

The Third Space in the Neoliberal Higher Education Systems of Bangladesh, India, and Pakistan: Serving Society or Servicing the Market?

Afsana Jerin Shayery¹, Feroza Nazeer² and Tanushree Sharma³

¹ Erasmus Mundus Joint Master's in Research and Innovation in Higher Education (MARIHE), Eötvös Loránd University (ELTE), Budapest, Hungary, Tampere University, Tampere, Finland; and University for Continuing Education (UWK), Krems, Austria, afsanajerinshayery51@gmail.com, **ORCID:** 0000-0003-2888-7881

² Master's in Research and Innovation in Higher Education (MARIHE), Tampere University, Tampere, Finland, University for Continuing Education (UWK), Krems, Austria, and Beijing Normal University, Beijing, China, ferozanazeer2@gmail.com, **ORCID:** 0009-0000-0719-4686

³ Erasmus Mundus Scholar, Master's in Research and Innovation in Higher Education (MARIHE), University of Continuing Education (UWK), Krems, Austria and Thapar Institute of Engineering and Technology (TIET), Patiala, India, tanushrees.12dec@gmail.com, **ORCID:** 0009-0008-4023-0165

Suggested citation: Shayery, A. J., Nazeer, F., & Sharma, T. (2026). The third space in the neoliberal higher education systems of Bangladesh, India, and Pakistan: Serving society or servicing the market? *Journal of Research and Innovation in Higher Education*, 7(2), 32–61.

The article is available online at: www.rihe-journal.com

Acknowledgement

This article contribution is based on course work the author submitted in the Master in Research and Innovation in Higher Education (MARIHE), supported by the Erasmus Mundus programme of the European Commission.

Copyright © 2026 Afsana Jerin Shayery, Feroza Nazeer and Tanushree Sharma



Abstract

In recent years, the Higher Education Institutions (HEIs) in South Asia have undergone major systemic reforms. Whether it be Bangladesh's Vision 2041, which aims to develop global human capital, with potential risks of moving towards the commodification of education, to India's National Education Policy (2020) which introduces a 'light but tight' governance framework, thereby inviting private players in the market and Pakistan's modernization agenda of the Higher Education Commission (HEC), such reforms risk stifling academic freedom and fuel debates between scholars and industry professionals. With the emergence of private players, the competition among HEIs has increased significantly, resulting in high tuition fees. The question arises, how can higher education continue to remain equitable for the underserved sections of society? We look at the higher education systems in Bangladesh, India, and Pakistan to get insights from higher education professionals on the challenges faced by HEIs in the dynamic higher education landscape and the growing need for 'third space' individuals to balance academic autonomy with growing market needs. This paper presents a comparative analysis of the higher education institutions in Bangladesh, India, and Pakistan, and how third-space individuals can play a crucial role in navigating the innovation versus efficiency debate in higher education institutions.

Keywords: Third Space, Employability, Bureaucracy, Industry, Commodification.

Introduction

The rise of higher education systems in South Asia, especially in Bangladesh, India, and Pakistan happened during the process of nation-building after colonial rule. People thought of these institutions as holy places where social change could happen, and they were supposed to teach people how to be good citizens and be self-sufficient as a country. The purpose is now under threat from a neoliberal trend that turns the university into a business as part of the globalization of the 21st century. The conceptual flourishing of the "Third Space" is fundamental to this change. It is a mixed and complicated professional area that makes it challenging to tell the variations or differences between

administrative management and academic goals, and in South Asia, this area is home to a new genre of "blended professionals" who are in charge of Internal Quality Assurance Cells (IQAC), career services linked to businesses, and international accreditation. The central tension of this research revolves around a pivotal inquiry: does the expansion of Third Space serve as a means for serving society through the democratization of quality and the fortification of community bonds, or does it function as a tool for servicing the market by emphasizing global rankings, "employability" metrics, and the commodification of knowledge? This study employs a qualitative, comparative framework to examine how these three adjacent nations manage their dual identities. The research examines, from the perspectives of professionals operating within this hybrid zone, whether the South Asian university continues to serve as a public bastion of social fairness or has devolved into a mere service provider for a global economy. This research employs individual narratives and country-wise studies to propose future frameworks aimed at restoring the university's social purpose amid escalating marketisation. Our research examines higher education professionals' perspectives on students' goals and motivations, exploring whether these officials believe students value education for its potential for social transformation or for its financial return on investment.

Literature Review

The concept of the "Third Space," originally popularized in a higher education context by Celia Whitchurch (2008), describes the emergent territory between traditional academic and professional domains. The literature suggests that as universities move away from rigid binaries, a new class of "blended professionals" including educational technologists, research managers, and quality assurance officers has emerged. According to Whitchurch (2022) and the analysis in London Review of Education (LRE-22-21), these individuals do not just "occupy" a space; they actively construct it through their work. This space is characterized or named by "liquidity", where identities are not fixed by job descriptions but are continuously negotiated through practice. The literature emphasizes that this fluidity allows for a "kaleidoscopic" professional identity that adapts to complex institutional challenges that traditional silos cannot address. A recurring theme in recent scholarship (specifically Third Space Perspectives, 2023) is the idea of the "margins" as a site of potential liberation. By working in the "in-between," they find pockets of

autonomy to serve society, effectively resisting the totalizing influence of the neoliberal "market" mission. There has been an increase in the research literature in recent years on higher education leadership and management (Lumby, 2012), including the role of middle management (Black, 2015). Although there are a variety of post titles that can be considered as higher education middle management, ones that are below the position of Dean (Pepper & Giles, 2015), such as Associate Dean, Sub Dean, Programme Director (Preston & Price, 2012), Head of Department (Floyd & Dimmock, 2011). Pöcher et al. (2025) identify Third Space arrangements as critical intermediaries in driving innovation, entrepreneurship, and the university's third mission under marketised governance models.

According to Kabir (2013), neoliberal policy reforms like the Strategic Plan for Higher Education (2006–2026) have repositioned universities as market-driven economic entities. Within that framework, Third Space practitioners frequently discover themselves "structurally invisible" and stuck between the "collegial politics" of public universities and the "managerialist efficiency" of private institutions (Rahman, 2025). It is also noted by the South Asia Journal (2025), while these responsibilities are theoretically designed to promote the university's "third mission" of social service, they are gradually co-opted into "audit machines" focused primarily on accreditation compliance and international rankings rather than original community development.

