

## **Poland's System: Contraction and Implications**

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In the near future, the decline of enrollment levels in Poland is expected to be the highest drop in Europe. There are two Organization for Economic Cooperation and Development scenarios for Poland. First, enrollments in 2025 are expected to fall to 55 percent of the 2005 levels or dwindle by almost a million students (947,000). Or, second, based on trends, they are expected to fall to 65 percent of the 2005 levels or decline to almost 800,000 students (775,000). In none of the other European systems will demographic shifts lead to shrinking student populations to a comparable degree. The decrease in student numbers is expected to fall from 1.82 million (2010) to 1.52 million (2015), to 1.25 million (2020).

The reduction in Poland will affect both the public and private sectors and, chiefly, fee-based studies—should the public sector remain to be tax based. Tax-supported student places are today available only to full-time students in the public sector, while part-timers do pay fees. The private sector, offering only fee-based vacancies, is expected to be affected more severely by changing demographics, than the public sector.

Thus, the major factors of change are the number of declines in the public sector and/or the introduction (or its lack) of fees in that sector. If fees are not introduced, enrollments in full-time programs in the public sector will remain at current levels—in 2020 about 850,000 students, as in 2010. If fees are introduced, student numbers will decrease in both public and private sectors and both modes of studies (full time, part time)—about 550,000 students in full-time programs in the public sector, in 2020. If fees are not introduced and the public sector expands, enrollments in full-time programs in the public sector will increase in 2020—e.g., to 1 million students. If the number of vacancies increases merely by 2 percent every year between 2011 and 2020, the public sector will be offering more than 1 million vacancies by the end of the decade, and these are students' "first-choice vacancies" in a possibly expanding public sector. Consequently, in Poland's first scenario, the private sector in 2020 can expect about 250,000 students, in the second about 450,000 students, and in the third only about 100,000. In 2010, it enrolled 580,000 students.

#### **IMPLICATIONS FOR THE PRIVATE SECTOR**

Policy implications are surprising: In fact, Poland has the biggest private higher education sector in Europe (31.8% of students in a system of 1.82 million in both sectors in 2010) and is heavily dependent in its survival on the introduction of universal fees in its competing public sector. If universal fees are not introduced, the private sector will be heavily reduced in size, by 60 percent or more; if fees are introduced, enrollments will still drop to about 75 percent of current levels. Thus, the introduction of universal fees in the public sector is the most effective survival strategy of the private sector in the years to come. Individual private

institutions' strategies count much less than macrolevel changes in funding mechanisms for public institutions. Maintaining the tax-based public sector under declining demographics in the next decade means a disaster to the private sector, unless there are mergers between public and private institutions. Opening to international students is important but does not change the picture radically (in 2010, the share of international students was below 1%). Following intensive public discussions between policymakers and the academic community in 2008–2010, the new law of March 2011 has not introduced universal fees, though.

### **THE ROLE OF POLITICS**

While demographic factors for the next decade in Poland are well defined, political factors are not ascertained. The latter depend largely on policy choices to be made in the next few years. One policy stance (known from the political economy of reforms) is to leave things as they are—that is, not to introduce universal fees. The new law on higher education in the area of fees leaves things as they are. A less obvious and much more contestable policy stance is to intervene, especially through changing funding arrangements.

Possible policy interventions defending the private sector, based on declining demographics, are either in the private sector only (public subsidization of teaching, for full-time students only: about 110,000 in 2010 or 17% of all private sector students), or in the public sector only (introduction of universal fees), or in both sectors (the combination of both policy interventions). What seems theoretically possible—the idea of fees for all to be introduced in the public sector, supported strongly by the Polish Rectors' Conference—may be politically complicated; lobbying for one or both of the two policy interventions

is currently in progress and is expected to continue. Given the stability of demographic factors, the unpredictable political factors are therefore extremely important for the future of the higher education system as a whole.

### **LONG-TERM DECLINE**

Polish private higher education is exceptional from a global perspective. A gradual decline constitutes in the share of enrollments and, at the same time, a gradual decline in its absolute enrollments. It is expected to have fewer students every year in the next decade. A higher education system that currently includes 325 private institutions, with almost 600,000 students (2010), faces an enormous challenge: to develop fair public policy for the contraction era. In postcommunist Europe short-term declines in enrollments in the private sector did occur in the last decade, but the Polish case is clearly different.

Contrary to other countries in central and eastern Europe, the current and projected contraction in Poland is long-term rather than limited in duration. It will affect both public and private sectors, and the major political factor relevant for the future public-private intersectoral dynamics will be the introduction (or its lack) of universal fees in the public sector. It is unclear when Poland will be politically prepared for the new realities and to what extent the survival problem of the private sector for 2011–2020 will become a major policy problem. The introduction of fees may also be politically difficult in the current climate of the economic crisis. So far, both the public and academic awareness of the looming demographic crisis in higher education—rather than merely in pensions and health-care systems—is minimal. The demographic parameter is bound to be a major one in a new public policy necessary for the contraction era.