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## EMERGENCE OF PRIVATE HIGHER EDUCATION IN ALGERIA: ACTORS AND PATHWAYS

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**Abstract.** Since gaining independence, the higher education sector in Algeria has undergone several reforms to fulfil the country's requirements in terms of higher education, both to absorb the growing number of high-school graduates and meet the needs of the labour market. The emergence of a private higher education sector in Algeria has been slow in comparison to European countries, the United States, Japan and our culturally/historically-similar neighbouring countries (Tunisia and Morocco). This article reveals the results of research conducted on the context, governance and development of private higher education in Algeria. To achieve the objectives of our research, the study was conducted on five recently-accredited private higher education institutions through field observation, documentary analysis and interviews with executives, teachers and students at these institutions. The main results of the qualitative research suggest that private higher education continues to evolve through a transitional phase characterised by a gradual integration into the socio-economic framework of the country. Through these results, we contribute firstly on a theoretical and academic level by conducting the first research on the private sector of higher education in Algeria; secondly, on a practical level, by providing a clear and comprehensive view of the situation of the emerging private sector in Algeria.

**Keywords:** *Algeria, higher education, private higher education, PHES (private higher education system), training.*

**JEL Classification:** I230, I280

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### INTRODUCTION

Many factors lead higher education systems to expand, including: changes in the demand for higher education (HE), deterioration in the student-teacher ratio, financial constraints, the mismatch of HE with the demands and needs of the labour market, students' demands for teaching quality, changes in economic systems; namely the transition to the liberal and neo-liberal system and others. This has led to the emergence over time of mass higher education. Several studies have referred to these factors (Berkane, 2005; Marginson, 2007; Mazzella, 2011; Williams, 1996; Hadijah, 2019). This phenomenon has become widespread even in countries where access to higher education was very low, which translated into major economic,

social and academic challenges for universities and governments. As a result, higher education systems are trying to meet the new needs and demands of a larger and more diverse population (Mazzella, 2011). The demands of this population are related to the quality of education, the study environment, training adapted to the needs of the labour markets and others. However, meeting these demands should not be at the expense of the quality, efficiency and cost-effectiveness of the HE sector.

To this end and in order to adapt to this new higher education environment, some governments have commodified HE systems, resulting in the privatization of the sector, on the one hand. On the other hand, this has resulted in the opening up of a private higher education sector (Williams, 1996).

The objective of this research is to provide a description of the emergence and evolution of the private sector of higher education in Algeria in order to identify the driving factors that have contributed to its emergence, as well as the characteristics of these post-secondary education (PSE) institutions and the relevant stakeholders. The most important stakeholders are school directors and managers, teachers, students and their parents, the labor market, the state (MESRS) and partners. Therefore, we will try to answer the following research question: “*What is the climate for opening up the private sector of higher education in Algeria?*”

## 1. LITERATURE REVIEW

In the literature, the privatization of higher education and the opening up of a private sector of higher education have generated much debate. Scholars to this day report a lack of conceptual clarity about what is understood by public or private in higher education (Marginson, 2007; Tilak, 1991).

Among these scholars, Marginson (2007) has done a lot of work on this public/private dilemma because it is very important to clarify what is meant by higher education, and to differentiate between public and private higher education.

Marginson’s work has shown that two sectors share the same purpose, which is providing higher education and the same end product (higher education graduates in different fields and specialties).

Nevertheless, the difference between these two sectors lies in the fact that training in the public sector is universalist, while training in the private sector is much more specialized.

However, the author has highlighted the role of globalization and the creation of markets on the development of the private concept in HE, which is in line with Williams’s (1996) finding that globalization has pushed governments to commodify and privatize higher education systems.

The main difference between public and private HE lies in the financing of institutions. Berkane (2005) in his article regarding the financing of HE in Algeria has agreed with Marginson on this point. The public sector is financed almost entirely by the state. As for the private sector, it is financed mainly by the number of students enrolled.

Warasthe (2018) in his article treating the role of public/private partnerships in higher education agrees with Berkane and Marginson that, traditionally,

governments fund public higher education institutions, but he concludes that the involvement of the private sector in higher education is increasingly necessary. This perspective is relevant to our research in order to present the types of partnerships that private higher education institutions (PHEIs) have with different stakeholders.

In another part of our research, we are interested in the work of Etienne Gerard (2020) who has dealt with the expansion of private higher education and the deepening of social inequalities in different countries, namely, Argentina, Mexico, Peru, India, DR Congo and Senegal.

Among the results of this research, we highlight the academic and meritocratic barriers of access to different specialties in higher education, which have favoured the expansion and evolution of private higher education in two parts. First, an elite private higher education is dedicated to a specific and well-to-do social class. This has led to a strong demand for higher education from the middle and working classes, and consequently to the emergence of low-cost private higher education institutions with fewer barriers to access.