Recent scholarship on South Asian higher education reflects a clear shift toward market-oriented logics. In Pakistan, several studies document this neoliberal turn, particularly in relation to governance structures and institutional priorities. For instance, Riasat and Akkaya (2022) observe that Pakistani universities increasingly operate within knowledge-economy frameworks that treat education as a commodity and students as customers. Such market-driven reforms, they argue, have reshaped institutional accountability and managerial practices. These insights from the Pakistani context help situate the emergence of third-space professionals within a broader environment where traditional academic values are increasingly negotiated against corporate and performance-based imperatives

In India, the traditional "Ivory Tower" has become a market-responsive enterprise due to

the change toward New Public Management (NPM), especially after the liberalization reforms of the 1990s. Indian literature has concentrated more on the structural transition from "education as a public good" to "education as a non-merit good" (Chattopadhyay, 2014), whereas fundamental scholars such as Whitchurch (2008) highlighted the "Third Space" in Western contexts. The mechanism of "Graded Autonomy," which Aithal and Aithal (2020) contend generates a managerial drive for institutions to self-finance and compete in global rankings, has intensified this tendency with the implementation of NEP 2020. As a result, there is now a "skill gap" in university administration; traditional bureaucratic positions are insufficient to meet the "performativity" requirements of NAAC and NIRF accreditation. Despite this, there is still a large gap in the research about how "blended professionals" function, particularly in the sociopolitical context of South Asia. By examining the rise of these Third Space roles as a direct reaction to the neoliberal forces currently changing the higher education systems in Bangladesh, Pakistan, and India, this research aims to close that gap.

Methodology

This research adopts a qualitative comparative framework to explore the evolution of the "Third Space" across the higher education landscapes of Bangladesh, India, and Pakistan. Primary data was gathered through a structured survey administered to a purposive sample of 27 respondents, comprising 16 academic and 9 administrative professionals from the three target nations (Bangladesh, India, Pakistan). This includes "blended professionals" such as lecturers, professors, registrars, directors, deans, and placement officers who operate at the intersection of academic governance and institutional management. The survey instrument was designed to capture perceptions across four key dimensions: institutional mission shifts over a five-year horizon, the conceptualization of the "student" as either a citizen or a consumer, the influence of market-driven funding on curriculum, and the degree of institutional commitment to social outreach versus industry collaboration. By adopting a multi-site comparative approach, the methodology allows for a nuanced analysis of how regional socio-political contexts interact with global neoliberal pressures. By adopting a qualitative lens, this study compares the institutional trajectories of these three neighboring nations. The analysis is built upon the shared narratives of academic and administrative professionals, using their insights as thematic

case studies to explore how regional socio-political identities are being reshaped by global economic demands. Rather than seeking statistical generalizations, this research seeks to uncover the tensions between academic autonomy and market expectations, ultimately suggesting future pathways for a more socially engaged South Asian university system.

Contextual Analysis

Despite being a global phenomenon, in Bangladesh, India, and Pakistan, the move toward market-orientated higher education has not been consistent. By examining the specific legislative frameworks and quality assurance mandates in each country, the following analysis shows how the tension between traditional public service missions and modern economic utilities creates a distinct 'identity crisis' for HE professionals. This crisis is defined by a sharp dilemma, whether to prioritize servicing the market's utility or serving the broader societal purpose of higher education.

Bangladesh

The "Third Space" is a new genre of work in HEIs of Bangladesh that is flourishing between traditional academic roles or professional services, and administrative roles. In recent times, there are professionals like education developers, research managers, and academic practitioners who don't stick to strict, isolated identities. Instead, they work in a "middle ground" where they combine academic work like teaching and research with leadership and policy work in institutions. The idea of Third Space in Bangladesh is linked to the country's Vision 2041 agenda, which seeks to transition the nation into a knowledge-based economy. This prioritizes industry-academia linkages, global rankings, and STEM education, and those are effectively shifting the 'mission' toward market-driven utility. That creates a source of tension, as the pressure to deliver 'economic dividends' often crowds out the traditional academic pursuits of social equity and critical citizenship. This field is marked by identity fluidity, and here people mix their different backgrounds to find solutions of complicated institutional or managerial issues. These people often have "concertina careers," and that means their careers can rise or shrink depending on the scopes and opportunities that are available. This apparently new area is great for generating effective ideas and working together; it also has unique problems when it comes to being recognized professionally and proposing changes to the traditional

university hierarchy.

The Professionalization of Neoliberalism: How NPM Redefines Governance and the Student Identity

The Strategic Plan for Higher Education (2006–2026) was the first real step towards using New Public Management (NPM) ideas in Bangladesh. This change took the institution from the "collegial" model (where academics made choices) to the "managerial" model. "Academic leadership" is no longer what governance is about; it's instead about "Institutional Management." People who work in the Third Space are increasingly judged by measurable results, such as the number of Scopus articles, the rate at which student's "turnover" (graduation rates), and the cost-per-student ratios. The Third Space is like an internal "auditor" under NPM. Instead of respecting academic independence, it makes sure that the universities follow global standards so that they can be "competitive" in the education market.

One of the most important effects of neoliberalism in Bangladesh is how it changes the way students think about themselves. The student is a citizen and an inventor, and the government helps them make the country more democratic and social. The student is a customer or client. This is especially clear in private colleges and universities, where the 1992 and 2010 Acts have made "Value for Money" the main goal. The offices for student affairs and admissions are now called "Customer Experience" or "Client Relations" hubs. Their goal isn't always to "learn," but to "be happy." This often leads to "Grade Inflation," which is when schools give out easier grades to students so they can get "marketable" certificates instead of more difficult ones. Administrators refer to this as "professionalization," but many academics in Bangladesh see it as "de-professionalization." Our survey question indicates that administrative personnel possessing academic qualifications frequently perceive their PhDs as mere "technical assets" for maneuvering through bureaucracy, rather than as intellectual contributions to the university's mission. The outcome demonstrates that the Third Space has become a "managerialism" silo that speaks the language of the Market (KPIs, ROI, Branding). The academics are thus left with the choice of either following the rules or being pushed to the side.

