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# Review of Economies in Transition

## Idäntalouksien katsauksia

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1996 • No. 1

27.3.1996

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Reprint in PDF format 2002

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ISSN 1235-7405  
Reprint in PDF format 2002

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The opinions expressed in this paper are those of the authors and do not necessarily reflect the views of the Bank of Finland.

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## Manager Training - Another Emerging Market in Russian Educational Services

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### Abstract

The article deals with recent development in economic and business education in Russia in general and in St.Petersburg region in particular. The authors discuss repercussions of introduction of commercial (in contrast to state-budget) financial principle of operation into the system of higher education in Russia. They mainly concentrate on different types of programs in economic and business education which at the moment are provided by state as well as non-state educational entities.

Key words: Russia, St.Petersburg, economic & business education, transitional economies, higher education

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## Introduction

The aim of this paper is to provide a review of what is known in modern Russia as the market for educational services' (rynok obrazovatel'nyh uslug), in case of higher education programmes<sup>2</sup> in economics and business administration<sup>3</sup> aiming to equip people to actively and efficiently operate under modern economic mechanisms, i.e. to perform the functions of manager<sup>4</sup>.

This topic is important for two basic reasons. Firstly, the market under review has several important features relevant to clarifying transitional nature of the Russian economy as a whole. Secondly, both the quantity and the quality of the final market product are of great importance for the future development (short-term and long-term) of the Russian economy.

The paper focuses on the St.Petersburg market for educational services. In the authors' opinion, this is appropriate since, on the one hand, St.Petersburg is the second largest scientific and educational centre in the country with more than 60 institutions that at the moment provide programmes in economics and business administration, and on the other hand, dealing with a regional market allows us to look at specific material and thus to avoid excessive generalization. Furthermore, the trends revealed and the main conclusions seem to be very relevant to the situation in similar regional markets as well as in the national one.

The study is based on a survey of St.Petersburg educational institutions, carried out by the authors for the Leontiev Center (St.Petersburg) in

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<sup>2</sup> In the Soviet/Russian context, 'higher school', or 'higher education' (vysshaya shkola, vysshee obrazovanie) refers to university education provided by universities and 'institutes' (institutami).

<sup>3</sup> This general heading includes a wide range of programme in marketing, management, banking, etc.

<sup>4</sup> In contrast to Western systems of university education, in which programme in economics and business administration provide opportunities to specialize in many different fields, the Russian system, naturally enough, offers almost no specialization or division of labour at present. In most cases students in all the programmes under review attend similar lectures, read the same textbooks, and share the same plans or dreams of becoming successful managers of a prosperous firm.

the first half of 1995 as well as on Professor Sutyurin personal experience as deputy dean of the Special Economic Faculty and Head of the International Economics Department of St.Petersburg State University.

## 1 Reasons for Emergence of the Market

Many of the former Leningrad institutes and the Leningrad State University<sup>5</sup> have trained economists of different specialities and specializations for several decades. In the 1970s and 1980s these programmes gradually became more and more popular, attracting a growing number of people year after year.

In the first half of the 1990s, there was a real boom in the field. This resulted from a sharp increase in the demand for an entirely new (in the Russian context) type of programme, that is business education. At the same time, demand for traditional programmes remained more or less stable. At the moment the industry under review appears to be a rather heterogeneous complex, represented not only by various types of institution (state as well as non-state, according to their official legal status), but also operating on the basis of different financial principles (budget, commercial and mixed). That is why the notion of a market, in the strict sense of the word, refers only to part of the complex mentioned above, namely those institutions and programmes, which are literally bought and sold.

Although it might seem obvious, it is nevertheless true, that the emergence and rapid growth of the market for programmes in economics and business education result from the ongoing social-economic changes in the country. At the same time, the market under review might be seen as a typical manifestation of these changes.

One of the really crucial points in the assessment of the development of market relations in the

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<sup>5</sup> In the second half of the 1980s there were 41 'higher schools' (vysshyyh uchebnyh zavedenii) in the city. (Sovetskii Entsiklopedicheski Slovar'. 4 Ed. Moscow, 1988, p.700.) During the first half of the 1990s almost all former institutes were converted into universities. This transformation has been mainly a formal one, and has not brought about any serious changes in the educational process.

field is that until the beginning of the 1990s higher education in the Soviet Union/Russia was entirely free of charge. This is still very much the case. The large majority of the students registered for regular types of programmes<sup>6</sup> at state-owned universities and institutes (those students who were admitted in accordance with centrally regulated quotas - the so called 'plan priema') do not pay for their education.

