



Jiang Xiaoping

Impacts of Globalisation

and the Knowledge Economy

upon Higher Education in China
and New Zealand: Interculturalisation
in the Making



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Jiang Xiaoping, PhD, University of Auckland, New Zealand, is currently an associate Professor of English at the School of Foreign Studies, Guangzhou University, China. Her principal research interests are English language and culture, translation, intercultural communication and higher education. Jiang has recently published "*Interculturalisation in a Global Context*" and "*Intercultural Education in Foreign Language Teaching*". She further has a number of publications in national and international academic journals. Jiang is also chief-editor of "Business English" and "The English of Commodity Sales and Buying Guidance", associate chief-editor of "Word Power Made Graded", and one of the editors of "An Introduction to Britain and America". Her book "*Why Interculturalisation? A Response to the Internationalisation of Higher Education in the Global Knowledge Economy*" is shortly to be published by SensePublishers in the Netherlands. Jiang has completed three research projects in New Zealand and is currently conducting a research project on intercultural issues in China. In recent years, she has won eight awards and six research grants.

Two important and paradoxical trends can be seen to be developing in the 21st century: intensified globalisation and increased cultural diversity. We are confronting a "to-be-or-not-to-be" type-question. Should we permit cultural diversity to become devalued in the global environment or should we engage in an intercultural approach to communication on the basis of cultural equality? This question becomes increasingly important with the ongoing internationalisation of higher education for the reason that a growing number of students choose to study overseas, consequently increasing cultural diversity on campus. How best to accommodate this cultural diversity has become an important contemporary imperative. The conclusion put forward in this book is that the most helpful approach to this issue is to adopt interculturalism as a guiding policy whereby everyone should have a voice enabling all to learn and share across cultural differences. The author argues that the endorsement and deliberate pursuit of such a policy further entails the support of interculturalisation in education.

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Dedication

To my beloved mother, sister, daughter and Robbie Dai

Abstract

This thesis analyses the contemporary phenomena of globalisation, the knowledge economy and internationalisation in terms of their synergistic impacts on higher education and with special reference to China and New Zealand. Globalisation and the knowledge economy are seen to fuel each other as well as driving trends in higher education. Internationalisation is shown to be intimately related to, but conceptually distinguishable from, globalisation, and to occur partly as a consequence of the latter (and of developments in the knowledge economy) but partly also as a response to these forces. All three phenomena are addressed through assessments of their dominant economic imperatives.

As a prerequisite to understanding and critiquing these forces and their dominant imperatives, the early chapters expound a further tripartite structure, this time of political-economic theories: neoliberalism, neo-Marxism, and Giddens' 'Third Way'. The lens through which the analysis is made is explicitly neo-Marxist. The book critiques the ascendancy of neoliberalism in the discourse of globalisation, and the knowledge economy and the internationalisation of higher education. Neoliberalism's ascendancy is shown to be promoted through global, regional, national and sub-national entities, and this promotion is found to be often covert.

The middle section of this book traces the effects on higher education of the economic, and specifically neoliberal or global-capitalist imperatives that the foregoing analysis reveals. Policies of deregulation, liberalisation, marketisation, privatisation and commercialisation are shown to exert largely negative influences on universities and, by extension, on other higher education institutions. They over-emphasise the private value of both knowledge itself and higher education as a knowledge agent, something which leads to a homogenising, devaluing 'commodification' of higher education. Having made the general case, the book then considers the Asia-Pacific region before focusing in depth on China and New Zealand. This structure makes for a macro-meso-micro approach to the development of the inquiry but with emphasis on the macro and the micro.

Key questions raised in the book concern the establishment of a 'counter-hegemony' to oppose the dominance of neoliberal principles and policies. The study culminates by recommending the emergent concept of interculturalism as both an accurate description of the intersection of cultures on campus and a desirable normative policy which should complement internationalisation as part of national and institutional response strategies. The book argues for the legitimisation and encouragement of neo-Marxist interculturalisation and outlines its relevance to New Zealand higher education institutions, which host many international and new immigrant students, above all from China.



