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# **Economics of Higher Education and Contemporary Outlook of Turkish Universities**

### Yükseköğretim ekonomisi ve Türkiye üniversitelerinin aktüel görünümü

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#### Özet

İkibinli yıllar, yükseköğretim için önemli sayılabilecek değişimler ile başladı. Ekonomik açıdan en temel değişimin bu sektöre aktarılan kamu kaynaklarındaki bariz azalmalar olduğu iddia edilebilir. Yanı sıra, 1998'deki Sorbonne ve 1999'daki Bologna deklarasyonu ile birlikte 2000 yılında kamuoyuna duyurulan Lizbon stratejisi, yükseköğretimin Avrupa Birliği üye ülkelerinde standart hale getirilmesi için kayda değer bir politika yapım etkisi de oluşturdular. Bu anlamda, kamu inisiyatiflerinin yanı sıra özel ve vakıf mülkiyetine sahip yeni oluşumların da bu sahada faal olmaya başlamasına şahit olundu. Türkiye, Birliğe aday ülkelerden biri olarak, devlet dışı aktörleri, yükseköğretim hizmeti sunumunda destekleyen ülkeler arasında yerini aldı. Günümüz itibariyle Türkiye yükseköğretimi bünyesinde 80'e yakın vakıf üniversitesi, kamu üniversiteleri ile rekabet halinde, faaliyette bulunmaktadır. Nicelik olarak varlığı ve önemi artık göz ardı edilemeyen bu üniversitelerin akademik sahada gösterecekleri basarının Türkiye'ye yapacağı katkı da yadsınamayacak bir gerçektir. Bu çalışma, dünyada ve Türkiye'de kamu yükseköğretiminin durumunu irdelemekle birlikte, vakıf üniversitelerinin Türkiye yükseköğretimindeki yerini inceleme altına almıştır.

**Anahtar sözcükler:** Kamu yükseköğretimi, Türkiye, vakıf üniversiteleri, yükseköğretim.

he beginning of 21st century brought new discussions on the provision of public services by governments. Recently, many researchers (even ardent supporters of welfare state models like Gosta Esping-Andersen and Nicholas Barr) acknowledged the fact that welfare provision of governments account for remarkable part of government expenditures which threaten the fiscal structure of coun-

#### **Abstract**

The years 2000s began with changes that can be considered significant for higher education. It can be claimed that the most essential change financially is the apparent decreases in public funding allocated to this field. In addition, Sorbonne and Bologna declarations (1998 and 1999, respectively) as well as Lisbon strategy (2000) had a tremendous impact on policy-making of higher education in terms of standardization of quality of education across EU member and candidate states. Therefore, new initiatives that have capabilities to provide cutting-edge research and education facilities to the lecturers and students respectively have been supported by governments. Turkey -as a candidate country to join EU- is one of the leading countries to encourage non-profit entrepreneurs for opening up state-of-art universities through financial contributions and tax exemption status. Eventually, nearly 80 nonprofit (NP) universities are operating in Turkish Higher Education alongside with public universities contemporarily. It is an undeniable fact that these universities, which cannot be ignored for their presence quantitatively and significance, would also contribute Turkey with their future achievements in the academic world. This paper reviews public higher education system and the challenges that it's facing currently as well as discusses the role of NP universities in the provision of higher education relying on the Turkish case.

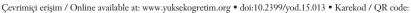
**Keywords:** Higher education, non-profit universities, public higher education, Turkey.

tries in an alarming way. Eventually, policy-makers in United States and European Union countries tended to support new mechanisms which have potential capabilities to take over some of the responsibilities of governments in terms of public services provision. These new mechanisms can be enumerated as local authorities, non-profit (NP hereafter) sector and free market system through privatization.

