

# **Buying Your Way into Heaven: The Corruption of Education Systems in Global Perspective**

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“Once the dean called me about a grade for the daughter of the vice rector. The vice rector was in the hospital. The dean said that the vice rector had already suffered and let’s not make him suffer any more, so give his daughter a good grade. After I gave her a good grade, I suffered.”<sup>1</sup>

Admissions were a way to make money, huge money. But once inside the university, corruption depended on the department. It was worse in business, economics and law. No one in his right mind would study math or physics if he is corrupt. If you go into math or physics there is no work, no jobs that is why we get only highly motivated students.”<sup>2</sup>

Corruption will affect our economy. If we produce a foolish agriculturalist and he chooses a bad crop, a bad seed, the result will affect us all. We have suffered from famine before; we can again.”<sup>3</sup>

Education is commonly thought to be a haven for the young. No matter how unstable the polity, no matter how dismal the prospects for the economy, education investments are treated as sacrosanct. This is one reason for the popularity of the initiative launched by the World Bank, UNESCO, UNICEF and UNDP in 1990 to focus attention on school enrollment in low-income countries called ‘Basic Education for All’. Who could object to putting children in school? Recently however, it has been discovered that education systems can be as corrupt as other parts of government and the economy; and that values of fairness and impartiality, once thought to be universal characteristics of education systems, can be supplanted by the interests of specific individuals, families and ethnic groups.

This paper will explain the meaning of education corruption and how it works. It will then give some illustrations of the effects of corruption and speculate on some of the more likely consequences and implications. Lastly it will provide a list of reforms necessary to combat education corruption.

*What is education corruption and why is it important?*

Corruption in public affairs includes the abuse of authority for material gain. But because education is an important public good, professional standards include more than just material goods, hence the definition of education corruption includes the abuse of authority for both personal as well as material gain. An education system can be corrupt in four ways: (i) through its education functions, (ii) through the supply of goods and services, (iii) through professional misconduct, and (iv) in the treatment of taxation and property.

**Educational functions.** These can include the assessment of student achievement. This includes how grades are assigned, how students are selected to elite training programs and how universities acquire accreditation from government agencies. Students may pay a bribe for a particular grade assigned by a department chair, over and above the authority of the classroom teacher. After passing all of her PhD examinations and submitting her thesis, one student in Central Asia had a delay of several years because the chair of her dissertation committee kept raising his bribe before he would sign the final papers.<sup>4</sup> Admissions to universities may include private bribes to the admission committees or to department chairs. Students may pay bribes to have access to university-owned housing, access to their personal transcripts or a book in the library of which there are only a few copies. A professor may demand that a student show him the sales

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<sup>1</sup> Heyneman, S.P. “Three Universities in Georgia, Kazakhstan and Kyrgyzstan: the Struggle Against Corruption and for Social Cohesion.” *UNESCO Prospects (forthcoming)* (2008).

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

receipt so that he knows the student had purchased his personally written textbook instead of obtaining the book in the library. Between 80 – 84% of the university students in Bulgaria, Moldova and Serbia are aware of illegal bribes to gain admission; between 28 – 36% think that admission test scores can be changed. On average, between 18% and 20% of the students in Bulgaria, Croatia and Serbia, and 40% of the students in Moldova report that they had used some illegal method to gain university admission.<sup>5</sup> New degree programs and a plethora of private (usually proprietary) higher education institutions in South and East Asia, Europe and Central Asia, the Middle East and North Africa, and Sub-Saharan Africa all have to be ‘recognized’ by (usually government) accreditation committees. These committees remain in the hands of rectors of the traditional institutions who have an interest in limiting competition. The system of licensing (certifying professionals) is responsible for many sources of corruption. University programs are endowed with this authority hence the functions of accreditation and licensing are combined. Whenever higher education institutions are associated with licensure the stakes for accreditation are high, and the private bribe price for accreditation will in turn be high.