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Abbreviations

ADB	the Asia Development Bank
AELM	APEC Economic Leaders' Meeting
APEC	Asia Pacific Economic Cooperation
ASEAN	the Association of Southeast Asian Nations
AT	Agency Theory
AUCC	the Association of Universities and Colleges of Canada
AVCC	the Australian Vice-Chancellors' Committee
CCP	the Chinese Communist Party
CEOs	Chief Executive Officers
CERI	Center for Educational Research and Innovation, OECD, France
CPCCC	the CPC Central Committee
CRIs	Crown Research Institutes
CUAP	the (NZ) Committee on University Academic Programmes
EAEC	the East Asian Economic Caucus
ERO	the (NZ) Education Review Office
EU	the European Union
FDI	foreign direct investment
FFP	foreign fee paying
FRST	Foundation for Research, Science and Technology
FSI	the US Foreign Service Institute
GATS	the General Agreement on Trade in Services
GATT	the General Agreement on Tariffs and Trade
GCERD	Guidelines for China's Educational Reform and Development
GDP	Gross Domestic Product
HCT	Human Capital Theory
HE	higher education
HEEP	Higher Education Exchange Programme
HEIs	higher education institutions
ICT	information and communication technologies
IMF	the International Monetary Fund
IPP	intellectual property protection
ISAs	Ideological State Apparatuses
IT	information technology
ITAG	(NZ) Information Technology Advisory Group
MFAT	the New Zealand Ministry of Foreign Affairs and Trade
MFN	most favoured nation
MNCs	multinational corporations

MoE ^①	Ministry of Education
MoRST	(NZ) Ministry of Research, Science and Technology
MOUs	Memoranda of Understanding
NBR	the National Business Review
NGOs	non-governmental organizations
NIE	New Institutional Economics
NPM	New Public Management
NUFFI	the Netherlands Organisation for International Co-operation in Higher Education
NZ	New Zealand
NZBRT	the New Zealand Business Roundtable
NZIS	New Zealand Immigration Service
NZMD	the New Zealand Market Development Board
NZQA	the New Zealand Qualifications Authority
NZTC	the New Zealand Teachers Council
NZVCC	the New Zealand Vice-Chancellors' Committee
OECD	the Organization for Economic Cooperation and Development
OEE	the Organisation for European Economic Co-operation
PBE	the Pacific Basin Economic Council
PCT	Public Choice Theory
PRT	Property Rights Theory
RSAs	Repressive State Apparatuses
SALs	Structural Adjustment Loans
SEC	the (Chinese) State Education Commission
SM	structuralist Marxism
SOEs	State Owned Enterprises
TCE	Transaction Cost Economics
TEAC	the (NZ) Tertiary Education Advisory Commission
TEC	the (NZ) Tertiary Education Commission
TEIs	the Tertiary Education Institutions
The UK	the United Kingdom
The US	the United States of America
TINA	There is no alternative
TNCs	transnational corporations
TRIMS	Trade-Related Investment Measures
UN CPC	the United Nations Provisional Central Product Classification
UN	the United Nations
UNDP	the United Nations Development Programme
UNESCO	the United Nations Educational, Scientific and Cultural Organization

① Where the context is unambiguous, references to the respective ministries of education of New Zealand and China omit the country name/initials.



UoA	the University of Auckland
USSR	the Union of Soviet Socialist Republics
WB	the World Bank
WIPO	the World Intellectual Property Organisation
WTO	the World Trade Organization

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CHAPTER 1 Introduction

Universities have always figured in the global environment and thus been affected by circumstances beyond the campus and across national borders. This reality is too often forgotten in analysis of 21st century globalization (Altbach, 2004, p. 2).

As indicated in the above quotation, universities cannot be isolated from the outside world. They are *de facto* miniatures of the globe. The constituents (students and faculties) of the universities are very mobile: they constantly converge from and diverge to various areas beyond the regional and national borders. Therefore, they are profoundly affected by the global environment: interaction of people from different cultural and ethnic backgrounds is happening in almost every corner of the campuses. This situation is furthered by advances in technology, e.g. convenience in cross-continent transportation has shrunk our time-space, resulting in larger international student populations around the world. Remote accessibility to knowledge resources around the world makes distant universities the virtual community colleges in the neighborhood. Thus universities are no longer confined to their own ivory towers. They are critical players in the advancing globalisation, the knowledge economy and internationalisation.

All these new developments result in new challenges as well as opportunities for universities in particular and higher education^① (HE) in general. For example, in response to an urgent and increasing need for professional personnel from knowledge-based economies, there emerges a growing demand for wide access to universities and other HE institutions (HEIs) to produce qualified and competent future knowledge workers in large numbers and of varied kinds (Sadlak, 1998). It is estimated that by 2025 the global access rate to universities will be 31%, meaning 159 million students throughout the world, including 87 million from Asia, will be studying at universities (Blight et al., 2000). Many of those students will be attending universities outside their home countries. Indeed, the increasing growth in international access to universities might be the primary catalyst for changing the nature of universities in this competitive century. Thus universities are much more market-oriented and increasingly interconnected with each other around the globe.

Indeed, globalisation, the knowledge economy and the internationalisation of HE are now key drivers behind the operation of current HEIs. They have greatly influenced the reforms and restructuring of HE systems from practical

① For the purpose of this book, HE is defined as tertiary education.