To support the expanding service and industry sectors, employers seek out more qualified candidates for technical and managerial positions. It is difficult for students at tertiary education institutions to graduate and obtain employment. Many graduates are unemployed for extended periods of time due to the consistently high unemployment rate, and the competitiveness ranking in the global knowledge economy has suffered as a result of the country's higher education system's conspicuous absence of collaborative research culture and practices to boost industry competitiveness and innovation. Finding solutions to the sector's issues and ensuring that higher education satisfies the demands of the labor market, and the economy are crucial if Bangladesh is to realize its full potential for economic development.

The Regulatory Third Space: The Rise of Quality Assurance and IQACs

The World Bank has financed programs that contributed to the emergence of new "blended" roles in Institutional Quality Assurance Cells (IQAC). These professionals are intended to improve things better, yet they often work for an "audit culture" that cares more about rankings and certification (Servicing the Market) than about community development. The world of Third Space is incredibly busy, and it pays a lot of consideration to the wide market. It works on getting students, building the brand, and "employability." Bureaucratic backwardness and political challenges often come in the way of Third Space roles, making it impossible to make a "Social Mission". Some organisations thrive for social entrepreneurship, but the economy and regulations make it far more likely that Third Space members behave as "market agents". This shows that the institution is more interested with its own finances than with benefiting those most in need in the country. In Bangladesh, the idea of the "Third Space" is often identified by a war between rapid institutional growth and the global need for accountability based on market forces. To mention, the Private University Act of 1992 transformed higher education from a "public good" to a "commercial commodity". This means that the people had to be hired who were capable of dealing with the "massification" of the system, which often means putting the survival and revenue of institutions ahead of their effect on society.

Our survey depicts that universities in Bangladesh are gradually leaning toward a "Market

Logic." Success is not measured mostly by the quality of the social impact or the number of aware citizens, but by quantitative global rankings, KPIs, and how well institutions run. The survey looks into the "Third Space," which is where academic and administrative roles overlap and has become a tool for "performing" for regulators instead of making teaching better. One big idea is how the student's identity is changing. The survey asks if students are seen as learners and innovators or as customers and consumers who see education as a way to make money. In curriculum design, which is increasingly influenced by industry demands and lucrative employment outcomes rather than conventional academic or social priorities. Staff members seem to have various ideas about what their responsibilities are. Our study observes a shift towards managerialism, wherein faculties regard themselves as "Service Providers" rather than "Educators." The "Language of Decision-Making" portrays this because it talks about how the university runs on metrics, audits, and efficiency instead of how well it teaches. Our study presents that the universities are becoming more commercial and entrepreneurial because of pressure from outside sources for funding. Participants say that community outreach is visible, but it is not getting as much attention as market-based activities. This is leaving underserved groups out in favor of partnerships with businesses and industries.

The "Third Mission" vs. The Bureaucratic Third Space

Bangladesh's higher education system is very centralized. The Ministry of Education in Bangladesh is in charge of "formulating policy, strategic leadership, and preparing the national budget for public funding in higher education" (World Bank, 2013, p. 8). The University Grants Commission (UGC) was set up in 1972 and is in charge of overseeing and coordinating public and private universities, making sure that university education meets quality standards, managing the distribution of government money to universities, and giving the government advice on higher education issues. The University Grants Commission is the "main regulatory body for higher education in the country" (World Bank, 2017 p.5). Even though these universities are independent, they are still technically under the Ministry of Education. The institutions have a long history of being committed to social engagement, community service, and knowledge transfer for the public benefit in Bangladesh. Examples include rural development, public health awareness, and legal aid clinics. This is the internal administrative apparatus (IQAC, Registrars, Accreditation

Wings) that administers "outreach" as a collection of Key Performance Indicators (KPIs) to satisfy external regulators like the UGC or worldwide ranking agencies. The "Bureaucratic Third Space" typically takes over the Third Mission in Bangladesh. Our survey findings indicate that community engagement is often diminished to a mere marketing endeavor. Social activism and disaster response have long been part of the history of universities. Global rankings, such as Times Higher Education, need proof of "Social Impact," thus the third space professionals have to keep track of these activities. Instead of doing the work, the focus is on writing it down. For example, a university might have a campaign to plant trees. The purpose of a "Society-Serving" paradigm is to have an effect on the environment. The purpose of the "Market-Servicing" model is to get a good photo and a report to the IQAC to help the "Sustainability" score for a ranking application.

In essence, New Public Management (NPM) and the Third Space ideologies have a big effect on the Bureaucratic Third Space in Bangladesh. This has led to an "audit culture," which means that Academics are only encouraged to get involved in work if it leads to a "measurable output." Instead of being the main beneficiary of the university's resources, marginalized communities are sometimes considered as "data sources" for research initiatives that help the university rise in the rankings. Our survey demonstrated that administrative staff see "Accreditation" and "Compliance" as signs of success. The Bureaucratic Third Space is then "Servicing the Market." It is making the university "accessible" to top students and investors from other countries. And faculty members feel like their "community work" isn't being rewarded or is getting in the way of their "publish or perish" duties, the Third Mission is being stifled by the bureaucracy.

India

The Evolution of Policy: From the 1986 NEP to the Managerialism of NEP 2020

The Indian education system has recently undergone a major reform with the implementation of the New Education Policy (NEP) 2020, which aims to transform the Indian education system at all levels. Policymakers recognized that the previous policy, NEP 1986 (later updated in 1992), was no longer meeting the needs of the dynamic Indian education system, given the introduction of many private players into the market.

However, it is interesting to note that the current policy mirrors New Public Management reforms, where universities are given higher autonomy with a ‘light but tight’ regulatory framework being advocated in NEP 2020. With a higher number of private universities emerging in the last few decades, the question of quality versus quantity has also been coming up in academic debates, which has led to universities setting up their Internal Quality Assurance Committees (IQAC), which enables universities to operate within the government guidelines as per the Higher Education Commission of India (HECI).