In the same vein, Mazzella (2011) in her study on the internationalization of private higher education in the Maghreb joins Etienne Gerard and underlines the same observations in the Maghreb countries. The author concludes that the massification of public higher education, its inadequacy with the demands and needs of the labour market, and the flight of human capital flight to the north (south-north) have motivated the emergence of a private sector that aims to meet the requirements to provide quality education and future professional integration.

Mazzella (2011) considers the Algerian case very specific compared to its neighbouring countries (Tunisia and Morocco), where private HE dates back to the 1990s. Since the 2000s, private higher education has not stopped developing, and today both countries even have private universities in their HE systems. The author mentions the Algerian case as exceptional, because the private sector had not been successful despite the relatively long period of the existence of higher education in Algeria, since its independence.

It is in this axis that we can place our research, in which we will try to give the first explanation to this observation.

The literature studied shows that private higher education in the Western world or in Europe is very developed compared to the Algerian system. It should be noted that very little research has been done on the private sector of Algerian higher education. Berkane (2005) in his article on financing in higher education mentioned the private sector as a future initiative could reduce the cost of higher education.

Therefore, we have resorted to works that have been done on the two neighbouring countries (Tunisia and Morocco), and on some European and American countries where the literature is abundant.

### **1.1. Socio-Historical Overview of Private Higher Education in the World**

The emergence of the first private higher education institutions in the world stems from the traditional role of religion in higher education. Through the financial support of religious authorities, such as the Catholic Church, higher education institutions were found in many European, North American and even sub-Saharan

African countries (until today, DR Congo, Senegal) (Levy, 1986; Gerard, 2020; Teixeira, 2009).

In the Middle East, private higher education did not see the light until the 20th century. In fact, the higher education system altogether was not developed which hindered the emergence of a private sector (UNESCO-UIS & OECD, 2005).

In Africa, the evolution of the private sector was born as a result of the sharp rise of enrolment in higher education in Kenya, Uganda and Zimbabwe, particularly in the 1980s (Neave & Vught, 1991; UNESCO-UIS & OECD, 2005). Another important factor that may have contributed to the slow development of the PHES is poverty in many African countries (Aytenew, 2016; Guèye, 2005). Just like their Middle-Eastern counterparts, the first North-African universities did not see the light until the 20<sup>th</sup> century, and most of them were established very recently.

In order to overcome the budgetary constraints faced by the public HES and to enable it to develop further in order to meet the demands of the labour market, the development of private higher education has been encouraged in developing countries, particularly by the World Bank, since the 1990s (Gerard, 2020).

Since the beginning of the 2000s, in the Maghreb countries, and particularly in Tunisia and Morocco, the PHES has engaged in a development process aiming at complementing an overwhelmed public sector that is partly inadequate to fulfil the needs of the economic sector. The ever-growing number of students over the past three decades and the strict selection standards of high-school graduates (BAC) have caused dissatisfaction among stakeholders. The main stakeholders are students, parents of students and recruiters. Only the best or the privileged can overcome this by pursuing higher education abroad (Mazzella, 2011). This phenomenon has also been observed in some Latin American, Asian and sub-Saharan countries, where private higher education has become a major part of the solution to reduce inequalities in access to adequate higher education (Gerard, 2020). Private HEIs in the Maghreb have been evolving since 1980. In Tunisia, they are perceived as “second chance” schools of excellence (Mazzella, 2009). At the end of 2016, 7796 students graduated from 75 private institutions\*.

In Morocco, where their integration was faster, they diversified towards baccalaureate students in an increasingly assertive legal framework, under the legal status of limited companies. In 2017, the PHES counted 28 493 registered students, including 7020 foreign students with 48 Algerians among them, with 1808 permanent teachers in 176 private higher education institutions and 6 private universities<sup>†</sup>.

The Maghreb countries are characterised by a strong commitment to the public sector. Approximately 8 % of students were enrolled in private higher education in Morocco and 3 % in Tunisia up until 2010. In 2019, Tunisia saw an evolution that reached 12.5 % of enrolled students in the private sector. In Morocco, the evolution reached 31.2 % during the last 5 years, but it was still negligible compared to the

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\* Statistical indicators on higher education graduates in the public and private sectors 2007–2016. <http://www.mes.tn/?langue=fr>

<sup>†</sup> Moroccan Ministry of Higher Education and Scientific Research: Directorate of Strategies and Information Systems, Private Higher Education in Figures, 2016–2017. <https://www.enssup.gov.ma/fr.html>

public sector, which represented 5.9 % of the total enrolment (Tunisian and Moroccan Ministries of Higher Education).

Therefore, the emergence of the PHES is a long process that has developed over time but that differs from one country to another and from one context to another. Few countries had private institutions in their higher education systems; these institutions had a very small impact compared to the public sector and remain so.

