Introduction

This book is about the growing influence of global regulation on universities. By global is meant the operation of institutions, practices and processes on a scale that is more worldwide than are exclusively national framings. However, some worldwide processes are confined to certain parts of the globe only, while globalization is also localized or manifested in certain types of practices within nation-states. That is, we do not assume a total worldwide integration of local systems for our notion of globalization, or accept that globalization refers only to the operation of processes located entirely within global institutions (Sassen 2007).

Nor is the regulatory governance framework which is used throughout the book based solely on the application of non-discretionary and legally sustained rules for the coordination and orderliness of often disparate behaviours, although such instances form one example. Rather, ‘regulation’, although similar to rules in shaping individual behaviours, is much broader in its sources and modes and generally includes both public and private institutions. It contains processes of purposeful standardization, normative internalization, and markets as solutions for coordination and collective action problems, as well as hierarchical command. We shall see that global regulatory practices particularly exhibit these ‘non-legal’ characteristics in the absence of a world sovereign along the lines of territorial jurisdictions. They tend to be more private, sector-focused, standardizing and voluntary than found in the conventional command-and-control regulatory systems of nation states. Governance operates more through ‘steerage’, networks, deliberation and communities of the knowledgeable and the expert. Outcomes tend to be implemented by working through peer pressures and horizontal monitoring by organizational actors than by straight-line hierarchical orders issued from on high.

We distinguish between four modes of global governance: a) intergovernmental (government to government); b) trans-governmental (involving particular ministries or departments); c) supranational (implemented by international institutions); and d) transnational (coordination by non-state actors). Higher education systems may be subject to any of these modes and often to all of them. Yet divergences between formal acceptance of global regulation and on-the-ground behaviour
are not always easy to detect. There are a number of actors in the global regulatory chain of implementation, and each level constitutes a threat of attenuation and the possibility of regulatory ritualism. For example, global standards in higher education (or any other sector) may flow from international organizations, as initiators, to national legislators and then to particular ministries and be subject to both political contestation and inter-departmental rivalry. Further dissemination to universities may also be resisted at senior leadership levels, or the standards may be embraced managerially but suffer insufficient ownership within departments or by individual academics. Consequently, our framework rests upon careful examination of the type of global regulatory mode in the origination of global standards – the four we outline – and the levels of dissemination and commitment involved in their implementation.

KEY THEMES

In the chapters that follow we explore in detail how universities are increasingly subject to global forces that shape their patterns of governance and those of the higher education systems within which they are located. It is not suggested that these forces influence all universities in all parts of the world with more or less the same impact. Universities vary in mission and exposure to worldwide patterns of competition and collaboration, and they are also responsive to different structures of incentives, accountabilities and regulation from their national governments. While research universities are increasingly subject to the scientific opportunities and evaluations presented by the rapid communications and scientific revolutions of the global age, other institutions are more focused on their local communities. They may undertake little research, follow governmental directions more assiduously than the research universities as a consequence of high dependence on state funding, or, increasingly, they may be focused as a private for-profit entity on shareholder returns rather than on the accrual of academic reputation and status as found in the public sector.

Moreover, the nature of global activity varies. For some institutions, the requirement to attract fee-paying students from abroad may form a critical part of financial survival and prosperity plans. Such commercial entrepreneurialism, however, may be less economically vital for others whose global recruitment activities are geared more to attracting high-flying researchers and scholars from abroad than generating revenues, as is typically the case with leading US institutions. The economic developmental and political worldwide integration of territorial societies also varies, as do national histories and cultures, affecting both the extent and the nature
of global integration across sectors and societies, and this clearly plays out for their higher education systems too. Virtually all universities retain national identities and offer national degrees when operating globally, and all generally remain subject to domestic policies, regulation and funding. Thus, distinct variety and differences in national higher education systems remain despite recent convergences as a consequence of increased global policy communication and coordination by decisionmakers. Territorial place matters for organizations, not least as headquarters for managing increasingly dispersed and complex global operations. Processes of globalization also can be found, and differ, in quite localized settings, such as the impact of global rankings on university behaviour or the consequences for institutions and local communities of the presence of high numbers of cross-border students. Newly emerging powers in Asia (such as China and Singapore) and elsewhere are also seeking to enhance the global standing and performance of their higher education systems as part of determined national governmental strategies (Marginson 2007b). The experience of these eastern Asian powers underlines that global markets (and higher education systems) are perfectly compatible with strong states and that, even amongst the largest multinationals and world-ranking research universities, competitive advantage is predominantly located in respective national systems of governance, funding and innovation (Held and McGrew 1999; Weiss 1998).

