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ACE Session 2.03: Diploma mills, fake universities, and bogus credentials

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# WHAT IS A DIPLOMA MILL?

## Definition and Typology

According to Webster's Third New International Dictionary a diploma mill is defined as [an] institution of higher education operating without supervision of a state or professional agency and granting diplomas which are either fraudulent or because of the lack of proper standards worthless.

It is common to differentiate between diploma mills that on the one hand sell credentials without asking any questions, and on the other require some nominal work. Common for both categories is, however, that the institution in question is not accredited/recognized by any legitimate organization and that a degree that usually takes several years to earn is obtained within a very short period of time – sometimes even days.

## The Trapping of Diploma Mills

It is not always easy to determine what constitutes a diploma mill. Some clear giveaways have already been mentioned. Others include the following red flags that should alert the reader:

- The institution claims accreditation from a bogus or unrecognized agency.
- The name of the institution is either similar or identical to that of real university.
- The institution frequently changes its address.
- The address is fake or misleading.
- The institution can only be contacted by E-mail.
- The admission and graduation requirements are minimal.
- The institution claims on its website that it is not a diploma mill.
- Fees are on a per-degree basis.
- Degrees may be backdated.
- Degree are based exclusively on work and life experience.
- A sample copy of the degree is shown on the homepage.
- Credit card logos are visible on the homepage.

# STRATEGIES USED BY DIPLOMA MILLS

## Marketing

According to the diploma mill expert, John Bear, the number of diploma mills on the Internet has grown from 200 to 800 in the period 2000-2004, generating over EUR 400 million per year. The lifeblood of this industry is advertisement.

## Ads and the Internet

Diploma mills reach many potential customers in Europe by regularly placing ads in international airline magazines, American daily newspapers (e.g. USA Today) and prestigious English-language magazines, such as Newsweek and The Economist.

A more cost-effective way to reach potential customers is, however, to use modern technology to reach millions of potential customers all over the world. Against

this background many diploma mills send unsolicited E-mail, so-called Spam, to Internet users worldwide.

#### Example:

A Genuine College Degree in 2 weeks!

Have you ever thought that the only thing stopping you from a great job and better pay was a few letters behind your name? Well now you can get them!

BA BSc MA MSc MBA PhD

Within 2 weeks, No Study Required, Completely verifiable!

These are real, genuine degrees that include Bachelors, Masters, and Doctorate degrees. Student records and transcripts are also available.

Order yours today. Just call the number below. You'll thank me later.

1-302-XX-XXXX

It is, furthermore, common for diploma mills to put a lot of resources into the visual appearance of websites. In many cases their websites look more professional than websites belonging to real universities. Another matter of concern is that search engines on the Internet do not filter sponsored links, i.e. by paying a search engine diploma mills can guarantee that their "products" are highly visible on the Internet. A recent search on the Internet using the search combination "online+degree" rendered the following result: out of nearly 55 million hits, links to diploma mills top the search engine Google.

### **Legitimacy and the pretence of it**

Diploma mills are masters of the art of creating the illusion of legitimacy, for example by using names similar to real universities, misrepresenting the .edu and .ac extensions on the Internet and claiming accreditation by unrecognized accrediting agencies.

### **Misleading names and the misuse of domain suffixes**

By using names that are either similar or identical to those of real universities, diploma mills capitalize on the reputation of legitimate institutions. Most common are variations on "Berkeley", "Cambridge", "Oxford", and "Stanford", e.g. "The University of Berkley" and "Cambridge State University" – not to be confused with the real institutions University of California at Berkeley and University of Cambridge. Diploma mills also prefer choosing university names that include the words "American" and "International".

Diploma mills using the .edu and .ac extensions in their web addresses can also mislead students. It is common that legitimate universities and colleges in the US and UK use the .edu and .ac suffixes, respectively. These extensions are, however, no guarantee

for quality. In the US, there are no legal guidelines for the use of such suffixes and anyone can use “.edu”. In fact, many bogus institutions have deliberately acquired these suffixes in order to give the appearance of legitimacy.

### **Accreditation**

Students can also be misled by diploma mills either claiming that accreditation is not important, or that the organization is accredited by an unrecognized accrediting agency. Since most diploma mills are either American or claim to be American it is important that we take a closer look at what is meant by “accreditation” in an American educational context.

Accreditation is understood as a means to assure quality of a higher education institution or academic program. The key to judging the quality of an American education is to determine whether or not the institution and program is accredited and by which accrediting body. Unlike the situation in Europe, the United States has no central governmental body that is responsible for quality matters in higher education. Instead independent accrediting bodies carry out quality assurance.

Most US universities have *regional* accreditation and it is this form of accreditation that is most sought-after and accepted. Yet, all accrediting organizations (regional, as well as national and professional) that are recognized by United States Department of Education and/or the Council for Higher Education Accreditation (CHEA) are legitimate.