Moreover, in 1992 a significant new element was incorporated in the operational mechanism of state-owned institutions of higher education. State authorities, motivated partly by the idea of cutting government spending<sup>7</sup>, partly by the idea of imitating the Western (in fact, mainly American) system of higher education, and partly by the ambitious goal of rapid transformation of the Russian economy into a market one, blessed the emergence of what are called 'commercial' or 'contract' students (the official name at the moment is studenty, obuchayutshiesya na dogovornoj osnove). Let us look at this group more closely.

Firstly, they are subjected to less strict entrance requirements. The two main options seem to be the following: fewer entrance exams than for regular students and a lower total score required

for admittance. In extreme cases, contract students might not be subjected to any entrance control at all.

Secondly, after being admitted they would normally have to go through the same number of courses and to meet the same requirements as regular students, without any allowances for their commercial status. It is up to the university / institute either to make special teaching groups for contract students<sup>8</sup> or to combine them with groups of regular students<sup>9</sup>.

Thirdly, these students are not included in centrally regulated quotas for each specific university/institute and programme, and are therefore additional or extra students.

Introduction of the commercial principle in state-owned higher educational institutions has had serious positive as well as negative repercussions both for the educational sector of the economy and for society as a whole.

As for **traditional universities/institutes**, their main benefits result from additional financing, which allows them to pay extra salaries to the members of their teaching<sup>10</sup> and support staff and sometimes even for improve teaching and research facilities, etc. It is worth stressing that financial resources obtained via commercial students are, in a sense and in contrast to 'budget money', subjected to much less outside bureaucratic control. Looking at the problem from a purely positive point of view, it is obvious that this relative financial independence stimulates the development of some kind of market mentality in university / institute managers and faculties.

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<sup>6</sup> The traditional Soviet/Russian system of higher education was (and to a very large extent still is) one-level and based upon five-year programmes. After graduating from that kind of programme a person receives a state higher education diploma (gosudarstvennyi diplom o vysshem obrazovanii) and is granted a qualification in a specific field. According to the latest regulation, institutions of higher education also may provide Bachelor and Master programmes of a different type. Under the circumstances, the status of a traditional higher education diploma is considered to be somewhere between the former and the latter.

At the moment, the whole system is in a state of flux. This means great uncertainty for almost everybody involved, with the possible exception of bureaucrats in Moscow. As for the others, they have their headaches too. Universities do not know how to match different programmes with each other. Students and potential students and their parents (both those already accepted by universities) do not know what programme to choose. Firms and graduates do not know what specific jobs and positions can be associated with Bachelor and Master diplomas.

<sup>7</sup> According to some estimates, in 1995 only 5 % of total State budget spending was allocated to higher schools, in sharp contrast to the 12 % of 1980. (Pravda. May 23, 1995).

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<sup>8</sup> Needless to say, it assumes a sufficient number of contract students (normally more than 12-13) is available.

<sup>9</sup> Both options have their economic, operational and social pluses and minuses.

<sup>10</sup> Budget financing at the moment provides incomes for members of teaching staff (especially for its lower stratum) that quite often bring lecturers close to destitution. Thus, according to the latest available Goscomstat figures, for the period January-September 1995, the average salary in educational (as well as cultural and medical) institutions was 1.8-2.1 times lower than in industry. At the same time in September 1995, the average wage for Russia as a whole was equal only to twice the subsistence wage. This results in brain-drain, which, needless to say, will have dramatic (if not tragic) long-term consequences.

There is a strong temptation to think that under the circumstances the educational institutions under review, trying to behave in accordance with principles of economic rationality should maximize the number of contract students. Taking into consideration that for most universities / institutes the main constraints on the scale of their activities seem to be of a physical nature, i.e. a lack of teaching premises, which should block any substantial increase in the number of students, one would expect a serious effort to replace regular students with commercial ones.

To the best of our knowledge this is not the case. On the one hand, Russian universities/institutions (probably like any other) are very conservative. They do not like innovations. Although contract students might be very attractive and lucrative for the institution as a whole, or even for large units within it (faculties, departments), they definitely cause serious problems and troubles for specific individuals<sup>11</sup>. Since their additional personal income generated by commercial students normally tends to be relatively modest, it seems that the opportunity costs are too high.