A Public Good or Private Asset: The Neoliberal Logic of NEP 2020

On being asked whether the institution’s role has changed in the last 5 years, one of the academics working at a central university responded that the university’s mission has shifted towards a market-based service delivery. This is an alarming situation since central and state universities in India are the primary sources for providing education at subsidized costs to cater to society at large. Because of the NEP 2020, the institutions are forced to shift to a more market-driven approach in order to raise funds for the functioning of institutions, which poses a threat to the equity of education. In order to avoid this, public institutions offer scholarships and freeships for students belonging to disadvantaged sections of society, thereby still making them a popular choice among the masses. To attract more talent to the private universities, these institutions also have financial aid and scholarship systems in place where students coming from all backgrounds have a chance at higher education to ensure the ‘diversity’ of the institution. Third space individuals play a crucial role in this sense for private institutions to conduct market research and formulate suggestions that help in attracting the best talent of the country. Another interesting response from an academic working at a private university in India highlighted that private universities are increasingly incorporating rights-based work as part of their mission statement. In the context of entrepreneurship development, universities play a primary role in knowledge and capacity development (Abate & Sheferaw, 2023; Guerrero et al., 2016). 40% of the respondents agreed that their universities’ outreach activities have a positive effect on the marginalized and underserved sections of society, which goes in line with the Carnegie Commission’s statement on Higher Education (1973, p. vii), “benefits from higher education flow to all, or nearly all, persons ...directly or indirectly”, thereby reinforcing the idea that higher

education is still considered as a public good at large.

The "Performativity" vs. "Pedagogy" Conflict

When asked if there are any tensions between academic autonomy and market expectations, 60% of Indian respondents agreed that there are gaps between the two. One of the academics teaching at a central university in Delhi responded: *“Market forces require a more skill-based approach with a focus on training of human resources. However, a more academically oriented work focuses on abstract conceptual and philosophical ideas, creating gaps between academic autonomy and market requirements.”* It is important to observe here that Indian academics view traditional knowledge and industry knowledge as two separate knowledge systems. However, this seems to be changing as more investment is being made to promote experiential learning in India to meet the market needs. The World Bank recently approved a loan of \$255.5 Mn to India’s Technical Education Project to assist in increasing student employability and skills. The project's priority is to enroll a higher number of female students in their institutions, as they currently make up only 30% in the undergraduate engineering space. The Task team leaders of the project, Nina Arnhold and Namrata Tognatta, also stated, *“This project will help participating institutions strengthen their governance and internal quality assurance mechanisms by building their capacity for self-assessment, developing institutional quality policies, and preparing for accreditation,”* which calls for expertise of third-space individuals.

Another academic working at a state university mentioned: *“The academic teaching sometimes doesn't work in market expectations.”* It is clear from the responses that there seems to be a gap in what academics deem worth teaching to students versus what the market expects out of its students. This is where Indian universities utilize third space individuals by researching to bridge the academic and market needs. This is essential to meet the universities’ objectives as 40% respondents agreed that ‘success’ in their universities is measured using quantitative and market metrics. Another 40% agreed that ‘success’ in their university is measured through qualitative and social impact, indicating a need to balance the academic autonomy with market forces. Another interesting observation is that 60% of the respondents agreed that students act more as customers

rather than innovators, pointing to the dominant market factors affecting the higher education scenario in India. When asked if the universities faced any external funding pressures, 80% of the respondents agreed that such pressures largely affect the working of Higher Education Institutions in India. This leaves us with a question of what's essential in the current higher educational landscape in India: quality education producing world-class citizens, as envisioned in NEP 2020, or performing to appear as a world-class institution constantly competing to attract the best talent and funding for functioning. Our current survey shows that 40% respondents agreed that quality assurance largely meant auditing and 'performing' for external regulators, whereas the remaining 60% focused on improving actual learning as part of quality assurance. All respondents agreed that the ultimate goal of education is to create critical-thinking citizens, pointing to the societal significance of education.

The Invisible Bridge: Solving the Skill Gap through the Third Space

India has seen a massive expansion in the higher education sector in the last decade. According to the Ministry of Education and the All-India Survey on Higher Education's (AISHE) data, the number of universities has increased by 46.4% from 2014 to 2023, which points to a rising need for higher education professionals who can cater to these universities and maintain quality standards as set up by the government. This is where third-space individuals come in. From our data, we found that at present, there is a dearth of knowledge about third-space individuals and their role in higher education institutions. Out of the responses we received from higher education professionals in India, 80% were unaware of the term 'third space' in the higher education context. It is interesting to note that, within our respondents, individuals working in private institutions in India have a fair idea of third space professionals and their functions; however, higher education professionals in central and state universities are largely unaware of the role of third space individuals in HEIs. One crucial thing to note is that Indian private universities invest more in research and teaching, therefore are able to hire professionals who assess the teaching standards and community outreach activities within the universities. All such functions are expected of the academic staff within public and central universities due to a shortage of funds. As per 2025-26 union budget, 2.54% of the funds are allocated to education, and within that, only 0.9% (38% of the total budget) is dedicated to higher

education. Universal primary education is still not a reality for India, which is why Higher Education ends up receiving less priority and funds than it should, leading to overworking of the current higher education professionals in public institutions. To curb this, the NEP 2020 advocates for a ‘light but tight’ governance framework to invite private players to invest in the Indian higher education sector. So far, this seems to be working well; out of all the HEIs that came into existence over the last decade, over 65.8% have been in the private unaided sector (AISHE, 2022). As mentioned earlier, these private universities invest heavily in research and teaching, and on top of that, to attract local and global talents, they invest heavily in quality assurance, community outreach, and student experiences, which are typical third-space activities. The policy implicitly suggests a shift towards the third mission in this sense.

Navigating the Market-Society Nexus

The claim that public higher education benefits the upper middle- and upper-income groups of the population more than the lower income groups and thus emphasizes unequal distribution is one of the compelling arguments made by neo-liberals against public higher education and in favor of private education, high fees, and user charges in higher education (World Bank 1995; Jimenez 1987). Although this argument is somewhat accurate, the situation in emerging nations is rapidly changing; access to higher education is no longer limited to upper-middle-class and high-income groups, and poor socioeconomic strata's participation rates are gradually increasing. For instance, in India, socioeconomically disadvantaged groups make up between 40 and 50 percent of students enrolled in higher education (scheduled castes, tribes, and other backward castes in 2004–2005; NSSO 2006). The current challenge that Indian higher education faces is to balance efficiency and innovation in its institutions. This can be done through recognizing the need for third space professionals in the Indian higher education landscape who will, in return, conduct research on balancing the academic autonomy with the dynamic market forces.