However, unlike public higher education, private education has not seen a historical pattern of development. Nevertheless, there has been a rapid and widespread surge in the number of new private higher education institutions. This surge cannot be entirely explained by demographic growth, overcrowding in the public sector, and economic constraints alone. It is also the result of the commodification of higher education, which has become an interesting model promoted by international cooperation<sup>‡</sup> agencies and is backed by global models as a blueprint for higher education systems all over the world (Buckner, 2017). In addition, students' demands for quality in teaching have also played an important role in this growth (Hadijah, 2019).

The following table shows a summary of the evolution of public and private higher education systems.

**Table 1.** Evolution of Public and Private Higher Education Systems  
(Texeira, 2009, p. 287)

Developments in the private sector			Time-frame	Developments in the public sector		
Tangible signs	Region	Instigator		Instigator	Region	Tangible signs
1 <sup>st</sup> wave of modern private universities	Latin-America	Influence of the Catholic Church	18 <sup>th</sup> century	Development of the modern state relies on its ability to produce elites	Continent al Europe	Increased and/or more noticeable regulation of HEI by governments
	North-America	Influence of the Protestant denominations				
Development of private higher education	Asia	Growing western influence	19 <sup>th</sup> century	National homogenization efforts Increased need for skilled labour	- Europe - Latin America - Arab Countries	Increased state control over HEI
Resurgence of catholic universities	Latin-America	Reaction to secularization	Post-WWI 20 <sup>th</sup> century		Western-Europe and North-America	Expansion of higher education

<sup>‡</sup> International cooperation agencies such as The World Bank, OECD, UNESCO.

<b>Emergence or rapid growth of private higher education</b>	-Eastern, Central, and Southern Europe  -Latin America -South-eastern-Asia -Africa	-Budgetary constraints - The need for higher education -High individual performance -The need for greater efficiency	<b>Last decades of the 20<sup>th</sup> century</b>	Recognition of the strategic significance of HEI.  Increased need for skilled labour	Global-trend	<b>Mass-higher education</b>
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From Table 1 we can see that the American continent (North America and Latin America) has been ahead in the conceptualization of private higher education since the 18th century. This has inspired other countries and regions in the world afterwards, and we saw this emergence in Asia and Europe between the 19th and the first half of the 20th century. Finally, around the last decade of the 20th century, private higher education has spread worldwide, driven by the need to find solutions to the budgetary constraints of mass education and the necessity to provide an adequate higher education.

**1.2. Private Higher Education in Algeria: The Main Phases of Evolution**

Higher education in Algeria has been on the increase since its independence, counting 2500 students in 1963<sup>§</sup>. During the period of 1999–2018, an increase of 270 % has been observed as the number of students soared from 407 995 students registered in 2000 to 1 730 000 students enrolled in 2018 with more than 60 thousand teachers-researchers, in a network of 106 higher education institutions spread over all 48 districts, 54 universities, 9 university centres, 20 higher national schools, 10 higher normal schools and 2 annexes (Lassassi et al., 2020; MESRS, 2021).

The objective of the 1971-reform and the developments of higher education was to bring deep changes in the foundation of the educational system, by creating an authentic Algerian university in line with the economic sector and the process of development of the country. It was mainly a matter of bringing diversification, specialization and professionalization to higher education.

The private sector of the Algerian higher education was enshrined by the law of 2009 regarding the orientation of private higher education. This law was amended in 2008 with the creation of a set of requirements to adhere to \*\*. But it was not until 2014 that a commission of studying and issuing approvals to private institutions of higher education was formed.

However, this has not prevented an “informal” sector from emerging. Several private schools of higher education have been able to operate under other auspices

<sup>§</sup> UNESCO, Paris, 5–9 October 1998.

\*\* Law No. 08-06 of 23 February 2008 amending and supplementing Law No. 99-05 of 4 April 1999 on the orientation law on higher education and the decree on specifications.

or through partnerships with foreign universities, therefore awarding foreign diplomas or a double degree. We cite ESAA<sup>††</sup> as an example.

These schools have been able to benefit from several years of experience, and have built schools of excellent reputation, mainly through partnerships with multinationals and large companies, which has facilitated the integration of graduates. Moreover, they were the first to obtain the approval of the Ministry of Higher Education and Scientific Research.

Private higher education in Algeria is a rather complex process that is gradually finding its footing. The first private HEI was founded in 1991 under the name of “FORM CONSULT”, in the field of business management and which gave birth to three schools that were able to obtain the approval later (MDI, EFTG and INSAG). Today, the sector has more than 18 accredited schools among many candidates in different fields than those of management sciences and economics.

Issuing Master and Bachelor degrees, the accredited institutions are required to get closer to the labour market through partnerships so as to establish a relationship between higher education and businesses. This provides support for students in terms of apprenticeships whilst in education, and establishes a network that would give them opportunities to secure internships in partner companies. In the future, they will be required to do the same for doctorates by having partnerships or agreements with research laboratories.

In the event of a closure of a PHEI, and in order to protect the students and guarantee their reintegration in other institutions, private higher education institutions are required by public authorities to deposit a bank guarantee equal to 15 % of their total payroll (Source: Interview with an official at MESRS)<sup>‡‡</sup>.