On the other hand, contract education, at least at the moment, has some serious disadvantages. Firstly, as far as we can gather, commercial students are generally less qualified than regular ones<sup>12</sup>. Fortunately, universities/institutes are still more interested in dealing with the best regular students than with the average commercial student type. Secondly, contract education appears to stimulate excessive conflict of interest between various units of the institution. Different faculties within universities, as well as different departments within faculties, vary substantially in their popularity and, hence, in the number of applications from commercial students. *Ceteris paribus*, this results in the emergence of 'rich' and 'poor'

units<sup>13</sup> with teaching staff receiving different salaries for basically the same jobs.

All in all, like any big organization, universities / institutions tend to grow. But at the moment they are mainly trying to do it by increasing their quotas for regular students. Being state-owned institutions, they consider free education their prime and permanent mission, the fulfilment of which will provide a relatively stable, albeit not too large, flow of money from the state budget. Commercial education, from that point of view, is somewhat unreliable; it is here today, but who knows about tomorrow.

The commercialization of higher education has given birth to what are known as **non-state higher educational institutions** (*negosudarstvennye vysshie uchebnye zavedeniya*). They appeared to meet excessive (with respect to the capacities of traditional universities/institutions) demand for fashionable new programmes of different types. Being newly established and operating entirely on a commercial basis, they were expected by the students and their parents to provide something really special, modern and adjusted towards the best Western standards<sup>14</sup>.

These expectations have mainly resulted from advertising, which in the current Russian context proved to be imprecise and unreliable. At the moment many of those who believed the generous promises are disappointed by the performance of those non-state educational institutions still in operation (to say nothing about those which simply cheated trusting clients, collecting their money and then disappearing in the literal sense of the word).

Now let us look at the impact of the introduction of the commercial principle on the operation

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<sup>11</sup> For the administrative staff it is additional and quite often unusual work; for teaching staff it means more students in the classes, more papers to read, etc.

<sup>12</sup> Needless to say, in some cases commercial students (probably feeling a greater responsibility for their results) may be as good as the best regular students.

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<sup>13</sup> It is interesting to note that teaching staff of the former normally would, in contrast to the lecturers of the latter, be much less interested (if not reluctant in some cases) in teaching commercial students.

<sup>14</sup> One should bear in mind that some kind of inferiority complex with regard to the outside world is in a certain sense in keeping with traditional Russian mentality. The events of the late 1980s and early 1990s have been, to a large extent, humiliating to Russian national pride and dignity and have stimulated the growth of this inferiority complex. Under the circumstances of advertising their attachment to the standards of Western universities, non-state educational institutions have behaved quite rationally.

of higher educational institutions for society as a whole.

On the positive side we have three main points. Firstly, additional financing of the higher education sector (assuming that the Keynesian notion of 'investment multiplier' is valid) creates additional demand in various sectors of the economy (mainly consumer goods and services). Secondly, under the circumstances, higher education appears to be available more easily to those sections of society which were previously unable to gain access to it. This, together with the general increase in the number of students, should (at least in the long run) result in a more highly qualified labour force and eventually in higher productivity and economic efficiency. Thirdly, from a purely theoretical point of view, higher educational institutions, operating within a more competitive environment than before should be more efficient in providing programmes of higher quality.

On the negative side, we also have some rather serious shortcomings. Firstly, the commercial principle in higher education promotes further social and property stratification, which at the moment is already large and still growing. Secondly, higher education in Russia (in contrast to the situation found almost everywhere else) is increasingly becoming a relatively expensive product to purchase, rather than a natural right of citizens<sup>15</sup>. Thirdly, under the circumstances a university diploma in a certain sense loses at least part of its former social value and significance. Many commercial students as well as their parents tend to think that since they are paying, nothing else need done. There is no need to attend lectures and classes, to work hard in the library, etc. From this perspective, assuming that someone is wealthy enough, he may believe he can acquire a university diploma very easily indeed.

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<sup>15</sup> While promising, *ceteris paribus*, a higher income in the more or less distant future (but ever this is questionable in Russia at the moment), higher education in the short run implies relatively large expenses even for those who try to obtain it free of charge (nor to mention on a commercial basis). A large proportion of low income households can not afford expenses of that magnitude.

