally, several respondents believed that a strengthened Academy was burdensome for a small nation with low social spending:

A poor country can not afford developing nuclear physics and having a large structure such as the Academy of Sciences. Talented scholars will go abroad for better remuneration, while those that remain will perpetuate mediocrity. The state should rather fund fundamental research at universities. Applied research in areas important for the country’s needs should be conducted at few specialized institutions funded on competitive basis both by the private sector and interested state agencies (Interview #19).

Financial autonomy was another area of institutional autonomy restricted in the 2000s, and according to few respondents (# 7 and #13) the trend towards financial centralization was increasing. Since publicly-funded students represented less than one third of enrolments, the share of public funding diminished over time and institutions relied on revenues from tuition-fee paying students. Before 2004 these institutional revenues were called special resources. Institutions had to use them to pay salaries, utilities, and taxes. Respondent # 7 estimated that about 35 per cent of special resources were left at the discretion of the institution and were usually spent for capital investments. Since 2004, revenues from private tuition fees were consolidated into the extra budgetary funds, which were part of the national public budget. As public money, their spending was administrated by the National Treasury. While the institutional budget was approved by the Senate and confirmed by the Ministry of Education and Ministry of Finance, several conditions had to be met by the institution. No more than half of the extra budgetary funds could be used for remuneration; payments for water, gas and electricity were made proportionally to the number of students, and no deviation from the plans in spending extra budgetary resources was allowed (unless the National Budget Law was modified). In a public interview, a former Minister of Education explained the ambiguity of financial autonomy in the following way:

Universities’ budgets are monitored by the Court of Accounts, while remuneration is implemented according to a Regulation elaborated by the Ministry of Finance. Rectors have to justify any additional spending before the Ministry of Finance or Court of Accounts. If the rector wants to invite a foreign professor during the academic year, he could negotiate the honorary with the respective person. However, at any time, state agencies could reject the new spending (Gremalschi, 2004).

Finally, in 2006 the Government limited institutional autonomy even more by capping the number of contract students that pay private tuition fees. The Ministry of Economy determined the exact number of students by majors to be enrolled at both private and public universities. The rationale of this policy was the concern for quality and oversupply of university graduates. The individuals I interviewed conceived this policy as over-simplistic and as a manifestation of centralization and increased government control in HE. They believed that it promoted corruptive practices at the entrance into the system, restricted equity of access, and diminished institutional autonomy and private funding in HE. As one respondent mentioned, the government should have restricted the exit out of the system and assure that the quality of instruction was adequate (Interview # 1). The position of students in the Moldovan HE was eloquently described by a former Minister of Education as being similar to that of serfs: students were required to attend a pre-determined set of courses, had no right to choose courses or professors, and many professors continued the Soviet practice of dictating notes during lectures 226 (Gremalschi, 2004). The outdated content of courses, low student mobility among Moldovan HEIs, and weak connections between curricula and labor market requirements added to student hardships (Bostan, 2005; Ciocanu, 2005).

In the 1990s, non-governmental institutions evolved as policy actors by collaborating with governments in major areas of HE reform, and by supporting individual academics with resources for publications, conferences and course development. With the Communist

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226 The major reason was the lack of textbooks, but also such an interaction was much easier for professors and students rather than engaging active methods of learning.
Government coming to power, their role as policy actors in HE policy networks changed twice. In 2001-2003, they were virtually ignored by the government, and according to the individuals I interviewed in the non-governmental sector, communication with the ministry was quite limited (Interviews # 1, 3, 14, 18). In 2003 the Communist government turned its orientation towards European integration, and international and non-profit organizations began providing funding and expertise for various activities related to European integration. Interviewees (# 2, 3, 18, and 20) mentioned several factors that contributed to better communication between the Ministry of Education, non-governmental policy makers and the HEIs. The change in the Government rhetoric from a pro-Russian orientation towards European integration in 2002-2003 was essential, but also the employees of the Ministry of Education accumulated experience in working with international donors and became more responsive to their requirements. However, these interviews also showed that the nature of technical assistance and the macroeconomic environment changed as well. The non-profit organizations experienced a sharp decline in their budgets. For instance, already at the end of 1990s George Soros announced a phasing out of the involvement of the Soros Foundation in transition reforms in CEE, including Moldova, and the budget of Soros Foundation Moldova was cut in half from USD 8.3 million in 1998 to USD 4.15 million in 2007 (Soros Foundation Moldova, 1998; 2007). On the other hand, the financial situation of the HEIs improved; they were able to increase salaries in most social sciences and fund some conferences and trips. In this context, the strategy of non-profit organizations changed from offering a multitude of small grants for individual scholars and students to co-funding large institutional projects related to HE policies and national activities organized by the Ministry of Education and the EU. Amalgamation of projects and diminished budgets of non-profit organizations occurred along with the centralization of national policymaking. These policy
changes favored HE departments and institutions but limited the access of individual academics to alternative sources of funding.

**8.4.4. Internationalization discourse and the Bologna Process.** The discussion on the Bologna process in Moldova started after its initiation in 1999. A pilot project on the European Credit Transfer System (ECTS) led by the State University was initiated in 2000, new draft legislation on HE (2001) defined a two-cycle HE system with a 3-4 year undergraduate degree and 1-2 year masters degree, and standardized transcripts were introduced in 2002. With a changing political discourse towards European integration in 2003, joining the EHEA became a political priority as well. In May 2005, Moldova became a member of EHEA, and by September 1, 2005, the first degree level – 3-year bachelor – was introduced in all Moldovan universities. The idea of European integration of HE was received positively in the broader society and HE; it was generally accepted that Moldovan integration into Europe through EHEA was much more realistic than through economic and monetary instruments (Belostecinic, 2004). The official rhetoric of political figures and top administrators of leading HEIs focused on the Bologna process as an opportunity to fully break with the Soviet system of HE and modernize HE in terms of methods of instruction, content of curricula, quality improvement and greater mobility of students within a larger European context (Beniuc, 2006; Ciocanu, 2005).

For the Republic of Moldova, as well as for other nations, the Bologna process is a source of inspiration for HE reforms. Even the words ‘Bologna process’ is associated with the notion of HE reforms (MEYS, 2006).

By 2006, this rhetoric emphasized European co-operation on quality assurance (Moldoveanu-Batrinac, 2005; 2006a; 2006b). This corresponded with the changing discourse on the Bologna process everywhere in Europe and the movement from synchronizing the architecture of degrees to creating a credible and transparent European system of quality assurance.
assurance. The Moldovan Ministry of Education elaborated the new Plan-Cadre in July 2005 to be used as basis for standardizing the curricula at all institutions. This document established the duration of the period of studies in the first degree cycle (in number of weeks), as well as the structure of curriculum in terms of credits, seminars, lectures, practical activities, time for work in the library, etc. A new quality assurance focus enforced the role of National Council for Accreditation and Attestation in program evaluation\textsuperscript{227} and engaged market and efficiency-oriented terminology widespread in Western Europe, North America, Australia and New Zealand such as ‘protection of educational services consumers’ and ‘performance output indicators’.

Victor Stepaniuc, the Chairman of the Parliamentary Committee for Culture, Science and Education and the leader of the Communist faction in the Parliament, an inveterate supporter of reintegration with the Soviet space, acknowledged in an interview in 2005 that accreditation of HEIs every 5 years was an European practice, and “… we do not intend to invent our own models” (Stepaniuc, 2005). Even though he misunderstood the idea of a unique European tradition of accreditation – as discussed earlier in the text there was no tradition of one system of accreditation in Europe and many European countries faced the need to build a national system of accreditation as much as Moldova did - the change in the political discourse from a pro-Russian to a pro-European orientation was remarkable. Reorientation towards European integration was a positive development for a Soviet-style party such as the Party of Communists of Moldova; however, it also created concerns that another slogan was uncritically adopted and pushed strongly for implementation, without taking into account local conditions and needs.

University officials often expressed their concerns in public debates that the process of European

\textsuperscript{227} For instance, the vice-minister of education, Moldoveanu-Batranac (2005) cited the Swedish experience of horizontal program evaluation. She suggested that the Accreditation Council could set up expert groups in various fields. These experts would evaluate all programs in the respective field at all universities within a period of 3 to 6 months. Then the performance of these programs would be compared and program funding would be based on the results of the evaluation.
HE integration or ‘Bolognization’\textsuperscript{228}, as rephrased by one of the individuals I interviewed (# 3), was centrally administered and was made in a rush\textsuperscript{229}. They cautioned that a shock therapy approach to HE reforms would formally restructure the system, but would not tackle the serious issues, such as limited institutional autonomy and unsatisfactory quality of HE, and could neglect national particularities and linguistic diversity, advocated by the Berlin Declaration in 2003 (Belostecinic, 2005; Bostan, 2005; Rusnac, 2004).

The interviews conducted with HE policymakers and practitioners for the purpose of this dissertation also identified the positive features of the Bologna process, particularly stressing its importance for Moldovan integration within Europe and increasing student mobility. Also, respondents envisioned that transition from oral exams and narrowly specialized courses to written exams and modules would make the educational process more transparent, would improve the course content and would diminish corruption in HE.

The major concerns raised in the interviews related to the Bologna Process concentrated in three areas. First, similar to several top university officials in their public interviews, most respondents debated the way the transition was handled. They were concerned that HE European integration was becoming a slogan:

> Presentations at all meetings begin with the phrase “…according to the Bologna process”, and everything is colored in bright colors. In a way we substituted real reforms with formal statements, which remind the Soviet formulations such as “…in the light of decisions taken by the Communist Party Congress” (Interview # 16).

The transition to the new 3+2 degree structure was implemented quickly. Moldova joined the EHEA in May 2005, and by September of same year all universities had to start admissions for a

\textsuperscript{228}‘Bolognization’ sounds similar to Soviet slogans of ‘Sovietization’, ‘electification’, etc.

\textsuperscript{229}A series of interviews on Bologna Process with top Moldovan university officials, rectors, vice-rectors and deans were published in Romanian on the Alma Mater website of the non-profit organization Center for University Strategies and Technologies at http://www.almamater.md/articles and were retrieved March 22, 2006.
3-year bachelor level. The regulations received from the Ministry were confused, and arrived only at the beginning of the year.