Given the critical economic situation that the country has been experiencing since 2014, Algeria is in dire need of diversifying its economy and developing sectors other than fossil fuels.

Therefore, in accordance with the state long-term strategy, and through developing the PHEI, the Algerian government has set an objective to focus on needed skills and specialties; technical specialties (mechanics for the automotive industry as an example). Private institutions specialising in technical subjects will be placed in areas appropriate to their fields, i.e., regions where there are companies that operate in those fields. In addition, private higher education aspires to continually improve in order to offer new types of education, such as remote learning, which was widely tested during the health crisis (COVID-19).

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<sup>††</sup> The Algerian Business School is the result of an Algerian-French cooperation which benefited from the support of a French academic consortium in the field of management. The latter is made up of KEDGE Business School, IAE Lyon, Audencia and the University of Lille. Also, an institutional partnership of the Algerian Chamber of Commerce and Industry, the Algerian Ministry of Foreign Affairs, the Ministry of Higher Education and Scientific Research, the Algerian Ministry of Commerce, the French Embassy and the Marseille-Provence Chamber of Commerce and Industry.

<sup>‡‡</sup> Requirement detailed in the specifications, chapter 4, article 28: bank guarantee.

## 2. METHODS AND PROCEDURES

The Algerian private higher education sector is in a precarious and delicate phase, hardly studied, if at all, contrary to neighbouring countries (Tunisia and Morocco) and other regions such as Europe, Latin America or North America, where scientific production on this theme has been abundant for many years.

The purpose of our research is to carry out the first work on an unexplored theme in Algeria. Therefore, our work consists of performing an analysis on the circumstances surrounding the opening of higher education to the private sector, and determining its various components and the factors which motivated its emergence.

### 2.1. Target Population

For our study, we have taken five accredited schools among those approved by the ministry: Management Development Institute (MDI), Higher School of Hotel Management and Catering of Algiers (ESHRA), International Institute of Management (INSIM SUP), the Insurance and Management Training Institute (INSAG), and the Higher School of Science and Technology. Table 2 summarises the five schools studied.

**Table 2.** Private Higher Education Institutions Approved by the MESRS  
(developed by the authors)

Institution	Field	Date of establishment	Founder	Date of approval	Partner(s)	Address
<b>ESHRA</b> (Higher School of Hotel Management and Catering of Algiers)	Economy, management and commercial sciences (Catering and hospitality)	2014	SIH Hotel investment company	6 December 2014	EHL Hospitality Business School	National road N 11 Ain Banian
<b>MDI</b> (Management Development Institute)	Economy, management and commercial sciences	1996	Dr. Brahim Benabdesslam	24 October 2017	Several partnerships with foreign universities	19, St Mohamed boudiaf. Cheraga. Algiers
<b>INSIM SUP</b> (International Management Institute)	Economy, management and commercial sciences	1994	Pr. Lamiri Abdelhak	11 April 2018	PPA BUSINESS SCHOOL	2, 3 St, Petite Provence. Hydra.



<b>INSAG</b> (Higher Institute of Insurance and Management Training)	Economy, management and commercial sciences	1995	Pr. Derrar Abdelali	11 April 2018	ESA Paris, ISECOMA Paris.	11, Road doudou Mokhtar. Ben Aknoun
<b>ESST</b> (Higher School of Science and Technology)	- Science and technology - Science of matter - Mathematics and computer science (STEM)	2020	Pr. Chafik FERROU KHI	2020	None	Lot 12, 13 oued Romane, el Achour. Algiers.

From Table 2 we can observe that there is a tendency towards the fields of management. Four schools out of the five studied are in the specialties of management and commercial sciences. As mentioned earlier, the private sector of higher education in Algeria has been able to follow a parallel path into formalization/officialization by the Ministry of Higher Education and Scientific Research. Among these schools, three existed well before the formalization of the sector and they were all approved in the same period (2017–2018). From one of the first schools, the now-defunct FORM-CONSULT, three other institutions were created, including MDI and INSAG.

However, in 2014 ESHRA became the first school in Algeria to obtain the approval of the Ministry of Higher Education and Scientific Research.

The 5th school (ESST) is an exception by its specialization in three technical fields: science & technology, material science & mathematics, as well as computer science.

## 2.2. Data Collection and Method

Our research is based on a qualitative method, which is made up on the following techniques:

### 2.2.1. Documentary Analysis

Data collection proved to be problematic as basic data are not readily available or visible, and sometimes even non-existent, due to the recent formalization of the sector. Therefore, it was necessary to look for data relating to the state of the private sector of higher education in Algeria through scientific articles studying the evolution of higher education in the country in general. Then, we examined press articles and regulatory texts governing the sector in question, the websites of the schools that constituted our sample of investigation, documents provided by these schools, field-trips to the schools and interviews conducted with various officials, teachers and students related to this sector.

