

Prof. Marek Kwiek
Adam Mickiewicz University
Department of Philosophy
60-569 Poznan, Poland
kwiem@main.amu.edu.pl

Central European Higher Education and Global Pressures: The Three Aspects of Globalization

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1. Introduction

I want to focus in the present paper on Central European higher education under increasingly global pressures as the thesis of the paper is that the main factors contributing to the current need of rethinking higher education institutions is connected with the advent of the global age. Although the countries of the Region do not feel these pressures in higher education yet, it is likely to be affected by globalization-related processes soon. Public higher education worldwide, including Central and Eastern Europe, is not a unique part of the public sector anymore: neither in explicit political declarations, nor in public perceptions, nor in practical terms. Higher education in the Region is doubly affected right now: by the local post-1989 transformations and by deeper and long-lasting global transformations. To neglect any of the two levels of analysis is to misunderstand a decade of failed attempts (“ten lost years”, as Tomusk puts it explicitly, Tomusk 2000:278) of reforming higher education systems here. The fundamental assumption about the globalizing world is the primacy of economy to politics and culture, and the primacy of the private (sector) to the public (sector); hence the expectance in the countries of Central and Eastern Europe of dramatic diminution of the public sector and of the scope of the public services provided by the state. Globalization is seen in the present paper as the political and

economic reality that the countries of the Region will have to cope with. It will not go away, it will come – it has already come – to the Region, and stay (as Jan Sadlak rightly remarks, without reference to Central Europe, “the frank acknowledgement that globalization has become a permanent feature of our social, economic and cultural space is essential in order to take advantage of what it can offer as well as to avoid the perils it may involve” (Sادلak 1998:106).

Consequently, public finances, including maintaining public services, will be under increasing scrutiny here, following globalization (meaning: mainly economic) pressures and reforming the welfare state worldwide, with significant consequences for the public sector. What is expected is that the ideas of the uniqueness of higher education in general, and of the university in particular, will finally be rejected, closing the chapter opened two hundred years ago in Germany with the modern university (see Brzezinski and Nowak 1997) invented by Kant, Humboldt, Schleiermacher and others. Rethinking the social, political and cultural consequences of globalization is a crucial task for social sciences today. The decline of the nation-state – even seen as only giving some terrain of power to new transnational political and economic players – is strictly connected with violent globalization processes, which, consequently, will lead to the redefinition of such fundamental notions as democracy, citizenship, freedom, and politics (see Giddens 2000, Friedman 1999). What is of greatest interest to us here, though, is that globalization may also lead to the redefinition of the social role of the university.

In the situation generated by the emergence of the global market, global economy and the withdrawal of the state (called also the decomposition of the welfare state), a renewed deliberation about new relations between the state and the university in the global age is needed (see Strange 1996, World Bank 1997). One of suggestions today could certainly be the following: let us not look at higher education issues in isolation from the transformations of the public sector and of the institution of the state nowadays. These changes do, and will, influence our thinking about higher education. It is no use keeping referring to the rights gained by the university in modernity (i.e. to the rights gained in the times of national states by the Humboldtian model of the

University) as modernity, philosophically speaking, may be no longer with us.

Redefined states may have a bit different obligations and a bit different powers, and it is not quite sure that state-supported, national public higher education systems, as well as universities, will belong to their most basic spheres of responsibilities. The state worldwide right now is looking for its own place in a new global order, and public higher education issues may seem of secondary importance to it. It is important to realize that and to use critical thinking inherent to the academic world for another attempt to think through higher education in new social and economic environment.

