

cipline, having low interest in study, lacking big goals in life," and so forth. To shape their students' behavior, many private universities administer "military style" management, which means students are monitored in the classroom as well as in their dormitories. They fence in their campuses and do not allow students to go off campus during the week, and staff check dorms every day to learn which students did not return to sleep. Students are strictly monitored for their class attendance records, and class directors, who are teachers assigned to work with students in all aspect of their lives, closely follow students' lives, constantly talking with them and organizing extracurricular activities to occupy their free time. Private universities use such measures to ensure their students acquire the needed skills and develop the discipline to be employable.

In another attempt to increase job opportunities for their students, private universities are moving toward establishing what they call "education conglomerates." Beijing Jili University has set up such a model. Jili University was founded by Jili Inc., which currently owns five other colleges and vocational technical schools. In addition, the corporation owns companies that manufacture cars, motorcycles, and other products and is also involved in the biological industry and tourism. By 2005, the Jili, Inc. intends to provide 8,000 to 10,000 jobs to the graduates of Jili University. Jili and other private universities are hoping to use this strategy to provide funding for the institutions to continue to survive and grow and also offer their graduates job opportunities.

CONCLUSION

In some parts of the country—such as Xi'an—private universities have leapt from their initial stage to form a "collective strength." Many have become huge campuses with 6,000 to 30,000 students and have won the recognition of society. Taking advantage of this new reality, they are trying to hire more-qualified teachers, raising the bar of their educational qualifications; they are also trying to hire more full-time teachers, increasing the ratio from 30–50 percent to 70–80 percent. Universities with good graduate employment rates are also beginning to raise the bar for student admissions, although most private universities remain highly unselective and accept nearly all applicants.

The future of China's private universities will continue to hinge upon their employment record. They will need to improve their teaching quality and administrative efficiency,

paying attention to student needs. Private universities are already setting goals to strengthen their niche programs, although they face strong competition from public universities. The family-style management, which characterizes many private universities, needs to be reformed to give more power to faculty and administrators. As long as there are diverse needs from China's booming market economy, private universities will continue to exist and grow. ■

Private Universities and Government Policy in Japan

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Japanese private universities have recently been said to be losing ground to national (including local public) universities. In June 2005, Hagi International University, a small private college in the rural western part of Japan, was forced to start a legal rehabilitation process to avoid the closing of campus due to a sharp decline in enrollments. According to a government agency (the Promotional and Mutual Aid Corporation for Private Schools of Japan), 160 of the total 542 four-year private universities now have lower student enrollments than the enrollment quota (*teiin*) approved by the Ministry of Education. This situation threatens many small institutions that rely exclusively on tuition revenue for operating.

Most observers attribute this situation to the declining college-age population, myopic strategies of private institutions (such as investing in a new campus with a small and ill-focused program despite fashionable names), a lack of strong endowments, the low quality of teaching, and other issues. However, the demographic change has had an uneven impact on the higher education system, with the biggest blow affecting the lowest-ranked institutions. This situation seems to have emerged from the inconsistency between government deregulations, the demographic trend, and the strategies of private universities to survive in the industry.

THE QUESTION OF DEREGULATION

Japanese government has been deregulating the higher education system over the past 10 years. However, even after the recent major reform in 2004, the ministry still maintains the authority to approve the establishment of new institutions or major academic programs (*gakubu*) at any type of institution by reviewing the proposed curriculum, facility, faculty-student ratio, and expected enrollments.

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If a private university wants to alter the approved program, especially when the change involves an increase in the total enrollments at the institution, it needs to obtain an approval from the ministry. Such an approval is not required of national universities. Such biased regulations regarding private institutions have impeded rational and timely decision making by these institutions.

APPROVAL OF NEW PROGRAMS

The 1998 University Council report claimed that colleges in the 21st century must pursue diversity, uniqueness, and internationalization—sending a message that the approval of new programs may be difficult unless the proposals have something to do with these keywords. Under this pressure, higher education institutions have tried to follow those suggestions when they wish to obtain a new student quota. The keywords in the report have been interpreted in a superficial way in order to appeal to the ministry.

Hagi International University, which was established in 1999 after converting from a two-year women's junior college, obtained an additional quota of a 160 students for new degree programs in "international studies" and "business information," in a Faculty of International Information. This university has faced the challenge of trying to follow the government's current priorities in a period of declining enrollments. Although these programs were named using the keywords in the University Council report, they failed to meet the local demand that a small local college should have considered. The first-year enrollments dropped to only 22 students in 2004 in comparison to a 300 quota of students. In October 2005, the university announced that it would cut back the quota and propose a new program focusing on local elderly care management.

ASSIGNMENT OF STUDENT QUOTAS

Enrollment quotas are one of the most conflicting and problematic concepts in the Japanese higher education system, especially for private institutions. Quotas exist for all types of institutions and seem not strictly enforced by the government. However, the amount of subsidy to private institutions depends explicitly on whether the program complies with the approved educational conditions, including enrollment. Institutions with a 50 percent lower enrollment rate than the approved quota are likely to face the suspension of government subsidy for not fulfilling the initial promise.

For private institutions, raising quotas still requires much paperwork and negotiation while nothing is required to lower them. Since the ministry is reluctant to give an institution a new student quota, it is unlikely that an increase in quota will be approved easily once it has been lowered. Thus, private institutions tend to set their initial quotas higher than necessary and are reluctant to adjust the student numbers in response to a changing environment. Cutting the costs is difficult since all the educational conditions are approved based on

the quota.