### 2.2.2. Semi-structured Interviews

The aim of our study, which focuses on the profiling of private higher education institutions in the first place, and then on the understanding of the emerging process of private higher education in Algeria, justifies our sample, which is made up of important actors for this study, and which can give us relevant information.

Our enquiry was based on qualitative data, consisting of semi-structured interviews with a sample of people who were directly or indirectly involved in the private higher education sector, particularly the five schools mentioned above.

This sample is made up of three (3) directors of private institutions, three (3) heads of studies, two (2) officials from the Ministry of Higher Education (MESRS), eight (8) teachers of these schools, some experts who have had experience in the private sector and six (6) students.

These interviews were conducted between 2019 and 2021, and it should be mentioned that access to the officials, particularly those from the institutions and the ministry, was rather delicate.

The average duration of these interviews was approximately 50 minutes.

The interviews were recorded with the consent of the interviewees, and then transcribed and analysed using an analysis grid that allowed us to identify redundancies in the different questions and areas studied.

### 2.2.3. Interview Guide

The interview guide was based on three axes (profile of the interviewee, the private institution, major players in the private sector and the emergence of a private higher education sector in Algeria).

These axes served as our interview guide and allowed us to firstly identify who were the founders of these schools and understand their role in the opening of higher education to the private sector in Algeria.

Secondly, they helped understand the inner workings of these schools, particularly internal management, training programs and their evaluation methods.

Finally, they served to understand the so-called “late” advent (for some)<sup>§§</sup> of the PHES in Algeria and the factors that motivated this emergence.

## 3. RESULTS

### 3.1. Funding of Private Higher Education Institutions: What is the Primary Source?

Before discussing the funding of PH in Algeria, it would be helpful briefly clarify the difference between public and private funding in higher education.

Public funding refers to the national state or its regional representative providing direct funding for higher education institutions (Marginson, 2007; Pusser, 2002). In Algeria, this funding covers almost the entire sector (Berkane,

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<sup>§§</sup> The opinions and views of experts differ on this fact, with one side believing that Algeria is not late in opening up the private sector of higher education, but is just following a global trend on the privatisation of higher education. This view is contrary to another side that thinks that Algeria has taken a long time to decide to open up the PHES.

2005). This includes investments in infrastructure, teaching, pedagogical support and university facilities.

This (public) funding method is justified on the one hand by the right to education for all individuals irrespective of their social class and on, the other hand, by the importance of government control and supervision over the syllabus taught.

Private funding refers to the funding received from enrolments; it comes almost exclusively from enrolment and tuition fees, in particular, from resources provided by businesses within the framework of partnerships, tailor-made training and/or sponsorship contracts.

In Algeria, in which the average monthly salary does not exceed 42 000 DZD (approx. 282 €), i.e. 504 000 DZD (approx. 3382 €) per year and per inhabitant (Rabhi, 2021), the private sector of higher education is no different as it is mainly financed by tuition fees that can be costly (from 450 000 DZD (approx. 3025 €) for the Bachelor degree at ESST, up to 1 100 000 DZD (approx. 7400 €) per year at ESHRA. The PHEI are seeking partnerships with companies and foreign schools and universities to attract students and professors on the one hand, and, on the other hand, to accumulate as much required resources as possible to deliver on their pedagogical missions. With the exception of the SIH<sup>\*\*\*</sup> group-backed ESHRA, the four schools studied were created through bank loans, consortiums or by the founders' own means, as we were told by an interviewee: "... *It's our own [means], it's really our own means. To be very clear, we sold our house, period. To give you a very clear answer, because we don't have any financial-backing, it's a purely personal investment...*".

### **3.2. The Different Actors of the Private Higher Education Sector in Algeria: Positions and Backgrounds**

Private higher education institutions have multiple stakeholders, both private and public: in the first place, the state represented by the Ministry of Higher Education and Scientific Research. Its first role is to define and elaborate the technical specifications in order to operate as a private school of higher education. The ministry has set up a commission whose role is to examine the documents and the facilities of establishments seeking accreditation.

Finally, MESRS plans the control and verification audits and also ensures the authentication of end-of-year reports and transcripts.

Secondly, the labour market, which consists of public and private companies, multinationals, banks and other institutions. These entities may express specific training requirements and sign partnership contracts with the schools.

In most cases, the founders of private higher education institutions are the chief executives of their institutions. They are former university graduates and teachers from the public sector, having obtained their PhDs in Algeria or abroad (France, United States ...), they have had experiences as managers and executives at public and/or private institutions (various ministries, central bank, multinationals, etc.),

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<sup>\*\*\*</sup> Société d'investissement hôtelière (Hotel investment company) (S.I.H) is a joint stock company (EPE/SPA) created in 1997.

with the exception of ESHRA, whose director is appointed by the board of its founding company, the SIH Group.

Finally, teachers from the public and private sectors play a major role in the private higher education sector, because the task of teaching is attributed to teachers coming from the public higher education sector.