Until the last moment we did not know if we will change the system. In September we learned from the Ministry that we have to divide the courses in hours, and credits respectively. But in two days you can not adjust well the course content, so the change was fast and formal, no profound analysis preceded it. And this was the case at all universities (Interview # 15).

As a result, students and parents, but also professors lacked reliable information, and all sorts of myths about the Bologna Process began to spread. The students enrolled in the previous years that had to continue their studies according to the old curricula were particularly frustrated. The transition was not only too fast, it was also “…narrow-minded, did not account for local problems, and resulted in excessive standardization of curricula. All universities teach the same courses. If a HEI wants to teach a specialized course in statistics, for instance, because it has a great expert in the field, the Ministry will not allow it” (Interview # 2). Respondents # 2, 4 and 10 noted that reforms in HE were inseparable with changes in related fields, particularly in pre-university education and labor markets. Their conclusion was that without improving students’ performance in schools and without connecting HE to the needs of labor markets, the Bologna Process would not be successful. One interviewee (# 2) argued that “we should improve the lyceum education and reform secondary system rather than lower the quality of university education”.

The second issue of concern was the duration of the first cycle. Several respondents argued that three years was not enough to prepare highly-qualified specialists. A respondent from a specialized economic HEI noted that:

In France, for instance, lyceum graduates are already well equipped with economic knowledge. In our case, lyceum graduates, especially from the countryside, come with very little knowledge in Economics and we have to start from zero. Because the number of
years [at the Bachelor degree level] was reduced, we had to exclude basic economic courses, and provide courses in accounting, finance and management already during the first year. It is too accelerated, and it will harm quality (Interview # 1).

Similar concerns were expressed by respondents from specialized medical, technical and pedagogical universities, where the institutions insisted on having a 4+1 structure rather than 3+2 (Interviews # 6, 9, 10). On the other hand, a series of interviewees (Interview # 1, 11, 12, 13, 15, 16) mentioned that a shorter period of study during the first cycle was beneficial. Their counterargument in the debate on the duration of the first cycle was that a well-designed structure of a 3-year university degree was comparable to the 5-year period of studies in the Soviet times since it excluded ideological courses. In addition, with most students paying for studies, a 3-year undergraduate program would be less costly than 4 or 5-year programs. The major argument in favor of the 3+2 structure was that it provided a choice for students and addressed the issue of student diversity. Those individuals that want to pursue further education could do so in master programs. The other Bachelor-degree holders could open a business, could enter the labor market in entry positions or could leave to work abroad (Interview #12):

After 3 years of studies many graduates will leave for Portugal or Italy…Many Moldovans work abroad, they want their children to have university degrees and pay the tuition fees and accommodation. Certainly their level of preparation is inadequate…However, without them and their parents paying for education there would not be universities in Moldova.

However, as most respondents pointed out, several steps had to be taken to make the new structure efficient. The quality of instruction should change dramatically: students should be trained to think critically and acquire multiple literacy skills, including in writing, foreign languages and computers. For that to happen, high school and university teachers should be adequately trained and paid, and the libraries should be modernized and expanded. Another important condition for successful change was clearly differentiating bachelor and master degree
programs. Respondents feared that the master degree courses would be a simple repetition of bachelor degree courses. They were not sure how competitive admission into the master programs would be. If most people followed into master programs, the new structure would not be very different from the previous one. And finally and most importantly, the credit system - the quintessence of the new degree structure - was in huge disarray and did not facilitate international or domestic student mobility. Some respondents argued that the curricula autonomy is exaggerated – HEIs assign arbitrarily a number of credits to courses without consulting other HEIs. They pointed out that it was necessary to find a middle ground between inflated standardization and uncontrolled institutional freedom in defining the content and types of courses to be taught, and that the Ministry of Education should take an active stand in this process (Interview # 1, 16). That is how Respondent # 1 justified the need for Ministerial regulation of the process of credit assignment:

Unfortunately, departments and HEIs can not agree among themselves. We are all friends, meet and talk to each other, and go to the same parties, but when we reach the point of discussing the credit system we become enemies. In this case the Ministry of Education should determine the annual number of courses, the share of core courses and explain what an optional course means. Often a core course at one institution is an optional at another. When I promote this idea, I am told that this would limit institutional autonomy; however I believe that all institutions should provide common basic knowledge at the undergraduate level, and offer different optional courses. I am also told that we should aim at Harvard and Oxford as examples. I disagree with this; we are in different situations and we will follow their example when we get there. Meanwhile, we have to achieve institutional comparability and make our studies comparable to those in other countries. The Ministry can establish committees of experts in each field consisting of well-known 7-10 professors. These Committees should be independent of the ministry and develop general frameworks of course curricula (Interview # 1).

Another impediment for successful integration of Moldovan HE into the European space identified by respondents, in addition to quick transition and the duration of bachelor degree, was the two-level doctoral degree. Two doctoral degrees, Candidate of Science and Doctor of Science, were the legacy of the Soviet system. In the early 1990s, Moldova did not radically depart from
the Soviet tradition like the other former Soviet republics. For instance, the Baltic States switched to a one level Doctoral degree and all Candidates and Doctors of Science were awarded a unified Doctor Degree. Moldova chose to change the names, but kept the two-level degree structure – Doctor of Sciences and Doctor Habilitat, supposedly following the German system of Habilitation. Respondents indicated that this occurred because of the strong lobby of Doctors of Science graduates in academia and government; these graduates did not want to share the same scientific degree with lower ranked Candidates of Science.

All of the respondents agreed that this was an outdated structure and that Moldova needed to have a one level Doctor Degree. However, they also acknowledged that over time the issue became more complex and involved much more nuanced power relations. The number of Doctors Habilitat increased, they dominated the leading administrative and academic positions in universities and the Academy of Sciences. In a way, they monopolized the top positions and imposed tough requirements for new people willing to attain the Doctor Habilitat level (Interview # 9, 11, 16). At the same time, the number of Doctorates increased at a much higher rate than Doctors Habilitat, especially in such field as economics and medicine, generating an inflation of Doctoral degrees, a tolerance for low quality of thesis and corruption, including nepotism, bribery and plagiarism (Interviews # 6, 9, 16, 19). One respondent provided an eloquent example of how nepotism worked in defending dissertations:

We are only few Doctors Habilitat in each field and we know each other very well. If I do not support the doctoral student of my colleague, then my colleague would not support my students. It creates a vicious circle, and quality suffers enormously (Interview # 6).

The number of Doctors increased for various reasons. The degree provided a higher social status, even if the individual did not work in academia. Also, without a doctoral degree, young people were leaving teaching positions in universities, so a faster defense was advocated by institutions.
Respondents acknowledged the need to raise the quality of Doctoral dissertations, and exclude the Doctor Habilitat level or maintain its status as post-graduate degree (Interviews # 6, 9, 11, 12, 13, 17). However, Doctors Habilitat strongly resisted the unification of doctoral levels, reasoning that the quality of Doctoral dissertations was lower than that of Doctor Habilitat. To change the power distribution created by mid 2000s would require a radical change in the doctoral training system, including more emphasis on methodological and philosophical training, improved access to literature, and better understanding of the ethics of research.

We would not have faced so many problems if the second doctoral level was abrogated in 1991...We did not engage shock therapy in academic reforms when it was necessary but rather chose to follow a gradual transition. It is extremely painful to be in a transition process for 15 years. Academia now faces a generational gap and it does not have enough young and most importantly critically-thinking people, who are the agents of change. It will take time to fill this gap (Interview # 11).

8.5. Conclusions

Moldovan HE developments shared many similarities with the Hungarian and Romanian cases in terms of HE expansion and diversification, curricula de-ideologization, governance democratization, and European integration. Moldovan economic and political reforms, like in Romania, generated a higher degree of instability and increased poverty. At the same time, the Moldovan course of HE reforms was significantly altered by inconsistent policies towards Europeanization and by the Soviet breakup. Moldova never existed as an independent state and was closely integrated into the Soviet economic and educational system. A greater political instability also derived from deeper ethinical fragmentation. Language politics permeated education and HE reforms and generated additional sources of conflicts in HE along ethnic (pro-Romanian and pro-Russian) and ideological (pro-Communist and pro-Western) lines.
Documentary analysis and interviews with HE policymakers and practitioners showed two major characteristics of HE politics reforms in Moldova not observed in Hungary and Romania. First, both education and language politics were actively engaged in the process of nation and state building, leading to a higher degree of politicization of HE reforms. Second, Soviet heritage in terms of degree structure, methods of instruction, negative perception towards private sector, limited institutional autonomy, etc. represented a significant source of tensions in current HE and a serious obstacle in improving quality and academic freedom in HE. For instance, respondents saw institutional autonomy as a very important aspect of HE democratization after country’s independence. However, most respondents remarked that centralization of decision making in HE, discriminatory policies towards private institutions and increasing role of various state agencies in HE governance such as the Academy of Science and Ministries of Education, Economy and Finance significantly altered institutional autonomy and reminded in many respects the Soviet patterns of power. In their opinion, these developments could largely offset the positive aspects of European integration process in HE. A Communist-led Europeanization process in the way it was organized changed the HE degree structure in Moldova, but a much stronger political and economic effort is required to renew the HE system.
Chapter 9. Conclusions

The objective of this final chapter consists “of putting the pieces of the puzzle together”, i.e. working out the analysis of the historical heritage, Sovietization and the transition to answer the over-arching question of the dissertation: *How have local elites negotiated and implemented HE reforms in these three nations?* I argue that the ideas about the role of the universities in society in Hungary, Romania and Moldova changed over time and that policies engaged by local leaders to expand HE were informed by the national socio-economic, political and demographic contexts, dominant development agenda, and institutional practices used across the national borders.

Higher learning institutions in these nations followed stages that were similar to universities in advanced capitalist societies in the West. They evolved from institutions serving a very select elite in the Middle Ages to universities contributing to social and economic modernization and nation building in the 19th-first half of the 20th century to massification of HE after WWII. At the same time, the capacity of national leaders in Hungary, Romania and Moldova to carry out HE reforms was limited by the colonial and post-colonial relationships that were established over centuries between each of these nations and stronger regional powers, such as the Habsburg, Ottoman and Russian Empires, the Soviet Union, and more recently the EU and international financial organizations.

