

Higher education trade, liberalization and gats commitments in the Arabic Gulf Region: challenges and regulatory reforms

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Abstract

Deregulation, privatization and the change in international rules on trade in services led to the increase in the number of private higher education institutions and international branch campuses in the Arab Gulf region. With the inspiration to shift to a knowledge-based economy and to prepare graduates to meet the needs of the public and the private sectors, recent initiatives in higher education in these countries have been either mostly state-driven or mostly market-driven, with varying degree of success. These initiatives required changes in the regulatory environment and did not fully address the challenges faced in the higher education sector. The paper examines the rationales and strategies used by six countries in the Arab Gulf, which are working towards positioning themselves as regional education hubs, highlighting the challenges and the areas that require further study.

1. Introduction

The number of students and institutions involved in higher education trade cross-national boundaries is growing rapidly, and recently, attention has been focused on countries seeking to recruit foreign universities to start up branch campuses as part of a government endorsed regional educational hub. In the Arab region, several countries have made significant effort to recruit international students and to become favored destinations for students within their region. According to the UNESCO Institute of Statistics, which publishes regularly on its web site the global flows of tertiary level students, the Arab Republic of Egypt, the kingdom of Saudi Arabia and the United Arab Emirates have been active in recruiting international students and hosted 4% of the global share of mobile students in 2012. At the same time, the kingdom of Saudi Arabia is also one of top five countries of origin mobile students in the world. Mobile students are those, which are not residents or citizens of the country where they study. At the regional level, the United Arab Emirates outpaced the United Kingdom in attracting students from the Arab states, becoming the third most popular destination (after France and the United States) for students from the region (UNESCO Institute of Statistics: 2012).

Educational reforms and initiatives in the Arab Gulf region in particular have drawn much attention. Dakhli and El Zohairy (2011) attribute the increase in the number international branch campuses and private higher education institutions in Arab Gulf in general to push and pull factors. The advancement of internationalization associated with the change in international rules on trade in services, which are introduced by the World Trade Organization (WTO) and the General Agreement on Trade in Services (GATS), in addition to expending revenue, prestige and the move towards a serve-based economy are seen as the main push factors. Pull factors include the increased appeal of Western-based education, the rise of English language instruction and deregulation. Yet most of what have been written on the Arab Gulf were from

foreign universities' perspectives, overgeneralize and underestimating the differences found between the Arab countries in this area.

This paper aims to examine trade in education in the six countries in the Arab Gulf that constitute the members of the Gulf Cooperation Council (GCC), their formal commitments under GATS and the current educational initiatives undertaken by these states, highlighting the challenges faced in achieving their inspirations. The paper aims to fill the gap in the literature as Night and Murshidi (2011) pointed out there is little analysis of cross border education developments and no assessment of what make a hub sustainable or successful. Published government educational reports, international development reports, and peer-reviewed literature on students' mobility and regional hubs were consulted for both the GCC and individual member states of the GCC.

2. GCC Data and Statistics

The GCC is the most advanced example of sub regional integration in the Arab region and in 2008, the GCC declared common market status, aiming to create a single environment where citizens of member countries enjoy equal rights and privileges, including the rights engage in various economic activities and services. GCC members, which consist of the Kingdom of Bahrain, the State of Kuwait, Sultanate Oman, the State of Qatar, the Kingdom of Saudi Arabia, and the United Arab Emirates, have open economies with free trade and capital movements and an exchange rate pegged to the US dollar, either directly or indirectly. The degree of trade openness varies, as indicated by the ratio of total exports and imports to GDP, which ranged from 82 percent in the Kingdom of Saudi Arabia to 176 percent in the United Arab Emirates, according to World Bank Statistics of 2014. Other major common economic characteristics include the high dependence on hydrocarbon, high per-capita GDP, high dependency on oil revenues in financing public expenditures, large public sector and high reliance on foreign labor that constitute 90-80 percent of the total population in Qatar and the United Arab Emirates. In 2014, the GCC had a population of about 51.6 million and a GDP of about US\$ 1652.5 billion (Figures 1 & 2). Per-capita GDP in 2014 ranged from about US\$ 19,002 in Oman to US\$ 93,965 in Qatar, as presented in figure (3).

Diversification away from the hydrocarbon sector remains a common objective for all GCC members and although the GCC has identified economic cooperation and integration as an integral part of its agenda since its establishment in 1981, its members compete with each other in different sectors such as finance, transport and downstream energy. In the process of moving from a hydrocarbon-based economy to a knowledge led economy, the United Arab Emirates, the State of Qatar and the Kingdom of Bahrain seek to be positioned as a regional education hub within the Arab region. The latter faces a strong challenge in competing with its neighboring countries, which started their regional education hub initiatives earlier (knight and Morshidi: 2011). In 2014, total expenditure on education ranged from about US\$56 billion in the Kingdom of Saudi Arabia to US\$2.2 billion in the Kingdom of Bahrain as shown in figure (4). This is understandable, since the former is the most populated with a total population of 30.8 million, while the total number of population in the latter stood at 1.2 million in 2014. Figure (5) displays that the percentage of GDP spent on education was the highest in Oman, followed by the Kingdom of Saudi Arabia and the Kingdom of Bahrain in 2014.

