garage. Once all of the major facilities have titles, lesser things go on the naming auction block. Development offices no doubt have long lists of campus assets that can be named for various sums. Colleges and universities, public and private, are all under increased pressure to raise money, and naming brings in cash.

Naming is also about branding—and in the case of corporate naming, it is also about product placement. Corporations feel that they will benefit by having their names on an academic building or attached to a prestigious professorship. On campus, many feel that giving the business school or the college of agriculture a name will enhance its prestige and visibility. It is believed by academic decision makers that if people see that a donor has given enough to get such a school named, it must be very good. Top students will be attracted and other generous patrons will be lured.

In the era of "each tub on its own bottom," where increasingly faculties and schools within universities are responsible for their own budgets, there is a tendency for the school to operate independently—and to seek to create its own identity separate from the university. A well-known case is the Darden School (of business at the University of Virginia), which asked for, and received, considerable autonomy from the university in return for being responsible for its own budget. It even found donations to construct a new building—nicer than the usual state-funded facilities. In a few cases, where professional schools have established reputations, wealthy alumni, and entrepreneurial leadership, it is possible to build an identity and reputation separate from the university. But for most, even at excellent universities, such recognition is difficult or impossible to achieve.

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Separate branding weakens the focus, mission, and perhaps even the broader reputation of the institution as a whole. It confuses the public, and perhaps potential students. The tactic feeds the idea that the 21st century university is simply a confederation of independent entrepreneurial fiefdoms. Branding also strengthens the professional schools and ignores the core arts and sciences disciplines, where separate identities do not work. And except for a few schools at the very top of the hierarchy, the naming frenzy will not produce schools with separate reputations and drawing power in any case.

#### THE FUTURE

The trends we see now in the United States, and perhaps tomorrow in other countries, will inevitably weaken the concept of the university as an institution that is devoted to the search for truth and the transmission of knowledge, of an institution with almost a millennium of history. The naming frenzy is symbolic of the commercialization, bifurcation, and entrepreneurialism of the contemporary university.

## A World-Class Country Without World-Class Higher Education: India's 21st Century Dilemma

PHILIP G. ALTBACH

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India is rushing headlong toward economic success and modernization, counting on high-tech industries such as information technology and biotechnology to propel the nation to prosperity. India's recent announcement that it would no longer produce unlicensed inexpensive generic pharmaceuticals bowed to the realities of the World Trade Organization while at the same time challenging the domestic drug industry to compete with the multinational firms. Unfortunately, India's weak higher education sector constitutes the Achilles' heel of this strategy. India's systematic disinvestment in higher education in recent years has yielded an academic system characterized by mediocrity, producing neither world-class research nor very many highly trained scholars, scientists, or managers to sustain high-tech development.

India's main competitors—especially China but also including Singapore, Taiwan, and South Korea—are investing in large and differentiated higher education systems. They are providing access to large numbers of students at the bottom of the academic system while at the same time building some research-based universities that are able to compete with the world's best institutions. The recent London *Times Higher Education Supplement* ranking of the world's top 200 universities included 3 in China, 3 in Hong Kong, 3 in South Korea, 1 in Taiwan, and 1 (an Indian Institute of Technology at number 41—but the specific campus was not mentioned) in India.

These countries are positioning themselves for leadership in the knowledge-based economies of the coming era. There was a time when countries could achieve economic success with cheap labor and low-tech manufacturing. Low wages still help, but contemporary large-scale development requires a sophisticated and at least partly knowledge-based economy. India has chosen that path, but will find a major stumbling block in its generally poor university system.

#### **HIGHER EDUCATION REALITIES**

India has significant advantages in the 21st century knowledge race. It has a large higher education sector—the third-largest in the world in student numbers, after China and the United States. It uses English as a primary language of higher education and research. It has a long academic tradition. Academic freedom is respected. There are a small number of high-quality institutions, departments, and centers that can form the basis of the quality sector in higher education. The fact that the states, rather than the central government, exercise major responsibility for higher education creates a rather cumbersome structure, but the system allows for a variety of policies and approaches.

The rise in the number of part-time teachers and the freeze on new full-time appointments in many places have contributed to a decline in the commitment and morale of the academic profession.

Yet, the weaknesses far outweigh the strengths. India educates approximately 10 percent of its young people in higher education, still a rather low number by international standards—compared to more than half in the major industrialized countries and 15 percent in China. India's academic system has an unusually small high-quality sector at the topmost of the academic system is of modest quality at best. Almost all of the world's academic systems resemble a pyramid, with a small top tier and a massive sector at the bottom. India has a tiny top tier. None of its universities occupy a solid position at the top. A few of the best universities have some excellent departments and centers, and there are a small number of outstanding undergraduate colleges. The University Grants Commission's recent major support of five universities to build on their recognized strength is a step toward implementing a differentiated academic system—and fostering excellence. At present, the world-class institutions are mainly limited to the Indian Institutes of Technology (IITs), the Indian Institutes of Management (IIMs), and perhaps a few others such as the All India Institute of Medical Sciences and the Tata Institute of Fundamental Research. These institutions, combined, enroll well under I percent of the student population.

India's colleges and universities, with just a few exceptions, have become large, underfunded, ungovernable institutions. At many of them, politics has intruded into campus life, influencing academic appointments and decisions at all levels. Underinvestment in libraries, information technology, laboratories, and classrooms makes it very difficult to provide top-quality instruction or engage in cutting-edge research.