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Apart from local government bodies and private companies, NP sector have gained great importance due to its non-governmental structure encompassing less bureaucracy as well as lack of profit motive which makes customers feel secure about the quality of good and/or service provided. The numerical increase in NP entities had an impact on academic environment and accordingly loads of papers have been published in the last three decades. One of the industries that non-profit organizations (NPOs) have been intensified is university sector in which public, private and NP institutions are in competition with one another. The main difference of a NP university from its public and private counterparts lies behind the pricing preferences as put forward by Jenny (1968).

At the course of the last decade of previous millennium, Sorbonne and Bologna declarations (1998 and 1999, respectively) as well as Lisbon strategy (2000) had a tremendous impact on policy-making of higher education in terms of standardization of quality of education across EU member and candidate states. Therefore, new initiatives that have capabilities to provide cutting-edge research and education facilities to the lecturers and students have been supported by governments. Turkey –as a candidate country to join EU– is one of the leading countries to encourage non-profit entrepreneurs for opening up state-of-art universities through financial contributions and tax exemption. Eventually, nearly 80 NP universities are operating in Turkish higher education alongside with public universities contemporarily.

In this paper, after reviewing public higher education system and the challenges that it is facing currently, the role of NP universities in the provision of higher education is discussed relying on Turkish case. The outline of the paper as following: the second section reviews literature on economic aspects of higher education including cost-sharing notions, the third section sheds light on the discussions around the challenges and obstacles for public universities in 21st century; the fourth section describes Turkish higher education in connection with a brief historical background, the fifth section puts forward NP universities as the current trend in the higher education of Turkey and finally the sixth section concludes.

## **Economics of Higher Education**

Economic crisis –motivated mainly by oil crisis– occurred in 1973 symbolises a vital point for the economic history of higher education. As soon as the drastic consequences of World War II were eliminated, financial structure of countries had gone through a "boom" period which had positive impact on university education until 1973 crisis. After that date, enrolment rates and government appropriations to universities had declined dramatically particularly in the US (Shumar, 1997). According to Shumar (1997), "the crisis mentality" ended up

with commodification of education through which students were treated as customers. Besides, this new environment tailored opportunities to private entrepreneurs to take part in higher education industry into which they transferred their business interests.

Although Shumar's (1997) commodification arguments on higher education cannot be underestimated, fiscal problems of countries—that mostly induced by government debts—in those days cannot be ruled out either. As Clotfelter, Ehrenberg, Getz and Siegfried (1991) indicated clearly, share of higher education expenditures in the Gross National Product (GNP) increased in a considerable way between the 1920s and 1980s from 0.7% to 2.6%. This remarkable change in expenditures urged policy-makers to seek alternative mechanisms for the provision of higher education, accordingly come up with more entrepreneurial and market-orientated strategies. Therefore, the commodification process cannot be solely deduced to ideological shift (i.e. from socialism to neoliberalism), but diversification of risks in the age of economic and in particular fiscal downturn must be taken into account.

Relying on public economics literature, governmental support to higher education can be economically justified on the basis of public goods and positive externality notions which have similar reflections. These notions basically stimulate governmental intervention to the markets where third parties are influenced during the market exchange process apart from demanders and suppliers. For higher education case, not only two parties –students and university administration– in the market exchange are getting benefits from it, but also community living around the university becomes well-off. Therefore, total benefit of university education exceeds private benefit due to addition of social benefit. Eventually, governmental support is needed to clear the market at the new equilibrium point.

The possible failure of government intervention to this sector concerning efficient market paradigm is facing difficulty to set the appropriate tuition level that covers program costs as well as the amount of increase in tuition over time (Dill, 1997). To overcome this "economic calculation problem" of governmental institutions (Mises, 1935), deregulation of higher education and allowing non-governmental actors to get involved in this sector has been proposed by economists along with international organizations such as World Bank and UNESCO. Thanks to the participation of new players in this market, the social mobility especially in developing countries is expected to be ensured via changing structure of education from elite to mass-orientated system in a more efficient way.