But, perhaps to a greater extent than before, the governance patterns of institutions in worldwide tertiary sectors (and we use the term ‘university’ as a broad synonym for such entities) are influenced by global references and standards. This is not entirely new. Teichler (2007:18), for example, observes that ‘higher education could be viewed as very international, in comparison with other institutions, in terms of a high appreciation of cosmopolitan values, pride based on international reputation and global search for knowledge’. Moreover, historically, universities have experienced different stages of pan-national isomorphism, from the medieval influence of Christian regimes and curricula, to humanism and enlightenment and the incorporation of education within modernizing nation-states in the last two to three centuries. Today, higher education systems experience a worldwide convergence of policies shaped by common problems and the role of influential international organizations, such as the OECD and the European Union (Martens and Weymann 2007).

Global influences on universities thus appear to be on the rise. At one level such processes are broad in their worldwide cultural influences – ideas of what constitutes the modern university, what subjects it teaches, how it is internally organized, and what are the appropriate relationships for universities to have with governments – while others are more specific
and restricted, such as the impact of the Bologna processes on common degree cycles as part of inter-governmental efforts to enhance the international attractiveness of European universities. Some phenomena in higher education are increasingly worldwide in their scope (such as global university rankings) but their influence on institutional strategies may be limited to the top echelons of certain national systems. However, university rankings of various kinds are found in virtually all the major higher education systems, and as such increasingly national league tables might be construed as constituting a global phenomenon. That is, although varying in methodologies and criteria, and focused on institutions in a particular national jurisdiction, league tables are key parts of university environments in all developed societies even though only the relatively few worldwide rankings for the top universities are global in their scope and comparisons. This reminds us that global phenomena may be found in quite national settings and processes and are not located only in worldwide institutions.

Throughout the following chapters a number of key themes recur. First, universities increasingly are recognized as active organizations rather than as passive institutions whose purposes simply reflect the goals of state bodies or which are the contingent outcome of the atomistic endeavours of individual academics. That is, as organizations, universities are responsible for their fate as autonomous actors. Although the nature and extent of institutional autonomy in relations with national states varies – from almost complete legal independence on the one hand, to increased but delegated freedom within continuing state ownership on the other – and while some countries, especially the ‘Anglo’ nations such as the USA, the UK, Australia and New Zealand, for example, have a long tradition of autonomous institutions that have become more subject to state forms of regulation in recent years, mostly universities have become ‘persons’ in their own right. That is, in a strongly collective or unitary sense, their futures are largely in their own hands. They no longer consist, at least in the main developed societies, simply as congeries of highly individual scholars and disciplines, where institutional reputations largely are tacit and non-formalized, and not especially differentiating in choices by elite students. Nor is their funding today the steady, reliable and unspecified (‘block grants’) from broadly sympathetic governments (and thus relatively unattached from systematic external performance evaluation). Rather, policies of competition, corporate autonomy, managerial authority, and the worldwide victory of the regulatory principles of transparency and accountability (for the taxpayers’ money) in public services have put paid to most of that. Universities (not simply members of universities) are agents with the freedoms and responsibilities to chart their own courses based on rational calculations of market opportunities and of their own
strengths and weaknesses. Mainly these opportunities are for gaining reputation and standing rather than for achieving high revenue through pricing strategies, although the growing band of for-profit universities operates with rather different objectives. Even for the public institutions financial strength is nonetheless required to maintain and advance research reputation, to invest in institutional infrastructures, and to possess the consequent ability to offer students, and other users, additional positional advantage from their university affiliations.

Universities are free to prosper but also to fail. Or, at least, this is the theory. Whether national politicians have the nerve to let whole universities cease (as opposed to merging them with others, for example) may be questionable. And whether the isomorphic processes that legitimate the idea of what constitutes a ‘top’ university, reinforced by the stratifications of university league tables, prevent the full-blooded institutional diversity based on freely chosen and distinctive missions in national higher education systems that the new model implies may be a further caveat. But institutional autonomy and diversity are how the official story generally now runs.