It is common that diploma mills claim accreditation from organizations that they have invented themselves. There exist more than 200 bogus accrediting bodies – some of them even listing as accredited known legitimate universities together with fake ones to give the appearance of legitimacy. An example of a bogus accreditation organization is The Global Accreditation Organization for Life Experience and Education (GAOLEE) with the web address [www.gaolee.co.za](http://www.gaolee.co.za). The South African country domain .za is in this case bogus and the website is instead run from a server in Florida. GAOLEE claims to accredit not only the fake Harrington and Shelbourne University, but also LSE , The University of Oslo and The University of Mining Metallurgy here in Cracow.

Other bogus accrediting organizations include the Accrediting Commission International (ACI), Association for Online Academic Excellence (AOAEX), Distance Learning Council of Europe (DLCE), European Council for Distance & Open Learning (ECDOL), National Board of Accrediation (NBOE), World Association of Universities, and Colleges (WAUC) etc.

Besides “accredited”, other misused words to look out for are “authorized”, “chartered”, “certified”, “incorporated”, and “licensed.”

### **Anonymity**

In order to evade the authorities, diploma mills constantly change name and address, moving from one US state to another, from one country to another. Some diploma mills only exist as mailboxes or they invent fake addresses leading to a dry cleaner or belong to a legitimate university. Others have no physical address at all: they exist only on the Internet.

### **Migration**

Diploma mills exploit legal loopholes and tend to flock to places where legislation on education is lax. For a long time California was a haven for diploma mills. As the

California state laws regulating education tightened in the early 1990s, many diploma mills moved to Hawaii.

Today Hawaii is still home to more than 100 “non-wonderful” institutions, yet diploma mills are leaving that state as legislation is tightening. Other states with weak laws are Alabama, Idaho, Mississippi, Missouri, New Mexico, and Wyoming.

Following the logics of offshore banking, the latest trend among US diploma mills is, however, to leave the US altogether and either reappear in territories in the South Pacific or Caribbean (commonly linked to the British Crown) or small Third World countries with little or no oversight of private institutions, or cultures of government corruption. For example, more than 20 formerly US diploma mills now claim to be accredited by the Government of Liberia. Other popular places for these new “offshore” diploma mills include Dominica, St. Kitts and Nevis, British Virgin Islands, US Virgin Islands, Northern Mariana Islands, Norfolk Island, and Malawi. Indicative of these diploma mills is, however, that their presence at these places is very limited and that they in fact are run from the US. For example, the recently exposed diploma mill Saint Regis University claimed to be accredited by the Ministry of Education of the Republic of Liberia with an address in the capital Monrovia, yet operated by individuals in Spokane, Washington.

#### **Metamorphosis**

Diploma mills constantly change names and create new websites. This ability to transform is reflected for example in the activities of the enterprise University Degree Program, UDP. UDP is responsible for many of the spam messages sent to Internet users offering fake degrees. The organization creates several new university homepages every year by cloning old ones. More than 30 “universities” and at least two bogus accreditation agencies have been created in this way since the late 90s. By selling degrees from places like “University of Devonshire” etc. the UDP has sold approximately 200,000 degrees and generates EUR 40 million annually. Although UDP ownership and printing is concentrated to US, the company’s activities also include call centers in Romania and Israel and offshore accounts in the Bahamas and Cyprus. In 2003 British and US authorities closed 14 websites belonging to UDP “universities.” These have now been replaced by others.

## **FAKE DEGREES FROM REAL UNIVERSITIES**

Traditional diploma mills are in the business of offering “real” diplomas from fake universities. A new generation diploma mills, however, sell fake degrees from real universities. The manufacture of fake degrees is in itself nothing new. Modern technology, however, has made it increasingly easy to reproduce any type of documents; all it takes is a computer, a scanner and a printer. Furthermore, by creating a homepage and selling fake degrees on the Internet the seller can reach customers all over the world, yet remain anonymous.

John Bear has identified 58 fake degree websites mainly offering fake degrees and transcripts from North American universities. Some noteworthy international dealers, however, sell fake degrees from virtually any university in the world. For example, the China-based fake degree provider [www.backalleypress.com](http://www.backalleypress.com) offers high-quality degrees and transcripts from 1,000 universities worldwide. The “do-it-yourself” option is provided by the website [www.fakedegrees.com](http://www.fakedegrees.com) that deals in degree and transcript templates. All it takes is a credit card and [fakedegrees.com](http://fakedegrees.com) will

provide you with a PhD from The Jagiellonian University in Cracow or any other university of your choice for EUR 310.