This chapter is organized into four sections. The first part focuses on how institutions of regional powers had historically influenced educational systems in Hungary, Romania and Moldova. The second part reflects on why the Soviet heritage has continued to be such an important factor in shaping modern HE reforms, and the third part examines the major actors of

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230 As a periphery of larger political units, Moldova did not have its own universities until 1920s. However, the development of HE followed in the 20th century followed similar lines with Hungary and Romania.
HE reforms in these nations and how they shaped power relations in the sector. I conclude in the final section by reflecting on the contribution of this study to the critical HE research.

9.1. The Role of Foreign Influences in the History of HE

Historical analysis in this dissertation showed that national rulers have connected the development of universities with local needs, and constantly engaged in borrowing and adapting foreign institutions. Hungarian princes saw Catholic universities in the 14th-15th centuries as institutions that pursued truth and created knowledge, but also trained public servants for an increasingly secular and urbanized society. So, they sought Papal approval to open their first universities. Educational institutions in the 16th and 17th centuries were marked by the growing influence of the Protestant religion and the German tradition of Protestant schools, which stressed the importance of practical knowledge and education in vernacular languages. The system-wide reforms of education undertaken by the Habsburg emperors in the 18th century resulted in the creation of a uniform school administration and curricula, separation of schools from the church, improved access to elementary education, and growth of universities and professional institutes. The Hungarian elite had little control over educational policies, and many of the Habsburg reforms remained only on paper for reasons examined in great detail in Chapter 4. However, structural reforms were successful and became the basis of the modern Hungarian educational system. For instance, the German-style gymnasium education continues to serve as the upper-level secondary education that offers advanced training and serves as a pathway to higher learning.

In creating the first HE institutions in the 17th century, Romanian rulers turned to Roman-Byzantine and Slavonic institutions for inspiration. The new higher learning institutions were
significantly influenced by Orthodox Academies of Constantinople, Kiev, Athens and Jerusalem. At the same time, Catholic and Protestant traditions were also incorporated in the higher learning process. Western professors were invited to teach at Royal Academies, their curriculum was organized along the lines of Latin schools, and Latin was often the language of instruction. These early higher education institutions were open to various institutional and theoretical influences, and their curricula included Greek classics, etymology and ethnography, teachings on humanism and Slavonic Orthodox theology. Romanian rulers endorsed the ideas of German Protestant humanism that promoted increasing access to education and development of vernacular education, and encouraged the study of foreign languages. In the 1740s, Moldavian rulers Grigore Gica and Constantin Mavrocordat believed that schools and colleges were a source of wisdom for the population and were useful for the whole society. They re-introduced in the curricula of Royal Academies the study of the Latin language, and introduced the study of the Turkish language. The knowledge of these languages was instrumental in expanding trade with Central European and Oriental nations and, consequently, in increasing the competitive economic advantage of small Romanian principalities.

In the second half of the 19th century, universities were seen as the catalysts of modernization and national development in Hungary and Romania. Universities continued to be seen as institutions that created and transmitted new knowledge; however their functional role expanded substantially. First, universities had to educate local elites and contribute to the creation of a national identity through training teachers, historians, philologists and philosophers. Language and educational policies became essential milestones in shaping the national identities of the Romanian and Hungarian populations. Second, national development was dependent on the technical progress and complex structure of the economy, which in turn required a diversified
HE system. The neo-liberal and pro-Western economic strategy, and the consolidation of the Hungarian and Romanian states were supported by educational policies that reduced illiteracy levels of the population and developed professional secondary and higher education capable of training an educated labor force.

The expansion of secondary education led to a more diversified higher education. Gymnasia in Hungary were divided into two streams: 4-year gymnasa focused in humanities and professional schools focused on modern languages, mathematics, natural sciences. In 1924 real-gymnasia were created and represented a mixture of professional schools and gymnasia. Professional colleges and technical schools developed along with universities, creating the preconditions for the modern binary HE system in Hungary. The Romanian state experimented in the second half of the 19th century with various European school systems, such as French-style lyceums and German-style gymnasia, and by the early 20th century established a mixed system based on gymnasia, as the middle level of secondary education, and lyceums, as the upper level leading to university education\textsuperscript{231}. Traditional university majors such as law, humanities and philosophy continued to have large enrolments, but also the numbers of students in trade, economics, engineering and agriculture programs increased in both Hungary and Romania. Governments engaged in reforming university governance to increase institutional autonomy. At the same time, conservative social policies in both nations excluded and marginalized from HE entire segments of population, and policies of ethnic assimilation were often enforced through the education system\textsuperscript{232}.

The status of Basarabia as peripheral in the Russian Empire in the 19th century and then in Greater Romania in the inter-war period in the 20th century, determined a very different

\textsuperscript{231} This system is similar to the secondary system in Italy.
\textsuperscript{232} For instance, legislation as early as in 1920 limited the proportion of Jewish students to 6 per cent of the total student population (see more in section 4.2.5).
educational discourse compared to other CEE nations that lived through the time of ‘national revolutions’ and national emancipation in the 19th century and first half of the 20th century. Assimilation policies in education promoted by the Russian Empire in Basarabia and the lack of HEIs seriously affected literacy levels of the population and impeded the growth of local elite. Educational reforms of the Romanian government in the 1920s and 1930s led to the increasing number of Romanian-language schools and increasing utilization of Romanian language in urban public life in Basarabia. However, developing university education in Basarabia was not a priority for the Romanian government. After the first short occupation of Basarabia by the Soviet Union in the period 1940-1941 and the definitive occupation in 1944, most of the university professors, elementary and secondary school teachers and priests retreated to Romania. Many intellectuals that stayed in Basarabia were called to arms to fight in the WWII or were deported to Siberia. These events significantly depleted the intellectual capital in Basarabia, and the arrival of Soviets and the imposition of Soviet ideology led to a generational break between intellectuals educated before and after WWII.

9.2. Soviet Policies of Educational Convergence and Local Responses

Sovietization impacted the mission of the universities and other HEIs in the three analyzed nations in several important ways. First, it strengthened the function of training the labor force. Similar to the human capital perspective in the West, an educated labor force was expected to contribute to economic and personal development, and thus induce social and private returns. Consequently, like in the Western nations, the expansion of HE in the 1960s was massive, but slowed down by the 1980s when the HE participation rate in Romania, for instance, was the lowest in Europe. Participation rates in Hungary and Moldova also lagged behind Western
European nations. Second, Sovietization added a strong ideological component to the social mission of universities – the education of citizens in the spirit of Marxism-Leninism. Third, specialization of HEIs was a characteristic feature of the Soviet period: a few liberal arts universities were accompanied by a larger number of specialized institutes or universities in fields such as agriculture, pedagogy, and engineering. Finally, by creating the Academies of Science, the Soviets stripped the university, as an institution, of its research function; HEIs focused on knowledge transmission rather than knowledge creation.

The Soviet reforms in HE in Hungary, Romania and Moldova meant a radical reorientation of educational policies away from the French-German educational concepts towards those of Soviet Russia. CEE nations imported the Soviet structures; they substituted gymnasia with 10-year general schools and *technicums*, adapted Soviet scientific degrees and academic research system, strengthened technical higher education, and introduced centralized regulation and planning. While the socialist rhetoric supported equal access to education of all people (regardless of their ethnicity, social status or place of living) and HE participation increased significantly, access and language policies in all three cases sustained inequities in access to education. For example, access to HE of descendents of nobility, bourgeois class and intellectuals was restricted in the 1950s and 1960s, and small ethnic minorities, such as Roma population, were excluded from general education in their native language and, consequently, were marginally represented in HE during the entire Soviet period.

This study points to several implications of Sovietization on modern national HE systems. The capacity to reforms in these nations was strongly influenced by their status in the socialist camp - Soviet republic versus socialist country. Hungary and Romania had much more leverage in conducting local HE reforms than a Soviet republic. In Moldova, educational structures were
identical to those in the rest of the Soviet Union, and HE was regulated from Moscow. Local politicians in Hungary and Romania mimicked many Soviet political, economic and academic institutions for various reasons; some of them internalized Marxist-Leninist ideology or believed that centralization of control and resources fostered national development; others were concerned with enforcing personal power and incapacitating the resistance against their regimes (e.g., Ceausescu’s regime in Romania is an extreme example). The Soviet model of education was adapted by Hungarian and Romanian leaders in the 1940s-1950s and changed over time, especially at the level of secondary education. For instance, educational reforms in 1968 in both countries returned to the pre-WWII secondary institutions: gymnasiums in Hungary and lyceums in Romania.

The style of leadership and how local leaders positioned themselves in relation to the Soviet government also influenced the state of affairs in HE. I conclude that while both Romania and Hungary followed the path of de-Sovietizing their education by the end of the 1960s, their leaders chose two distinct strategies. Hungarian leaders generally supported the USSR foreign policies and followed the Marxist-Leninist ideology, but gradually distanced themselves from the Soviet model. For instance, following the 1956 revolution Hungarian leaders started changing their approach to research, acknowledging the need for cooperation with Hungarian non-communist scholars and scholars from non-socialist nations. The Resolution of the Hungarian Socialist Workers’ Party from December 5, 1956, stated:

The building of socialism should rely on scientific foundations and use scientific methods. Every effort should be made to develop the most beneficial conditions for scientific development, including free debates, the cooperation of communist and non-communist scholars and scientists and acquaintance with the scientific achievements of socialist and non-socialist countries partly in the form of trips abroad and participation in conferences in other countries (Nagy, 1987, p.27) [my italics].
The 1968 reforms supported private entrepreneurship and opened the Hungarian economy to the West. Higher education in Hungary retained Soviet academic degrees and institutional research structures; however secondary education was diversified which increased access to HE. Romania often positioned herself in the opposition to the Soviet Union, and the 1968 education reforms reflected this attitude. Ceausescu allied with enemies of the Soviets and built relationships with Western nations. He pursued the Marxist-Leninism ideology, however an objective openly stated in policy documents was to de-Sovietize education. Between 1968 and 1974 ten-year general education was reversed to a differentiated elementary, gymnasium and lyceum education, and one-level doctorate degree that existed before WWII was reinstated substituting the Soviet two-tiered degree system.