**Supply of Goods and Services.** The education system in any country is a massive enterprise. Students need to be supplied with furniture, reading and writing materials, and pedagogical equipment of many types. The buildings in which they work must be constructed and maintained. In 2000, education in North America constituted an industry of 86 billion dollars.<sup>6</sup> In spite of the common political and economic reasons presented,<sup>7</sup> governments have long been known to monopolize the supply of education goods and services for reasons of private pecuniary gain. New socialist nations of East Africa in the 1960s nationalized school supplies in order to levy a hidden tax for attending public schools. School fees were required for attendance. Those fees were to finance school supplies. But the value of the supplies were substantially less than the value of the original fees. The missing monies were used for private purposes of government ministers.<sup>8</sup> Thought necessary for reasons of national pride, writing ‘local’ textbooks is used by ministers of education as a means to exploit a monopoly over the nations’ largest reading population and to enrich themselves.<sup>9</sup>

**Professional Misconduct.** There are many forms of professional misconduct in education.<sup>10</sup> Among the most common:

- Accepting material gifts or rewards in exchange for positive grades, assessments or selection to specialized programs
- Biasing a grade or an assessment because of family or other private requests
- Assigning of grades or assessments biased by a student’s race, culture, social class, ethnicity or other ascriptive attributes, i.e., the characteristics with which they were born – race, gender and social status

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<sup>5</sup> Heyneman, S.P., K.H. Anderson, and Nazym Nuraliyeva. “The Cost of Corruption in Higher Education.” Comparative Education Review (forthcoming) (2008).

<sup>6</sup> Heyneman, S.P. “The Growing International Market for Education Goods and Services.” International Journal of Education Development 21 (July 2001): 345-361.

<sup>7</sup> These include the need to protect local employment, the necessity of having a grace period for ‘infant industries,’ the inadequate market for private suppliers and the saving of foreign exchange.

<sup>8</sup> Heyneman, S.P. “Changes in Efficiency and Equity Accruing From Government Involvement in Primary Education.” African Studies Review (April 1975): 51-60.

<sup>9</sup> Heyneman, S.P. “The Role of Textbooks in a Modern System of Education.” In Bralavsky, Cecilia, ed. Textbooks and the Quality Learning for All: Some Lessons Learned From International Experience. Geneva: International Bureau of Education, 2006. 31-93.

<sup>10</sup> Braxton, John M. and A.E. Bayer. Faculty Misconduct in Collegiate Teaching. Baltimore: Johns Hopkins University Press, 1999.

- Forcing pupils to take ‘private fee paying lessons’ to pass teacher-based assessments of student progress
- Disclosing confidential information about a student
- Sexually or otherwise exploiting, harassing or discriminating against particular students
- Adopting an inadequate textbook or educational product because of a manufacturer’s gifts or incentives
- Forcing students to purchase materials where profits accrue to the instructor
- Ignoring the misconduct of colleagues
- Utilizing school public property for private gain

There have yet to be systematic surveys of misconduct, but there is anecdotal evidence of sexual harassment of students in sub-Saharan Africa and South Asia. And there are reports that teachers in Latin America force students to pay fees for private lessons before they will be passed on to the next grade.

**Property and Taxes.** Educational facilities often occupy prime locations in urban areas. These can be rented or leased for both educational and other purposes. Many institutions must supplement public with non-public income. But how should educational property and income be treated: as private or public? Should it be taxed? If so, should it be taxed as the same rate as profit-making institutions? As profit-making institutions which have no public good purposes? This area is in flux. International precedents are unknown and legal principles unexplored. Because of the confusion in terms and the lack of experience, the arena of education property and educational taxes has become a source of illegal activity. Whenever there is significant ambiguity over legal principles and precedent, bribery is common.

### **Why is education corruption important?**

Since the time of Plato, it has generally been understood that a key ingredient in the making of a successful nation-state is how it chooses its technical, commercial, military and political leaders. In general it is agreed that no modern nation can be credible if leaders are chosen on the basis of ascriptive characteristics. On the other hand, it is common for families to try to protect and otherwise give advantage to their own children and relatives. Every parent wishes success for his own child; every group wishes to see success of children from their particular group. This is normal.

