

Introduction to Europe

The European Union is a unique organization of 25 European countries. Although many differences remain across national boundaries, the EU has set many policies regarding trade and education. Although not all of the countries in this report are members of the European Union, it is a homogenous enough of a unit to be discussed here.

The culture of education in the EU has changed dramatically since its founding. There is a concerted effort to unify education across all member states. To achieve a unified system of higher education in the European Union, current and future member states signed the Bologna Declaration of 19 June 1999.ⁱ The passage of the Bologna Declaration is especially good for American Universities wanting to enter the European market, since it encourages a bachelor's/master's system similar to the American system.ⁱⁱ This two-tier system also encourages flexibility, provides more opportunities for lifelong learning, and opens the marketplace for students. Overall, it is viewed as critical to the mobility of students within the EU and is being promoted across the continent. The declaration imposes critical changes to member country education systems.ⁱⁱⁱ Full implementation is scheduled for 2010.

In 2003, the European University Association, in a study of progress toward the goals of the Bologna Declaration, concluded that considerable progress has been made since 1999. A demographic survey of the EU reveals that while education may be of primary importance to policy makers, the average number of years of schooling completed for any member nation remains low. Although Finland, Sweden and Norway represent a considerably smaller percentage of the total EU population, these countries maintain a higher proportion of students pursuing degrees in comparison to larger counterparts like Poland and Spain.

In its effort to become an open market, the EU has instituted few regulations that would affect cross boundary delivery of education. Furthermore, while each distance education provider is subject to regulations from within the country of presence, the regulations do not apply to outside institutions. Generally, distance education industry falls under the general laws of commerce, and is not hindered by specific regulations.

An aspect critical to success in delivering their online programs in English, is the level of use across the largely non-native speaking countries of the EU. The results in this area were very promising. English is widely used in many, varied aspects of everyday business and life. English is quickly becoming the *lingua franca* of Europe. As companies globalize, English has taken the lead, not only as a corporate language, but in all areas. In distance learning, English speaking countries have a competitive advantage.

In addition to the goal of standardizing and promoting higher education, the EU has proclaimed its intention to “become the most competitive and dynamic knowledge-driven economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion”. “eLearning - Designing Tomorrow's Education”, in the policy and action plan, targets Europe's weaknesses in the technology age.

One possible barrier to distance learning in the EU is the lagging internet infrastructure, particularly in less affluent countries. The north countries, Denmark, Sweden, and the Netherlands have an average internet penetration rate that is slightly better than the U.S.A, and Estonia, Slovenia, Germany, Austria also have internet penetration rates above the EU average. Internet penetration growth rates, however, suggest that internet access will not be a barrier for long.

There is a strong market for e-Learning in the EU, particularly in the UK, and the North countries. The total market for e-Learning in Scandinavia, with its advanced technology infrastructure, will grow to US\$890 million by 2005. An increasing prevalence of survey data reveals further evidence of growth: in the UK, purchasers of e-Learning have spent on average 25 per cent more each year between 1999 and 2001.

By 2005, e-Learning will account for a quarter of the European IT training market. The market for e-Learning in Europe is set to grow by 126 percent in 2004 alone. E-Learning will continue to be popular in the Netherlands, Sweden, and the UK, as these countries have high internet penetration rates and a high proportion of English speakers.

The European e-Learning market is quite similar to that of the U.S.. The need and the challenges of becoming a more and more demanding and complex system of further education as a means to stay competitive was the basis for studies that proclaimed a rapid growth of the E-Learning market. Non-profit and for-profit education institutions wrangle for market share in what appears to be a crowded market space that is contracting. But, the EU market is not nearly as crowded as the U.S..

The desire of European students to obtain an American degree has led a number of European institutions to partner with U.S. institutions. This has proven quite beneficial to both the partnering institutions and the students. However, there are a number of other European institutions that are promoting an “American” education that have no affiliation with U.S. institutions. In some cases, institutions have simply incorporated in the U.S. and have obtained some level of U.S. accreditation. This situation has created a lot of ambiguity surrounding what is truly an American education in Europe and what is not. There is not any sign that this situation will change or improve anytime soon.

The primary difference between the way European and U.S. institutions market and promote online programs is that European institutions market rather independently of one another while U.S. institutions market more collectively through U.S. and European marketing firms.