### **3.3. Partnerships with Foreign Universities and Schools: An Alternative and an Asset to Attract Students**

The partnership with foreign universities and schools has allowed private higher education institutions to operate “informally” in the Algerian market, and to deliver degrees certified by these foreign universities and schools. This is due to the fact that only vocational training diplomas, for some private schools, or diplomas established under partnership contracts with foreign universities and schools were authorized.

On the other hand, the private sector of higher education at one point was not seen in a good light by both the state, and especially, society. It somewhat lacked credibility compared to the public sector where students are first required to obtain their baccalaureate in order to gain access to it, and where there is a certain level of strictness. Society was sceptical of any private institution. A school director confirmed this to us: “... *Also, we had to face the mentality that considers the private sector almost as an enemy of the state. I'll give you a personal example, we are still in this state of mind towards the private university, people are shocked sometimes to the point of writing comments on social networks wondering how the state allows people to invest in higher education...*”.

Therefore, private schools had to build a good reputation in the eyes of society with the aim to attract and motivate the parents of students (who have failed in their baccalaureate, or disappointed by their major area of focus), to seek a second chance for them in the private higher education sector.

This was confirmed by several testimonies of students whose main priority was training through partnerships with foreigners “...*You should know that the school at the time did not have the agreement with its foreign partner. The structure was there but the partnership was not official... that is why I did not choose this school*”.

### **3.4. Teachers and Students in Private Higher Education in Algeria: Which Profiles?**

What all private institutions of higher education have in common is the fact that none of them have permanent teachers with the exception of MDI, which has two permanent teachers, one is in charge of teaching and the other is overseeing the management of the school.

A vast majority of teachers in the private sector are temporary teachers whose mission is to teach specific subjects for a definite period of time. They are holders of PhD and Master degrees from public higher education institutions and sometimes are also experts. Recruitment in private institutions is an internal process and is generally done through networking and recommendations. A teacher testifies: “... *I was contacted by a friend, telling me that they were looking for a sociology teacher, I submitted my CV in the most ordinary way, and I was selected...*”. The

second teacher confirms: “... mainly it was on the basis of a recommendation from a colleague of mine...”. He added: “... After sending my CV, I went for an interview with the person in charge of teaching, who immediately validated my profile in accordance with our teaching aspirations... It must be said that this is a rather undemanding interview...”.

However, the directors of private institutions are disappointed with the state involvement through its laws for private higher education. Most of the directors interviewed hope that private HEIs will one day be recognized as higher education institutions in a concrete way, and not be considered as “merchants” with a business license selling higher education. One of the criteria of this concretization is the possibility of recruiting permanent teachers without stripping them of their titles (professor, for example), as one of the founders testifies: “... My motivation was the consideration of the private school of higher education as an institution of higher education, not only on paper but to be able to recruit permanent teachers without losing their academic titles (Senior lecturer), as an example, a professor at the ENSM<sup>†††</sup> wants to come to me without losing his academic title...”.

Private higher education institutions in Algeria have always been approached mainly by students with a fairly comfortable financial situation. Tuitions fees amount to at least 450 000 DZD (approx. 3025 €) for a three-year degree. Other schools even have a reputation of being exclusive schools for the rich or “bourgeois” according to some of the interviewees. Before the schools were accredited, the student population in private schools was mainly made of employees seeking further training (graduates holding MBAs and professional Master degrees, etc.).

Moreover, for a category of students who did not succeed in their baccalaureate exams, private schools offered them a second chance. However, within the framework of the training approved by the MESRS, all students must have a baccalaureate, therefore we have witnessed the birth of a new student population that wishes to benefit from a private specialized education that could not be obtained at public universities.

The admission of students to private schools is generally done through interviews and in rare cases through competitive examinations and psychotechnical tests. Yet, if we were to measure the quality of selection, the most dominant criteria would be the ability to pay for the training. However, this dominance of the “ability to finance” criteria can be justified by the fact that it is a paid training. Therefore, the ability to pay for it is inherent, as one director of an institution confirmed when speaking about tuition fees, which would be both profitable and affordable for a large student population: “It is legitimate for an institution to have selection criteria based on the ability to finance because we are in the private sector... on the other hand, we do not operate within that perspective, we still had to set affordable prices to try to reach all levels of society...”.

On the other hand, quite frequently, these selection criteria lead to a large gap in the level of students of the same class, due to a flawed selection. This was often mentioned by students during interviews: “... They do not select the students they receive, in one class there are good students, others are average and the rest do not

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††† Higher National School of Management

even speak French...”; others added: “... *It is the commercial aspect that has taken over the aspect of valuing the degree or the student's level...*”.

#### 4. DISCUSSION

The phenomenon of opening higher education to the private sector is a milestone marking a change in the policy of the state, which was against the existence of such institutions in the past. Today, Algeria has 15 state-recognized private higher education institutions<sup>†††</sup>. However, the official opening of the private sector has been rather slow. As mentioned earlier, the first private school was established in 1991 under another authority than the MESRS, while the law legislating the exercise of PHEI was drawn up in 1999, and it was not until 2008 that the first draft of requirements was drawn up, almost twenty years after the opening of the first private school for higher education.