Second, influential ideas and standards found in processes of global governance for higher education promoted by international organizations also emphasize the enhanced organizational personhood of the university. This includes increasing managerial responsibilities for entrepreneurialism and the necessity for effective and efficient administration. Independent boards of governors or trustees are expected to exercise broad strategic and oversight accountabilities over institutions, powers which in some countries recently have been delegated from the state, and to hold senior leaders to account. Worldwide processes respect and seek to enhance the free choice of institutions, but within guides, models and blueprints reflecting the distilled wisdom of authoritative standards-setters and similar agencies, governmental and non-governmental, and also transnational organizations such as the OECD, UNESCO and the European Union. Rather than law-based command and control of universities from the state (national or local), found particularly across Continental Europe and, more recently, in South Africa, but which in countries such as the USA, Australia and the UK was always rather ambiguous and largely sensitive to traditional academic self-regulatory processes, even though increasing in its formal scrutiny in recent years (King 2007a, 2007b), in the global sphere we find softer constraints. These generally consist of recommendations, codes of good practice, guidelines, benchmarks and similar models from which we can learn from others and yet be free to dissent. However, universities and their higher education systems need to provide very good reasons for divergence from the norm in order to act as influential participants in global discussions. The importance of reputational good-standing
and peer pressures in such forums ensures that divergence from global blueprints needs to be quite deliberate and informed to escape opprobrium or gentler mutterings. We live in a world of standards and norms, and this form of governance is especially marked at the global level. Bodies such as the OECD, the EU, the World Bank and UNESCO increasingly prescribe well-researched ways of acting for universities and other higher education policymakers. Global regulatory governance is informed more by soft law and modelling than by policy fiat backed by legal instruments.

Third, private sources of authority increasingly accompany and in some cases displace governmental sources of coordination in the global world, including higher education. For example, transnational consortia of like-minded universities from various parts of the globe in the last decade or so have come together to develop programmes, to self-regulate through benchmarking and review, to gain global competitive advantages through resources collaboration between the members, and to mark out boundaries to membership that reinforce standing, prestige and similarities of mission. In some cases, positions in the global and other university league tables are taken into account in considering applications for membership. This reinforces private authority, as university league table compilers (nearly always non-governmental) also have become significant and sometimes compelling sources of influence on university behaviour and higher education markets. In some instances, however, government agencies provide key data that these private rankers can use and reinterpret according to their own notions and assumptions, although such official data are less readily available for those compilers constructing global evaluations across territorial borders.

Governments also have not proved averse to utilizing standards issued from private entities for their own policy purposes, such as overseas governments providing bursaries and similar financial assistance only to those students going abroad to universities featuring highly in national or global league tables. Quality assurance bodies have also referred to declarations of good practice by university associations (on cross-border higher education, for example) as forming benchmarks with which to evaluate individual institutions (see Woodhouse and Stella, 2008, on the Australian quality assurance agency for higher education and its incorporation of privately generated guidelines into procedures for evaluating the international activities of Australian universities). Some sources of private authority, such as university league tables, have become key elements in higher education market-making activities. Yet they may operate to confound broader governmental or ‘public interest’ objectives, such as for widening social participation and for encouraging diversity of institutional missions. As we shall see, private and civil society actors, often in partnership with
governmental entities, increasingly assume important regulatory roles across many sectors, but it is a ‘regulation’ based on standards, isomorphism and peer pressure rather than law-backed sanctions. Governance, particularly at the world level, is no longer predominantly the preserve of national states. Economic neo-liberalism and the associated nostrums of the ‘new public management’ also encourage private authority and self-regulation as a more legitimate and effective form of coordination than that offered by governments directly.

Fourth, the role of the national state has undergone major transformations in recent decades, in response to economic and political integration with the deepening of globalization. More particularly, in financial and other economic sectors especially, the competition state is less the controller of global flows than an actor aiming to attract a reasonable share of them. It seeks the highly mobile funds and investments as part of a continuous search for comparative national economic advantage. National states operate across multi-levels of governments as they deal with global issues and problems—terrorism, criminal money-laundering, climate change and extending free economic trade—that are beyond the control of individual governments, and this is leading to increased forms of transnational governance. Increasingly too, states operate in networks of alliance with private organizations and, in some cases, appear happy to delegate governing functions to private entities. Civic and corporate private entities not only sustain governance through partnering states and similar governmental entities, but may also replace them as regulatory governors. There appears striking emphasis in regulatory governance generally on the need for states to recognize the autonomy of functional subsystems—such as the economy, education, science and the arts—whose ‘internal logic’ and professional self-regulatory knowledge it is reluctant to interfere with. The aim, rather, is to ‘meta-regulate’ at a distance where this is necessary, thus avoiding overload at the centre and disabling the innovation, dynamism and decentralized information processing of local actors (Hayek 1960).

Before considering how the domain of higher education fits into new global schema, we need to outline the framework of world order that has evolved in recent decades and which is predicated on the absence (or the non-desirability) of a world state or global ruling sovereign.