At the same time, the analysis of the three national HE systems since 1990 showed that all of them, although to a different degree, continued to suffer from structural rigidities, outdated curricula and low quality research. I explain the strong impact of Sovietization by the fact that it occurred concomitantly with the massification of HE. HEIs that existed in Hungary and Romania before WWII enrolled a relatively small number of students compared to the overall population. A sharp rise in the number of institutions and in their enrolment capacity, as well as access policies directed to increase participation of children with proletarian origins, led to growing HE systems that impacted the lives of many more people than before WWII. The new governance arrangements were built on principles of centralized decision-making and planning, limited institutional autonomy, and the separation of research and teaching. Teaching methods heavily relied on memorization and socialist indoctrination, and discouraged critical inquiry. By the end

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233 Lyceums were differentiated into academic and specialized. Academic lyceums had four majors – science (math and physics), science (biology and chemistry), humanities (foreign languages, Romanian literature, philosophy), and classical (Greek and Latin). Specialized lyceums (or former vocational secondary schools) were of four types – agricultural, economic, health-oriented and industrial.
of the Soviet period, the HE systems in the three nations faced serious challenges: stagnation in system expansion, an increasing number of graduates with mediocre preparation, and labor market imbalances. The ‘deficit’ phenomenon, typical for Soviet economies in the 1970s and 1980s, penetrated HE as well; in some professional fields the number of graduates exceeded the number of available jobs. In a centralized system of job assignment the spread of nepotism and bribery to find employment in the field of graduation affected both economies and people’s behavior.

In each of the analyzed cases, there were additional factors that made the transition from the Soviet model easier or more difficult. For instance, Hungarian reforms in secondary education improved pathways to HE and thus increased access\textsuperscript{234}, but the HE system closely followed Soviet HE institutional and degree structures. Romania also reformed secondary education; however, academic lyceums were the only path to universities and their small number restricted access to universities in Romania. Diminishing public funding of HE in the last years of Ceausescu’s regime, international isolationism and a personality cult in Romania affected HE, leading to low participation rates and limiting the capacity for critical inquiry. In the case of Moldova, the impact of the Soviet model on HE was overwhelming, because it did not have previous traditions of HEIs and the new economic and educational systems were fully embedded within the centralized Soviet model of governance.

\textsuperscript{234} For instance, 4-year academic gymnasia were created as a pathway to liberal-arts universities. Graduates of 4-year vocational secondary schools generally applied to polytechnic universities and colleges, while graduates of 3-year vocational school were able to access HE after attending additional courses. HE was further consolidated into a binary system: 4-6 year universities and university level colleges, and 3-4 year colleges and institutes.
9.3. Globalization and Changes in HE Policymaking in CEE

The transition period in Hungary, Romania and Moldova saw a shift in the major function of HE from educating a socialist man and training specialists for the socialist economy to meeting the needs of the market economy. Diversification of HEIs supported this mission with the appearance of hundreds of new public and private, liberal arts, and specialized institutions in economics, business and finance, and the numbers of students increased again. The ‘research’ function was returned to universities, but still remained a limited activity, since Academies of Sciences continued to be important actors in HE decision-making. The themes of globalization, knowledge economy, EU integration, quality, and efficiency shaped the HE discourses in this period, and expanded the concept of the university mission. A university was expected to implement simultaneously a variety of functions: generate knowledge, transmit it effectively and efficiently, respond to the needs of the labor economy, educate citizens, and promote democracy.

The discourses of national emancipation, de-Sovietization and integration with Western European nations underscored transition reforms in Hungary, Romania and Moldova in the 1990s and 2000s. The neo-liberal approach of development was advocated by international organizations and donor agencies such as the WB, IMF and USAID, and was seen by local elites as the only alternative to break with the Soviet past. The intentions of the first national governments elected in the early 1990s and of academics that actively participated in political and economic life were driven by the genuine desire to improve the well-being of the population, but also by the idealization of the Western models of development. The long period of isolation from the West and a limited knowledge of Western economies limited the capacity of

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235 For instance, at an international conference in Belgrade in 1997, I presented a paper on differentiation of health care system in transition economies and argued for the need to allow private provision of certain services. The discourse of privatization was present in most papers by CEE scholars. A major counterargument came from British participants, who already experienced privatization in the 1980s, cautioning that social consequences of privatization could be painful for population. At that point in time, however, privatization was seen by CEE scholars as a way to escape from centralized planning and to increase the entrepreneurship spirit of the population.
CEE elites to critically analyze various models of development. Following a critical theory approach, I conclude that since the 1990s the relationship between CEE governments and regional/global powers have been shaped by the history of the local and by the neo-liberal politics of globalization. In this context, the concept of domination between Western and non-Western nations, including transition economies, is understood in this dissertation as concurrent struggles among different visions, interests and groups rather than being imposed by a group of people or nations.

The implementation of neo-liberal reforms in Hungary, Romania and Moldova in the 1990s included a process of negotiation and adaptation by local leaders, in which policy networks became a tool of policymaking. These networks included representatives of governments, local organizations and international agencies. Knowledge of economic reforms and financial resources provided international organizations with significant leverage to influence internal decision making. Conditional access of CEE governments to foreign loans often trapped local politicians in spiralling budget deficits and inflation, and increasing their dependence on foreign expertise. It could be argued that the local bureaucracy often waited for international advice rather than proactively searched for local solutions\textsuperscript{236}. While the passivity of bureaucrats inherited from the Soviet past was part of the problem, the interaction between major domestic and foreign actors during the transition period was more complex. Local elites were pro-active in reforming elementary and secondary education curricula. As many times in their history, Hungarian, Romanian and Moldovan leaders engaged language and education policies to strengthen the national identity during the period 1990-2005, but also to respond to the needs of multiethnic populations in Romanian and Moldovan societies. For example, governments

\textsuperscript{236} A reference in the text is made to Tomusk (2004). I also discuss how centralized decision making in the Soviet period affected the capacity of independent decision making in Soviet republics in Chapter 5.
expanded and differentiated secondary education along the lines of specialized gymnasium and lyceum education, reformed elementary, secondary and HE curricula, and undertook efforts to expand education in the native languages of ethnic groups\textsuperscript{237}.

I also found that transition reform policies had both positive and negative consequences on the development of transition economies. Privatization and economic liberalization is an example of a highly contested area of reforms. On the one hand, privatization resulted in the growth of small businesses and the expansion of the service sector. On the other hand, the way mass privatization and economic liberalization were conducted led to the inequitable distribution of national assets, causing poverty and social exclusion. The emergence of private HEIs in the 1990s was a positive development and improved access to HE programs that were in high demand. Governments did not regulate this process, but rather chose a laissez-faire approach, partly because they faced urgent policy issues such as diminishing inflation and budget deficits, but also because it was believed that the local population was well trained during the Soviet period and did not require large investments in retraining.

By the mid 1990s however, governments realized the need for a state HE policy to improve the quality of instruction and to train specialists in fields needed by the new economy. State accreditation bodies were established in Romania, Hungary and Moldova to regulate the operation of private institutions and evaluate the teaching personnel in both public and private HEIs. In Romania and Moldova, where private HEIs grew rapidly in the 1990s, many of these institutions were not accredited by the early 2000s. Based on interviews with policy makers and a review of documents and prior research, this study points to discriminatory state practices

\textsuperscript{237} As discussed in the dissertation, Hungary and Romania reversed from Soviet-style general secondary schools to gymnasia and lyceums already in the 1960s. Moldovan government introduced the Romanian system of lyceum at the end of the 1980s, increased the number of schools with instruction in Romanian language and provided HE in Romanian language to respond to the needs of Romanian-speaking population.
engaged in Romania and Moldova against private HEIs that provided good quality instruction. In Hungary, the private sector was mostly comprised of religious and foreign HEIs, but the government was active in HE system restructuring and co-funding a WB a project of university mergers. The tradition of authoritarian governance in the Soviet HE systems, the low quality of education in private institutions and the population’s dissatisfaction with many of them underscored the process of increased state regulation. Together with increased competition for tuition-fee paying students and diminishing public funding, this changed the power dynamics in HE. The large public HEIs had a longer history and better infrastructure than small institutions\textsuperscript{238}. Supported by governments, large public HEIs were more successful in attracting fee-paying students in Romania and Moldova and in remaining dominant players in the sector after the institutional mergers occurred in Hungary.

The Bologna Process in HE in the 2000s dramatically changed the HE policymaking process in the three analyzed nations by increasing the role of the European Union institutions. The creation of EHEA was a voluntary process initiated by education ministers of Western and Eastern European nations. A variety of thematic and regional policy networks promoted discourses of educational standardization, labour market relevance and quality of HE, and the need to meet the challenges of international competition. However, the degree of influence of CEE national players on the strategy of educational integration was limited. Power relations in the new regional HE structures were embedded in the post-colonial context, in economies and ideologies. HE reforms in CEE became a discursive space where Soviet HE structures interacted with neo-liberal economic and HE reforms, European historical traditions of public provision of HE, and the interests of local bureaucrats. While national elites in Hungary, Romania and

\textsuperscript{238} Most private institutions had small enrolments, and even the largest private HEIs were smaller than leading public institutions.
Moldova successfully pursued European integration of HE for the benefit of national HE systems, the whole process raised concerns about the nature of HE change and the gap between the rhetoric of change and real change in each national context.

