

A Room with a View: Globalization, Universities, and the Imperative of a Broader U.S. Perspective

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Universities and higher education systems, for both real and romanticized reasons, have become globalization's muse: in essence, a widely recognized and worshipped route for full participation in the knowledge society. Research universities, in particular, are viewed as an unparalleled source of new thinking and artful innovation, the generator and continuing source of modern science, an unequaled generator of talent, a nearly required path for socio-economic mobility in the postmodern world, and an essential ingredient for participating in the global economy. Hence it is not surprising that building, shaping, nurturing, and sustaining globally competitive research universities, and higher education systems more generally, is now a major focus of national, regional, and local policymaking throughout much of the world.

This book describes and analyzes the changing global landscape in higher education, with special attention to the themes of convergence, competition, and congruity of policies and practices. Written largely before the worldwide financial

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meltdown, the contributions here offer a long view, discussing trends, past and future. The narrative draws upon the varied perspectives and experiences of leading international scholars and practitioners in higher education, many of whom provide broad analysis of the changing landscape of higher education internationally, and others of whom focus on specific national and institutional reforms and their progress and problems. A thesis knitting the chapters together is that both developed economies, such as OECD member nations, and developing economies, such as China and India, are engaged in significant higher education reforms with some commonality in approach, informed by a growing international conversation, and with tangible and often spectacular results.

The chapters that follow offer a focused view down into the agora, where the market for students is rapidly changing, where higher education leaders and institutions are trading ideas and seeking collaborations, where universal high bandwidth communications is transforming academic activity, and where national governments and new supranational entities, including the European Commission but also international trade agreements, are rapidly changing the structure of higher education systems. It is a complex and quickly evolving story rooted in a new paradigm of significant policy transfer.

In part, the intention of the book is to help inform American lawmakers and the higher education community, students, scholars, and practitioners alike, of these profound changes in the world's higher education landscape, and to suggest that the United States should begin to take stock of the new competition and learn from international reform efforts. At the same time, the book offers a comparative perspective about the strengths and weakness of the U.S.'s famed higher education systems and institutions that will be informative and useful to an international audience. Many foreign observers have a romanticized view about the relative strength of the U.S. higher education system, and that of its vast network of colleges and universities. The following chapters offer a refreshing dose of comparative reality, including the emergence of similar approaches to access, funding, accountability, and promoting institutional quality; the global sense of competition driving policymaking; and thoughts on lessons learned by the chapter contributors. Arguably, we are at the edge of a dramatic shift in flow and supply of talent, and witness to the emergence of new centers for promoting science, technology, and innovation that mark a stark contrast to the past.

1. Globalization Then and Now

Why has the U.S. been such a focal point for international envy regarding its universities and colleges? One major reason is America's spectacular past success. Since at least the beginning of the twentieth century, the United States has been a leader in the development of mass higher education. Since at least the end of World War II, it has occupied a dominant position in academic research and graduate education. In combination, these two characteristics have produced distinctive comparative benefits. American colleges and universities emerged as

significant sources of highly skilled labor, proved vital routes for upward socioeconomic mobility, and became major producers of new knowledge and technical and scientific innovation. International observers have noted two hallmarks of America's higher education: the achievement of broad access and the general high quality and coherence of its vast array of private and public colleges and universities. Effectively balancing the achievement of both mass and elite goals has been a major triumph. Over the past century, for example, the U.S. led the world in the number of young people going to college and graduating. At the same time, the quality of its major research universities has been the envy of the world.

In looking out into the world, we are essentially turning the tables. For years, the international community has peered over oceans and continents toward the U.S., looking for models such as California's celebrated public higher education system and the building blocks for its network of highly productive research universities. Now, we suggest, the U.S. needs to look outward, and not just for clues to innovative domestic policies related to higher education. Our isolationist impulse in this regard, and our reliance on being the lonely superpower who cannot be informed by the progress of other nations, is a dangerous and, ultimately, failed policy approach.