With regard, to access and participation in higher education, the tertiary gross enrolment ratio (GER) was relatively higher in Saudi Arabia and lower in Qatar, ranking 64 and 112 respectively out of the 148 countries studied in the Global Competitiveness Report of 2013-2014, which is published by the World Economic Forum (Figure 6). GER in tertiary education is the percentage of the total enrolment within a country in tertiary education regardless of age of the

total population of the five-year age group following on from secondary school leaving. While the kingdom of Saudi Arabia made a significant improvement in its tertiary GER and global ranking, 57.5 and 44 respectively, Qatar tertiary GER increased only by 4% and was ranked 103 out of the 144 countries studied in the Global Competitiveness Report of 2015-2016. The kingdom of Bahrain and the state of Kuwait made some progress during this period, their tertiary GER increased from 29.8 to 33.5 and from 21.9 to 28.5 respectively. On the other hand, tertiary GER decreased from 28.7 to 28.1 in Oman and from 25.2 to 16.8 in United Arab Emirates. Countries with low tertiary GER usually have low secondary GER and vice versa. While tertiary GER represents existing domestic capacity and secondary GER represents the potential demand for higher education. All the GCC countries had attained a relatively high participation rate in secondary education in 2013- 2014, exceeding 100% in all member countries except the United Arab Emirates. GER can exceed 100% due to the inclusion of over-aged and under-aged students because of early or late school entrance and grade repetition. This means that all these countries have a relatively high potential excess demand for higher education that was not reflected in the tertiary GER.

GCC Statistics in 2014

Figure 1: Population (millions)

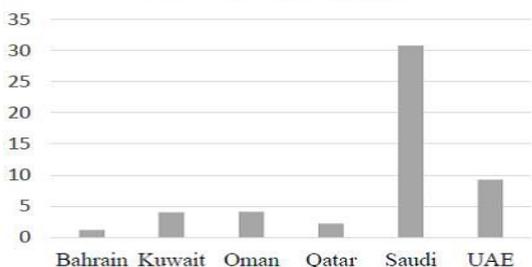


Figure 2: GDP (billions US \$)

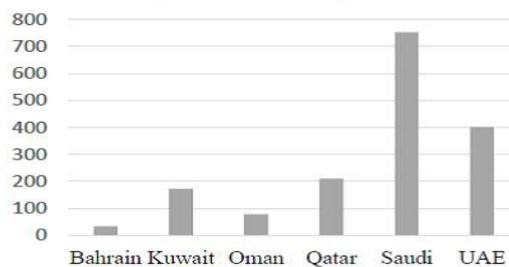


Figure 3: GDP per capita (US\$)

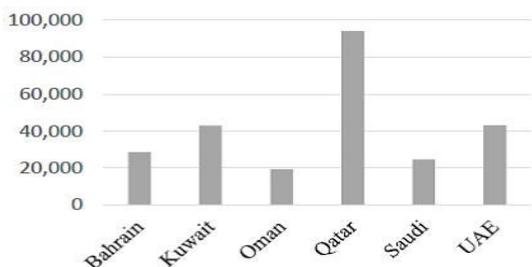


Figure 4: Total Expenditure on Education (billions US \$)

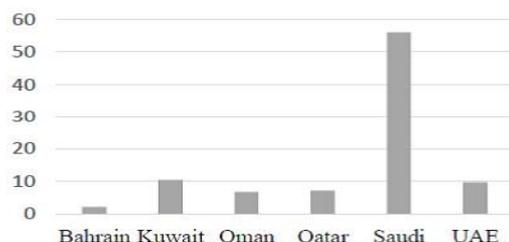


Figure 5: % GDP Spent on Education

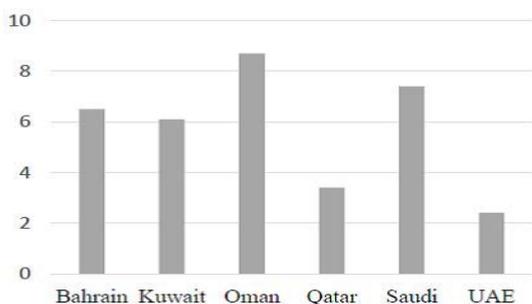
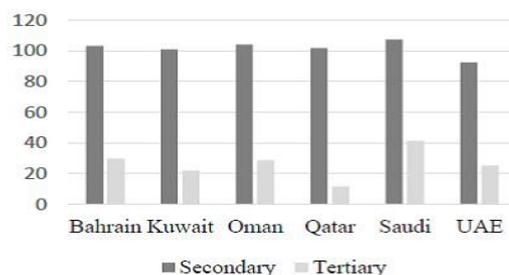