The more detailed case of Moldovan HE reforms identified several trends in policymaking that shaped HE reforms in the 2000s. First, local policymakers engaged the European integration agenda to promote their political interests. For instance, the Communist leadership in Moldova used European expansion in HE to support the discourse of ‘Moldovenization’ and interfere in the curricula policy to the extent that the content of history textbooks had been changing. Second, HEIs were not passive receivers of policies, but as critical policy researchers point out, were the arena of policy recontextualization. Institutions and their leaders actively participated in shaping the EHEA; initiated projects designed to standardize curricula, and promoted their institutions as agents of change in the process of Europeanization. However, as most interviewed Moldovan policymakers noted, introducing a new program structure (3-year Bachelor degree + 2-year Master degree + 3-year Doctoral degree) and the European Credit Transfer System did not result in improved quality of instruction. Third, concerns have been raised about the increasing bureaucratization of governance in HE through buffer bodies such as institutional accreditation and credential evaluation councils. In the new HE policy environment of the 2000s, down-top policy networks were replaced by top-down policy networks. In the former structure of decision making the change was mediated by relatively equal players: local non-governmental organizations such as the Council of Rectors and College Directors, educational foundations, and the Ministries of Education. In the newly emerging decision making structures in the 2000s, regional/global institutional actors, international epistemic communities and national governments played a more pronounced role.
Governments in Hungary, Romania and Moldova increasingly engaged international discourses of ‘efficiency’, ‘standardization’, ‘performativity’, ‘knowledge society’, ‘globalization’, etc. The spread of these discourses in CEE and the entire process of educational standardization within the European HE Area support the critical research thesis that policy ideas and HE systems converged worldwide in the era of globalization and that both national and international/regional organizations played a crucial role in this process. At the same time, I would note two caveats in the case of CEE nations. First, the implications of this convergence were different in CEE compared to other parts of the world. Because of rigid governance arrangements inherited from the Soviet past and challenges in economic development experienced during the transition period, by 2000s HE systems in CEE, including Hungary, Romania and Moldova, went through a greater degree of state regulation of institutional accreditation, research and enrolments in private HEIs. The Bologna Process improved student and labor mobility within EHEA, but also increased the brain drain for such nations as Romania and Moldova.

Second, global discourses frequently accepted new meanings in CEE due to persisting development gaps between transition nations and advanced capitalist societies. For instance, ‘HE standardization’, ‘European Higher Education Area’, ‘the Bologna Process’ became new ‘buzz words’ across CEE and in the three analyzed nations. The structure of programs had changed, but this transition was rapid and had a limited impact on program content and teaching methods. The concept of a ‘knowledge-based economy’ that underscored HE reforms in advanced capitalist countries is another example of discourses used by CEE politicians, without

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239 As I discussed in section 6.3.3, neo-liberal standardization discourses of HE received new meanings in continental Western European nations as well; however financial capacity of reforms, democratic traditions in policymaking and a long history of nationally funded HE systems made the context of HE regional integration in these nations different from CEE.
engaging into a public debate about its implications for national development. For example, for most of the period 1990-2005, Moldovan society faced the huge challenges of a stagnating economy, outdated agriculture, massive export of cheap labour force abroad\textsuperscript{240}, and chronically underfunded research. Remittances sent by Moldovans working in Russian Federation and Western Europe fuelled consumption services, including private HE. These factors contributed to the expansion of HE but also declining level of preparation of HE entrants, deteriorating of quality of instruction and spreading bribery in HE. Political elites and HE institutional leaders used the discourse of ‘knowledge-economy’ to justify enrolment growth and show their alignment with ‘modernization’ needs of the Moldovan economy. Applying Western discourses to a context so different from the advanced capitalist economies detracted from identifying specific short-term and long-term priorities of HE, social and economic reforms in CEE nations such as the Republic of Moldova\textsuperscript{241}.

9.4. The Contribution of This Study to the Critical HE Research

\textbf{9.4.1. Critical analysis of historical and Soviet educational developments.} By engaging the Romanian and Russian-language literature on the history of education in the Romanian Principalities and Basarabia and by locating education in the political, economic and cultural context, this study opened up a significant layer of research virtually unknown by the Western

\textsuperscript{240} Part of this exodus constituted the ‘brain-drain’. For instance, young people that left for studies to Western Europe and the USA and never returned, or university educated individuals that filled the low-skilled household and construction jobs in Italy, France, Portugal, Spain or Russia. Another part of this exodus was low-skilled individuals.\textsuperscript{241} Advanced economies have a different economic structure, and invest more than transition economies to expand HE, work-related training, and strategic research. They also rely on attracting workers in shortage areas and highly-skilled immigrants from countries with lower levels of development to attenuate the effects of population aging on the labour markets and to support sustainable HE systems. For instance, the Canadian province of Ontario is among the few OECD jurisdictions where the 18-24 year-old population is expected to increase in the next 25 years. In many continental European nations (among them France, Germany, Italy) and in Japan the trend of aging is much more pronounced. However, even in Ontario the rate of growth of young people will be slowing, and three-fourth of net populations’ growth is expected to be immigrant driven.
scholars, and contributed to the critical debate on national development and its interrelationship with education. As shown in the dissertation, the first universities in each of the three nations emerged at different times in history. The way university development is treated in the Western educational literature, including policy documents published by international organizations, perpetuates the widely-held view that Westernization equals development\textsuperscript{242}. For instance, Hungary is known for having its first Catholic universities by the 14\textsuperscript{th} century, while in the case of Romania, modern HEIs are traced to the Universities of Bucharest and Jassy opened in the second half of the 19\textsuperscript{th} century. A similar approach was used in the Soviet literature on universities in the Soviet republics, with the difference that Sovietization, rather than Westernization, was seen as the drive of development. As such, HE expansion in Moldova during the Soviet times was attributed to the Soviet economic and political system.

I conclude that Romania and Hungary experienced parallel developments in HE. Hungary had its first universities in the 14\textsuperscript{th} century but they did not prove to be sustainable. New universities reemerged in the 16\textsuperscript{th}-17\textsuperscript{th} centuries when Romania also had higher education institutions that were called Royal Academies and had similar organizational structure and curricula with the University of Buda and technical institutes in Hungary. In both Hungary and Romania, HE expanded in the 18\textsuperscript{th} century and the first half of the 19\textsuperscript{th} century due to favorable political and economic situation, system-wide education reforms that increased the number of secondary students, and by the emergence of capitalist production. As for the case of Basarabia, I critique the Soviet literature that attributes economic and educational development of Basarabia in the 19\textsuperscript{th} century to its incorporation into the Russian Empire. Developments in the Romanian Principalities in the same period show that education became a state priority, literacy levels and the number of students increased, while Basarabia continued to have high illiteracy rates for

\textsuperscript{242} This is discussed in Chapter 3 and exemplified by the Huntington’s civilization approach.
Romanians and no schools in Romanian language. In analyzing education in the Moldavian Soviet Socialist Republic, I acknowledge the impact of the Soviet policies in expanding access to HE in Soviet Moldavia; however I also point to the inequitable language policies, and strong indoctrination of curricula.

The critical approach to Soviet HE reforms was enhanced in this study by the application of post-colonial analysis to Sovietization in CEE. While equity and freedom language was embedded in Marxist-Leninist ideology, Sovietization is treated in this study as a colonial project. Soviet leaders promoted modernization, industrialization and international competitiveness discourses of economic development based on dependency relations between the central Soviet government and governments in CEE and Soviet republics, and on narrow national and republican economic specialization. The Soviet government influenced decision-making in other socialist nations and fully controlled the process of reforms in Soviet republics. The development gap between the USSR and Western nations in the 1980s was not as apparent; economic, social and educational indicators were comparable to those in Western nations, but inefficiencies generated by the centralized Soviet system were growing and left a significant mark on HE reforms during the 1990s and 2000s.

9.4.2. Educational change - the tension between the concepts of discourses and structures. This study contributes to the critical debate on major factors that impact educational change. The institutional/structural methodological approach considers that structural factors underline educational change, examines the importance of institutions in shaping preferences and values of policy actors, and uses political power to evaluate policy outcomes. Neo-Marxists, for example, draw on the orthodox Marxist base-superstructure model in which educational

outcomes were determined by structural economic requirements. Gramscian hegemony theory, on the other hand, views educational change as a consensus between agendas and actions of ruling class and subordinate class representatives. Following Foucaudian analysis of governmentality and discourses, critical sociologists see educational policymaking as the arena of struggle over meaning and interpret it as the ‘politics of discourse’. The reconceptualised, critical theory engaged in this dissertation is located at the intersection of the above-mentioned approaches; it examines multiple axis of oppression by expanding beyond class to gender, race, ethnicity, etc., brings into play ‘post-discourses’ such as post-modernism and post-colonialism, but also believes that policies are rooted in the struggle between dominant groups and others, and are impacted by bureaucratic structures.

Through my research of HE policymaking in Hungary, Romania and Moldova, I have found, first of all, that the notion of class struggle is difficult to relate to the context of post-Soviet societies. They evolved from the Soviet period essentially class-less, with relatively equitable distribution of social entitlements and income. Certainly, during the transition period inequities increased leading to the polarization of these societies. However, these inequities did not lead to the juxtaposition of ruling and subordinate classes as viewed in the Marxist or Gramscian traditions in their analysis of capitalist societies. Second, the historical analysis of the educational systems in the three nations showed that discourses of modernization, industrialization, professionalization, neo-liberal reforms, etc. influenced educational policymaking. At the same time, I also observed that educational structures, once borrowed or imposed and then well-established in the national context, had the capacity to stay for a long time. Secondary structures such as gymnasia and lyceums have survived for centuries, and
Academies of Sciences, consolidated during the Soviet period, continue to shape research agenda in the analyzed nations.