The fully marketization of higher education to alleviate governmental deficiencies and work out funding problem might not be a proper policy-making due to volatile structure of finan-



cial markets which would have a dreadful impact on reel markets including higher education sector. Thus, some argues that there is a precise need to repositioning of governments to sustain a balance between competition and regulation (Jongbloed, 2010). Jongbloed (2010) summarises the issue of funding and state intervention in higher education within the framework of autonomy and regulation dichotomy in four questions:

- Who is responsible for paying higher education?
- In what ways public funding is allocated to higher education?
- What sort of incentives will be created thanks to the allocative mechanism?
- How much autonomy will be exercised by universities over to financial and human resources?

The first question put forward by Jongbloed (2010) forms the backbone of economics of higher education as well as has an apparent connection with "cost-sharing theory". This aforementioned approach is in favour of distributing the cost burden of higher education among the stakeholders comprised of individual students, families and government (Johnstone, 2004). According to Johnstone (2004), sharing the cost in higher education became a necessity for this age of austerity in which governments are confronting "nearly intractable shortage of available public (taxpayer-based) revenue" and "growing competition from other, oftentimes more politically compelling, public needs such as elementary and secondary education, public health, housing, public infrastructure, welfare and the social and economic safety net, and internal and external security." Hence, encouraging enthusiastic entrepreneurs to establish universities is situated at the top of policy-making agenda in higher education across the world.

# **Challenges for Public Higher Education** in the 21st Century

In this section of the paper, challenges being confronted by public institutions to provide higher education particularly for the 21st century are reviewed primarily relying on sustainable and stable funding crisis. By the beginning of new millennium, public higher education (PHE) seems to be in a "state of crisis" in which share of state appropriations allocated to higher education reduced by almost one-third throughout the last decade (Ehrenberg, 2006). This dramatic shrinkage in funding initially had an impact on faculty salaries which became higher in private universities, accordingly high quality academics are inclined not to work in public universities (Ehrenberg, 2003). Consequently, quality of research and teaching –which is highly contingent upon faculty's qualification– in public universities, has been surpassed by their non–profit and private counterparts.

The fundamental argument proposed to elucidate funding cuts in higher education is government's preferences in

spending on a plethora of sectors which have relative weights in the eyes of policy makers. As indicated by Rizzo (2006, p. 19) in a panel data analysis for US state spending preferences, "Public higher education has been crowded out by increasing demands for state support of K12 education as a result of courtmandated equalization programs, but more important because of the great deal of discretion legislatures have over higher education spending". For governments, the magnitude of positive externalities in primary and secondary education is exceedingly higher than the 4-year university education; hence these particular fields of education are seen to be more attractive for financial support.

Even though share of public funds in higher education has declined in recent years, they are still forming the significant share of funding schemes particularly in EU countries as illustrated in CHINC project's final report (Lepori, Benninghoff, Jongbloed, Salerno, and Slipsaeter, 2007). To this report, trends in higher education spending among sample countries including UK, Spain, Switzerland, Norway, Germany, Italy, Netherlands and Czech Republic can be summed up under the four points:

- Government appropriations are dominant resources in higher education funding corresponding to two-thirds in all countries except UK (37% in UK),
- Tuition fees are significant resources only in Italy, UK and Spain,
- The aggregate share of grants & contracts are differing from one country to another ranging from 10% to 20%,
- Over the period 1995–2003, there is a slight decrease in governmental support to universities and no apparent change in the level of tuition fees.

This spending trend in EU members was drastically affected by the financial crisis occurred in 2008 which is out of the aforementioned project above. The salient example can be pointed out as UK where the current coalition government introduced a new funding scheme and tuition level to reduce the share of higher education expenditures in budget relying on Browne's findings and recommendations (Browne, 2010). Whereas the average EU fee for an undergraduate degree was £3300 before the scheme, it will be ranging from £7500 to £9000 concerning the quality of the education university provides by the commencement of 2012/2013 academic year. This particular case reveals the point that to be able to alleviate the dire consequences of fiscal depression and have stable funding mechanism, new players apart from governmental bodies should get involved in higher education either establishing universities or fortifying current ones by means of partnership.