The compliance to the quota is also said to strongly affect the budget of national universities. Some argue that, following the government initiatives in the 1990s to expand graduate school enrollments, many top national institutions were forced to accept unqualified graduate students in order to fill the expanded quota.

COMPETITION WITH PUBLIC UNIVERSITIES

In an era of rapid demographic decline, quotas work as an obstacle to maintaining the quality of education. Although the 2000–2007 quotas at national institutions declined by 1 percent, the actual first-year enrollment figures increased by 1 percent. Since the national universities offer higher-quality education at lower tuition rates than private universities, most able students tend to go to national universities. Most freshman enrollments are determined in a very short period after the national institutions give entrance exams in February. The vacancies are filled in the order of the college hierarchy. Thus, the lowest-ranked private schools are destined to absorb the whole demographic shock and often find their quotas unfilled in April, at the beginning of the academic year.

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As the number of potential students declines, any private university is now matched to students who are less prepared and more indifferent to the education quality offered 10 years ago. The gap between students' readiness and the school's expectation is the largest at the bottom of hierarchy, as is the financial impact on the school. The only way the schools can survive is to cut the cost—and perhaps quality—to meet the demand from less-qualified students. Therefore, the education quality assurance at private universities cannot be adequately addressed unless these circumstances are taken into consideration.

REGULATIONS' ONGOING IMPACT

The trouble with Japanese private universities is not simply the consequence of the aggregate shortage of potential students. If one looks at unregulated vocational schools, there is clearly an increasing demand for professional skills beyond secondary education in areas such as accounting, legal services, care management, computer programming, and business-sector English. Many vocational schools succeed by efficiently providing such training.

The issues facing private institutions should be addressed in relation to the national education policy. Although the Japanese government has deregulated the higher education

system over the past decade, there still remain crucial regulations, with a strong concentration on private institutions. These regulations affect every aspect of the operation of private universities, impeding their flexible adjustment in the size and content of education. Small regulations can have a huge impact on the bottom of the hierarchy. Ignoring these repercussions would result in any reform effort of higher education system going nowhere. ■

Universities Without Corruption: A New Approach for Georgia's Higher Education

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Philip Altbach recently described corruption as “an unprecedented threat to higher education” (“Academic Corruption: The Continuing Challenge,” *International Higher Education*, winter 2005), and recent issues of *IHE* have presented a range of valuable case studies of higher education corruption. An analysis of corruption in Kyrgyzstan's universities by Madeleine Reeves (“Academic Integrity and Its Limits in Kyrgyzstan,” *IHE*, fall 2004) draws attention to the need to look beyond the university if the causes of corruption, rather than merely its symptoms, are to be confronted. As Georgy Petrov and I have argued in a recent paper on higher education corruption in post-Soviet states (*Higher Education Management and Policy*, 16(1), 2004), a pervasive lack of trust in formal structures and processes in these countries, which we suggest may be explained in terms of low levels of social capital, means that attempts at anticorruption technical fixes (for example, the grafting on of Western administrative procedures) will fail.

The Republic of Georgia, however, represents a case of a serious attempt to deal with university corruption as part of a wider attempt at social and economic transformation.

The Republic of Georgia, however, represents a case of a serious attempt to deal with university corruption as part of a wider attempt at social and economic transformation. In November 2003, Georgia's peaceful “rose revolution” began the erosion of post-Soviet authoritarian systems around Russia's borders, which was given further impetus by Ukraine's “orange revolution” a year later. Georgia's new government, led by Mikhail Saakashvili, has the general aim of

bringing Georgia “into Europe.”

One of the government's objectives is to create a modern, efficient, and, above all, uncorrupt university system. Its main tool in achieving this objective is the 2004 higher education law, supported by a local program known as “universities without corruption.” The speed of the law's introduction indicates the priority given by the new government to higher education. This is therefore a crucial moment for Georgia's universities.

THE CURRENT SITUATION

The universities of Georgia, as creations of the Soviet state, conformed to the standard Soviet pattern. Although the system was characterized by rigid organizational structures, highly didactic academic methods, and an ideological component in many subjects—as well as by close political control—there were undoubtedly academic strengths to be found in many faculties of Georgian universities during the Soviet period.

The years following Georgia's 1990 breakaway from the collapsing Soviet Union, until the formation of the Saakashvili government in 2004, were ones of extreme difficulty for the universities. The effects of this period are only too apparent today in badly run-down and poorly equipped buildings, outdated libraries and other facilities, and, most important of all, aging, underpaid and demoralized academic staff.

Georgia's 2004 higher education law provides the legal framework for change in the public universities.

By 2004, Georgia was said to have some 300 “universities,” a number now reduced to about 110—this in a country of some five million people. Most of these were new private institutions, established during a time characterized by lack of control and run as money-making businesses. A new national accreditation process is now aimed at bringing some order to this chaotic situation, which threatened to further undermine the country's international academic reputation.

Corruption is reported to have been a major problem in Georgia in the later Soviet period, even when measured against the considerable achievements in this field found elsewhere in the Soviet Union. The problem is generally considered to have become even more acute in Georgia in the period after 1990, when ineffective governments themselves became major sites of corruption. Corruption became widespread in the universities, as it did throughout the former Soviet Union, but apparently with few of the corrective mechanisms that—as Georgy Petrov and I found—to some extent limited university corruption in Russia.

CHANGE IN THE UNIVERSITY SYSTEM

Georgia's 2004 higher education law provides the legal framework for change in the public universities. An appropriate legal framework is often a necessary part of university reform,