Figure 6: % Gross Enrolment in Secondary and Tertiary Education



Sources: WEF Global Competitiveness Reports, World Bank & National Statistics

3. GCC's Commitments in Educational Services under GATS

The significant increase in the supply of foreign higher education services can be partially attributed to the work of the WTO and GATS, which were established following the conclusion of the Uruguay Round of General Agreement on Trade and Tariffs (GATT) in 1995. GATS aims to regulate the liberalization of trade in twelve service sectors including education. Trade in education as well as other services is classified into four modes: cross-border supply, consumption abroad, commercial presence, and the movement of natural persons. Cross-border supply refers to movement of programs through cross-border cooperation in program running and online learning programs. Mansheng (2009) identified several common forms of cross-border movement of programs, which include selling programs to foreign institutions or franchise institutions to carry out such programs and offering sister courses in which students register with a local education institution and learn some courses in their home country before going abroad for further studies. Consumption abroad refers to students perusing education in foreign countries. Commercial presence includes establishing higher education institutions or jointly running them abroad. While some profit seeking institutions have acquired foreign private higher education institutions to expand in overseas markets, others opened campuses abroad and cooperate with local institutions in running academic institutions and offering sister courses in which students register with a foreign education institution and learn some courses in their home country before going abroad for further studies. The presence of natural persons refers to lecturers that temporarily travel abroad to teach particular courses.

Until recently, GCC member countries engaged in external trade negotiations on a unilateral basis. In 2005, following the signing of the Custom Union Agreement of 2003, GCC member states agreed to coordinate all future external trade negotiations through the Secretariat, which is an independent administrative and executive body with a budget shared equally among member states. The GCC encompasses three main bodies, including its Secretariat. These are the Supreme Council, which comprises the heads of the Gulf States and the Ministerial Council of the Foreign Ministers of the Gulf States. The former meets twice annually to provide policy directions and its decisions are passed with a unanimous vote. The latter holds quarterly meetings to propose policies and prepare recommendations. There are also a number of committees (Financial and Economic Cooperation, Education, Health, and Labor and Social Affairs councils) at the ministerial level, involved in preparing studies and submitting recommendations to the Supreme Council. Although collective negotiation of trade agreements help increase their bargaining power and ensure consistency with the terms of the customs union, it has been argued that with the lack of a clear and effective mechanism to reach internal consensus among the GCC members, final agreements are likely to be watered down (Rouis, Al-Abdulrazzaq and Carey: October 2010). The current GCC's commitments to GATS vary from one country to another because members have joined the WTO at different time. On the one hand, the kingdom of Bahrain is a net service exporter and has been a WTO member since 2001 and therefore it has undertaken modest commitments under the GATS (Rouis, et al.: October 2010). On the other hand, the WTO approved the Kingdom of Saudi Arabia's application for membership after 12 years of negotiations in 2005. Oman and the Kingdom of Saudi Arabia are net importer of services and both have undertaken the most comprehensive commitment under the GATS including the education services as shown in Table (1).

Table 1: GCC's Commitments in Educational Services

Country	Primary education services	Secondary education services	Higher education services	Other education services	Other education services
Kingdom of Bahrain					
State of Kuwait					
Sultanate Oman	X	X	X	X	
State of Qatar					
Kingdom of Saudi Arabia	X	X	X	X	X
United Arab Emirates					

Source: World Trade Organization

The kingdom of Bahrain, the State of Kuwait, the State of Qatar and the United Arab Emirates did not make commitments to liberalize trade in education, which can be attributed to the irreversible nature of these commitments that can restrict their freedom to develop national education policy. Bashir (2007) highlighted several concerns that make developing countries hesitant to commit to trade liberalization in higher education in particular. These concerns include the weaknesses in their domestic regulatory systems, influx of low quality foreign providers and the possible negative impacts of foreign competition on the low funded domestic higher education institutions in developing countries, with foreign higher education institutions from industrialized countries gaining access to their service markets without gaining similar access to the markets of industrialized countries. Furthermore, while foreign competition provide individuals with access to wider educational options of higher quality, it may also result in growing inequity in access to higher education with public universities catering increasingly to students from disadvantaged backgrounds while external providers target richer students.

However, regardless of whether WTO members schedule commitments or not, there are three general obligations that exist in GATS and apply to all services sectors. These are most favored nation treatment, transparency and dispute settlement. Article II of the GATS states that "With respect to any measure covered by this Agreement, each Member shall accord immediately and unconditionally to services and service suppliers of any other Member treatment no less favorable than that it accords to like services and service supplier of any other country". However, before the agreement entered into force, WTO members were allowed to seek exemptions, which are subject to re-negotiations and periodic review by the Council for Trade in Services every five years and should not in principle exceed 10 years. New members are also allowed to seek similar exemptions at the time of their accession. To increase transparency, GATS requires all members to publish all related policies and regulations. Members must also respect the decisions of arbitrators in case a dispute was referred by the Council on Trade and Services for arbitration on a matter that falls within the scope of GATS.

