

# Globalisation, Neo-liberalism and Higher Education: The Corporatisation of National Universities in Japan

Keiko Yokoyama, Ph.D

## 1. Introduction

The response to economic globalisation in the context of higher education differs between countries. It can be assumed that different responses stem from the different implications of economic globalisation for national economies which are derived from their differing national economic systems and position in the global economy, along with the different patterns of government involvement in the market, the different government policies on human capital, and the different relationships between government and higher education.

In the context of Japan, the adoption of the Government's higher education policy to implement reforms in the context of global economy can be partially explained by the government's neo-liberal policy and political dynamism relating to the conflict and compromise of the stakeholders in the higher education system. The Liberal Democratic Party (LDP), a ruling party, introduced the LDP New Party Platform in 1995, which incorporates the New Right values of smaller government and deregulation, and the conservative value of the respect for tradition:

In order to lessen the government's burden on the public we aim to establish smaller government by resolutely carrying out administrative reform, deregulation and federal decentralization... With respect for our traditional culture we aim to teach morals to Japanese youth so as to realize a higher quality of education and an enriched family life for Japan's citizens (LDP, 1995).

The LDP's neo-liberal policy relating to the university sector in the 1990s is characterised by two features: 1) the incorporation and subordination of the university reform under economic and administrative reforms; and arguably 2) the decline of centralised planning and of ministerial power. First, *Katsuryokuaru 21-seiki no tameni 6 tsuno Kaikaku* [Six Reforms for the Active Society in the 21<sup>st</sup> Century] issued in 1997 – which outlines the principles underpinning the political reform in the late-1990s and the early 2000s, focusing upon six areas (i.e. education, administration, finance, social security, economics, and the monetary system) prioritises the revitalisation of the Japanese economy and proposes education reform for economic purposes (Nihonseifu, 1997). This reform proposal acknowledges the impact of economic globalisation (e.g. the free flow of people, goods, resources, and information in an integrated world) and the predictable low economic growth in Japan (p. 3). The proposal advocates the creation of Japan as a 'Scientific and Technological Great State' (*Kagaku Gijutsu Taikoku*).

Secondly, the neo-liberal policy of the LDP, in the administrative dimension of the Six Reforms, focuses on the decline of centralised planning and of ministerial power. This policy has two themes: central administration reform and corporatisation

of the national universities. The reform of central administration has not brought about a significant diminution of ministerial power since the Ministry of Education, Science, Sports, and Culture (currently the Ministry of Education, Culture, Sports, Science, and Technology) was enlarged by a merger with the Science and Technology Agency in 2001. The dominant view within the Ministry was that there would be no change, at least in the administration of the universities (Interview with Tetsuo Goda, an Assistant Dean in the Ministry, 21<sup>st</sup> December, 1999).

Despite the LDP's application of radical neo-liberal doctrine, its policy practice in higher education is moderate with the partial employment of deregulation policy in the area of university curricula in the 1990s, the creation of a competitive environment mainly to promote the quality mechanism since the 1990s, and the continuity of the Ministry control on national and private universities. Governments have not applied privatisation and comprehensive deregulation in their policy practice in the context of higher education, although the privatisation of national universities was in the policy debate in the mid-1990s.

Why has there been such a gap between the LDP's neo-liberal policy principle and its practice? Political dynamism relating to the conflict and compromise of the stakeholders in the higher education system may well explain the gap. The following section examines political dynamism in the context of the corporatisation of national universities.

## **2. Neo-liberal and Anti-neo-liberal Groups: The Case of the Corporatisation of National Universities**

The rationale behind the corporatisation of the national universities can be explained not only by economic dynamism but also by political dynamism which originated from the discourse of the supporters of Administrative Reform. Political dynamism broke previous political immobilism on the issue of the change in the status of national universities, which had been discussed both informally and formally since the 1950s, however, had never been implemented (for example, see Monbusho, 1971; National Council on Educational Reform Report, 1987).

Political dynamism not only advanced political debate on the corporatisation of national universities which later became substantial policy, but also affected the formulation of the Government's corporatisation policy, maintaining Ministerial control on the universities. The formulation of policy was related to the conflict and compromise between the neo-liberal group (*Gyokaku group*), and the anti-neo-liberal group, (*Gunkyo group*). The *Gyokaku group* in the context of the education reform in the 1990s, included the Cabinet, the Cabinet Secretariat Office for Administrative Reform (*Naikakukanbo Gyosei Kaikaku suishin Jimukyoku*), the Ministry of Public Management, Home Affairs, Posts and Telecommunications (*Somusyo*), the Ministry of Finance (*Zaimusyo*), and economic interest groups. The shared values of the *Gyokaku group* included a pragmatic stance on cost-cutting public expenditure, especially in the area of personnel (such as civil servants, including teaching and administration staff at the national universities), emphasis on minimal Ministerial control on the universities, originally proposing privatisation of the national universities, and a focus on efficiency and cost-effectiveness.