Some public policy analysts recommend today the privatization of public higher education in the Region following the introduction of new laws on higher education. Privatization is understood as a gradual process of higher education leaving the public sector of purely state-supported services and moving towards greater financial self-sustainability. At the same time it means the process of higher education institutions turning into (educational) businesses. The degree of privatization may vary, though. Other options – a considerable increase in public spending on higher education, reducing research activities for the sake of maintaining higher level of teaching activities, involving the industry and the military in financing higher education, or merely maintaining the current level of state financing for public higher education and at the same time avoiding the collapse of the whole system – look more or less unrealistic. As a British sociologist John Urry put it in general terms, there are two implications of globalization for higher education institutions: “attempts to defend their position as ‘publicly’ owned and funded bodies will mostly fall on deaf ears and one can expect further uneven privatization” and “an increased regulation of higher education somewhat comparable to that experienced by many other industries and occupations” (Urry 1998:6). In a new social and political environment introduced by globalization theories and practices, it is not only the World Bank, OECD and IMF, from among transnational organizations (see e.g. OECD 1987, 1989, 1990, 1998; World Bank 1994, 1997), that are extremely interested in stimulating new accounts of higher education on a global scale; most recently it is also World Trade Organization (WTO) that is concerned with unrestricted import and export of higher education

within a set of complex rules of the WTO protocols. The issue in the long run is especially vital for poorer and developing countries, including the Region. As Philip G. Altbach observes in his recent article in “International Higher Education” (Spring 2001), clearly summarizing the attitude favored by transnational organizations, “a logical development is the privatization of public universities – the selling of knowledge products, partnering with corporations, as well as increases in students fees” (Altbach 2001:3).

Following what we have said, the main global factors contributing to the transformation of higher education can be summarily labeled “globalization”. I would like to analyze the issue under three separate categories: first, the collapse of the crucial role of the nation-state in current social and economic development, with its vision of higher education as a national treasure contributing to national consciousness; second, the reformulation of the functions of the welfare-state, including a new scope of public sector activities to be funded by the state; and third, the invasion of the economic rationality/corporate culture in the whole public sector worldwide.

It is important to bear in mind that the Region is not unique in its problems with reforming higher education. Problems I am discussing are global, and global solutions are sought, by global organizations never before so much interested in higher education as such (WB, IMF, OECD or WTO). Following the idea that higher education is no longer a unique part of the public sector in Central and Eastern Europe, it is interesting to ask who the competitors of public higher education institutions are. The competitors are of a twofold nature: they are, first, the newcomers in the field of higher education and, second, other public institutions and public services provided by the state today. Other educational providers are, for instance, private national institutions, private foreign institutions, national and foreign corporate certification centers, national and foreign virtual education providers and mixed education providers. They are increasingly for-profit. Most probably, in an increasingly market-oriented social environment, prospective students will be increasingly market-oriented as well. The unreformed institutions will not be able to face the pressure, and either

will be reformed on a day-to-day basis suggested by economic rationality, or will lose its student body to other market-oriented higher education providers. The second group of competitors are other public institutions and public services such as, for instance, primary and secondary education, pensions and care for the aged, basic healthcare, social insurance, law and order institutions, prison systems, public administration etc (see Hovey 1999). The competition with other sectors of the public sector is a zero-sum game, though: some sectors win, others lose. At the same time the general amount of the public money received in taxes is likely to be smaller rather than bigger, following the trend in all OECD countries (see Beck 2000).

2. The three aspects of globalization with respect to higher education

Apparently most obvious objections to linking the general context presented above with a local, Central European context provided below would concern a fundamental issue: what do globalization pressures, welfare state reforms and the weakening of the nation-state have to do with Central Europe? The main thesis of the present paper is that the linkage is, or in some aspects will be soon, very strong indeed. We are living in a global age; the point is to understand its opportunities and its challenges. Both are tremendous – also in the sphere of higher education. It would be unwise and unrealistic to believe that the countries of the Region will not be hugely affected by political, social, economic and cultural processes briefly mentioned above. The general idea of this paper is that it is useless to think of current higher education reforms in this part of the world without understanding their underlying causes in the Western world as we are living in a new world in which certain processes are of an increasingly global nature.

Thus, I would like to associate the three different aspects of globalization processes with higher education in general.