As a result, we were able to identify two streams of thought and perception. Firstly, the founders/directors of public schools and some of the teachers feel that the Algerian state has been very slow to open up to the private sector; the government lacked the maturity required to see the importance and necessity of opening up this sector.

The fact that Algeria is a country where education and health have always been free gave way to a feeling of mistrust towards the private sector. Moreover, decision-makers have categorically refused the existence of private higher education institutions, as shown by the time it took to draft the regulations (1999–2008). A director of an PHEI confirms this as follows: “...*The delay is due to political reasons, to the maturity of our leaders. At one point the government was doubtful of the usefulness of private higher education schools...*”, the interviewee added: “...*They did not want to open up to the private sector, they did not want certain schools to emerge...*”, adding to this by another interviewee, “...*they categorically refused to draw up the regulations, thereby refused to open up this sector...*”.

Moreover, the first version of the regulations (2008), containing the requirements to open a private HEI, was an impossible mission for newly established schools. The second version (2016), however, was more reasonable, which motivated investors to invest in private higher education.

Therefore, we understand that there were ideological and political conflicts hindering the opening of higher education to the private sector; a group of conservatives who refused the idea of higher education becoming a commodity (this group represents a large population of old-school teachers, researchers, politicians and experts). The second group represents teachers, experts, politicians and researchers who think that moving into an open market model, and in higher education, in particular, became a necessity in the development of the country, in general, and in higher education, in particular.

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<sup>†††</sup> Circular N:01 of 19 Dhou el Kaada 1442 H corresponding to June 29, 2021 relating to the pre-registration and the orientation of the holders of the baccalaureate for the academic year 2021–2022.

We can therefore say that “socialist” policies, where education and health are free and open to everyone, have created ideological and political barriers that hindered the process of opening higher education to the private sector. Besides, the same policies have cultivated a mistrust towards private institutions within the Algerian society. The acceptance of the private sector in general has been very gradual and timid.

The questioning of the ideological conflict that held up the evolution of the private sector is important, but it is also necessary to question the factors motivating the opening of this sector after so many years.

The private sector has started to establish itself in more than just higher education. We can take the economic sector as an example; since the end of the 1990s, many mechanisms favouring the opening of markets have been put in place. We observe the same thing for the private sector in primary and secondary education, where society was quite dubious by the first private schools. Only the privileged of society invested in the education of their children and wanted to provide them private education “...of quality...” and/or wanted them to continue their studies abroad. However, the mechanisms put in place by the Algerian state beginning in the 2000s to transition into a free-market model have gradually cultivated a trust between society and various private sectors, particularly that of higher education, as confirmed by an interviewee: “... *The same goes for students, they are beginning to trust the PHEI, I think that an opening is gradually taking place, there are many preconceived ideas that are being dispelled more and more...*”.

It is the ‘boomerang<sup>§§§</sup>’ effect, as explained by one interviewee, who agrees with some of the founders/directors on the opening the PHES. This effect is due to the paradoxical situation, which saw private higher education institutions operate in Algeria but only awarded foreign diplomas. These institutions, with a growing demand from the labour market for specialised training, were able to put pressure on the government to review the regulations (especially in terms of infrastructure) and ultimately smooth out the process of opening higher education schools in the private sector.

Also, one category of teachers and experts note that Algeria is not behind in opening up private higher education. This is supported by the fact that the question of the commercialisation of higher education goes beyond a simple conflict of interest within the Algerian government. It is a topical debate within the highest decision-making institutions of the world such as Washington, IMF and World Bank<sup>\*\*\*\*</sup>. This puts the Algerian government in a delicate position regarding the decision of opening up to PHES. An interviewee explained it to us as follows: “... *there is a big debate relation to this, one can be for it as well as against it, that is*

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§§§ The boomerang effect refers to a psychological, political or economic mechanism where an action leads to the opposite result of the one intended.

\*\*\*\* Washington Consensus refers to a tacit agreement by the International Monetary Fund (IMF) and the World Bank, with the support of the US Treasury, to grant financial aid to developing countries only on condition that they adopt policies inspired by the theses of John Williamson. Development can only take place within the framework of private market exchanges and, moreover, in a liberalized, i.e. unfettered, world market (Neoliberalism).

*why I say that we have not been late... Our policy has not been clear-cut with privatisation... it is a world-spanning debate where we can find those who return to the universal higher education<sup>†††</sup> ...”*. The interviewee referred to the work done by F. A. Hayek on liberalism and the transition from universalist education to specific and technical training.

The decision to follow a neo-liberal path for higher education has political and social implications. To this day, countries with neo-liberal economic systems are having intense debates as to the implementation of the latter in higher education. An issue might arise from the nature of the economic market which adheres to its own regulations and rules, while the presence of the state in the private higher education sector is paramount for some countries. Therefore, states have to set up reliable regulating and controlling bodies. As a result, the opening up of higher education to the private sector has timidly taken place automatically, following the neoliberal trend.