Pakistan

The Regulatory Third Space and the Paradox of Market Compliance

In the South Asian higher education landscape, Pakistan presents a distinct case where

the "Third Space", the domain of non-academic professionals operating between administration and faculty, has been constructed through centralized state intervention rather than organic institutional growth. Since the Higher Education Commission (HEC) was created in 2002, one of the most striking changes has been the institutionalization of a regulatory Third Space full of the so-called blended professionals in Quality Enhancement Cells (QECs) and Offices of Research, Innovation, and Commercialization (ORICs). Although the above stated mandate of these structures is that of serving the society according to our empirical data and existing literature this machinery of service is essentially applicable to the market. In its emphasis on global compliance and neoliberal measures, the Third Space of Pakistan operates as a tool of assimilating universities into the global knowledge economy, frequently at the expense of the social equity of the country.

The Architectures of Compliance: HEC, Quality Assurance, and the Rise of the Regulatory Third Space

The genesis of the Third Space in Pakistan is closely connected to the modernization agenda of the Higher Education Commission (HEC), which replaced the University Grants Commission with an institution tasked with advancing a knowledge economy. This shift led to the emergence of a new group of professionals responsible for implementing standardized quality assurance (QA) frameworks borrowed from Western models. However, rather than promoting social development, this transformation has entrenched an audit-driven culture of compliance within universities.

Waheed (2025) argues that the quest for excellence promoted by the HEC has taken on a new meaning rooted in Western validation. As a result, Pakistani scholars and institutions are increasingly required to align their academic practices with international standards, often at the expense of local academic and social priorities. Such Eurocentricity develops a Third Space, which is more responsible to global ranking bodies than the population of Pakistan. This is well supported in our survey data where 60% of Pakistani respondents knew quality assurance in their schools as "Auditing and performing for external regulators" and 40% identified it as "Improving real learning."

This points at a performative Third Space whereby the success is not gauged on the profundity of the student comprehension but the cleanliness of the audit trail. Additionally, 60% of participants reported that institutional success is determined using the so-called Quantitative & Market Metrics (Market Logic) as the number of publications and PhDs generated, without regard to their usefulness at the local level. This proves that the Third Space in Pakistan serves as a neoliberal compliance officer, as opposed to being an intellectual development agent. The university administration, according to PIDE (2023) tends to center on the sub-campus and student population as a patronage constituency further alienating the Third Space with its academic essence.

The student as 'Professional Client': Neoliberal Professionalization and the Commercialization of the University

The Pakistani universities have responded to corporate governance models because of New Public Management (NPM) reforms and donor conditionalities (World Bank, USAID, British Council). According to Asghar, Saeed, and Munir (2018), higher education in Pakistan has shifted its position on a commercial commodity rather than being considered as a public good. In such a marketized environment, Third Space professionals within the admissions, strategic planning and marketing field engage in the sale of degrees that maximize market share. The survey findings provide an idea of just how far this neoliberal transformation has come. 70% of Pakistani surveyed said that the major client of their university outreach was as a future professional (Servicing the Market). The most common name of the primary client was the local/regional community, and it was only 10%, which means that they are entirely disconnected with the social contract of the university. Also 100% of the respondents supported the view that the external funding pressures force the universities to market-oriented activities. These financial pressures compel Third Space administrators to match the missions of the institutions with income making actions.

Arshad (2017) and Nasim (2024) emphasize that Pakistani university websites and advertisements placed in print media are based on the promotional discourse that is formed to create a myth of world equivalence. The biodata of the Rector or Board of Governors has been strategically formulated to influence the deliberation and not

information to the so-called customers. This professionalization has produced a paradox: Third Space actors are institutionally empowered but ideologically limited, and they work in an environment where market responsiveness is rewarded more than social responsibility.

The Entrepreneurial Mirage: Employability, Market-Driven Curricula, and the Performance of Industrial Linkage

A critical function of the Third Space specifically the ORICs is to bridge the gap between academia and the labor market. This role is premised on producing "employable graduates" for the global economy. However, Ahsan (2025) reports a staggering "education mismatch," where graduate unemployment remains at 18%, and over-education affects nearly 40% of the workforce.

One of the most important roles of the Third Space, in this case, the ORICs involves bridging the disjuncture of academia and the labor market. This position is based upon the creation of employable graduates to the global economy. Nevertheless, Ahsan (2025) documents an appalling education mismatch, the graduate unemployment rate stays at 18% and more than 40% of the workforce is over-educated.

Our data demonstrates a perceived shift in institutional approach to entrepreneurship: 70% of the Pakistani respondents said that universities were becoming more entrepreneurial than socially minded over the last few years and 60% of the respondents agreed that market expectations affected the curriculum-designing process. However, it is this "Entrepreneurial Space which is a very tricky illusion. The labor market has not yet been able to accommodate the large number of graduates, even though ORICs are concerned with patents and industry linkages.

Moreover, as Shah et al. (2023) consider, this orientation makes a student a so-called neoliberal subject, a student who sees English and technology as the means of survival in the economy, but not the means of critical thinking. The Third Space makes possible through the provision of job fairs and branding workshops that propagate individual responsibility as opposed to structural reform. According to survey data, 80% have

responded that social engagement activities are given less priority compared to market-based activities. This proves that Third Space incentives are all being grossly de-emphasized towards community service and that it is biased towards symbols that can be marketed, rather than social transformative matter.

The "Third Mission" vs. Bureaucratic Enclosure: Equity and Regional Realities

The Third Space of the Pakistani society is bureaucratically insulated despite the rhetoric of the concept of serving the society. Rind and Malin (2024) emphasize that as a result of HE reforms, equitable access has not been guaranteed especially among the students of rural or marginalized backgrounds (Baluchistan, FATA, Interior Sindh). The practitioners of the Third Space-access tend to serve the urban elite fee-paying groups instead of underserved people in need of social assistance.