In addition to GATS general obligations, there are sector specific obligations that concern market access and national treatment and only apply to sectors specified by members. Although member countries need to comply with the WTO's key principles related to market access and national treatment, each country participating in GATS can determine limitations on market access and national treatment for each committed sector and mode of supply. Both Oman and Kingdom of Saudi Arabia have listed some limitations on market access and national treatment. For instance, commercial presence is allowed in the form of a company incorporated in Oman with foreign equity up to 70%. There are also specific measures concerning entry and temporary stay of natural persons who fall into one of the following two categories: business visitors and employees of juridical persons. Purchase of land and real estate is not permitted to foreign companies and foreign individuals and companies with foreign equity exceeding 70% may be

required to pay a higher rate of income tax as compared with wholly Omani owned companies. In the kingdom of Saudi Arabia, foreign investors are allowed to own real estate and to carry on their activities in the Kingdom under the Foreign Investment Law and in accordance with the laws and regulations governing foreign ownership of real estate. While Saudi entities and Saudi individuals are subject to Zakat, non-Saudi business entities and foreign natural persons are subject to income tax and some subsidies on certain services are available to Saudis only. In addition, there are specific measures concerning entry and temporary stay of natural persons in the Kingdom of Saudi Arabia who fall into one of the following categories: business visitors, intra-corporate transferees, contractual service suppliers, installers and maintainers.

In general, GCC commitments made in higher education have been low. This can also be attributed to the fact that GATS excludes services in the exercise of governmental authority and until recently higher education in all GCC member states was provided by the government as the sole supplier and not on a commercial basis. Moreover, the concerns related to the treatment of higher education as a public or as a tradable good were responsible for the slow pace of negotiations and the progressive liberalization in education services in both the Uruguay and Doha rounds. Knight (1999) wrote, "With the massification of higher education, increasing at an exponential rate, there is strong interest on the part of large and small countries to make the export of education products and services a major part of their foreign policy. In fact, we see major shifts in foreign policies where education was primarily seen as a development assistance activity or cultural program to one where education is an export commodity" (Knight: 1999, p.19). Tilak (2008) pointed to the risks associated with the marketization of higher education, which include, weaken governments' commitment to public funding of higher education with the rapid growth of privatization and the extinction of some important unmarketable disciplines of study that do not generate revenues.

Furthermore, other topics usually overshadow trade in education in the WTO rounds. According to Verger (2009), "the most important WTO rules for negotiating services are contained in the GATS and, specifically, in the 'Progressive Liberalization' section of the agreement" (Verger: 2009, p.383). To achieve this, WTO members participate in successive rounds of negotiations, in which education and other services sectors are negotiated in relation to all the topics covered in each negotiation round and not by sector. In 2008, disagreements related to agriculture, industrial tariffs, non-tariff barriers, services, and trade remedies stalled the progress of negotiations of current WTO round of negotiations round which was launched in Doha, Qatar in 2001. Nevertheless, because there are general obligations that exist under GATS and apply to all service sectors, these obligations may restrict GCC flexibility to make certain policies. Birtwistle (2006) identified several actions that could challenge these obligations and constitute barriers to trade liberalization. These actions include all legislations that discriminates against external providers in higher education such as subsidies for local providers that are not available to foreign providers, and any licensing requirements, accreditation or quality assurance criteria that are unique to foreign providers.

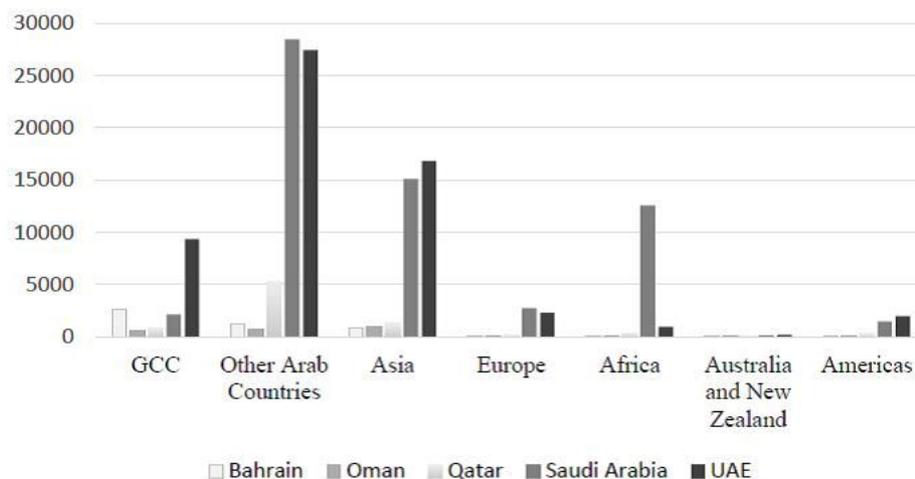
4. Recent Reforms and initiatives in Higher Education

Regardless of the formal commitments in education under GATS, the Kingdom of Saudi Arabia and United Arab Emirates were the most active in the recruitment of international students as shown in Figure (7). Although the kingdom of Saudi Arabia has the highest number of mobile students from abroad studying in the country, the percentage of these students of the total tertiary enrolment was much higher in the United Arab Emirates and Qatar, 44.8% and 39.9% respectively (Table:2). Qatar and the United Arab Emirates were also the most active in the recruitment international universities as a part of their inspirations to serve as education

hubs in the process of moving to knowledge/services oriented economies. Recent reforms and initiatives in higher education are either mostly state-driven (Saudi Arabia), or mostly market-driven (United Arab Emirates). These reforms and the top down decision-making processes in education in the GCC attracted criticism and raised some concerns. This top-down approach is often being criticized for lacking discussion, collection of information, policy analysis and systematic recognition of problems (Khodr: 2012). Weber (2015) also referred to the conflict of interests that could result from having ministries of education in the Gulf in charge of both making improvements and judging their effectiveness and their negative impacts on the transparency and objectivity of the policy making process. Kirk (2015) argued, "Much of the education reform has been sporadic, isolated and lacking in coherence and strategic vision". He explained that these reforms are predominantly top-down mandated changes that replicate foreign models and did not stimulate innovation in local contexts. Weber (2015) raised a similar concern. He wrote, "The establishment of a foreign regulatory environment further increases the risk of transmissions of education methods and administrative models that have not been adapted to the region's unique culture" (Weber: 2015, p.154).