Among all the different programmes<sup>16</sup>, those in economic and business education appear at the moment to be very popular and fashionable. Only programmes in law probably enjoy the benefits of higher status. At the same time, as far as we can judge, this is mostly due to a relative lack of supply<sup>17</sup>, rather than to the extent of demand per se.

In a certain sense it would be fair to state that programmes in economic and business education, in fact, currently dominate the market under review. This results from two very clear and somewhat interrelated reasons. Firstly, it is the managers and businessmen who actually have to implement the ideas of the market mechanism in day-to-day economic life. The Russian economy at the moment desperately needs a large number of properly educated entrepreneurs and managers of different kinds. Those who operate at the moment are in short supply and often insufficiently qualified. Secondly, for many young people the career of a manager (if not of an entrepreneur) seems to match their best hopes and wishes.

So, generally speaking, it would seem that we have all the necessary conditions for the formation of both demand and supply in economic and business educational programmes.

## 2 Current State of the Market

At the moment, we may distinguish (with a reasonable degree of conventionality) three main segments in the total product mix of programmes in economic and business education available in St.Petersburg.

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<sup>16</sup> Within the framework of the present paper we do not deal with programmes in fine arts, music, cinematography, etc, since they present a very special case in comparison with all other programmes.

<sup>17</sup> Traditionally, the Faculty of Law at Leningrad / St.Petersburg State University (which, in terms of the total number of teaching staff is not large) has been the only centre training specialists in many branches of the field.

They are:

- a) long-term programmes<sup>18</sup> for training students who have no previous university diploma<sup>19</sup>;
- b) medium-term programmes<sup>20</sup> for retraining those who already have a university diploma in some areas<sup>21</sup>;
- c) short-term seminars and programmes of different types.

Although the last segment is interesting per se, we will not discuss it in detail in the present paper. The main reasons for this are as follows. In regard to the longer-term goal of training well-qualified specialists ('manager-breeding'), short-term programmes seem to be of complementary value. Strictly speaking, economic and business education implies the transfer to students of a more or less integral body of knowledge, rather than an uncoordinated series of facts, etc. Bearing this in mind, it might be considered reasonable to treat short-term programmes in the context of economic and business consulting.

The remaining two types of programme should definitely be considered economic and business education per se. A very wide variety of these programs is provided at the moment by more than 60 state and non-state higher educational institutions in St.Petersburg. In the 1994/95 academic year 10,000 students were registered for the programmes under review.

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<sup>18</sup> In terms of the present classification, it seems irrelevant whether these are one-level 5-year traditional-type programs or Bachelor (Master) programmes.

<sup>19</sup> In the present paper we shall refer to them as 'first diploma' programmes.

<sup>20</sup> Normally programmes of that type would last between 10 months and 2.5 years.

<sup>21</sup> In the present paper we shall refer to them as 'second diploma' programmes. According to the authors' own experience, the whole notion of the second diploma in its Russian sense is often misunderstood by many Western academics, especially Americans. They tend to regard it as the equivalent of a Master's diploma, in contrast to the Bachelor's in US universities, i.e. superior to the latter. In Russia, where the one-level system of higher education is prevalent, both diplomas (the first and the second) have the same status.

In this paper, we are going to focus on only one segment, namely second diploma programmes. There are at least four main reasons for doing so.

Firstly, since according to current legislation, second diploma programmes can be provided on a commercial basis only, it is the only segment of the entire higher educational sector entirely subject to the Russian version of the market mechanism. Secondly, in comparison with 4-6 year first diploma programmes, second diplomas are more mobile and flexible. This means that they are capable of adjusting to rapidly changing modern economic realities. On the other hand, second diploma programmes are preferable at least from the point of view of initial and short-term matching of the above-mentioned demand for entrepreneurs and the so-called new generation of managers.

Thirdly, it is second diploma programmes which at the moment seem to us to be the most efficient 'manager training' method. One might have a strong temptation to assess this efficiency mainly as a result of the commercial (in contrast to free-of-charge) nature of the programmes under review. To the best of our knowledge, however this represent only a small part of the explanation. The main reason seems to be the really high level of motivation to study on the part of the large majority of students registered for second diploma programmes. In the case of first diploma programmes, the students main incentive to enter the university is often 'external'. This means, for example, postponing military service, insistence of parents, behavioral stereotypes, etc. In contrast, the main motivation for second diploma programmes students, who would normally already have considerable experience of the real world, is 'internal'. They seek to become students for the sake of acquiring new knowledge and skills. As a result, they are generally more attentive, industrious and quite often more qualified for the programmes in economics and business.