When asked about their university prioritization of community engagement, 50% of the surveyed Pakistani respondents were in the neutral category. This disinterestedness implies that community outreach is considered a soft or optional activity as opposed to a mission. Interestingly, in terms of perception of students there exists a partiality to complete marketisation: 80% of those responded saw students firstly as learners, but not as customers. This is an important contradiction in the Third Space: the adoption of market logic through governance structures has not yet been accompanied by the professional identities of the academic administrators, which are still anchored in the traditional values of the educational process, which are regarded as normative ones. Nevertheless, the actors do not receive equal funding or recognition as their peers in commercialization units and this leaves a hierarchical respect on the side of the market.

A Structural Schism: Synthesis of Findings and the Erosion of the Social Contract

The Third Space of the Pakistan higher education system entails a deep contradiction of the structure. Institutions by definition are required to serve society rhetorically, and practically its processes of governance, QA compliance, ranking chases, and generation of revenue forces Third Space professionals to service the market.

This internal division is evident in the data of the survey. On the one hand, half of the

participants consider that their universities do care about academic and social autonomy. But daily institutional activities do not narrate the same story. Market pressures influence decision-making for 60% of respondents, external funding pressures affect 100%, and 70% describe the relationship with students as one based on a service-provider model. A combination of these factors shows that there is a compelling pressure towards market driven governance. inconsistency is indicative of what Waheed (2025) explains as a state of academic dependence, when the academic institutions may seem to be independent by theory but restricted in reality. In this regard, the Third Space becomes the place where this dependence is handled, as global standards and Western performance measures are adjusted and applied to local university policies.

It is observed that the Pakistani Third Space has now become a place of "market servicing." Though it has the possibilities of being a transformative space where social innovation might be realized, it is caught up by the audit culture of the HEC and the commodity logic of neoliberalism. A university in Pakistan will remain to be a credential selling institution as opposed to a hub of public service unless there is a redesign of the regulatory framework which will encourage social impact on equality with market responsiveness. The erosion of the social contract is not a failure of the professionals themselves, but a failure of a system that rewards "performing for the market" over "serving the people."

Findings and Discussion: Mapping the South Asian Third Space

Higher education leadership and management across Asia is undergoing profound transformation under conditions of globalization, marketisation, and expanding accountability regimes. As Hellinger and Chen (2015) note, this landscape remains heavily influenced by Western perspectives, which has limited our understanding of what is actually happening within Asian universities, particularly in relation to the transformation of professional roles and governance structures. This gap is clearly reflected in the findings of this study. In Bangladesh, India, and Pakistan, the Third Space does not manifest as a clearly defined or widely recognized concept. Rather, it exists as a lived reality one that professionals actively practice without consciously identifying with or formally belonging to it.

Across all three countries, most practitioners in higher education had never been directly introduced to the notion of the Third Space but most of them were already in staffing positions that were of a hybrid character, involving academic, administrative, and managerial duties. This conceptual unfamiliarity is tightly connected with the comparatively recent change towards the market-oriented university management in Bangladesh and India. In Pakistan these roles are more institutionalized in institutions like quality assurance, research administration units but are not considered as a professional domain. This indicates that in South Asia the Third Space is changing unnoticed and informally more by institutional pressure as opposed to being professionally designed.

A shared trend across Bangladesh, India, and Pakistan is the change in the leadership of the universities. Participants kept on recounting the fact that the top management is becoming more like corporate leaders as opposed to academic leaders. Instead of focusing on intellectual or social leadership, the rectors and the vice chancellors are expected to be more concerned with financial sustainability, rankings, and performance indicators. Though the same is influenced by varying forces in the country, namely development agendas in Bangladesh, regulatory compliance in Pakistan, and institutional competition in India, the result is the same. The management of universities is becoming an organization that is required to perform, compete, and survive in the market.

Academic staff in all three contexts expressed concern that this transformation is gradually undermining academic freedom. Curriculum choices, research focus, and pedagogical choices are no longer chosen on the basis of scholarly discretion, but on the basis of employability goals, available funding, and external standards. This tension is usually expressed in Bangladesh and India through a disconnect of what academicians think students should and ought to be taught and what the market requires. These pressures are further enhanced in Pakistan through regulatory mechanisms that reward compliance and documentation. In each of them Third Space turns out to be the place on which these opposing needs are handled although the people operating within it do not usually have the authority to oppose them.

The second theme that cuts across the three countries is the perception of the students that is changing. Although the academic view of students as students and future citizens still prevails, they are increasingly beginning to be institutionalized in the form of customers or professional clients. The performance of success is gauged on the aspect of placements, salaries and market performance as opposed to intellectual development. This paradox has left the faculty frustrated and causes the campus to approach more of a machine, where education is seen as having a value only due to the economic payback. Consequently, the processes of quality assurance are also redesigned. Instead of enhancing teaching and learning, they are generally practiced as auditing processes that are meant to please regulators and ranking agencies.

In this context, the Third Space plays a managerial role that gets more and more managerial. The blended professionals are supposed to convert academic work into measurable production, report writing and institutional compliance. In Bangladesh, India, and Pakistan, quality assurance is thus undertaken as opposed to being practiced as pedagogic support. The Third Space, rather than making the universities closer to the society, serves as an internal cushion between the universities and the market and absorbs the external pressures, thus protecting the main academic staff without exposing them to them directly.

Taken together, these findings indicate that although the Third Space is expanding across South Asia, its capacity to promote social transformation remains limited. Despite differences in national context, all three countries are moving in a similar direction, where universities are assessed primarily on visibility, efficiency, and competitiveness. The Third Space plays a central role in sustaining this model, often at the expense of the university's broader social mission. Rather than acting as a mediator between universities and communities, it is increasingly deployed as a mechanism for managing institutional survival within an increasingly competitive higher education landscape.

Theoretical Reflection: South Asia, Whitchurch, and Neoliberalism

Celia Whitchurch conceptualizes the Third Space as a flexible and potentially empowering domain where professional identities are negotiated beyond traditional

academic and administrative boundaries. The South Asian experience discussed in this study complicates that framing. The Third Space in Bangladesh, India, and Pakistan is rather defined by the influences of neoliberal reforms and market pressures, as well as the audit cultures, than professional autonomy. Even though professional identities can change over time, their range of agency is limited. Blended professionals are supposed to obey, adjust, and act instead of being creative and questioning the organizational priorities. This implies that the Third Space is not necessarily liberating in postcolonial and resource constrained situations. Rather, it is turned into a place in which globalizing neoliberal demands are made local, in many cases, as a way to support, and not oppose, the marketisation of higher education.