The rise in the number of part-time teachers and the freeze on new full-time appointments in many places have contributed to a decline in the commitment and morale of the academic profession. The lack of accountability at any level means that teaching and research performance is seldom measured.

The system provides few incentives to perform to the highest standards. Bureaucratic inertia hampers change. Student unrest and faculty agitation sometimes disrupt normal operations, delays examinations, and foments tensions. Nevertheless, with a semblance of normalcy, faculty administrators are able to provide teaching, coordinate examinations, and award degrees.

Even the small top tier of higher education faces serious problems. Political pressures on the IITs to alter admissions and other policies have jeopardized the generally effective meritocracy that has characterized those institutions. Many IIT graduates, well trained in technology, have chosen not to contribute their skills to the burgeoning technology sector in India. Perhaps half leave the country immediately upon graduation to pursue advanced study abroad—and most do not return. A stunning 86 percent of students in science and technology fields from India who obtain degrees in the United States do not return home immediately following their studies. Another significant group, which some estimates place as high as 30 percent, decide to earn MBAs in India because local salaries are higher-and are lost to science and technology. A corps of dedicated and able teachers work at the IITs and IIMs, but the lure of jobs abroad and in the private sector makes it increasingly difficult to attract the best and brightest to the academic profession.

India has survived with an increasingly mediocre higher education system for decades.

Few in India are thinking creatively about higher education. There is no field of higher education research. Other countries with vibrant academic systems collect data and focus analytic attention on their universities. No independent research or policy centers focusing on higher education exist. Those in government as well as academic leaders seem content to do the "same old thing." Academic institutions and systems have become large and complex. They need good data, careful analysis, and creative ideas. In China, more than two dozen higher education research centers, and several government agencies are involved in higher education policy.

#### WHY DOES THIS MATTER?

India has survived with an increasingly mediocre higher education system for decades. Now, as India strives to compete in a globalized economy in areas that require highly trained professionals, the quality of higher education becomes increasingly important. So far, India's large educated population base and its reservoir of at least moderately well-trained university graduates have permitted the country to move ahead. But the competition is fierce, with other countries rapidly upgrading their universities and research facilities. China in particular is heavily investing in improving its best universities with the aim of

making a small group of them world class in the coming decade, and making a larger number internationally competitive research universities. Other Asian countries are also upgrading higher education with the aim of building world-class universities. Taiwan, which is a major designer and producer of IT hardware, is considering merging several of its top technological universities to create an "Asian MIT."

To compete successfully in the knowledge-based economy of the 21st century, India needs enough universities that not only produce bright graduates for export but can also support sophisticated research in a number of scientific and scholarly fields and produce at least some of the knowledge and technology needed for an expanding economy. India's recent decision to stop producing generic pharmaceuticals to conform with WTO rules underscores the need for the country to have an independent research capacity to develop, manufacture, and market scientific products, including medicines.

Several of the well-endowed and effectively managed private institutions maintain reasonably high standards, although it is not clear that these institutions will be able to sustain themselves in the long run.

### PATHS TO SUCCESS

How can India build a higher education system that will permit it to join developed economies? The newly emerging private sector in higher education cannot spearhead academic growth. Several of the well-endowed and effectively managed private institutions maintain reasonably high standards, although it is not clear that these institutions will be able to sustain themselves in the long run. They can help produce well-qualified graduates in such fields as management, but they cannot form the basis for comprehensive research universities. This sector lacks the resources to build the facilities required for quality instruction and research in the sciences, nor can enough money be earned by providing instruction in the mainstream arts and sciences disciplines. Most of the private institutions do not focus on advanced training in the sciences

Only public universities have the potential to be truly worldclass institutions. Institutions and programs of national

prominence have already been identified by the government. But these institutions have not been adequately or consistently supported. The top institutions require sustained funding from public sources. Academic salaries must be high enough to attract excellent scientists and scholars. Fellowships and other grants should be available for bright students. An academic culture that is based on meritocratic norms and competition for advancement and research funds is a necessary component, as is a judicious mix of autonomy to do creative research and accountability to ensure productivity. World-class

universities require world-class professors and students—and a culture to sustain and stimulate them.

A clearly differentiated academic system has not been created in India—a system where there are some clearly identified elite institutions that receive significantly greater resources than other universities. One of the main reasons that the University of California at Berkeley is so good is that other California universities receive much less support. India's elite universities require sustained state support—they require the recognition that they are indeed top institutions and deserve commensurate resources. But they also require effective management and an ethos of an academic meritocracy. Funding institutions that are incapable of managing resources is a wasteful investment. At present, the structures are not in place to permit building and sustaining top-quality programs even if resources are provided.

A combination of specific conditions and resources are needed to create outstanding universities.

- Sustained financial support, with an appropriate mix of accountability and autonomy.
- The development of a clearly differentiated academic system—including private institutions—in which academic institutions have different missions, resources, and purposes.
- Managerial reforms and the introduction of effective administration.
- Truly meritocratic hiring and promotion policies for the academic profession, and similarly rigorous and honest recruitment, selection, and instruction of students.

India cannot build internationally recognized research-oriented universities overnight, but the country has the key elements in place to begin and sustain the process. India will need to create a dozen or more universities that can compete internationally to fully participate in the new world economy. Without these universities, India is destined to remain a scientific backwater.

# The Reintroduction of Accreditation in Japan: A Government Initiative

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A ccreditation is a hot topic all over the world, with the development of the international student market stimulating government intervention on accreditation issues. No exception to this intensifying trend, Japan is now taking measures to