Yet the centrality of higher education as the means for creating a modern and progressive society, either as an ideal or an accomplishment, is no longer unique to the United States. Universities and higher education systems, for both real and romanticized reasons, have become globalization's muse: in essence, a widely recognized and worshipped route for full participation in the knowledge society, an unparalleled source of knowledge and artful innovation, a foundation for modern science, an unequaled generator of talent, and a nearly required path for socioeconomic mobility in the postmodern world.

A greater understanding of this powerful movement among other nations is critical for the U.S. There are a number of signs that America no longer retains its higher education advantage in the global marketplace. Over time, and particularly recently, many nations have adopted elements of the U.S. model on their own political and social terms. They are making great progress (although still too slowly for many critics). New and productive centers of research are emerging in both developed and developing economies; international collaborations among universities are growing; and many OECD countries now exceed the United States in higher education participation and degree attainment rates for young adults. This is all new.

To a degree only recently realized, universities have become the anointed agents of social and economic transformation in the 21st century. There has been a trend in the United States, and throughout the world, to emphasize individual benefits to a greater extent than public benefits—one rationale for the growing role of fees and tuition in which students and their families are asked to contribute increasingly more to the cost of their university education. But the public benefits from higher education, arguably, will be even more important in the future for creating economic and social progress. Good public policy related to higher educa-

tion, we argue, will tend to emphasize the public over the private good of a university education—a macro view that seeks to understand and shape the collective impact of higher education.

But another important driver of higher education reforms, and the elevated role of universities, is just as important: an acute sense of competition among developed and developing economies, informed by a relatively new premise that goes something like this: Those nation-states that have the highest tertiary access and graduation rates, who are the most effective at attracting talent, and who develop the most vibrant research centers, will likely be the economic winners of the future. It is a hypothesis that is influenced by the past economic performance of developed nations, but that is not fully proven. Perhaps just as important, it is a hypothesis that has gained tremendous political consensus among political and higher education leaders who drive policymaking and have fully embraced the idea and rhetoric of the knowledge economy.

Among the many by-products of globalization and ready and rapid communication is an expanded and increasingly powerful process of policy transfer. National political leaders, and in some cases supranational entities such as the European Commission, seek policy reforms and innovation in their higher education systems and among their colleges and universities always informed, to some degree, by the advances or policy efforts of other nations. There is a growing sense of common challenges, common language on goals and solutions, and a remarkable increase in the interest and knowledge of how other nations and regions are approaching the development of their higher education sectors.

To some degree, the process of policy transfer has always existed in higher education, in part influenced by colonialism. This process is very different in the modern era in the extent of its influence, its sources, and correlating with the increased sense of importance of the higher education sector in national competitiveness and prosperity. How might we decipher the characteristics of past, present, and possibly future changes in higher education with an international comparative and global view?

Phase 1—Higher Education as an Extension of National Culture

Approximately 50 years ago, many nations in Europe and in other parts of the world embarked on a path for building their mass higher education systems. They often looked to the United States to help guide their efforts, but their respective systems remained largely as manifestations of their earlier network of colleges and universities—an extension of their national culture. For example, Germany, France, and the U.K. had distinctly different system approaches and degree standards, and higher education systems in most developing nations were influenced largely by their colonial heritages.

The policy-transfer process was limited, constrained by each nation's own political and cultural roots and focused on national and regional markets for students. With the exception of the U.S., and to a lesser extent the colonial networks of

Table 1. Phase 1: Major Forces Influencing Higher Education 50 Years Ago

- Initial era for building mass higher education systems
 - Higher education seen as largely a public good
 - Limited adoption of international higher education models and practices—higher education as an extension of national culture
 - National and regional markets for undergraduate students and institutional prestige
 - Marginal international market for faculty and research talent
 - High institutional autonomy—limited accountability measures
 - Government as partner with the higher education community
 - National accreditation and quality review
 - Traditional pedagogy—limited technological adoption
 - Substantial government subsidization
 - Small for-profit sector—mostly in U.S.
 - Beginnings of a burgeoning scientific community
 - Limits on cross-national knowledge sharing and communications
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former, largely European nations, most nations engaged in hiring faculty almost exclusively from within their own national university systems. International collaborations between institutions and between their faculty members were rather limited. These collaborations were perhaps most pronounced among a growing community of scientists and engineers.