However, the opening of higher education to the private sector is still facing a major challenge due to the lack of reliable means of assessment (for teachers and experts) and the absence of a clear strategy to regulate the activity of the private actors of this sector. This observation was confirmed indirectly during our interviews with school decision makers, who all sounded their concerns over the fact that the state exercised no control over the schools, except on an administrative level and monitoring compliance with the technical specifications. Therefore, it would be a critical flaw if private institutions of higher education were allowed to operate in total freedom without rigorous monitoring performed by reliable bodies. Without taking the necessary measures and precautions, the commercial objectives will override the academics missions, causing the quality of education and training to become neglected in favour of commercial success.

Furthermore, the aforementioned negligence and lack of monitoring are rampant amongst schools operating in the fields of Management and Administration. On the other hand, higher education institutions specialising in Science, Technology, Engineering and Mathematics (STEM) are relatively more difficult to establish as they require significantly larger investment, training and supervision costs. Moreover, STEM academic disciplines are seen as strategic fields by the state, and there is a certain stringency in terms of requirements for institutions operating in this field. As one school director pointed out: *“This rigour is linked to the sensitivity of the field, we are in a sector that is different from that of Management Sciences...”*. He added: *“We are in contact with them (MESRS), they ask us to report on everything we do, all the details of our training. I speak for us, for the others I don't know”*.

## CONCLUSION

The objective of our study has been to set foot on the academically uncharted territory of opening higher education to the private sector in Algeria, to describe its

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<sup>†††</sup> Universalist: diversified classical university education.



evolution and identify the factors and motivators that have contributed to its emergence, as well as provide the profile of private higher education institutions.

The PHES may be considered new in Algeria, but it is not in other countries. It is an old concept whose evolution and development vary not only from region to region, but also from one country to another (Levy, 1986; Teixeira, 2009; Buckner, 2017 ; Gerard, 2020; Mazzella, 2007).

As we have seen in our historical overview, on the one hand, PHES has often been linked to the role of religious authorities (the Catholic Church). On the other hand, the deficiency of the PHE product towards the labour market demands is a result of the universalist model of HE, as it is the case for Algeria and its two neighbouring countries (Tunisia and Morocco).

The development process of private higher education in European countries, North and South American countries and even in some Asian countries (Japan, India, China) took place a long time ago. In other regions, such as sub-Saharan Africa and the Middle East, the process of development of PHE was a bit late to see the light, between the beginning and the middle of the 20th century. However, the debate on the “*marketization*”, privatisation or opening of higher education to the private sector is still ongoing. Hence, the so-called (late) opening of this sector in Algeria (through the draft of the technical specifications and regulations in 2008) has triggered debates and made the case of Algeria distinct compared to its two neighbouring countries (Tunisia and Morocco). It is from this point that we began our research.

The development of PHE in Algeria is a complex process, which is subjected to different factors stemming from different sources, mainly: the ever-growing need for higher education, the gap between the PHE output and the demands of the labour market, and the changes in the economic system, as in the transition from a “socialist” model to a free market model.

This complexity and intertwined factors have hindered the emergence of the PHE rendering it somewhat belated in the eyes of some, while others see it as a mechanical and timely phenomenon that follows the global debates and trends on the commodification of higher education.

Private higher education in Algeria is different from the models we have briefly outlined in our literature review. The PSE in Algeria is not derived from or linked to the traditional role of religion, nor is it similar to the higher education systems in neighbouring countries (Tunisia and Morocco).

Facing a political system and society that are untrusting towards private institutions, the first private schools of higher education found it difficult to emerge. Until the 2000s, the number of PHEIs was very small, and they had been operating under the supervision of the vocational training authorities since the early 1990s. However, their degrees were not recognised by the MESRS despite the 1999 law, which was deemed frustrating by the founders and investors in this sector.

At the same time, Algeria has been drawn into the global trend of the “*marketization*” of higher education, and will have to deal with an overcrowded public education system whose quality and output does not satisfy the stakeholders.

Therefore, the private sector of higher education represents an important instrument in the challenge to raise the overall standards of higher education in

Algeria and improve its end-product. This will be achieved through nurturing competitiveness between the public and private sector, and amongst the approved private schools. Therefore, PHEIs are called upon to demonstrate rigorous commitment towards, firstly, selecting professors and staff on the basis of diligent criteria focusing on their ability to teach and transfer their knowledge to a potentially hard-working and actively involved future students. These students should also be selected on the basis of their quality and professional aspirations. Secondly, it is necessary to provide the highest quality of education through the good governance of these institutions.

This modest work is only the beginning of comprehensive future research on private higher education, namely:

- The professional integration of private schools' graduates.
- Types and sizes of subsidies that could be granted by the state to these institutions.
- The role of private institutions in reducing the expenses and costs of the higher education sector.

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