The scale of cutbacks in PHE in US is greater and more ubiquitous than EU as well as exacerbated by enrolment and inflation rates (Blose, Porter, and Kokkelenberg, 2006). As Rizzo (2006) indicated evidently, even if the amount of money used up to higher education raised \$30 billion to \$60 billion between 1974 and 2000, cost-covering capability diminished from 78% to 43%. Mainly for that reason, in lieu of full-time lecturers, adjuncts (part-time instructors) are opted by public institutions for the teaching positions which are 80% less expensive than full-time faculty (Bettinger and Long, 2006). The simultaneous effect of increased use of adjuncts in public universities and high-quality faculty's leave from them —as mentioned earlier— have adversely affected the reputation of public universities and motivate students to prefer private universities.

Another challenge faced by PHE particularly in vocational education is lack of compatibility of traditional education skills with the requirements of labour market (de Alva, 2000). The gap between necessary skills for employment and provided education accounts for a significant proportion of unemployment among university graduates and results in dissatisfaction by employers. The findings of 1998 poll called "Transforming Post-Secondary Education for the Twenty-First Century" (Education Commission, 1999) with 50 state governors revealed four points which seemed to be the most important expectations from post-secondary education:

- Students should be encouraged to go on lifelong learning,
- Allowing students to access educational facilities at any time, and use technological instruments for applied work,
- Stimulating collaboration between post-secondary institutions and private sector,
- Integrating job experiences into academic programs.

Consequently, both society and policy-makers need to "bring adequate attention to the fact that PHE is increasingly in jeopardy because of instability and disinvestment on the part of most state governments" (Alexander, 2006). So as to overcome abovementioned obstacles in PHE via ruling out ideological obsession, there is a precise need to enhance effective cooperation among public, private and third sector institutions in higher education. To prompt these current and prospective stakeholders, it is inevitable to have a "serious public policy discussion, setting out the public, as well as private, benefits of having a highly educated workforce, and deciding what fraction of the costs of education should be borne by the recipients of that education and what fraction should be borne by the public at large for the benefits they, too, receive" (Wiley, 2006, p. 329).

# **Contemporary Outlook of Higher Education** in Turkey

The history of higher education in Turkey dates back to the ages before the modern era started in Europe. During the second half of the 18th century, the increasing need to modernise military system necessitated the Ottoman state to establish modern educational institutions particularly on engineering (Tekeli, 2010). Even though, there is a lengthy history of higher education in Turkey, academic literature seems a bit lacking. However, there has been a growing number of researches on the Turkish higher education since the midst of last decade (Çetinsaya, 2014; Doğramacı, 2007; Küçükcan and Gür, 2009).

Higher education sector in Turkey consisting of public and foundation (non-profit) universities is supervised by The Council of Higher Education (Yükseköğretim Kurulu, YÖK) which is an autonomous constitutional organization. This council appoints deans and rectors of the universities even non-profit ones (at least procedurally) evoking statist and patriarchal type of administration in higher education. Moreover, public universities are financed by governmental budget annually, tuition fees and donations are the chief resources in non-profit universities.

The startling rise in the number of universities specifically after 2005 attracts the attentions of researchers working on the Turkish universities, as shown in Figure 1. The number of public universities in 2005 was around 60 and it is now more than 100, whilst the number of non-profit universities increased from 22 to 80 for the last ten years. Besides, the number of registered students in both state and foundation universities doubled at the course of the last 7 years, which exceeded 5.5 million.

This section reviews Turkish higher education sector, by inspiring predominantly from YÖK's report (2007a) released in

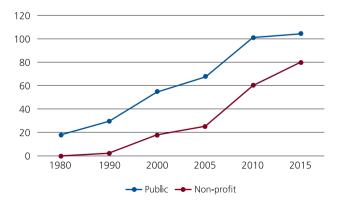


Fig. 1. Number of public and non-profit universities (YÖK, 2015).