In promoting mass higher education, governments tended to be partners with existing higher education institutions and were nearly the sole source of funding. Higher education was emerging as a public good, a decided break from its past in that often elite institutions had linked with existing social and political caste systems. Again, with the exception of the U.S. and later Japan, most nations had small to nonexistent private-sector colleges and universities.

At the same time, America's unique position as the pioneer in mass higher education reinforced its largely isolationist impulse, with few academic leaders and policymakers looking abroad at higher education reform efforts. In this first era of globalization, the lack of a comparative international view in the U.S. had no significant adverse effects; indeed, it may have been a benefit, as America built on its unique strengths, which included a highly diverse higher education system and willingness to accept talent from around the world.

Phase 2—The New Globalization

Since that post–World War II era, much has changed. Globalization is a phenomenon often described as a process of opening and expanding markets for educational services. Beyond market forces, there are also the influences of technological advances in broadband communications and other areas and the broad influences of a globalizing economy that have shaped the need for skill and professional labor. Higher education institutions are also undergoing organizational and behavioral changes as they seek new financial resources, face new competition, and seek greater prestige domestically and internationally. A variety of trends demonstrate the significant influence of the globalization process on higher education. Most tug and pull at the traditional notion of national boundaries as the critical political and economic environment for higher education.

One result is that the command economy approaches for creating and regulating mass higher education in many parts of the world are withering. As is discussed in one of the following chapters, what is emerging is a “structured opportunity market” in higher education—essentially, a convergence, in some form of the effort of nation-states to create a more lightly regulated and more flexible network of public higher education institutions. For example, efforts are being made internationally to converge and standardize undergraduate and graduate degree programs, most notably under the Bologna Agreement. International collaborations with other academic institutions and businesses are now commonplace. Universities seek new avenues to fund and promote the commoditization of their knowledge-production capabilities.

When compared to 50 years ago, the global network and marketplace for academic researchers has grown significantly. Many higher education institutions are also recruiting relatively new pools of students outside national borders. In this quest, most are seeking to apply new instructional technologies to expand enrollment and to enhance the viability and profitability of international ventures. Facilitated by these technologies, there is the specter of a competitive environment between existing and new providers, including the rise of new nontraditional and for-profit competitors. With this more competitive global framework has come talk of a need for international accreditation processes and new efforts at quality review.

We are in a relatively new era marked by a consensus that the educational attainment of a population and increasingly the growth in access to postsecondary education are factors that, more than ever, will determine the fate of nations in the modern world. This widely understood fact is causing a worldwide effort to reform and reshape higher education systems focused on making national higher education systems not just widely accessible, but of higher quality and more accountable.

Table 2. Phase 2: The New Globalization

- Maturing era for mass higher education systems in most developed nations
 - Higher education increasingly viewed as a private good
 - Growing international adoption and convergence of higher education practices and models—higher education as an extension of globalization
 - Growing international and supranational market for undergraduate students and institutional prestige
 - Growing international market for faculty and research talent
 - Eroding institutional autonomy—growing accountability measures
 - Government as adversary with the higher education community
 - Possible international accreditation and quality review
 - Changing pedagogy—growing technological adoption
 - Declining government subsidization—rising student fees, growing diversity of funding sources/privatization
 - Growing for-profit sector
 - Established scientific community
 - Global knowledge sharing and communications
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Thinking of Phase 3—Post-Globalization Dreaming

What will the future hold for national higher education systems? Many scholars of globalization argue that the process of globalization is a force more powerful than industrialization, urbanization, and secularization combined. Globalization, notes one observer, is the “inexorable integration of markets, nation-states, and technologies to a degree never witnessed before—in a way that is enabling individuals, corporations, and nation-states to reach around the world farther, faster, deeper, and cheaper than ever before.”² In contrast, some scholars and activists view globalization not as an inexorable process but rather as a deliberate ideological project of economic liberalization that subjects states, institutions, and individuals to more intense market forces.