Nevertheless, there is a consensus that the arrival of foreign universities benefited the countries in the region. Dakhli and El Zohairy (2011) argued that "the arrival of many leading North American and other international institutions in the GCC has given the higher education industry the shot in the arm that it badly need" (Dakhli and El Zohairy: 2011, p.51). Higher education in the Arab Gulf region has long been criticized for failing to meet the inspiration of its youth, emphasizing inputs rather than outputs with low return on educational investment and for failing to meet the needs of either the public or the private sectors (Coffman: 2003). One of the issue that has been raised by Weber (2015), the fact that the majority of students (60% - 70%) attending Gulf universities are female and may not add their skills to the labor market due to the limited number of religious and socially acceptable professions open to women. Furthermore, the proportion of workforce made by national continue to shrink as well-qualified expatriate filled many positions where there were often shortage in national skills. The creation of employment opportunities and higher value added jobs also remain major challenges that face all GCC members states as many of the new jobs created are being filled by low paid unskilled foreign workers mainly in the construction sector (The International Monetary Fund: 2011). Another major challenge facing policy makers in the GCC is the readiness of students to enter higher education. The low mean student performance in each Gulf country compared to the international mean was evident in the International Mathematics and Science Study (TIMSS) and raised serious questions about the efficiency of the school systems in the Gulf (Wiseman and Al-bakr: 2013). The low GER in tertiary education in the GCC member states also raised questions about the readiness of students to enter higher education. Their tertiary GER were much lower than the worldwide tertiary GER, which was 32% in 2012 and had reached 50% in 54 national systems (Marginson: 2016). It has been also argued that Gulf youth are less motivated to succeed and may see little value of higher education in the GCC members that provide them with generous social support schemes and guaranteed government jobs for school leavers (Kirk: 2015). However, despite all of these similarities, each country has adopted a different approach to reforming higher education due to their varying socioeconomic and demographic conditions.

Figure 7: Hosted Mobile Students per Region



Source: UNESCO Institute of Statistics, February 2016

Table 2: International Mobility of Students

Country	Total Number of Students Abroad	Outbound Mobility Ratio*	Total Number of Mobile Students Hosted	Inbound Mobility rate*
Kingdom of Bahrain	4,481	13.2	5,036	13.2
Kuwait	16,799	23.4	NA	NA
Oman	11,294	14.5	2,579	3.0
Qatar	5,039	24.1	10,078	39.9
Kingdom of Saudi Arabia	73,548	5.4	71,773	4.8
United Arab Emirates	8,530	6.4	64,119	44.8

* Outbound Mobility Ratio is the total number of students abroad expressed as a percentage of total tertiary enrolment in that country.

* Inbound Mobility rate is the total number of mobile students from abroad studying in the country expressed as a percentage of total tertiary enrolment in that country.

Source: UNESCO Institute of Statistics, February 2016

4.1 The Kingdom of Bahrain

Until the late sixties, Bahraini students had to travel abroad in order to pursue their higher education because there were no higher education institutions in Bahrain. In 1968 Bahrain established the Gulf Polytechnic and the Higher Institutes for male and female teachers. The latter developed into the University College of Arts, Sciences, and Education in 1978. In 1986, the University of Bahrain was established by merging the Gulf Polytechnic and the University College of Arts, Sciences and Education. The Second public higher education institution is Bahrain Polytechnic, which was established in 2008 as one of the initiatives taken by the Kingdom to reform Higher education since 2001. Other initiatives encompassed the Higher Education Strategy, the National Qualifications Framework, and the National Authority for Qualifications and Quality Assurance for Education & Training (QQA), which has been conducting both institutional and programs reviews since 2008. Additionally, there are one regional university (Arabian Gulf University), which was established in 1984, and 10 ten private higher education institutions that were established following the liberalization of the higher education sector in 2001. One of the main goals of the Higher education strategy is to position

the kingdom of Bahrain as a regional hub for quality private higher education with a strong brand.