But this nightmare for employers and academia does not end here and is in no way limited to the English-speaking world. Gunnar Vaht, Head of the Estonian ENIC/NARIC, has recently concluded that websites such as [www.happy-student.ru](http://www.happy-student.ru) and 71 similar websites offer fake Russian credentials; 5 of them additionally provide Ukrainian degrees and transcripts. The service also includes written theses and course work.

## LEGAL OPTIONS

### Targeting the producer: United Kingdom

Since the late 1980s the British authorities have tried to use legal instruments to stop diploma mills from operating in the United Kingdom. The Business Name Act was adopted in 1985 and according to this law any business wishing to use “university” in its name must seek approval of the Privy Council. In 1988 this law has tightened by the Education Reform Act, which stipulates that organizations/individuals cannot offer British degrees (BA, BSc, PhD etc) unless the Privy Council approves them. Before the introduction of the Education Reform Act anyone had the right to run a university and issue degrees. As a result of this new law hundreds of UK-based bogus institutions were forced to close.

Furthermore, in 1992 the Further and Higher Education Act was adopted. This Act stipulates that only the Privy Council, after consulting the Department for Education and Skills (DfES) and the Quality Assurance Agency (QAA), decides which organizations can offer degrees. In 1998 the Teaching and Higher Education Act followed the Further and Higher Education Act. According to this latest law all institutions wishing to have “university” in its title must seek approval by the Privy Council.

Despite these efforts to stop diploma mills, British authorities have not succeeded in closing all legal loopholes. For example, the laws on the usages of the term “university” do not apply to *foreign* companies in the UK that are registered overseas or in British Dependencies (e.g. British Virgin Islands), i.e. beyond the jurisdiction of the Privy Council. It is, furthermore, not illegal for foreign institutions to set up a “campus” or office in the UK offering their own qualifications, provided that their origin is made clear.

Bogus institutions used to place ads in British newspapers. This is, however, not the case anymore. Today’s diploma mills use the Internet to target non-British citizens overseas (mainly US) with only vague notions of the British education system.

According to the DfES no illegal diploma mills are operating in the United Kingdom at this time. However, there are roughly 35 diploma mills operating legally in Britain. Their physical presence in the UK, however, is limited to mailboxes in London, which in itself is not illegal. The number of bogus institutions in the world pretending to be British is unknown.

The British Government is deeply concerned about bogus institutions using the UK’s name and higher education reputation to sell degrees over the Internet. However, as mentioned above, British jurisdiction over suspect operators extends

only to operations which are registered in the UK and which purport to offer British degrees. Thus, in most cases no legal actions can be taken. (The UDP diploma mill University of Palmers Green, for instance, could operate legally for years since it was a registered US company and never claimed to be selling British degrees.)

Nevertheless, if the Department for Education and Skills suspects an organization/individual of breaking one of the abovementioned laws, the local Trading Standards Departments (TSDs) are notified. The TSDs are responsible for prosecution in these cases.

In 2003 the US Federal Trade Commission and British Trading Standards Officers in Enfield, North London co-operated in closing 14 bogus university websites. The closed websites belonged to nefarious diploma mills, such as University of Devonshire, University of Palmers Green, and Harrington University. The Diploma Mills used a postal address in Green Lanes, London, yet were operated from overseas.

### **Targeting the use of academic titles: Germany**

In Germany, the use of academic and occupational titles is regulated both by federal law and by the laws of each state (*Land*). These laws cover the use of German titles and degrees as well as foreign qualifications.

Until recently the holders of foreign degrees in Germany had to individually apply to the authorities in the separate *Länder* for the right to use an academic or a professional title. This is, however, is not the case anymore. Today the use of titles is instead based on general approval (*Allgemeingenehmigung*) according to which the use of a foreign degree is legal under the condition that it was awarded by a recognized institution abroad. Holders of foreign degrees are, furthermore, only allowed to use these in their original form and with reference to the institution and/or country of origin. (The holders of doctoral degrees from a small number of countries may, however, use the German title “Dr.”.) The use of purchased academic titles is strictly forbidden. In others words, the use of academic titles from diploma mills is a criminal offence in Germany, leading to one year in prison or a fine.

It is, however, unclear whether German law in this area has any real effect: the authorities in the individual *Länder* are responsible for upholding these laws and reliable statistics for the whole country do not exist.

### **Targeting the purchaser: Oregon (USA)**

Although the federal government has lately shown a growing interest in combating diploma mills, the US Constitution puts clear limits to these activities by formally leaving the responsibility for education to the separate states in the Union. Thus, the states must rely on themselves in dealing with diploma mills and cannot count on the central government.