Whatever the sources of globalization, most globalist scholars predict an acute and sweeping effect on higher education. There are two main and interconnected reasons for this prediction. First, the opening of what were previously largely closed national markets dominated by state-subsidized providers will enable a reconfiguration of the higher education sector, thus opening opportunities for new providers. Second, new providers will have a competitive advantage, in large part because of their ability to adopt more efficient instructional technologies

² Thomas L. Friedman, *The Lexus and the Olive Tree* (New York: Anchor Books, May 2000).

quickly. This futurist vision, focused largely on the delivery of educational teaching services, predicted that a ubiquitous mode of delivery (online courses) would replace another (the classroom). Successful, less labor-intensive, and cheaper modes of delivery will push out the older modes. This will also have dire implications for many if not most research universities, which are built around the idea of a community of scholars (not simply providers of teaching services), and also rely on various forms of revenue sharing to support the entire enterprise. The most radical of futurists thought the brick and mortar world of colleges and universities would soon collapse with the research enterprise drifting into more specialized institutional forms.

Many of these predictions came early in the development of online courses and study of globalization and the networked society. It seems clear now that the market, the needs of society, and the ability of existing institutions to adapt are resulting in a far more complex process of reform and transformation. Many sophisticated observers of higher education are dubious about whether the ongoing and predicted market shifts will foster homogeneity and convergence to the degree still anticipated by some. Might these forces of change foster a greater diversity of institutional types and culturally related institutions? Have the complexities of policymaking and markets been fully appreciated? This is one among a number of widely debated topics discussed by the various authors in the chapters that follow.

Whatever the view, it is clear that there are similar emerging approaches to key policy areas that stretch from the national to the institutional level. Some have called this the “Americanization” of higher education, in part because of the iconic and, we dare say, somewhat romanticized advantages of the U.S. model. But we argue that that characterization is a misnomer, in large part because some of the most dramatic higher education reforms are occurring in other parts of the world, providing the new models in key areas such as access and financing. What is emerging is a much more dynamic and global policy-transfer environment. That does not mean that national political culture and the great variety of other factors that distinguish one nation from another will become irrelevant. China’s emerging higher education system will not look like India’s, or the United States’. But there are goals and national and institutional practices that have emerged, informed by the relatively new *higher education policy transfer network* in higher education.

This network has different operative venues. It includes national leaders who meet and reinforce their macrosystem consensus views of higher education access and research productivity as the driver for participation in the evolving and highly competitive knowledge economy. It includes university and industry leaders who think the same and share ideas and experiences and seek models for collaboration and for increased productivity and quality. It increasingly includes middle managers in higher education institutions looking for policies and practices to help meet evolving national and institutional goals. It also includes the relatively new supranational agreements and associations (most particularly in Europe), the emergence of international rankings that hold the attention of lawmakers and institutions alike, new alliances of often similar universities attempting to share information collectively and influence national and supranational policymaking, and a caste of

new journals and other publications reflective of the now pervasive interest in, nay infatuation with, globalization and higher education. All of this portends an acceleration in the scope and influence of the higher education policy transfer network in which national and higher education leaders, faculty, staff, and consumers, are now working and making choices within what was once a largely national, and even regional, knowledge base.

2. A Time of Competition

One present reality of this new and evolving and competitive environment is that national systems of public higher education are in a state of flux. Throughout the world, a shift is occurring in the support and perception of the purpose of public research universities. Many national governments are attempting to bend their higher education systems to meet their perceived long-term socio-economic needs. At the same time, there are relatively new supranational influences on higher education markets and practices that will grow in influence over time, including the Bologna Agreement, the European Commission, the pending General Agreement on Trade and Services, and globalization associated with broadband communication and internationalization of corporations.