**9.4.3. Policy networks approach and comparative analysis.** This study used policy network theory in a critical way to examine power relations in HE in CEE from a comparative perspective. Since their first use in policy analysis the 1980s, policy networks have been continuously questioned in the academic literature (for a literature review see Padure & Jones, 2009). Critics argue that policy networks do not explain policy outcomes, while proponents suggest that they reflect the new reality in global governance arrangements. The critical approach to policy networks in HE in this dissertation focussed on policy networks as a mechanism to assess conflicts and interests of various policy actors. Analysis of the HE policy process in Moldova in the period 1990-2005 showed that the reconfiguration of actors and their influence in HE policy networks played a significant role in reforming HE and in implementing strategies such as standardization and Europeanization of HE structures and curricula. With the strengthening of civil societies in transition economies, on the one hand, and with the spread of global discourses of performativity and efficiency in HE, on the other hand, the relationships between local institutions, national governments and regional/global institutions are increasingly blurry. The policy process is not linear any more and does not follow clear-cut stages in a certain order identified by functional approaches to policymaking. Both national governments and international organizations engage the politics of discourses to impact HE systems, while HE institutions and their leaders actively participate in HE policy negotiation and implementation. They rely on local and regional policy networks and frequently change the meanings of policy texts and discourses.
Unlike other analytical frameworks, the policy networks approach captures the informal factor in the decision-making. This reflects the new reality of the policy process, which is complex, interactive, changing and includes many actors, but it also represents a huge challenge. Policy networks could be formal and well-structured but could also be hidden and based on loose arrangements, which makes it difficult to identify, analyze and compare them internationally. There is very little published work on policy networks in a specific national context in CEE. This is not surprising given that HE research in the West with a longer history as a field of study started engaging this framework quite recently. I reflected in the dissertation on the role of various interest groups in HE policymaking such as, for instance, older professors versus Western educated Ph.D. holders in Romania, the local professorate versus external consultants in the HE merging project in Hungary, and public versus private HEIs in Moldova. Policy documents of international organizations related to HE in Hungary and Romania and existent academic research literature helped in analyzing the power relations in the HE of these nations. Intimate knowledge of the national HE, economic and political systems, particularities of the Soviet heritage and interviews with local HE practitioners helped illuminate in this dissertation how various Moldovan HE actors interacted in the 1990s and first half of the 2000s. Comparative analysis of policy networks served two purposes in this dissertation. The study of the Romanian and Hungarian cases of HE reforms provided a better understanding of HE reforms in Moldova, and positioned Moldovan HE in the regional/global context. On the other hand, the knowledge of the Moldovan system and the understanding of Sovietization, neo-liberal reforms and Europeanization projects helped unfold the narrative of HE reforms in Romania and Hungary, as well as relate regional and global trends to the national context of HE policymaking.
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Higher Education in Europe, 26 (2).


APPENDICES

Appendix 1. Chronological overview of major power shifts in CEE, from the 15th century to WWI

In the 15th-17th centuries, the Ottoman Empire dominated large parts of CEE. The battle at Kosovopolje, Serbia in 1389 marked the beginning of Ottoman expansion into CEE. In the 15th century, Turkey occupied Bosnia and Herzegovina, Bulgaria, Greece, Macedonia, Serbia, and Albania. Moldavia and Walachia became Ottoman vassals (Jelavich, 1996, p. 33). Hungary was defeated by the Ottomans in 1526 at Mohacs and divided in three parts. Most of its central part was under the direct rule of Ottomans; Transylvania became a separate principality, vassal of Turkey, and western Hungary and parts of Croatia were incorporated by the Habsburg Empire and were known as Royal Hungary. When Ottomans' siege of Vienna in 1683 failed, they continue to control large territories in CEE but their influence in CEE began declining in favor of Habsburg and Russian Empires.

In the 18th century, “…the Habsburgs extended a kind of hegemony over Central Europe in a manner unprecedented before” (Evans, 2006, p.3) by including western parts of the Balkans, Transylvania, Hungary, parts of Serbia, Italy and Belgium. With weakening Ottoman influence and the partition of Poland between Prussia, Austria and Russia, the Habsburgs added new territories in 1772: Krakow, Galicia, Volynia, and Transcarpatia, which are now divided between Poland and Ukraine. Along with Austrian expansion in the western CEE, Russia continued its imperial expansion in the eastern CEE. Already including vast areas of Central Russia, Central and Eastern Ukraine, Southern Volga, and Siberia, in the 18th century Russian Empire attached Kazakhstan, Alaska, and Crimea, and new territories from CEE: the Baltic States, and Eastern Poland (Kappeler, 2001; Alcock, 1998).

In the 19th century, the Ottomans continued to control most of the territory of the Romanian principalities and Balkans. However, the Moldavian Principality was split in two halves, the eastern part being incorporated by the Russian Empire in 1812 and renamed as Basarabia. In the 19th century Russia also expanded into Finland, Siberia, Central Asia and Caucasian Republics, and even occupied Romanian principalities in 1828-34. The weakening of the Ottoman Empire, the demise of Imperial Austria, the rise of Imperial Prussian Germany, as well as the revolutions of 1848 in Europe, changed the political landscape of CEE again. The Revolutions of 1848 – or the ‘Springtime of Nations’ started in Paris as a result of royal crisis mismanagement, and the revolutionary wave spread to Habsburg Empire, Germany, and Romanian Principalities. National emancipation and consolidation was the major drive of these revolutions in CEE (Johnson, 2002, p.151). The Hungarians and Romanians rose to fight for their national unity and independence, but were defeated due to the intervention of Russian Army. Romania and Serbia became independent in 1878, and Bulgaria - in 1908. Hungarians reached the so-called compromise with Austrians and reshaped Habsburg Empire into the Austro-Hungarian Empire in 1867.
Appendix 2. Historical evolution of Hungarian education system

14-15th century: monastic, church schools, first three short-lived Hungarian universities

1599 Catholic Ratio Studiorum
1. 3-year grammar schools
2. 2-year gymnasium
3. 3-year higher learning

1777 Habsburg Ratio
1. 4-year elementary schools
2. Secondary: 3-year grammar schools and 2-year gymnasium
3. 3-year higher learning: 3 catholic universities in entire Habsburg Empire and royal academic lyceums; engineering, veterinary, agricultural, horticultural institutes

1806 Habsburg Ratio
1. 4-year elementary schools
2. 6-year gymnasia (secondary education renamed in gymnasium education)
4. 3-year higher learning institutions
1825 – the creation of Hungarian Academy of Sciences

1849 Habsburg Ratio
1. 4-year elementary schools
2. 8-year gymnasium: 4-year of general education and 4-year education for continuing higher learning
3. 3-year higher learning: universities, polytechnic schools, specialized institutes, teacher-training (normal) schools

Hungarian 1868 Elementary Education Act, 1883 Secondary Schools Acts, 1924 Law on Secondary Education
1. 4-year elementary schools (state, denominational, and private)
2. 2-year middle schools (education of general masses for those that do not continue further)
3. 4-year secondary schools (to prepare for more advanced learning after elementary schools: gymnasiums (humanities, especially ancient classics), professional (real) schools (modern languages, mathematics, natural sciences), and their mixture – real-gymnasia (after 1924)
4. Higher learning:
   • 5-year liberal arts royal universities (theology – Roman Catholic, Reform, Lutheran; law and political science; medicine) - 4 universities
   • 4-year royal technical university (1871 reorganized from the polytechnic school; faculties of architecture, civil engineering, chemical engineering, economics, general)
   • 4-year university faculty of economic sciences (1920; faculties of agriculture, commerce, administration, foreign representation) – train specialists and teachers for schools of economics
   • 3 denominational law schools (Roman Catholic, Reformed and Lutheran); no state aid
   • Theological seminaries: 5-year gymnasium courses
   • Specialized academies and colleges of arts, music, mining, agriculture, commerce (renamed from institutes), teacher-training schools, etc.
5. Institutes for scientific research (research entirely separated from instruction): meteorology (1886); seismology (1905); geophysical (1919); geological (1850); biological (1926); public health (1927); agricultural (1870); statistics (1880s); medical pedagogy and psychology (1899).

1944-early 1960s
1. Pre-school education (3-6 years)
2. 8-year general schools (6-14 years) (made compulsory in 1941 and enacted in late 1940s; in 1961 – number of years of compulsory education extended to 10)
3. Secondary education: 4-year academic schools and 2-4 years vocational schools
• Universities of arts and sciences
• Medical universities (1951, separated from universities of arts and sciences)
• Technical universities (new Technical University, 1949; University of Chemical Engineering, 1949; Building Industry and Transport, 1955)
• Agricultural universities
• University of Economic Sciences (1948)
• Pedagogical colleges and technicums
• Theological seminaries (1950 separated from universities; superintended by the Churches)

5. Adult education (workers’ schools, vocational secondary, general secondary and HE)
6. Research institutes of the Hungarian Academy of Sciences and other research institutes, units, centers

1960s-1980s ("new economic mechanism")
1. Pre-school education (3-6 years)
2. 8-year elementary (general schools for 6-14 year children and evening and correspondence adult schools (atatlanos iskola) (6-14 years of age became compulsory; then 6-16 years of age became compulsory)
3. Secondary education: 4-year academic gymnasia (gimnáziumok; younger than 17 years, pathway for HE, 15-18 years) and 2-4 year vocational secondary schools
   • Universities (traditional liberal arts universities, medical, polytechnic and agronomic universities, 4.5 to 6 years of instruction)
   • University-type colleges (of arts, physical education, political colleges of the Hungarian Socialist Workers Party; 3-5 years of instruction)
   • Colleges (economic, agricultural, military, polytechnic, health, state administration teacher-training – renamed from pedagogical in 1962, 3-4 years of instruction)
   • Higher institutes (kindergarten teacher-training – 2 years, teachers for students with disabilities – 4 years)
5. Non-regular (evening and correspondence adult education, vocational courses and post-graduate professional and manager training courses)

1990 – present (compulsory education until 18 years of age)
1. Pre-school education: (3-6 years), of which one preparatory year before school is compulsory
2. Primary schools – single structure: 6-14 years of age – 1st cycle: 6 – 10 years; 2nd – 10-14/16 years (8, 6 or 4 years)
3. Gymnasia - general lower and upper structure secondary education: 10/12/14 – 18 years (4, 6 or 8 years)
4. Vocational education: secondary school 14-18/19 years (4-5 years), short vocational – 14-16/17 (3 years), apprenticeship schools – 14-16-18 years (2+2 years)
5. Higher education
   • Non-university institutions (3-4 years)
   • University institutions (liberal arts and specialized universities) (4-6 years)
6. Research institutes
Appendix 3. Historical evolution of Romanian education system

Before 17th century: monastic, rural, city, church and royal schools

17th century:
1-2 year elementary schools and/or
5-6 year colleges (Vasilian College in Jassy and St.-Sava Greek College, Bucharest created in 1640s-70s after Kiev Academy model)