Schooling provides the mechanism through which these opposing, yet legitimate, influences can be managed fairly. It is the common instrument used by nations to ‘refresh’ the sources of leadership. Economists have attempted to understand the sacrifice in economic growth if there is a serious bias in the selection of its leaders.<sup>11</sup> It has been estimated, for instance, that developing countries could improve their GNP per capita by five percent if they were to base their leadership upon merit as opposed to gender or social status.<sup>12</sup> In fact, by some estimates, the economic benefit to developing countries of choosing leaders on the basis of merit would be three times more than the benefit accruing from a reduction in trade restrictions for imports to OECD countries.<sup>13</sup>

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<sup>11</sup> Klitgaard, R. Elitism and Meritocracy in Developing Countries. Baltimore: Johns Hopkins University Press, 1986.

<sup>12</sup> Pinera, S., and M. Selowsky. “The Optimal Ability-Education Mix and the Misallocation of Resources Within Education.” Journal of Development Economics 8 (1981).

<sup>13</sup> Kirmani, N. Et. Al. "Effects of Increased Market Access on Exports of Developing Countries." IMF Working Paper 34:4. Washington, D.C.: International Monetary Fund (1984).

Success in schooling is one of the few characteristics seen as necessary for modern leadership. Although it is possible for leaders to emerge through experience, good fortune and military power, getting ahead in school is essential for leadership in a modern democracy.

But what if schooling itself is not fair? What if the public comes to believe that the provision of schooling favors one social group? What if the public does not trust in the judgment of teachers on student performance? What would happen if the process of schooling had been corrupted?

In a democracy, the public takes a keen interest in the fairness of its education system. If the public does not trust the education system to be fair or effective, more may be sacrificed than economic growth. It might be said that current leaders, whether in commerce, the military, science or politics, had acquired their positions through privilege rather than achievement. If the school system cannot be trusted, it may detract from a nation's sense of social cohesion, the principal ingredient of all successful modern societies.<sup>14</sup>

### **What are the effects of a corrupt education system?**

One universal function of education is to certify the acquisition of knowledge and skills and to identify those who may deserve more specialized training. The assumption is that this process is unbiased by ascriptive characteristics, such as race, ethnicity, religious affiliation, or gender. It is common that ascriptive characteristics do in fact play a role in both of these functions, and this helps explain why it is usually illegal and frequently a subject of political attention, court action, fines, penalties and occasionally prison. Corruption is similar in that it is illegal, but rarely is it the subject of the same political attention as other illegal actions. Often it is ignored. In many instances it is denied. It is embarrassing. Excuses are common. Corruption is attributed to low salaries of educators, or an environment in which traditions have broken down and the economy has declined. Economic hardship is commonly given as a rationale. In instances where corruption is a function of family influences (e.g.: your mother insists you give your niece a good grade), tradition is given as a rationale.

Whatever the rationale, the effects are profound. When education loses impartiality, it loses quality. When education loses quality, individual and community economic returns to education investments are reduced. Those who use educational products (employers) have to allocate their own resources to make up for the reduction in educational quality. Where corruption is high, the economic rates of return to education investments may be reduced by as much as 70% and lifetime earnings of individuals might be reduced by as much as 50%.<sup>15</sup> Where corruption in higher education approaches 50% (where over 50% of the students report having had experience with illegal payments), employers cannot trust what graduates will know and be able to do. Employers in Central Asia, for instance, attempt to hire new employees from universities known for a lack of corruption (foreign universities). Employees from potentially corrupt universities have to be placed in specialized training programs to test whether they had the skills required. Employers are to administer special tests to differentiate those who bought their degrees from those who achieved them legitimately.<sup>16</sup> The use of these sorting devices imposes additional costs on firms, and significant costs on the applicants. For instance, applicants from universities with reputations for corruption are not considered for technical or professional jobs and are regularly screened out of jobs in international firms. Corruption imposes costs even on applicants who may not have engaged in corrupt practices. There is a negative connotation of being an applicant engineer from any country where corruption in higher education is common; many will never be considered credible in international firms with access to job applicants from all regions of the world. It is possible to think of particular areas of the world such as Azerbaijan and Central Asia which have already reached the 'tipping point,' where corruption in the education system is so pervasive that the future social cohesion is in danger.<sup>17</sup>

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<sup>14</sup> Heyneman, S.P. "Education and Corruption." *International Journal of Education Development* 24 (2004): 637-648.

