

The assumption of market as a privileged form of regulation of the higher education system, both public and private, is based upon the idea that this type of regulation promotes a higher degree of responsiveness to society and a more efficient use of funds. This assumption is also often justified by ethical discourses on social accountability and on the social benefits that it would bring to the system's outcomes and institutional social awareness. However, research shows that when autonomous institutions compete under market-like conditions, either for students or for funds, they might follow strategies aiming at "their own good." This does not guarantee that the institutions' strategic objectives will coincide or converge with the "common good" or with the government's objectives, which opens the way for state interference.

In Portugal, after the 1974 revolution there was an explosive demand for higher education that led to a fast expansion of the system, mainly through the emergence of a private sector that developed without strict government control. Later, the combined effect of the initial fast expansion with the country's decreasing birth rates has led to a situation of strong competition between institutions for students. In this paper, the effect of this competition on the behaviour of both public and private institutions is analyzed by concentrating on institutional policies for offering new study programs and promoting the institution's access to new students. The behaviour of the two sub-sectors is compared to verify how competition promotes social accountability awareness and how the morals implicit in the assumption of responsiveness as a tool to implement higher sensitivity to social needs often results at institutional level (from both sub-sectors) in relaxing or even ignoring attitudes with regard to the pursuit of common good and/or the fulfilment of public policy goals.