Decrees by Ghica in Moldavia from 1747, 1766, 1776, and by Ypsilanti in Wallachia from 1777
1. 3-year elementary schools
2. 6 year intermediary schools (3+3)
3. 3-year Royal Academies (renamed from colleges)

1830 Organic Regulation on Schools: Reorganization Plan of Wallachia, 1847
1. 3-year communal schools in villages
2. 4-6-year normal schools in cities (attempts of 2-year gymnasias were tried in Moldavia and 3-year French colleges in both Moldavia and Wallachia as part of secondary education)
3. 3-5 year higher learning institutions (Mihaielan Academy in Jassy and College of St.-Sava in Bucharest)

Law on Public Education (1864), 1890s separate laws by level of education
1. 4-year primary schools
2. 7-year secondary education (there was no clarity on how secondary education should be organized – gymnasium was increasingly seen as step towards lyceums. The number of 2-year and 4-year Gymnasiums increased in both Moldavia and Wallachia; first Lyceums were instituted)
3. 3-4 years of university education (universities, polytechnic schools, industrial, commercial, music academies, conservatories)

1879 – the creation of the Romanian Academy of Sciences

1928-1947 (from German to French system)
1. 4-year pre-school (3-6 years of age; 13.3% of all children attended)
2. 4-year elementary education: (7 years of age; 5.4% of children continued beyond this; Braham, 1963, 10)
3. 8-year secondary education:
   • 4-year gymnasias (grades 5-8) (general education rather than a step towards lyceums)
   • 4-year lyceums (ending with baccalaureate to be admitted to University); technical and vocational secondary schools; teacher-training schools (scoli pedagogice/normale); theological seminaries (6-8 years)
4. Higher education: 3-6 year universities (following theoretical lyceums) and 4-year higher technical institutes (following technical vocational training).

1948-1968 (from a German-French system to Soviet)
1. 4-year pre-school (3-7 years of age)
2. General schools system (starting 7 years of age)
   • 4-year elementary schools
   • 7 or 8-a elementary schools
   • 11-year secondary schools
   • Special elementary schools for students with disabilities
(1-4, 5-7 and 8-11 grades corresponded to former elementary, gymnasium and lyceum education respectively)
3. 2-3 year vocational and technical education
4. 5-year secondary art schools
5. 6-year teacher-training schools
6. Higher education:
   • Liberal-arts universities (centers of general theoretical studies, highest in terms of reputation and rank) (3 in 1960; 4-5 years)
   • Technical-industrial and polytechnic institutes (11 in 1960; 5-5.5 years)
• Medical and medical-pharmaceutical institutes (5 in 1960; 5-6 years)
• Institutes of physical education (1 in 1960)
• Agronomic institutes (5 in 1960; 5 years)
• Economic institutes (or academies) (Institute of Economic Science and planning in 1960; 4 years)
• Arts institutes and conservatories (7 in 1960; 5-6 years)
• Teacher-training institutions: 3-year institutes and one 5-year Institute of Foreign languages

7. Special education: adult, arts, handicapped, party education
8. Research institutes in the Academy of Sciences and other

1968-1990 (from the Soviet system to lyceums)
1. 3-year pre-school education (3-6 years of age)
2. 8-year schools of general education (6-14 years of age; grades 1-8) (became first compulsory, and by 1973 it was extended to 10 years of compulsory education)
3. Secondary education: 4-year academic lyceums or specialized/professional lyceums (grades 9-12; 15-18 years of age); 5-year teacher-training lyceums or theological seminaries; upper 2-year cycle of the general education followed by 2-year vocational schools or apprenticeship programs; 2-year teacher-training institutes for graduates of academic lyceums
4. Vocational education: vocational and technical schools (3-4 years), apprenticeship programs and courses (up to 2 years)
5. Special education: adult, arts, handicapped, party education
6. Higher education: same structure as before 1968 plus
   • 2-3 year HE institutes within technical and polytechnic HE institutions
7. Research institutes in the Academy of Sciences and other

1991-present (4+4+4 secondary education structure)
1. 3-year pre-school education (3-6 years of age)
2. 4-year elementary education (grades I to IV)
3. 4-year lower secondary education – gymnasia (grades V to VIII)
4. 4-year upper secondary education - lyceums (grades IX to XII): academic, industrial, agricultural, forestry, economics, for health personnel, for administration, for computer training, arts, military and teachers training
5. Vocational education: vocational and technical schools (3-4 years), apprenticeship programs and courses (up to 2 years)
6. Special education: adult, arts, handicapped, party education
7. Higher education:
   • Colleges (3 years)
   • Universities, academies, institutes (3-6 years)
8. Research institutes in the Academy of Sciences and other
Appendix 4. Historical evolution of education system in Basarabia, the MSSR, and the Republic of Moldova

Before 19th century as part of Moldavian Principality: church, monastic and village elementary schools

1912-1918 Basarabia as part of Russian Empire

1782 Habsburg educational reforms proposed and partly introduced by Catherine the Great in Russian Empire
1. Village schools
2. County middle schools
3. Schools of general education
4. Liberal arts and sciences gymnasiums to train for university education
5. Professional schools sponsored by agencies for future recruitment
6. Teachers’ colleges (trained teachers; no access to university)
7. 3-year universities (3 universities in Moscow, Dorpat, Vilno)

1803 Preliminary regulation for public education under Alexander II
1. 2-year village schools (prihodskaya)
2. 2-year county schools (uezdnaya)
3. 4-year provincial schools or gymnasia (gubernskaya scola or gimnazii); few lyceums (Odessa Richelie Lyceum, e.g.)
4. 3-year universities
   • 4 faculties and a pedagogical institute for teachers’ training
   • 3 universities in Moscow, Dorpat, Vilno plus 3 new ones in St.-Petersburg, Kharkov, Kazan
   • based on corporate autonomy and academic freedom of German universities (the model of Gottingen university) - degree granting, election of rectors and professors, devising curricula
   • two types of degrees - Kandidat for completing the courses and providing the 12th rank in the Civil Servants and Attestat for attending the courses but which doesn’t provide any civil ranking
   • each university controlled schools’ activities in its university districts

Mid 19th century Basarabia
1. Church and village elementary schools
2. 7-year gymnasia in capital city
3. Theological seminary and agricultural colleges
4. No universities; part of Kharkov district; advanced studies at Kharkov University or Odessa Richelie Lyceum (later Odessa University)

end 19th century-1918 under 1863 Russian Law on elementary schools and Regulation on gymnasium education: 
1. Elementary education: 1-2 year ministerial and local schools and 3-year church schools
2. Secondary education: 7-year gymnasia, lyceums and real schools
3. Technical and agricultural schools

1918-1944 Basarabia as part of Greater Romania
1. 4-year pre-school (3-6 years of age)
2. 4-year elementary education: (7 years of age)
3. 7-year secondary education:
   • 3-year gymnasia (grades 5-7) – by mid 1940s 14 gymnasia (Tiron et al., 2003, p.20)
   • 4-year lyceums (ending with baccalaureate to be admitted to University); technical and vocational secondary schools; teacher-training schools (scoli pedagogice/normale); theological seminaries (6-8 years) – by mid 1940s 25 lyceums (ibid.)
4. Higher education: 3 year Conservatory (1919), Faculty of Theology of the University of Jassy at Chisinau (1926), Faculty of Agronomy of the University of Jassy at Chisinau (1933)

1940 and 1944-1991 Basarabia as part of the USSR – Moldavian Soviet Socialist Republic
1. 4-year pre-school (4-7 years of age)
2. 10 year-general medium school:
   - 3-year elementary education (1-3 grades; starting at 7 years)
   - Medium incomplete school (4-8 grades)
   - Upper general education (9-10 grades)
3. 2 to 3-year vocational schools and 3 to 4-year elementary teacher training schools (with admission after grade 8)
4. 4.5-year technicums (specialized medium institutions with admission after grade 8) and 2.5-year technicums (with admission after grade 10) (52 institutions in 1987-88, Tiron et al., 2003, p.53)
5. Higher education (8 institutions in 1987-88, Tiron et al., 2003, p.53)
   - One 5-year liberal arts university (State University – 1946)
   - Seven specialized institutes
     Three Pedagogical Institutes (Chisinau - 1940; Balti – 1953; Tiraspol – renamed in institute in 1950s)
     State Agricultural Institute (1940)
     State Conservatory (1940, renamed into Institute of Arts in 1964)
     State Medical Institute (1945, relocated from Leningrad)
     State Polytechnic Institute (1964)
6. Special education (adult education, for children with special needs, extra-curricula education)
7. Applied science research institutes subordinated to union and republican ministries and research institutes within the Moldavian Academy of Sciences (1949)

**1991 to present Moldova as sovereign state**

1995 Law on Education
1. 3 year pre-school education (3-6 years of age; starting 5 is mandatory)
2. 4 year primary education (age 6 or 7; mandatory; grades 1-4)
3. Secondary education:
   - General secondary education
     a. Lower secondary education: 5-year gymnasium (grades 5-9; mandatory)
     b. Upper secondary education: 2-year intermediate general culture schools (grades 10-11, ending with attestate, eliminated by 2005) and 3-year lyceums (grades 10-12, ending with baccalaureate diploma)
   - 2-3 year vocational secondary education
   - 5-year normal schools (teacher training)
4. Higher education:
   - 2-3 year colleges (short-term HE)
   - 4-6 year full-term HE: liberal arts universities, specialized universities (agricultural, pedagogical, medicine, polytechnic), academies of police and economy, institutes of management
   - 3-5 year postgraduate education (two types of degrees: Doctorate and Doctorate Habilitat)
5. Special education (adult education, education for children with special needs, extra-curricula education)
Appendix 5. Ethnic composition of population and university students in Romania in the 1930s

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>Share in population, 1930 Census</th>
<th>Share in the total number of students, 1936-37</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romanians</td>
<td>71.9%</td>
<td>83.5%</td>
</tr>
<tr>
<td>Hungarians</td>
<td>7.9%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Germans</td>
<td>4.1%</td>
<td>na</td>
</tr>
<tr>
<td>Jews</td>
<td>4.0%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Ukrainians</td>
<td>3.2%</td>
<td>na</td>
</tr>
<tr>
<td>Russians</td>
<td>2.3%</td>
<td>0.55%</td>
</tr>
<tr>
<td>Bulgarians</td>
<td>2.0%</td>
<td>0.56%</td>
</tr>
<tr>
<td>Total</td>
<td>18,000,000</td>
<td>34,093</td>
</tr>
</tbody>
</table>