Firstly, globalization can be seen as the theoretical and practical questioning of the relevance/importance of the nation-state in contemporary world. The question that the state can be putting right now might be formulated in the following manner: “Why

should we finance higher education?”, as – leaving aside all rhetorical devices – there is no more a nation-oriented, national-consciousness-oriented, nation-building kind of ideal of higher education (or of the University, as defined by the Humboldtian ideal, as the arm of the nation-state). Secondly, globalization can be seen as the decomposition of the welfare state (resulting in a worldwide public sector reform – reformulation of the scope and responsibilities of the public sector in general). The corresponding response of the state might be formulated like this: “We are (just) unable to finance higher education (with its massification, if not universalization) anymore”. Just like we are unable to finance public healthcare, pensions for the aged and other social services anymore. And, finally, globalization can also be seen as the economic rationality and the rule of the ideology of the market – the primacy of economy to politics, to the public good, to general/social interests. Thus, in the third sense of “globalization”, it is a neoliberal, market ideology accompanied by an array of practices drawn directly from the world of business and applied to other domains of social life – in this particular case of interest to us here, to higher education. The corresponding response of the state would be like this: “Let us (still) finance higher education (a bit), but on a new corporate-like basis” (introducing the spirit of managerialism and/or accountability and/or privatization etc.). In the third sense of globalization, the model of the functioning of the university (or of public higher education, more generally) in the global age would be a business-like, corporate model, with such dominating traits as bureaucratization, marketization, entrepreneurialization, corporatization etc.

4. The impact of globalization on Central and East European higher education

As far as the worldwide decline of the nation-state is concerned, the (basically indirect) impact can be seen to different degrees right now in the Region; national identity seems still very important here, especially prior to the EU enlargement, although it does not seem to be produced/inculcated at the university anymore. Philosophically, this is probably the most important factor in describing the transformation higher education currently undergoes worldwide, especially considering two hundred years of the operation of the Humboldtian model of the

university, and especially outside of the Region, in more advanced, especially anglophone, OECD countries. The institution of the modern university was going hand in hand with the institution of the nation-state. Interestingly enough, this linkage concerns the university and not higher education generally.

As far as the decomposition of the welfare-state is concerned, a very strong impact can be observed and it is increasingly important in the Region (both directly and indirectly). The Region generally remains under a very strong influence of the biggest funders for reforms, of loan givers and of organizations it wants to belong to or already belongs. At the same time the IMF, WB and OECD deeply rooted and elaborated recommendations about the state and its functions for the whole world (there is no reason to believe that the Region should be excluded from them) can be summarized in the following manner: to reduce the scope of the state responsibilities, to minimize its role and to privatize social services as much as possible – to oppose the state to the “market”, to oppose it to the “economy”, where the state is merely a “facilitator”; plus strong emphasis on deregulation, privatization, liberalization and marketization. To refer here to the World Bank Report, *The State in a Changing World*: “today’s renewed focus on the state’s role has been inspired by dramatic events in the global economy, which have fundamentally changed the environment in which states operate. The global integration of economies and the spread of democracy have narrowed the scope for arbitrary and capricious behavior”. It is not the same state (see Schmidt 1995 and Urry 1998) – and therefore, among many other reasons, it will not be the same higher education (see Newman 1999 and Slaughter 1997). There seems to be no reason to believe that higher education worldwide, and especially in the Region, will be more successful in its struggles to get a share of shrinking public revenues that e.g. healthcare providers or pension schemes, or more successful than corrections/prisons, environment protection, primary and secondary education, care for the aged etc. Ten years of reforms of higher education in the Region, generally, do not support the thesis of an exceptional treatment (including exceptional financing) for higher education; on the contrary (see Scott 2000). The system of public higher education in some parts of the Region is on the verge of collapse as few system-level reforms were introduced, if

any. I would not expect the Region to be able to swim “against the tide” in reforming higher education and I would expect the consequences in the Region to be much more deeply felt by all stakeholders involved.

As far as the economic rationality/corporate orientation/market and business-like practices are concerned, this aspect of globalization may have potentially tremendous, direct impact on higher education in the Region. Because of the mythization/fetishization of the idea of the “market”, I want to focus more on this aspect of globalization here. “The market” is one of the most fundamental categories in post-1989 countries of Central and Eastern Europe, it is a key word in any social, political and economic discussion of the recent decade. “The market” in the Region is non-debatable, inherently positive, and “Western” in its overtones. The Region is aware that it needs “more market” and a stronger “market orientation”. From this perspective, the questioning of the “market orientation” of higher education in the Region would mean the questioning of the very essence of post-1989 social aspirations. I want to discuss this third aspect of globalization with respect to higher education in the Region in more detail.