Policy Recommendations

The Third Space needs to be re-systematized to meet the social purposes of higher education instead of being significantly a market-serving machine. The realization of this goal is possible by instituting formal recognition of blended professionals by explicitly established career structures, reorganizing quality assurance and funding models to compensate extensive community involvement in addition to traditional performance metrics and integrating social-mission requirements into accreditation processes. Qualitative indications of a historically continuous local involvement and fair results in quality assurance cycles, dedicated public funding of community engagement projects and capacity building on Third Space personnel, and national competency frameworks based on ongoing professional growth of IQAC, QEC, and ORIC staff, should be stipulated by national regulatory bodies, including the Higher Education Commission (HEC), the University Grants Commission (UGC), and their national equivalents. Additionally, there should be presented accountability mechanisms which would not only balance between market-based performance requirements and the protection of academic autonomy. Extending participatory governance by involving students and representatives of the community in the institutional decision-making process can also ensure that the Third Space will be functioning as a driver of socially responsive knowledge production but not as an administrative extension of the global higher education market.

Conclusion

This paper examined whether the expansion of the Third Space in South Asian higher education primarily benefits society or serves market interests. Evidence from Bangladesh, India, and Pakistan suggests that the Third Space cannot be understood in simple terms as either empowering or exploitative. Rather, it is shaped by national political economies, regulatory structures, and financial pressures. Although the Third Space has emerged across all three countries in response to neoliberal modes of governance, its operation varies depending on how power, responsibility, and resources are distributed.

In Bangladesh, the Third Space is strongly linked to development-oriented state policies and donor-driven accountability regimes. These dynamics encourage blended professionals to focus on institutional growth, productivity, and global visibility. In Pakistan, the Third Space is firmly embedded within a centralized regulatory framework, where professional practice is dominated by compliance, auditing, and alignment with international standards. The situation in India is more uneven. Here, the Third Space is distributed unequally across public and private institutions, forming a hybrid environment in which market priorities coexist with more traditional understandings of higher education as a social and civic good. Taken together, these cases indicate that the Third Space does not follow a single regional model but instead evolves in ways shaped by national policy priorities and historical governance patterns.

Despite these contextual differences, all three cases point to a shared pattern. The Third Space has increasingly become a site where institutional tensions are managed rather than resolved. Blended professionals are required to juggle competing demands: upholding academic values while delivering market-oriented outcomes, promoting social engagement while meeting performance targets, and maintaining teaching responsibilities under growing financial pressure. This pattern is supported by survey findings, which reveal high levels of professional ambivalence. Many respondents reported strong commitments to equity, learning, and social responsibility, yet described working within systems that prioritize visibility, measurable outputs, and revenue generation. Consequently, the Third Space functions less as a bridge between universities and society

and more as a buffer that absorbs market pressures on behalf of institutions.

The findings further indicate that market influence is strongest where regulatory control and funding conditions are most restrictive, particularly in Pakistan. More diverse systems, such as India's, offer greater though uneven space for negotiation. Bangladesh occupies an intermediate position, where rapid growth and modernization have intensified the instrumental use of Third Space roles without fully displacing earlier civic values. Across all three contexts, the university's social mission has not disappeared but has been transformed. It is no longer assumed; instead, it must be demonstrated, measured, and reported.

These developments are not limited to South Asia. Similar trends can be observed in other higher education systems where institutions increasingly operate within competitive and market-oriented environments. Research on private higher education in Europe suggests that pressures related to efficiency, digitalization, student recruitment, and financial sustainability are reshaping institutional governance and organizational practices. Universities are increasingly encouraged to adopt entrepreneurial approaches, utilize digital technologies, and respond to market demands in order to remain competitive, reflecting broader neoliberal transformations across higher education systems (Kalgın et al., 2026).

Overall, this study contributes to debates on the Third Space by showing that, in the Global South, it represents a strategy of institutional survival under constrained policy environments rather than professional freedom. The erosion of the university's social role is driven less by individual decision-making and more by governance structures that privilege market performance over social value. Whether the Third Space ultimately supports democratic objectives or continues to serve market agendas depends on how institutions and states define, recognize, and reward this work.

Limitations

The study uses a small purposive sample and is mainly based on qualitative self-reported data. This in turn makes the findings indicative and not generalizable. However, they are

in line with contemporary trend of policy changes and already existing academic critiques to neoliberal quality assurance and New Public Management reforms in South Asia. The alignment makes the analysis hold under the bounds of the scope of the study

Afsana Jerin Shayery is a Lecturer in English and Education at Daffodil International University, Bangladesh (on study leave), with three years of experience in higher education international affairs administration, language pedagogy, and curriculum development. She is currently an Erasmus Mundus Scholar pursuing her second joint MA in Research and Innovation in Higher Education and serving as an Intern at the Faculty of Education and Psychology, Eötvös Loránd University (ELTE). She also works as a book editor, with research interests focused on AI in education and students' cognitive development. She is an IELTS trainer, and beyond academia, she serves as an award leader for the Duke of Edinburgh's Award Foundation and has won international awards for project pitching. Her professional engagement focuses on educational planning, pedagogy development, digital equity, and AI in assessment.

Feroza Nazeer is currently pursuing an Erasmus Mundus Master's in Research and Innovation in Higher Education (MARIHE). Her recent academic engagements include research internships at the International Education and Integration Department, Tampere University, where she examined student funding structures and institutional approaches to new degree programmes development, and the Centre for Research in Higher Education Policies (CIPES), Porto, Portugal, where she worked on project examining higher education's relationship with students' political engagement. Her academic background is in Psychology. Her current research interests include educational technology; institutional resilience and higher education futures amid technological and demographic disruption; and funding structures and access in higher education.