Source: Calculated by the author based on data provided by Bolovan et al. (1996, pp.394, 444)

Appendix 6. Literacy rates of population in Basarabia by ethnic group, 1897 Census

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>1897 Census Population, people</th>
<th>% to total</th>
<th>% to total, cities</th>
<th>% to total, villages</th>
<th>Literacy men, %</th>
<th>Literacy women, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romanians</td>
<td>921,256</td>
<td>47.6</td>
<td>14.2</td>
<td>53.5</td>
<td>10.5</td>
<td>1.7</td>
</tr>
<tr>
<td>Ukrainians</td>
<td>379,341</td>
<td>19.6</td>
<td>15.7</td>
<td>20.3</td>
<td>15.3</td>
<td>3.1</td>
</tr>
<tr>
<td>Jews</td>
<td>228,379</td>
<td>11.8</td>
<td>37.2</td>
<td>7.2</td>
<td>49.6</td>
<td>21.1</td>
</tr>
<tr>
<td>Russians</td>
<td>154,833</td>
<td>8.0</td>
<td>24.2</td>
<td>5.1</td>
<td>39.9</td>
<td>21.1</td>
</tr>
<tr>
<td>Bulgarians</td>
<td>102,577</td>
<td>5.3</td>
<td>3.9</td>
<td>5.6</td>
<td>31.4</td>
<td>6.4</td>
</tr>
<tr>
<td>Germans</td>
<td>59,998</td>
<td>3.1</td>
<td>0.7</td>
<td>3.5</td>
<td>63.5</td>
<td>62.9</td>
</tr>
<tr>
<td>Turks</td>
<td>56,127</td>
<td>2.9</td>
<td>0.12</td>
<td>3.4</td>
<td>21.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Poles</td>
<td>11,612</td>
<td>0.6</td>
<td>2.1</td>
<td>0.3</td>
<td>55.6</td>
<td>52.9</td>
</tr>
<tr>
<td>Roma**</td>
<td>7,742</td>
<td>0.4</td>
<td>0.1</td>
<td>0.5</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Others***</td>
<td>11,612</td>
<td>0.6</td>
<td>1.3</td>
<td>0.3</td>
<td>56.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Total****</td>
<td>1,935,412</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>27.3****</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Source: For 1817 total population – Ciacir (1992, p.31) citing Russian statistics, 1817 shares calculated by the author; for 1897 shares – Postarencu (1998, p.126) citing 1897 Census in the Russian Empire, total by ethnic groups calculated by the author.

*Gagauz; ** most probably Roma lived in Basarabia, but were not captured by statistics due to their nomad life;
*** Others include Greeks and Armenians; ****Errors in summing up to total could exist due to rounding; ***** data on total literacy rates by gender from Enciu (2002, p. 212). Enciu also provides data for the total rate of literacy in Basarabia - 19.4 per cent.
Appendix 7. Ethnic composition of population in Basarabia, 1817, 1897 and 1930

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>1817</th>
<th>1897 Census</th>
<th>1930 Census</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population, people</td>
<td>% to total</td>
<td>Population, people</td>
</tr>
<tr>
<td>Romanians</td>
<td>419,240</td>
<td>87</td>
<td>921,256</td>
</tr>
<tr>
<td>Ukrainians</td>
<td>30,000</td>
<td>6.2</td>
<td>379,341</td>
</tr>
<tr>
<td>Jews</td>
<td>19,130</td>
<td>4.0</td>
<td>228,379</td>
</tr>
<tr>
<td>Russians</td>
<td>6,000</td>
<td>1.2</td>
<td>154,833</td>
</tr>
<tr>
<td>Bulgarians</td>
<td>1,205</td>
<td>0.2</td>
<td>102,577</td>
</tr>
<tr>
<td>Germans</td>
<td>na</td>
<td></td>
<td>59,998</td>
</tr>
<tr>
<td>Turks</td>
<td>1,205*</td>
<td>0.2</td>
<td>56,127</td>
</tr>
<tr>
<td>Poles</td>
<td>na</td>
<td></td>
<td>11,612</td>
</tr>
<tr>
<td>Roma**</td>
<td>na</td>
<td></td>
<td>7,742</td>
</tr>
<tr>
<td>Others***</td>
<td>5,850</td>
<td>1.2</td>
<td>11,612</td>
</tr>
<tr>
<td>Total****</td>
<td>482,630</td>
<td>100%</td>
<td>1,935,412</td>
</tr>
</tbody>
</table>

Source: For 1817 total population – Ciacir (1992, p.31) citing Russian statistics, 1817 shares calculated by the author; for 1897 shares – Postarencu (1998, p.126) citing 1897 Census in the Russian Empire, total by ethnic groups calculated by the author. *Gagauz; ** Most probably Roma lived in Basarabia, but were not captured by statistics due to their nomad life; *** Others include Greeks and Armenians; *****Errors in summing up to total could exist due to rounding; Population in 1918 was already 2,642,000 (Enciu, 2002, p.140).

Appendix 8. Urban versus rural population in Basarabia, 1897 and 1930

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>1897 Census</th>
<th>1930 Census</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% to total, cities</td>
<td>% to total, villages</td>
</tr>
<tr>
<td>Romanians</td>
<td>14.2</td>
<td>53.5</td>
</tr>
<tr>
<td>Ukrainians</td>
<td>15.7</td>
<td>20.3</td>
</tr>
<tr>
<td>Jews</td>
<td>37.2</td>
<td>7.2</td>
</tr>
<tr>
<td>Russians</td>
<td>24.2</td>
<td>5.1</td>
</tr>
<tr>
<td>Bulgarians</td>
<td>3.9</td>
<td>5.6</td>
</tr>
<tr>
<td>Germans</td>
<td>0.7</td>
<td>3.5</td>
</tr>
<tr>
<td>Turks</td>
<td>0.12</td>
<td>3.4</td>
</tr>
<tr>
<td>Poles</td>
<td>2.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Roma**</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Others***</td>
<td>1.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Total****</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Compiled from Postarencu (1998) citing 1897 Census in the Russian Empire (p. 126) and 1930 Census in Romania (pp.177-184)
### Appendix 9. Comparative overview of transition reforms in Hungary, Romania and Moldova in the 1990s

<table>
<thead>
<tr>
<th>Category</th>
<th>Hungary</th>
<th>Romania</th>
<th>Moldova</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking reforms</td>
<td>Since 1987</td>
<td>1990-91</td>
<td>1991-93</td>
</tr>
<tr>
<td>Share of private property in 1989</td>
<td>24%</td>
<td>13%</td>
<td>insignificant</td>
</tr>
<tr>
<td>-large privatization</td>
<td>none</td>
<td>1995-96</td>
<td>1993-94</td>
</tr>
<tr>
<td>-voucher privatization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IMF member</td>
<td>1982</td>
<td>1972</td>
<td>1992</td>
</tr>
<tr>
<td>GATT/WTO member</td>
<td>1973</td>
<td>1971</td>
<td>1995</td>
</tr>
<tr>
<td>Introduction of VAT</td>
<td>1988</td>
<td>1993</td>
<td>1993</td>
</tr>
</tbody>
</table>


### Appendix 10. Selected macroeconomic indicators in Hungary, Romania and Moldova in the 1990s

<table>
<thead>
<tr>
<th>Category</th>
<th>Hungary</th>
<th>Romania</th>
<th>Moldova</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation (annual CPI)</td>
<td>33.4% in 1990, 28.3% in 1995, 17% in 1997</td>
<td>37.7% in 1990, 296% in 1993, 28% in 1995, 152% in 1997</td>
<td>2200% in 1992, 10% in 1996</td>
</tr>
<tr>
<td>Budget deficit, % of GDP</td>
<td>Largest (-8.2%) in 1994 and -5% in 1997</td>
<td>Largest (-4.8%) in 1992, 4.5% in 1997</td>
<td>2.8% in 1990; -21% in 1992; -10% in 1997</td>
</tr>
<tr>
<td>Real wage decline</td>
<td>1997: 98.7% of 1990 level</td>
<td>1997: 93% of 1990 level</td>
<td>na</td>
</tr>
<tr>
<td>Private sector as a share of GDP, 1997</td>
<td>75%</td>
<td>60%</td>
<td>45%</td>
</tr>
<tr>
<td>Public debt, 1997</td>
<td>14.4$ billion (20.2 in 1990)</td>
<td>5.6$ billion (from 0.6 in 1990)</td>
<td>60% of GDP</td>
</tr>
</tbody>
</table>

Map 1. Pannonia, Dacia and Moesia as provinces of Roman Empire


Note: Andrei Nacu the copyright holder of this work, has published the map in Wikipedia and released it into the public domain. The term indicates that these materials are therefore "public property", and available for anyone to use for any purpose.
Map 2. Medieval Kingdom of Hungary, 1190


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Map 3. Partition of Hungary by Ottomans, 1529-1699


Note: Western Hungary was part of Austria, Central Hungary was occupied and ruled by Ottomans, and Transylvania in the east was a vassal state of Ottoman Empire.

Map 4. Hungary after Trianon (1919-1940)

Map 5. Hungary, 1990s

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Map 6. Principality of Wallachia, cca 1390

Note. According to an internal document of 1387 and the Treaty with Poland of 1390.
Map 7. Principality of Moldavia, cca 1500


Map 8. Romanian Principalities, cca 1600

Map 9. Principalities of Moldavia and Wallachia, and Great Principality of Transylvania, 1856-1861


Note: Transylvania is part of Habsburg Empire.

Map 10. Greater Romania (1918-1940) and Moldavian Autonomous Soviet Socialist Republic (1924-1940)

Map 11. Romania: 1881 to present


Map 12. Romania, 1990s

Map 13. Basarabia within Russian Empire (1812-1918)

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Map 14. Republic of Moldova, 1990s