2007 as well as YÖK's previous head Çetinsaya's (2014) recent book, on the basis of three pillars including (a) administrative and academic structure, (b) finance, and (c) academic success including publications, patents and citations.

### Administrative and Academic Structure

Thanks to the previous legal framework put into action in 1981, five different institutions were running in Turkish higher education comprising universities, academies, 2-year vocational schools and conservatories, 3-year education institutions belonging to Ministry of Education and distance learning named as YAYKUR (Doğramacı, 2007). In the meantime, vocational schools, conservatories and 3-year educational institutions were connected to university administrations with couple of official amendments. The momentous increase in number of universities occurred in 1992 when 21 new universities were integrated into the sector. Furthermore, in 2006 and 2007, government established 41 public universities mostly in less developed cities as a part of regional development policy. The chief motivation behind university founding can be articulated as "the governmental aspiration for provision of mass education" (Onder and Onder, 2011).

YÖK is the main administrative body to manage universities in Turkey. With variations among public and non-profit universities, the university administrators —deans and rectors in particular— are appointed within the YÖK's regulative procedures. However, the heads of board of directors in non-profit universities seize more managerial power than appointed rectors. The other supervisory organization in Turkish higher education is Interuniversity Council of Turkey (Üniversiteler Arası Kurul, ÜAK) which has a responsibility to coordinate universities in terms of academic well-being as well as organize the associate professorship exam. The candidates must fulfill certain requirements such as publishing papers in SSCI journals at least one in national journal.

The aforementioned supervisory entities bear the crucial question in minds is that to what extent Turkish universities are autonomous in decision-making process. Due to the fact that autonomy is the driving force behind innovation and keeping pace with cutting-edge academic enhancement, universities should have more autonomous administrative bodies than any other institution. Current OECD statistics about the level of autonomy in universities do not have optimistic signs for Turkey. Whereas Turkey's score is nearly 1.5 which is one of the lowest, Denmark had 6, Norway 5, Austria 4.5 and South Korea 2.5. These scores stipulate less influence from supervisory institutions (YÖK and ÜAK) as well as more emphasis on university-based decision-making.

### **Finance**

Financing higher education in Turkey has been an essential policy issue for governments owing to centrally-planned budget scheme in which public universities' individual budgets are determined and allocated. The constitutional reference identifying higher education as public service is forming the legal backbone of governmental organizations to support universities financially. Whilst the public universities are mostly sustained by 'public finance', non-profit universities have 'private finance' mechanism mostly consisting of tuition fees and donations from individuals. This private financing scheme in non-profit universities procures more autonomous administration which results in academic freedom and research-orientated innovation. On the other hand, allocations from central budget for public universities can be enumerated as the key factor behind lower levels of autonomy in decision making process.

At the beginning of the 1990s, the share of budget financing in public universities' revenues was 80% which has shown a descending tendency to nearly 50% recently. This reduction indicates optimistic signs in terms of alleviating the burden on public finance which is in favour of increasing the share of self-financing resources in universities. The previously mentioned YÖK report (2007a) relying on 2006 statistics was pointing out the shares of revenue items in public universities. To this report, as indicated in the Figure 2, 57% of revenue is being formed by universities' own budgets whereas the share of working funds is 38%. Moreover, 4% of it comes from students' contributions and the rest of it –which is nearly 1%– is other types of resources.

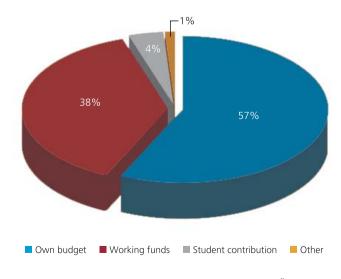


Fig. 2. Share of financial resources in public universities (YÖK, 2007a).



■ Table 1. University rankings by research output (URAP, 2015).