Private higher education institutions include AMA International University of Bahrain, a branch of the Philippine-based AMA Computer University, the Arab Open University- Bahrain branch and the Royal College of Surgeons in Ireland - Medical University of Bahrain, which is the second such school in Bahrain. In 2011-2012, the number of students admitted at the University of Bahrain reached 15,393, which exceeded the total number of students admitted in the other public and private universities (14,287) and 54% of these students were enrolled in Business and Finance (Higher Education Council, 2012). Despite the closing down of three private universities (Birla, Delmon and New York Institute of Technology), the total number of students in higher education for the academic year 2014/15 increased by 18% from 32,327 in 2011-12 to 38,260 in 2013-14 with the gender breakdown showing 60% for females and 40% for males (Higher Education Council, 2015). Moreover in 2012 the Higher Education Council which is in charge of licensing and accreditation has suspended enrollments and capped students number in some private institutions to protect the future of students and to give these institutions the time to implement improvement plans. Institutional accreditation is still in its pilot stage.

4.2 *The State of Kuwait*

Since 2003, the state of Kuwait has encouraged the development of a private university sector that works in collaboration with high quality international partners as a means of meeting local demand for university places. Despite its effort to create additional places in the public sector, the increase in the number of qualified students exceeded the absorption capacity of Kuwait University, which is the nation's only public university. The University's facilities are currently geographically spread over six campuses and include 17 colleges offering 76 undergraduate, 71 graduate programs. The total number of enrolled students in Kuwait University reached 37,053 students for the academic year 2015/2016. Post secondary education also comprises technical and vocational courses offered by the Public Authority for Applied Education and Training (PAAET), which is a state institution offering mainly 2 years training courses that allow the graduates to enter the workforce as well as other programs with shorter duration, depending upon the requests of the public and private sectors. It encompasses five colleges for basic education, business studies, technological studies, nursing and health sciences, in addition to ten training institutes, including the Higher Institute of Energy, the Industrial Training Institute and **Construction Training Institute**. The number of enrolled students reached 45,654, 7,745 of which are non-Kuwaitis in 2015, as indicated on the PAAET website. Although PAAET is the largest post-secondary institution in Kuwait in term of enrollment, vocational training and education in Kuwait and the Arab Gulf in general is still seen as a second-best education system and is "tainted by social stigmas" as Bilboe (2011) pointed out.

The Private University Council of Kuwait has accredited eight private institutions since 2005, namely: Gulf University for Science and Technology, Kuwait-Maastricht Business School, Arab Open University- Kuwait Branch, Australian College at Kuwait, American University of Kuwait, American University of Middle East, American College of Middle East and Box Hill College of Kuwait. The total number of admitted students in the eight institutions reached 19,596 in 2013 according to published statistics of the Private University Council of Kuwait. As a means to ensure academic standards and quality of higher education, private universities are required to operate in collaboration with internationally reputable foreign partners and all their programs are offered in English. Therefore, private universities have affiliated themselves with American, European and Australian institutions such as the American University of Kuwait

affiliation with Dartmouth College, American University of the Middle East's affiliation with Purdue University, and the Arab Open University partnership with the UK Open University, which validate all its offered degrees. Other foreign partnerships include the Gulf University for Science and Technology's affiliation with the University of Missouri at St. Louis, the American University of the Middle East's partnership with Purdue University, and the Australian College of Kuwait cooperation with a number of different Australian partners in different technical fields. In addition a number of foreign higher education institutions have been established and are managing branch campuses in Kuwait in cooperation with local partners such as the University of Maastricht Business School of Netherlands, and the Box Hill Institute of Australia (Clark: September 1, 2013).

4.3 Sultanate Oman

Oman has a diverse higher education system including over forty post-secondary public educational institutions offering academic, technical and vocational programs. These institutions include the Colleges of Applied Sciences, Colleges of Technology, the Ministry of Health Educational Institutes and Ministry of Defence institutions (Goodliffe, Trevor-Roper, Razvi and Al Habsi: 2015). There is also one public comprehensive university, Sultan Qaboos, which was founded in 1986. Currently, Sultan Qaboos University has nine colleges; namely Medicine, Engineering, Agriculture, Education, Science, Arts, Commerce, Law and Nursing. Until 2008, these Colleges offered bachelor's and master's degrees in the different disciplines. PhD studies were recently introduced in the fields of Agriculture, Marine sciences, Medicines, Engineering and Science. Since the mid 1990s, the government decided to encourage the private sector in Oman to form universities and colleges by providing supports in the form of land grants, certain customs exemptions and a matching grant of 50% of capital contribution to a maximum amount of three millions Omani Riyal for private universities. These policies led to the establishment of 27 private colleges and universities with current enrollments of some 35,000 students. Most of these private institutions focus on popular studies such as computer sciences and business administration. They are also usually affiliated with European, Australian or American institutions and the language of instruction is mainly English.

In order to monitor, improve quality and increase the prestige of the degrees awarded by private institutions in Oman, the Ministry of Higher Education requires private higher education institutions to have academic affiliation agreements with reputable universities. To enhance quality and the accountability of higher education institutions, a set of institutional standards were developed in 2004 but the accreditation process was not fully implemented. In 2008, Oman Academic Accreditation Authority (OAAA) introduced Quality audits to provide formative feedback to higher education institutions before proceeding with the accreditation (Ross and Trevor-Roper, February 2015). The first cycle of quality audits commenced in 2008 and ended in 2014, and currently OAAA is in the process to develop institutional accreditation and programs accreditation applicable to all higher education programs in Oman (Goodliffe, Trevor-Roper, Razvi and Al Habsi: 2015).

