Summary:
The article deals with the development of the legal framework for the higher education system in Germany both on the federal and state level. Beginning with the constitutional reform in 1969, the legislative and administrative competences of the federal parliament and federal government have been increased; existing state competences have been gradually eroded by the interference of federal financial aids and programmes for the reform of the higher education system. After a long dispute the federal parliament under the present great coalition has in 2006 completed a constitutional reform concerning legislative and administrative competences of the Federal Republic and their member states (so called Föderalismusreform).

Apart from the general objective to disentangle the interwoven legislative competences of the federal parliament and the second chamber representing the states (Bundesrat), which in periods of different majorities caused the deadlock of necessary reform laws, the objective in the area of higher education was also to strengthen the competition between the state legislators and governments to improve the efficiency of the system. The result is, measured against the ambitious goals, rather modest. The competence of the federal parliament for framework regulations on higher education has been abolished. Only federal regulations concerning access and grades of higher education institutions can be maintained in the future.

The joint federal-state financial support for buildings and major equipment has been replaced by the exclusive responsibility of the states. Only minor changes have taken place in the constitutional rules concerning joint federal-state-research programmes and strategic planning by joint federal-state workforces. Therefore it is rather doubtful whether this reform will enhance the competitiveness of the German higher education system.