<sup>15</sup> Heyneman, Anderson, and Nuraliyeva, op.cit

<sup>16</sup> Ibid.

<sup>17</sup> Silova, I., M. Johnson, and S.P. Heyneman. "Education and the Crisis of Social Cohesion in Azerbaijan and Central Asia." *Comparative Education Review* 51:2 (May 2007): 159-180.

## **What can be done about education corruption?**

Necessary measures can be grouped into four categories. These include:

*Structural reforms* necessary to reduce the opportunity for corruption – the establishment of an autonomous examination and accreditation agency, separating the process of certification from higher education institutions, clear ownership of educational property, tax differentiation between for-profit and not-for-profit educational institutions, and the freedom for non-profit educational institutions to seek monetary support without being subject to taxation.

*Mechanisms for adjudication and management* – the establishment of professional boards, university boards of trust, school boards, public ombudsmen, and faculty/student code of conduct boards to hear cases of infractions and to recommend consequences.

*Preventive Mechanisms* -- ‘Blue Ribbon’ committees, annual reports to the public on education corruption, public access to financial statements of educational institutions, codes of conduct for administrators, faculty and students, public advertisements for all codes of conduct, anti-corruption commissions and a free and active education press.

*Sanctions* -- criminal penalties for economic and professional misconduct, public exposure, dismissal from employment, fines payable to the victim for professional misconduct, and withdrawal of license to practice.

## **Summary**

Some might argue that education corruption is ‘cultural’; that certain cultures do not consider it to be a serious problem. In my experience, this is not true. All cultures are shamed by unfairness, and no society is absent of rules of fairness within the education system. As a norm in education, fairness is universal. What does differ is how to treat the evidence. In some instances, shame may prevent someone from admitting the obvious. When this occurs, corruption will remain unaddressed and will spread like a cancer until trust is absent and the value of educational investments is reduced to virtually zero.

Many countries in the Europe and Central Asian region are participating in the Bologna Process with members of the European Union.<sup>18</sup> One objective of that process is to make university degrees equivalent in hopes of facilitating the transfer of students and greater mobility in the labor market. Whether experienced or perceived, universities or university systems with reputations for corruption will likely end the Bologna Process. Were this process to actually take effect it would constitute the educational equivalent in the European Union of unilateral disarmament. It is difficult to imagine why a country or a university with a high reputation for excellence would allow its degrees to be made equivalent to a university or a university system with a reputation for corruption.

One other implication might be mentioned. Development assistance agencies – the World Bank, the regional development banks and most bilateral aid organizations – make investments in higher education justified by the expectation of economic and social benefits. These agencies may have to re-think their strategies when it is understood that the impact of their investments are reduced when made in higher education systems with high levels of perceived corruption.<sup>19</sup>

Education institutions and systems are not free of corruption just because there are no data on corruption. The absence of facts does not lessen corruption’s effect. To combat corruption, every minister of education

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<sup>18</sup> European Ministers of Education intend to make degree programs equivalent and have initiated changes to university structures and administrative flexibility to facilitate the transfer of course credits. These changes are referred to as the ‘Bologna Process’.

<sup>19</sup> Heyneman, Anderson, and Nuraliyeva. op. cit.

and the rector of each university must now demonstrate that corruption is under control. Those that do not give evidence that corruption is under control will be assumed to be of low quality.

The consequences for individual institutions which ignore the problem include a reduction in student demand, a decline in the willingness to pay the requested price of tuition, a rejection of graduates from employers and prestigious post-graduate programs in western universities, and the problems which come from having the degrees and certificates which they issue associated with 'a general smelliness'. The consequences for nations include all of these characteristics, only applied to all institutions whether or not corrupt.

The consequences for an institution which acknowledges the problem, implements the interventions mentioned above, monitors and publishes the results, will be the respect from international agencies and foreign universities for the accomplishments of its faculty, welcome for its graduates from employers and elite post graduate programs, increased demand from future students for entry and their willingness to pay premium prices for educational opportunity.

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