4.4 The State of Qatar

In 1973, the first national university, Qatar University, was established as a teachers' College and it has expanded its program offerings since then to include both graduate and undergraduate programs in Education, Business and Economics, Arts and Sciences, Engineering, Sharia and Islamic Studies, Pharmacy, Law, and Medicine. In 1995 the Qatar Foundation for education, Science and Community Development (QF) was set up and following the approval of Qatar National Vision (QNV) in 2008, QF was given a stronger mandate in the

creation of a knowledge economy. QNV identified education as core driver for economic diversification and aimed to expand participation in post-secondary education. For this purpose, the Community College of Qatar (CCQ) was established and started to enroll students in 2010, offering associate degree tracks in Arts, Science and applied science. The CCQ has separate campuses for male and female students and operates in conjunction with the Houston Community College in Texas. In 2014, the total number of students in Qatar university and Community college reached 18,624 of those 13,214 female and 5,410 male (Ministry of Development, Planning and Statistics, 2014). The need for more men to further their education, and to give incentives the private sector to bring more Qataris on board were highlighted in Qatar's National Development Strategy.

Several initiatives related to the creation of a knowledge economy are currently under the QF regulatory umbrella, which include science incubators (Qatar Science and Technology Park), Qatar National Research fund, Academic journals publishing platform (QScience), research institutes (e.g. Qatar Biomedical Research Institute and Qatar Computing Research Institute) and a complex of international branch campuses (Education City). Several universities have opened branch campuses in Qatar namely, Virginia Commonwealth University, Weill Cornell Medical College, Texas A&M University, Carnegie Mellon University, Georgetown University, Northwestern University in Qatar, HEC Paris, University College London, College of North Atlantic-Qatar, the University of Calgary-Qatar and Dutch Stenden University. In addition, Hamad Bin Khalifa University is a QF member and currently delivers a range of research education Master's and Doctoral programs through its interdisciplinary graduate colleges: College of Science, Engineering and Technology, College of Humanities and Social Sciences, College of Law and Public Policy, College of Public Health, College of Business, and Qatar Faculty of Islamic Studies. In 2014, the total number of students in Qatar private universities and colleges reached 6,844 of those 3,174 female and 3,670 male (Ministry of Development, Planning and Statistics, 2014).

4.5 The kingdom of Saudi Arabia

The kingdom of Saudi Arabia has made substantial investment in education. In 2012, Saudi was ranked the fifth countries of origin mobile students in the world. This can be partly attributed to the initiation of King Abdullah Scholarship in 2005 to sponsor highly-qualified Saudi students to undertake their post-secondary studies abroad and from 2006 to 2010, the total grants amounted to \$128,311,450.68 (Denman and Hilal: 2011). The number of Government Universities in Saudi Arabia has also increased from 14 to 25, with the inauguration of 11 new government-owned universities since 2001. The most notable public Universities are King Fahd University of Petroleum & Minerals, King Saud University, King Abdulaziz University, which ranked 1st, 3rd and 4th within the Arab region and 199, 237 and 303 respectively, according to QS world University Ranking of 2015-16. To increase admission to higher education institutions, the Saudi Higher Education Council endorsed the establishment of community colleges as academic and vocational institutions linked to public universities to offer adaptable study programs in various specializations. In 2012, there were about 43 community colleges that offer 2-years associate degrees and students can enter the job market after the completion of their degrees or transfer to the linked public university to earn bachelor's degrees (Jamjoom: 2012). An example of these colleges is Dammam Community College, which is under the auspices of King Fahd University of Petroleum & Minerals.

The public higher education system in Saudi Arabia also includes 18 primary school teacher's colleges for men, 80 primary school teacher's colleges for women, 37 colleges and institutes for health, and 12 technical colleges (Onsman: 2010). Since the Government approved

the establishment of the first private college in 1998, the number of private universities and colleges reached 29 in 2012 (Jamjoom: 2012). Foreign ownership is still restricted in private higher education in Saudi Arabia, and all public and private colleges and universities are under the supervision of the Saudi Ministry of Higher Education. Private higher education institutions in Saudi Arabia are owned by companies and non-for profit organisations such as King Abdullah University for Science and Technology which is managed by ARAMCO, the national oil company. King Abdullah University is the Kingdom's first solely postgraduate higher education institution in Applied Mathematics, Biosciences, Chemical Engineering and Bioengineering, Computer Science, Geology and Geophysics, Electrical Engineering, Ecology and Eco-Engineering, Material Science and Engineering, and Mechanical Engineering. It is the most ambitious private higher education institution within the region, aiming to become one of the top 20 scientific research universities in the world and it has been argued that its independence from the direct control of the Saudi government allows it enough flexibility to achieve its goals (Al Eisa and Smith: 2013). There is low level of institutional and professional autonomy in public universities, which is seen as a major challenge in achieving their goals (Smith and Abouammoh: 2013).