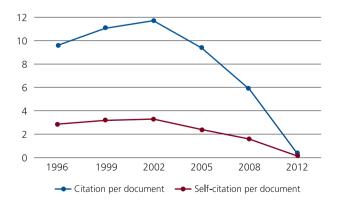
Ranking	University	Ownership	Article Score	Citation Score	Total
1	Hacettepe University	Public	170.77	188.58	811.40
2	Middle East Technical University	Public	191.31	188.58	806.24
3	İstanbul University	Public	152.05	163.75	740.41
4	Istanbul Technical University	Public	165.01	161.52	736.95
5	Ege University	Public	159.99	169.81	735.77
6	Ankara University	Public	147.34	156.32	725.25
7	Boğaziçi University	Public	166.67	153.04	718.45
8	Bilkent University	Non-profit	169.74	182.94	705.61
9	Gebze High Technology Institute	Public	155.39	161.72	700.66
10	Gazi University	Public	147.47	151.80	696.74
11	Sabancı University	Non-profit	155.90	167.82	694.96
12	Izmir High Technology Institute	Public	153.88	165.28	693.33
13	Koç University	Non-profit	157.69	166.31	665.10
14	Selçuk University	Public	147.65	146.88	645.09
15	Gülhane Military Medical Academy	Public	122.28	139.32	645.07
16	Gaziantep University	Public	165.82	169.10	644.15
17	Çukurova University	Public	142.99	158.43	641.62
18	Erciyes University	Public	150.80	152.91	633.26
19	Atatürk University	Public	130.37	129.33	628.27
20	Başkent University	Non-profit	135.41	138.62	611.98
21	Marmara University	Public	119.62	133.76	608.28
22	Yıldız Teknik University	Public	140.41	129.56	603.96
23	TOBB University	Non-profit	149.16	160.50	601.02
24	Fatih University	Non-profit	151.69	133.97	590.83
25	Ondokuz Mayıs University	Public	134.62	133.08	589.93

## **Academic Success**

According to the recent university rankings survey conducted by University Ranking by Academic Performance (URAP, 2015), four Turkish universities (Ege University, Istanbul University, Istanbul Technical University and Middle East Technical University) succeeded to be in the top 500 universities list, and did other 19 universities in the top 1000 list. The salient characteristic of top four universities is to have well-established academic and administrative structure. For instance, Istanbul University was founded in 1846 as the first 'secular' higher education institution during the period of Ottoman Empire. Accordingly, Ege University, Middle East Technical University (METU) and Istanbul Technical University can be identified as the earlier academic institutions in the Turkish higher education.

This survey's results for Turkey in particular reveal the fact that even though newly emerging non-profit universities have had remarkable achievements in certain research areas, their overall academic performance is not sufficient to compete with their public counterparts currently as shown in Table 1. The best university among them –Bilkent University-became 8th in the rankings. On the other hand, their appearances in the table within this relatively short time compared to public universities indicate optimistic signs for the prospect of non-profit universities in the ongoing contest.

Even though Turkish universities have been experiencing growing number of students, buildings and academic personnel since 2005, scientific research have not shown a similar path. As indicated in the Figure 3, number of citations per article reduced steadily between 2002 and 2012, which signals a worrisome trend in the scientific aspect of Turkey's higher education system. In addition to the number of citations per document, there is an apparent decrease even in the number of self-citation per document statistics.



■ Fig. 3. Number of citations and self-citations per document (SCImago, 2014).



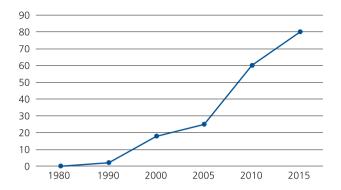
# Non-Profit Universities in Turkish Higher Education

In Turkey, first and foremost requirement for opening up a university by entrepreneurs is not-for-profit motive, hence there is not any for-profit university in Turkish higher education sector. Whereas the first foundation university was founded in 1984, numbers of non-profit universities, their registered students and faculty members dramatically increased during the last two decades as shown in ■ Figures 4–6 respectively. To those figures, the number of NP universities doubled between 2000 and 2010 whilst the number of registered students tripled within the same time scale.