And last but not least, we should take into consideration the qualifications of the teaching staff recruited for the programmes. On the one hand, ultimately they are mainly the same people who would deliver lectures to first diploma students<sup>22</sup>. On the other hand, higher educational

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<sup>22</sup> Since second diploma programmes, in comparison with first diploma are supposed to be more practically oriented, one would imagine a relatively large number of civil servants, managers of industrial enterprises,



institutions operating second diploma programmes on a commercial basis are, to a certain extent, in a position to choose the best available faculty. In fact, they have really strong incentives to do so in order to secure the proper quality of the programmes.

Since, as already mentioned, the programmes under review are relatively heterogeneous, in our opinion it is worth treating them from different angles.

Let us start with a brief look at **institutions of higher education** providing this type of programmes in St.Petersburg. In the academic year 1994/1995 their number exceeded 30. About 40 % of the institutions were non-state; the rest were state universities / institutes. Strictly speaking, in the case of the latter, individual units within universities/institutes rather than institutions as a whole provide the programmes under review. These units vary substantially with regard to the level of their organizational, operational, economic and financial independence within universities / institutes.

In many cases, representatives of both groups would cooperate with each other. It is the non-state institutions which usually initiate this type of cooperation. In a sense they are forced to do so, because the legislation requires them to complete a rather complicated and very time-consuming procedure before becoming eligible to grant their graduates officially recognized diplomas. Under the circumstances, at the moment they have almost no alternative<sup>23</sup>, other than to look for a state university/institute as a partner, which might be willing to grant its diplomas to the students.

Normally a state institution would be formally responsible for the scale and quality of the

programmes provided, while a non-state institution would handle organizational matters (teaching premises, formation of student groups, selection of lecturers, etc). Reality tends to be somewhat different. Sometimes a state institution does almost nothing in regard to its mission as supervisor. That behaviour, while being relatively rational in the shortrun, definitely contradicts the goal of long-term profit maximization and appears to be more like rent-seeking than 'fair' profit-sharing.

Now let us look in detail at the **product** sold and bought on the market under review, i.e. at specific **programmes in economic and business education**.

During the last few years the scale and scope of state control over higher educational institutions (both state and non-state) has been relatively low. In particular, this has meant that until very recently there were almost no official standards or any other consistent requirements for specific programmes.

Under the circumstances, institutions of higher education were eager to launch the programmes which seemed most attractive to them. In attempting to do that, they quite often focused on external indications, mainly the name of the programme, which should be sonorous and popular, and paid relatively less attention, if any at all, to the content and its relation to a the name being marketed. Therefore one should not be surprised by the fact that it is the programmes in management, marketing, book-keeping and accounting which dominated the market. 42 % of all the programmes provided (a total of 57) were in management (general, production, financial, etc), 9 % in marketing and 9 % in book-keeping and auditing.

Another rather important, although basically technical aspect of the problem is the format of the programmes. Format influences almost everything relevant to the product under review - marketability, profitability, quality, etc.

Traditionally Soviet/Russian higher educational institutions provided (and still provide) their programmes in three basic formats:

- full-time (students normally have lectures and classes from 9 a.m. till 3 p.m. 5-6 days per week);
- part-time (students normally have lectures and classes from 7 p.m. till 10 p.m. 4-5 days per week);

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CBs, etc. delivering lectures to the students. However, at least for the moment this is not the case. They usually are just not able or willing to teach any extensive university-type courses. Moreover, high ranking managers tend to charge high fees for their lectures, and this sometimes puts too much financial pressure on institutions of higher education.

<sup>23</sup> In fact, many institutions have tried to handle the situation by granting their graduates what might be called ersatz-diplomas, namely various certificates and many similar kind of document. While being sometimes of a very impressive outward appearance, they have no officially recognized status and are therefore little more than pieces of paper.

- by correspondence (students normally come to the university/institute for about a month per term for rather intensive lectures and exams).

With regard to second diploma programmes, higher educational institutions (in order to attract as many students as possible and thus maximize profit) try to use all three formats. Nevertheless, it is the part-time format which is the more prevalent at the moment. 34 programmes out of a total of 57 are provided on that basis in comparison with 30 full-time and 17 correspondence programmes.

It is well known, that in a market economy **prices** are supposed to be the ultimate source of economic information for both sellers and buyers. We will therefore examine this issue more closely.