England has embarked on a large range of higher education reforms intended to expand access, bolster accountability measures, and revise funding, including the inclusion of postgraduation fees and a new infusion of monies from the national government. Australia has experimented also with income-contingent postgraduation repayment of loaned fees and has adjusted to lower levels of government funding by embarking upon a major mission of expanding revenue through accommodation of students from Asian countries.

The Bologna Agreement has led to structural reforms in Europe, particularly in Germany and Italy, and the development of matriculation agreements, a rising transnational flow of students, and a proposal for an MIT-like European Institute of Technology. Japan is accomplishing major systematic change in the organization and funding of its public universities. China has announced an ambitious plan for the creation of 20 world-class research universities on par with the best U.S. universities.

In the United States, reforms are focused largely on ways to cope with declining rates of public investment in public higher education, rising operating costs, and maintaining access despite fee increases. There is also interest in incorporating new accountability schemes.

As visible as these changes are, little systematic analysis exists about how the sources of change and the reforms adopted or advanced in one country derive from or affect other countries, let alone how they might inform U.S. higher education. American higher education and American political culture have tended to be insular in their approaches to policymaking and ideas on reform. Changes in other countries have followed careful observation of what has made the United States

successful, but the United States has not examined closely what has been done overseas in the context of the situations of individual countries.

While recognizing that there are many reform efforts that relate to the peculiar political cultures and needs of individual nations, it is our assertion that there is significant commonality in the challenges facing public universities internationally, including:

- The need to expand or maintain access and improve graduation rates.
- Increasing expectations by governments and the public to serve the broad social needs of society.
- Disinvestment by state governments and the need for new financial models.
- Avenues for increasing efficiencies in teaching and university management.
- Increased reliance on research universities as drivers of economic development.
- Growing emphasis on professionalism and scientific and technological prowess.
- Relatively new global markets for academics and research excellence.
- The rise of relatively new and for-profit competitors in much of the world.
- Increased global collaborations with other universities and businesses in research and teaching programs.

There is much that can be learned from a systematic and comparative analysis of how nations/states and research universities are approaching this new policy environment. Indeed, for the benefit of the United States, there may be some common or transferable approaches to issues such as mission, funding, and access; there are also national or regional political, cultural, and economic-specific examples that must be considered for public universities to adapt and change successfully. Defining commonalities and differences is vital for investigating the viabilities of a broad range of policy options.

3. The Organization of this Book

The following chapters are written by a group of scholars and practitioners, all of whom in one way another have a deep knowledge of higher education in the United States and others with specific knowledge and experience in the recent reforms in pertinent foreign countries. We asked them to structure their contributions around one or more of four major policy areas that we feel capture the sweep of policy challenges facing higher education globally. They include:

- Fees and Finance Models
- Access, Quality, and Accountability
- Science, Technology, and Regional Economies
- Organization and Governance

We also asked our non-U.S. contributors to think about how their experiences, combined with their knowledge of global higher education reforms, might inform and influence U.S. policymaking. The hope was not to create actual policy

proposals, as the cross-cultural and institutional differences between nations are too great and complex for easy analysis. That would be an unrealistic ambition. Instead, we view the chapters as structures to learn from one another, and as part of a path to envision how the U.S. might adapt to meet the challenges it faces in falling behind in higher education access and graduation rates. To this end, we struggled somewhat with how to capture the broad range of national higher education reform efforts. Our choice was primarily to attempt a focus on economies within the OECD, as well as on Asia and the United States.

In the course of our effort, we convened a workshop followed by a symposium on the Berkeley campus, with most of the authors of this book present at both events. At the workshop and symposium, participants shared comparative information and analysis, discussed major issues facing national and supranational systems of higher education and the role of research universities, and identified the most promising avenues for further investigation. Within these chapters is a snapshot that is limited by the geographic and cultural biases of its authors, yet, we think, an interesting opening dialogue—particularly for the U.S.

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I. A Look at the Global Higher Education
Landscape