I want to focus now on the corporate culture/economic rationality aspect of globalization also because it is already the most strongly felt aspect of globalization in the Western world (see Currie and Newson, 1998). This aspect is most practical, felt directly by academics and their academic institutions (see Kwiek 2001c). And it is a direct and practical consequence of the other two aspects: one may fail to see the reconfigurations of the welfare state and the weakening of the nation-state, one may fail to notice the collapse of the Humboldtian vision of the university as a community of nation-state oriented scholars, but it is certainly difficult to fail to notice the changing academic environment (in everyday academic life, in law drafts, as well as in recommendations concerning higher education from different local, national and supranational sources).

5. Will the corporate culture, economic rationality and business practices take over the academic world in the Region?

The provisional answer to the above question would be – most probably yes, gradually, with the passage of time, the corporate culture/economic rationality/business practices will take over the major part of the academic world in the Region. There is no reason to believe in the uniqueness of Central European higher education. It is following all global trends in terms of falling public trust, weakening public financial support, rapid universalization and new expectations of its main stakeholders. Here are some reasons to support a positive answer to the above question.

Firstly, worldwide trends meet right here in the Region (also owing to the intellectual and financial backup of supranational organizations) and the gradual “marketization” (even in its unrestrained, far-reaching versions) of higher education is already seen as a perfect response to its critical budgetary situation after 10 years of abandoned systemic reforms. The problems faced by CEE higher education are similar in nature, although different in degree, to problems faced in the Western world. Globalization concerns in the first and second aspect discussed here cannot be neglected in CEE countries right now. Although intellectual discussions on the subject are generally rare and based on Western experience, the public awareness of unavoidable transformations is very high indeed.

Secondly, to let (the major part of) higher education go “to the market” is for the state in the Region a relatively easy solution of the problem: as every deregulation, it requires tremendous institutional and systemic efforts at the beginning, and then the laws of the market/economic pressures begin to work. Polish lessons show that the state is very consistent in introducing strong market mechanisms in every domain of the public sector. And the dominating attitude in sectors already privatized is that of economic rationality. The unique character of higher education in general and of the university in particular in a set of traditionally public sector services is already lost, especially considering the rapid development of the private, for-profit and non-research institutions of higher education which changes radically the intellectual landscape in which public higher education is supposed to operate.

Thirdly, the times have changed: the abandonment of higher education public policy and leaving it merely at the mercy of market/economic forces would be unthinkable 10 years ago; in post-1989 countries higher education reforms were then generally left “to be done” soon. After ten years it is seen much more clearly that social and economic transformations will last for several decades and that higher education needs not only academic freedom and political autonomy but also huge financial support (see Kwiek and Finikov 2001). Within a structure of ongoing social reforms, higher education is no longer a priority for CEE states. Now it may happen that – with shrinking public resources and other social needs growing – the corporate answer to the “higher education problem” could seem almost salutary to the majority of stakeholders.

6. Conclusions

The academic world, most probably for the first time in its relatively short modern history, needs deep awareness of transformations occurring in the outside world as opposed to its traditional inward-orientation, commonly referred to as the “ivory tower” model. In periods of huge transformations the conceptions of one’s role, place and tasks in culture and society get questioned: I have to agree here with the statement from OECD’s *Redefining Tertiary Education* – “the central issues and concerns still include the question of identity and uncertainty over roles and functions”. In all probability, we are currently witnessing worldwide – together with gradual passage to the global age – the most turbulent period in higher education developments since the Middle Ages. At the same time, in the countries of Central and Eastern Europe, these transformations overlap with the passage from centrally-planned to market economy, which makes the identity crisis even bigger. We are living in the world in which neither the state, nor society, nor higher education are, and will be, the same.

Reflecting on changes in higher education policy in Central and Eastern Europe in the pre-globalization and pre-welfare state reforms context is only part of the job; the other part that I tried to sketch here briefly is much more useful in the long run, I suppose. The final directions of changes are not certain, but at least the awareness of the double, global and local, rather than merely local perspective in seeing transformations in higher education in the Region today seems of primal importance.

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