In contrast, the *Bunkyo group* included the Higher Education Research Group in the LDP, *Bunkyo-zoku* [unofficial cliques composed of the LDP Members of Parliaments sharing an interest in education, typically composed of those MPs having served in posts in the Policy Affairs Research Council (Seimu Chosakai or Seichokai)

– policy review organ in the LDP], the Ministry of Education, Culture, Sports, Science, and Technology, and the national universities, including the Association of National Universities Presidents. The values of the *Bunkyo group* were the maximisation of the higher education budget, and university reform initiated by the *Bunkyo group*. The *Bunkyo group* accepted the promotion of managerialism and the accountability of the universities to society as a whole.

There were two stages or processes in the formulation of *a New Image of National University Corporations*.

- (i) The conflict and compromise between the *Gyokaku* and *Bunkyo groups* (1997-1999); and
- (ii) Compromise within the *Bunkyo group*, in particular between the Ministry of Education, Culture, Sports, Science, and Technology and the national universities (1999-2002).

The analysis of the process adopted in the formulation of *a New Image of National University Corporations*, a blueprint of the law on the corporatisation of national universities, is useful to identify conflict and compromise between *Gyokaku* and *Bunkyo groups*, and elucidate how political dynamism affected the formulation of government corporatisation policy (Kokuritsu Daigakutou no Dokuritsu Gyousei Hojinka ni kansuru Cyousa Kentou Kaigi, 2002). *A New Image of National University Corporations* focused upon the issues of university organisation, the personnel system, medium-term goals and plans, evaluations, the financial accounting systems, and inter-university research institutions. The proposals on these issues can be characterised into five areas: (1) emphasis on accountability by including those outside a university in university governing bodies; (2) emphasis on universities' self-determination in the areas of governance and medium-term goals and plans; (3) the introduction of managerialism; (4) the continuity and introduction of Ministerial control in the area of mid-term purpose, planning, funding, and evaluation; and arguably (5) the increase of financial autonomy of the universities. In relation to (4), evaluation was in both teaching and research links to the allocation of public funding. These five characteristics suggest that *Bunkyo group's* policy agenda (rather than the *Gyokaku group*), affected the final draft to a significant extent.

### 3. Conclusion

Michael Apple (2000) identifies convergent trends in the application of neo-liberal discourses and policies – such as privatisation, marketisation, performativity, and the 'enterprising individual' – among advanced capitalist countries (Apple, 2001). He concomitantly argues that the effects of neo-liberal policies differ between countries, pointing out that those effects are historically contingent. If Apple's argument is valid, then the analysis and interpretation of neo-liberal policies should take into account both global and national contexts. The application of the neo-liberal discourse and policies could be regarded as part of the internationalisation of education, while the effects of the neo-liberal policies as well as their interpretation are nationally bound in relation to different histories as well as different economic, political, and socio-cultural contexts.

This article has confirmed that both macro- and meso- environments surrounding the Japanese higher education system have impacted on the

Governments' neo-liberal higher education policy, in particular, in the context of the corporatisation of national universities.

## References

- Apple, Michael, "Between Neoliberalism and Neoconservatism: Education and Conservatism in a Global Context", in Nicholas Burbules and Carlos Torres (eds.), *Globalization and Education: Critical Perspectives*, (London: Routledge, 2000), pp. 57-78.
- Kokuritsu Daigakutou no Dokuritsu Gyousei Hojinka ni kansuru Cyousa Kentou Kaigi [National Committee of Inquiry on the Corporatisation of National Universities]. (2002) *Atarashii 'Kokuritsu Daigaku Houjin' zou ni tsuite* [A New Image of National University Corporations]. Tokyo: Monbusho.
- LDP. (1995) "New Party Platform". [<http://www.jimin.or.jp/jimin/english/e-principles/e-prin-1.html>], access (1999).
- Monbusho. (1971) *Kyoiku Kaikaku no tamenno Kihonteki Shisaku* [Basic Policy on Education Reform]. Tokyo: Monbusho.
- National Council on Educational Reform, Government of Japan. (1987) *Reports on Educational Reform*. Tokyo: NCER.
- Nihonseifu. (1997) *Katsuryokuaru 21-seiki no tameni 6 tusno Kaikaku* [Six Reforms for the Active Society in the 21<sup>st</sup> Century]. Tokyo: Kantei.