The State of Oregon is one of the few states that has recognized that degree fraud presents a serious threat to its citizens and to the value of legitimate degrees. The Oregon Office of Degree Authorization (ODA), which is part of the Oregon Student Assistance Commission, has the public mandate to protect “the citizens of Oregon and their postsecondary schools by ensuring the quality of higher education and preserving the integrity of an academic degree as a public credential.” This is done by upholding strict laws on education, prohibiting not only the sale of bogus credentials but also use of these credentials in the labor market:

- Institutions with faculty members holding bogus credentials are not allowed to operate in Oregon.
- Oregon-based newspapers are not allowed to run ads for diploma mills.
- A degree from a diploma mill may not be used in a CV or to attract customers.

However, “Impressing your mother is OK”, according to Mr. Alan Contreras, administrator of ODA. Using bogus credentials is considered a crime punishable by 1 year in prison or a EUR 780 fine. Until now no one has been sentenced for these crimes, instead it has been sufficient to threaten with legal action. The Oregonian model of criminalizing the use of credentials from diploma mills appears to be highly effective: Oregon is the only state in the US that does not harbor any diploma mills. North Dakota, New Jersey, and Illinois are other states that have taken the same approach as Oregon.

## **A SWEDISH PERSPECTIVE**

There presently do not exist any diploma mills in Sweden. This is despite the fact that there are no Swedish laws that explicitly prohibit the sale, purchase, or use of credentials from diploma mills. Nevertheless, Swedish nationals purchase and use credentials from foreign diploma mills to secure jobs and gain admission to universities. Since 1998 the Swedish National Agency for Higher Education has seen a steady increase in the number of cases concerning diploma mills. During the period 1998-2004 the Agency registered 62 cases concerning diploma mills of which half of these were registered during the past two years. Most cases represent queries from universities, although some cases also concern applications for evaluation of foreign credentials and for teacher certification. Approximately 2/3 of all the cases concern American or quasi-American diploma mills. In 2005 sixteen diploma mill cases have been registered, which is less than the number of cases in August last year. Hopefully this is a positive sign and an effect of the agencies work with making the public in general and higher education sector in particular aware of bogus credentials. Of all the cases concerning diploma mills the most disturbing are the ones that involve employees within the higher education sector – people that you expect to know the difference between a real university and a fake one. Academic honesty is one of the pillars of higher education and holding fake credentials is a form of misrepresentation not compatible with this principle.

One important achievement in this context was the printing of a report on diploma mills in April 2005. The report made headlines in the newspapers and hopefully made the public more aware of the problem. In the report the Agency vows to launch a website warning about diploma mills. (Similar websites already exist in other countries, e.g. The Netherlands.) In the report, furthermore, the country’s higher education institutions are advised to put together an ethical code for admission and recruiting, banning holders of fraudulent credentials from the university sector. The institutions should also consider printing degrees and transcripts on so-called security paper so that they are more difficult to forge.

## TAKING ACTION (By Ann Koenig, AACRAO)

Higher education institutions can be unwitting accomplices in enabling diploma mill fraud to continue. What can higher education professionals do to help STOP diploma mill fraud?

*Inform yourself and your colleagues/staff about the problem of diploma mills:*

- Research whether/how your institution is being defrauded in the bogus degree marketplace.
- Learn about legal means available to protect your institution against being defrauded (illegal or unauthorized use of the name of your institution, imitations of the official academic documentation it issues, unauthorized reproduction and/or use of the information that it publishes about programs of study, course descriptions, etc.).
- Identify, collect, and consult reliable sources of information - current awareness services; electronic news lists; standard evaluation resources; knowledgeable and experienced colleagues, etc. Do not rely on "lists" of institutions or credentials, but rather learn how to do the research necessary to determine the status of educational institutions and their credentials, in your own country and others. Ask for help if you need it, and share with others when you have reliable information. Establish a cooperative network of reliable sources.

Establish a standard, methodical approach to reviewing and evaluating application materials, from prospective students / employees / teaching or research staff.

Include a verification procedure in the evaluation process, using reliable resources. This procedure may involve various levels of verification, from confirming the recognition status of an HEI by using secondary or tertiary sources, to requesting authentication of documents directly from the issuing institution (remembering, of course, that bogus verification services exist as well as bogus institutions!).

Establish a policy and procedure for follow-up if inauthentic or bogus documents are submitted.

Enforce the policy swiftly and consistently.

Track the information that you obtain in the verification process, to add to your information base, and to share with others.

Share verification success and Information with the international education community. Help protect the integrity not only of your institution, but the whole higher education community, by letting your colleagues know the details of your verification success stories. *Solidarity* in being proactive and "getting the word out" to colleagues is a powerful tool to help fight fraud.

Mobilize your allies when you need support. Do the research. Document your findings. Be a whistleblower. Alert your colleagues. Contact your legislators. Call the media. Get the crooks.

TAKE ACTION! Become a part of the solution!



## REFERENCE MATERIALS AND LINKS

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