The expansion of the higher education sector reflects the Kingdom's inspiration to create a differentiated, hierarchical and cooperative world class higher education system that includes public and private research universities, undergraduate colleges offering bachelor degrees as well as community colleges which are vocationally oriented institutions. However, as Mazi and Albatash (2013) pointed out the private sector may present a challenge for world-class system and many countries encounter difficulties in controlling the expansion of private for-profit institutions that have little commitment to quality. Therefore, the National Commission for Academic Assessment and Accreditation (NCAAA) was established in 2004 as an independent body to assess and accredit private and public higher education institutions. Onsan (2010) discussed the importance of monitoring the impact of accreditation and compliance on the quality teaching and learning, and international concerns about the status of women and non-Saudi academics that can affect the kingdom's international competitiveness in its higher education sector. By 2012, about 1 million students are enrolled at Saudi colleges and universities, compared to 7,000 in 1970 and over half of them are female. Furthermore, although the Kingdom of Saudi Arabia has the highest Gross enrollment ratio in tertiary education in the Arab region, the gap between supply and demand, which is expected to reach 67% by 2030, represents another major challenge facing the Kingdom (Jamjoom: 2012).

4.6 *The United Arab Emirates*

In 1976 the UAE opened its first public federal university, the United Arab Emirates University, providing undergraduate and postgraduate degree programs. Since 1988, 16 Higher Colleges of Technology (HCT) have been established across the country, with separate colleges for males and females. They offer vocational and technical programs as well as undergraduate and postgraduate degrees. Female students have dominated enrollments in these institutions. Furthermore, due to the increasing number of female students desiring to pursue a postsecondary degree, the UAE opened in 1998 a women only higher education institution, Zayed University, offering several programs at the Bachelors and Masters level. There are also three Federal Military Colleges, graduating officers in the Army, Air Force and Navy. Altogether, these public institutions enrolled about 45,385 Emirati students by 2014, constituting 35% of the total number of students enrolled in tertiary education (Ministry of Higher Education & Scientific Research, 2014). Since early 1990s, there has been a remarkable increase in the number private higher education institutions, following the establishment of the first

international branch campus by the University of Wollongong and currently, the UAE is the largest host of international branch campuses globally, with over 40 providers in 2009 (Becker, 2009). In 2014, private institutions enrolled 82,894 students, of whom 57% were non-Emirati nationals (Ministry of Higher Education & Scientific Research, 2014). Wilkins (2010) distinguished between two types of higher education institutions operating in the UAE namely: branch campuses owned from abroad and those owed by individuals from emirates or local organizations. The former category include the American University of Sharjah, the University of Dubai, Al Ghurair University and Paris- Sorbonne University of Abu Dhabi. The latter includes Middlesex University, Heriot-Watt University and the University of Pune.

The UAE Commission for Academic Accreditation, whose standards are mainly based on the American model, accredit private higher education institutions and each of their academic programs, except those located in the free zone areas that spread across the UAE. To ensure the quality of higher education providers located in the free zone area in Dubai, the University Quality Assurance International Board was established in 2009 to review these institutions. Wagie and Fox (2006) pointed to some challenges for UAE higher education sector, namely: teacher demographics, student preparation and motivation for higher education, matching graduate skills to the job market, lack of funding for public institutions and K-12 teacher pay, and the difficulty in coordinating a rapidly growing number of higher education institutions. Wilkins (2010) also identified several challenges facing private higher education institutions operating in the UAE. First, the current supply exceeds the demand and many of these institutions are operating under capacity. Private institutions that have a partnership with the government (e.g. Paris Sorbonne, INSEAD and the New York Institute), are facing less financial risk. Such partnership is said to provide them some financial and political advantage (Madichie and Kolo, 2013). Second, there is a need to satisfy their customers and protect the Brands of these institutions by achieving quality in all areas of operations and investing in physical and human resources. Finally, regional instability constitute a major challenge in attracting more students from overseas and in introducing a wider range of programs. Most of private institutions in the GCC in general offer limited curriculum and offer subjects that can accommodate large number of students and are relatively cheap to establish such as business, management and information technology.

5. Conclusion and Recommendations for future work

Higher education is experiencing a rapid expansion and transformation in the six members of the GCC. Despite the socioeconomic and demographic differences, they face similar challenges, as their economies remain highly dependent on hydrocarbon and compete with each other in different sectors. The heavy reliance on foreign labor and the need to improve productivity and strengthen education to develop their human capital remain the focus of their reforms agenda and there are no reported improvements in these regards. There is also a need to address the gap between the supply and demand in higher education and to attract mobile students in these states that aspire to be an education hub. Furthermore, several areas are not sufficiently addressed and require *further investigation*:

- *The low mean student performance in each Gulf country compared to the international mean in TIMSS and the low tertiary GER, particularly in the GCC countries that were the most successful in attracting international branch campuses.*
- *The impact of the rapid growth of privatization on government's commitment to public funding of higher education, access and equity in higher education, and unmarketable disciplines of studies that do not generate revenues.*
- *The extent to which GATS obligations can restrict the freedom of the GCC member states to develop national education policies.*

- *The low level of institutional and professional autonomy in public university and its impact on achieving their goals.*
- *The effectiveness of accreditation and other methods used to enhance the quality of teaching and learning and to control the expansion of for profit institutions that have limited commitment to quality.*

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