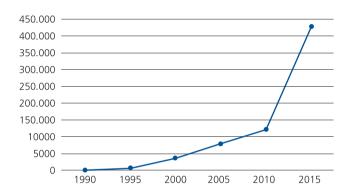
The report released in 2007 by YÖK (2007b) underscores the significance of non-profit universities "which started to shoulder the burden carried by public counterparts via providing high quality education to their students." This report explains the emergence of non-profit universities as a supply-side response to the growing demand in higher education. Due to lack of sufficient provision by government, consumers lead entrepreneurs particularly non-profit ones to take part in market and address their needs as clearly pointed out in the literature on the economics of non-profit sector (Erkoç, 2011). Accordingly, demand-side pressure had a tremendous impact on Turkish higher education market and triggered the foundation of new universities predominantly at the midst of 1990s. The positive reaction came from suppliers resulted in a mutual relationship with consumers and nurtured this noteworthy boost in non-profit university sector.

As shown in the previous figures, the numerical existence and significance of NP universities in Turkish higher education cannot be ruled out any longer. Their academic achievements, however, still need a caution to be praised. To the Table 1, university rankings by research output, non-profit universities struggle to rank in the top 10 of the table except Bilkent University. Only 6 of them out of the top 25 are non-profit universities (Bilkent, Sabancı, Koç, Başkent, TOBB and Fatih Universities). There is no doubt that to have a better academic record, institutions need some time, nonetheless this does not change the fact that non-profit universities have a long way to bridge the gap with their public counterparts precisely on their research outcomes.

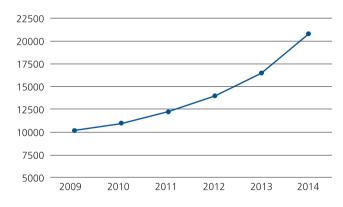
Non-profit universities have three main financial resources comprising of foundation's own initial capital, tuition fees and state appropriations. The lion share of these resources belongs to tuition fees paid by enrolled students which are varying from one university to another. Government's financial support to the non-profit universities is forming a relatively small proportion of whole budget as well as has certain set of criteria for universities to be eligible for these benefits. Increasing the number of students granted with scholarship and training new teaching staffs can be enumerated as principal requirements for financial assistance by government.



■ Fig. 4. The number of non-profit universities (ÖSYM, 2011).



■ Fig. 5. The number of registered students in the non-profit universities (ÖSYM, 2011).



■ Fig. 6. The number of faculty members in non-profit universities (YÖK, 2015).

### **Conclusion**

Currently, government's policies to contract out some of the provisions to non-governmental bodies had a huge impact on NP sector preparing itself to undertake these responsibilities. This policy change is basically coming from the fact that the



share of social welfare expenditures including education have been increasing dramatically for the last 15 years. Consequently, government encouraged non-governmental actors like private and non-profit sector should take part in the welfare industries as long as they provide decent quality services in efficient ways.

Apart from private companies, NP sector have gained importance in Turkish higher education sector owing to its less bureaucratic structure as well as lack of profit motive which is legally compatible for opening up a university. Foundations which are forming NP sector in Turkey with associations have been providing basic social services such as education, health, daily nutrition and residential care mostly to the poor citizens for many years. Thanks to the policy change in higher education, these institutions decided to establish universities alongside with their aforementioned services. And currently, 50 universities run by foundations are serving in Turkish university sector.

This paper discusses the challenges and obstacles faced by public higher education institutions in the 21st century. Besides, it reviews the contemporary outlook of Turkish higher education regarding to the administrative structure, finance and academic success. And eventually, the role of non-profit universities is discussed to pose the question whether they might be good substitutes for public universities in the areas where government is confronting difficulties to provide higher education service.

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