Tanushree Sharma is a MARIHE student, an Erasmus Mundus Master's programme in Research and Innovation in Higher Education. She recently completed a research internship at the Centre for Research in Higher Education Policies (CIPES) in Porto, Portugal, examining how students and higher education professionals navigate AI in teaching and learning, including use patterns, self-regulation, and equity of access. Her research interests include AI governance, equity in digitalised learning, and exploring how these dynamics play out across European and Indian higher education contexts. Previously, she worked as a Global Undergraduate Admissions Counselor at Jamboree Education.

References

- Ahsan, H. (2025). *A brief review of the literature on HEC and higher education in Pakistan* (Working Paper No. 2025:1). Pakistan Institute of Development Economics.
- Aithal, S. (2020). Analysis of the Indian National Education Policy 2020 towards achieving its objectives. *International Journal of Management, Technology, and Social Sciences*, 5(2), 19–41.
- Alam, G. M., Mishra, P. K., & Shahjamal, M. M. (2014). Quality assurance strategies for affiliated institutions of HE: A case study of the affiliates under National University of Bangladesh. *Higher Education*, 68(2), 285–301.
- Arshad, M. (2017). Marketization of higher education in Pakistan: A critical analysis of Pakistani print media discourse. *Hayatian Journal of Linguistics and Literature*, 1(1), 37–61.
- Asghar, A., Saeed, A., & Munir, A. (2018). An instrumental perspective of higher education in Pakistan: From public good to commercial commodity. *Bulletin of Education and Research*, 40(3), 95–114.
- Asian Development Bank. (2014). *Innovative strategies in higher education for accelerated human resource development in South Asia*.
- Bhushan, S. (Ed.). (2019). *The future of higher education in India*. Springer Singapore.
- Business Standard. (2023, June 25). World Bank approves \$255 mn loan to improve technical education in India.
https://www.business-standard.com/education/news/world-bank-approves-255-5-mn-loan-to-improve-technical-education-in-india-123062500046_1.html
- Chattopadhyay, S. (2024). *Economics of education: Critical perspectives from India and reflections on the National Education Policy 2020*. Springer.
- Guthrie, J., Manes-Rossi, F., Orelli, R. L., & Sforza, V. (2024). Performance management and measurement impacts on universities: (Re)viewing the past, present and future. *Journal of Public Budgeting, Accounting & Financial Management*, 36(6), 1–25.
- Hasan, M., & Anwar, M. (2022). Exploring faculty perception on the COVID-19 imposed shift in higher education of Bangladesh: A neoliberal analysis. *Heliyon*, 8(5), Article e09589. <https://doi.org/10.1016/j.heliyon.2022.e09589>

- Jha, S. K. (2025). From state to market: Shifts in access and quality in Indian higher education. *International Journal of Educational Development*, 114, Article 103240.
- Kabir, A. H. (2013). Neoliberalism, policy reforms and higher education in Bangladesh. *Policy Futures in Education*, 11(2), 154–166.
<https://doi.org/10.2304/pfie.2013.11.2.154>
- Kalgin, A., Frumin, I., Duskun, Y., Drushku, V., & Reyna, Z. (2026). European private higher education in the digital age: With a focus on Germany. *Journal of Research and Innovation in Higher Education*, 7(1), 1–59. <https://doi.org/10.48341/62z3-ay42>
- Naik, B., Chandiramani, J., & Majumdar, S. (2024). Is India's higher education system a case of elusive inclusive development? *Cogent Education*, 11(1), Article 2428874.
- Nasim, N. (2024). Critical discourse analysis of marketization of higher education on university websites in Pakistan. *Journal of Academic Research for Humanities*, 4(2), 180–192.
- Pakistan Institute of Development Economics. (2023). *The political economy of higher education in Pakistan* (Webinar Brief No. 119).
- Pöcher, B., Campbell, D. F. J., & Carayannis, E. G. (2025). Innovation and entrepreneurship in organizational university “Third Space” arrangements: Third Space and third mission in mode 3 universities. *Journal of Innovation and Entrepreneurship*, 15(1). <https://doi.org/10.1186/s13731-025-00613-6>
- Rahman, M. S. (2025). Being and becoming third-space professionals: A case study from low-and-middle-income countries. *Journal of Learning Development in Higher Education*, 33, Article 1233.
- Riasat, A., & Akkaya, B. (2022). Neoliberal transformation of higher education in Pakistan: Students as customers in the knowledge economy. *Journal of Education and Educational Development*, 9(2), 245–262.
- Rind, G. M., & Malin, J. R. (2024). Achieving access and equity in education: An analysis of higher education reforms in Pakistan. *Journal of Comparative & International Higher Education*, 16(4), 73–87.
- Sarker, N. M., & Rahman, M. M. (2020). The governance of higher education of Bangladesh through the lens of new public management. *IJAEDU – International E-Journal of Advances in Education*, 6(17), 123–134.

- Shah, W. A., Pardesi, H. Y., & Memon, T. (2024). Neoliberalizing subjects through global ELT programs. *TESOL Quarterly*, 58(2), 693-725.
<https://doi.org/10.1002/tesq.3242>
- Shahjahan, R. A., Kabir, A. H., & Niloy, N. (2024). The role of geopolitics of knowledge in the mediatization of global university rankings. *Higher Education*, 87(3), 503–520. <https://doi.org/10.1007/s10734-023-01015-9>
- Tilak, J. B. (2008). Higher education: A public good or a commodity for trade? Commitment to higher education or commitment of higher education to trade. *Prospects*, 38(4), 449–466.
- University Grants Commission Bangladesh. (2023). *Strategic plan for higher education in Bangladesh: 2018–2030* (Updated ed.).
- Veles, N. (2022). *Optimising the third space in higher education: Case studies of collaboration between academic and professional staff*. Routledge.
- Waheed, A. W. (2025). Debating the Eurocentricity of Pakistani higher education. *Dialogue Social Science Review*, 3(8), 930–948.
- Whitchurch, C. (2008). Shifting identities and blurring boundaries: The emergence of Third Space professionals in UK higher education. *Higher Education Quarterly*, 62(4), 377–396. <https://doi.org/10.1111/j.1468-2273.2008.00387.x>.
- Whitchurch, C. (2022). From 'working in third space' to 'third space professionals' [Blog post]. Third Space Perspectives.
<https://www.thirdspaceperspectives.com/blog/tothirdspaceprofessionals>