At first glance it might seem surprising that current prices for reasonably comparable programmes in economics and business education vary substantially from one institution to another. In spring 1995 they were between USD 500 and 1500 (in ruble equivalent) per programme.

This variability resulted from two main factors.

Firstly, in terms of structure, the market under review at the moment mainly conforms to the model of monopolistic competition. In a sense its level of segmentation appears to be very high. This means that the each intake of new students tend to prefer specific higher educational institutions, for example the Special Economic Faculty of St.Petersburg State University, in contrast to similar units within the St.Petersburg University of Economics and Finance, or vice versa. In addition, some institutions (such as the Naval University and similar institutions) give more attention to their own graduates.

Secondly, prices vary due to the unequal conditions under which the institutions operate. Some of them are located in their own buildings and pay for their own heating, electricity, maintenance, etc. In contrast, others have their offices in buildings belonging to universities/institutes. Under the circumstances they would normally enjoy much lower fixed costs. Quite often they would pay nominal (if any) rent for teaching premises. In some cases the differences in salaries of comparable members of teaching staff is greater than 50 %, even 75 %. All in all, this definitely influences the expenses calculated per teaching hour, per student, or per programme.

The high rate of inflation over the last few years has undoubtedly constituted one of the main constraints on almost every (especially long-term) activity of Russian businesses. We therefore cannot avoid discussion of inflation when considering the charging policy of higher educational institutions providing programmes in economics and business. How, then, did they try to secure their finances<sup>24</sup>?

One common method was to peg the ruble price to some more or less automatically adjustable independent indicator. In that case the two main options were initially to set a price for the whole programme either in USD<sup>25</sup> or in terms of the officially established 'minimum wages'. Prior to introduction by the Russian government in 1995 of a currency band, both approaches, albeit having their specific advantages and disadvantages for higher educational institutions as well as for students, were more or less equally widespread. Moreover, neither one of them appeared able to keep up with the inflation rate.

At the moment many of the higher educational institutions under review tend to apply another method, namely phased payments. In contrast to the peg method, they set a price not for the whole programme, but for each successive part of it (normally the programme would be divided into several terms with a duration of about 4 months each). The price is fixed and denominated in rubles. As for the future, students are told something like the following: "We don't know at the moment what the economic situation might be in, say, six months from now. But we promise that we won't set excessive charges. We only need to cover inflation."

This approach also has its shortcomings. First of all, if you collect fees from the very beginning for the entire programme, a large part of the total sum looks like an interest-free loan. Under the phased payment system the higher educational institution loses this opportunity to a great extent. At the same time, in order to use that money

<sup>24</sup> In the present paper the authors discuss only basic methods, each of them taken in its pure form. In real life however, higher educational institutions often combine specific features of these methods in some kind of mixed approach.

<sup>25</sup> Under that method, students would pay in rubles according to the exchange rate at the Moscow Interbank Foreign Exchange on each payment day.

properly, it should enter the financial markets. As far as we can gather, neither the main agents of the financial markets nor the higher educational institutions are currently equipped for this.

## Conclusion: Prospects for the Future

On the basis of our analysis, one might anticipate two main interrelated medium-term trends in the future development of the market under review.

Firstly, there is a very real prospect of the market becoming a sustainable phenomenon. As for its size, it is not expected to grow substantially, and may even decline to some extent. This is because the excessive demand existing at the moment is mainly of a short-run nature. As soon as large numbers of first diploma programmes students in economics, management and business administration (in addition to second diploma students) start graduating, demand should decrease. Under the circumstances, second diploma programmes ought to be ready to go under a transformation towards more practically oriented

programmes comparable to the US concept of corporate education<sup>26</sup>.

Secondly, one can not expect the market to evolve into a perfectly competitive market. On the contrary, product differentiation is very likely to increase over the next few years. Moreover, the weakest higher educational institutions will be forced to leave the market. As for the strongest, they are likely to consolidate their position, partly by providing programmes for students outside St.Petersburg<sup>27</sup>. All in all this means that the market under review is likely to gradually acquire features of an oligopolistic one.

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<sup>26</sup> See for example: "Those who can, teach." *The Economist* 1995, Vol. 337, No. 7938.

<sup>27</sup> To the best of our knowledge, at least several higher educational institutions have already launched different programmes in economic and business education in some Russian provincial towns and cities. Others are planning to do so at the moment.

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