THE GLOBAL WORLD ORDER

In discussing global governance in higher education it is increasingly important that we have a sense of the types of regulatory entities that more generally operate in the world and which, in the absence of a world
government, and with major limitations on the use of hard and military power available to most national states, provide the building blocks for ordering global affairs. Inevitably such processes are messy and complex, apparently disconnected from each other and highly sector-based, yet providing the foundations for a coherent sense of a worldwide political order.

One way of approaching the mosaic of interconnecting ropes and ladders that make up such a global governing order is through an examination of key networks. Transnational networks may consist of public or private actors, and often both, linked together for deliberative policymaking and regulatory activities across borders. The notion of a governance network reflects negotiated forms of public–private rule-making through processes of deliberation and partnerships. This discourse model, emphasizing that law is legitimate only if based on an inclusive and fair process of deliberation, appears particularly suited to transnational governance, as it reduces the importance of national borders and relies on individual rather than national rights and obligations (Dingworth 2007). Coordination at the global level, in the absence of a world government, increasingly involves stable if fluid groupings of operationally autonomous (but interdependent) actors, who produce, through dialogue and bargaining based on knowledge and expertise (‘reflexive rationality’), self-regulatory and normative frameworks that help secure coordination in particular sectors. Compliance does not rest on legal or state sanctions as such but is enforced through processes of trust and commitment that are sustained by self-produced rules and norms. In recent years, states have reinforced private forms of public governance as a means of reshaping (and shedding) functional tasks, whilst retaining and enhancing broader authority and strategic responsibility for promoting national economic advantage for their respective ‘competition states’ in the context of globalization. Increasingly state power depends more on the ability to participate in international institutions than on containing or insulating sovereignty within a closed-off national territory.

Across a range of domains, the demand for rule-based global governance is growing, in part stimulated by the need for the world to address such common issues as global warming, terrorism and international financial flows. Broadly, it is conventional to distinguish four different modes of global governance: inter-governmental, in which states collaborate through their governments; trans-governmental, in which officials from particular ministries and departments cooperate across borders; supranational, in which international bodies exercise authority through a permanent bureaucracy; and transnational, in which non-state actors coordinate particular sectors. As well as seeking to influence governments and inter-
governmental rule-making bodies, increasingly non-state global actors have developed and applied their own rules, not always with governmental approval, thus raising issues of democratic accountability and legal constitutionalism (Dingworth 2007). Transnational governance through private authority is found in such areas as internet commerce, telecommunications standards, and the establishment of creditworthiness (by ratings agencies) for corporate issuers of debt.

Slaughter (2004) attaches particular importance to networks of government officials, or trans-governmental cooperation, for global governance. In this new world order, state servants increasingly share knowledge and collaborate across borders to operate effectively in addressing issues, including crime and terrorism, that are themselves networked and global. Networks are defined as ‘a pattern of regular and purposive relations among like government units working across borders which demarcate the domestic from the international sphere’ (p. 14). Importantly, however, such activities are not channelled through a centralizing foreign office or similar entity but are conducted at least semi-autonomously by the various departments that make up a fragmentary or disaggregated state. That is, the networks are horizontal. The state is thus disaggregating into its component institutions that operate domestically and (through networks) internationally.

In the following chapters we shall come across a range of private networks across territorial borders that exercise forms of regulatory authority, and public–private networks for transnational governance also have increased significantly in recent years. Yet there are grounds for believing the role of transnational governmental networks remains particularly pertinent in higher education. Universities generally continue to remain reliant on governmental funding (although proportions of institutional revenues derived from this source have declined in recent years, not least for the top-ranked universities) and are subject to governmental regulatory, funding and other policy arrangements. Moreover, governments have become highly aware of the knowledge-creating and human development significance of their universities for the economic competitiveness and social well-being of their peoples. In higher education the task for governments has become one of successfully combining levels of institutional autonomy with public accountability – regulating ‘at a distance’ – and for the steerage of universities to be located within well-judged and transnationally consistent governance arrangements. By no means are states out of the global governance picture.

Global governmental networks have certain common functions across policy domains, although clearly distinguishable in many other characteristics through possessing particular sector features. They build trust,
develop cooperation and learning, increase information and contacts, and often become sufficiently well entrenched for individual and national reputation within such contexts to matter to participants. Generally, they function through the use of persuasion, modelling, dialogue and knowledge-sharing; they are informal and nimble enough to respond flexibly and speedily in a fast-moving world. Cross-border networks have the advantage of being able to agree and administer rules, and also to arbitrate when necessary, without the formal paraphernalia of elected territorial governments (although, on the downside, also incurring the prospects of ‘democratic deficits’, opaqueness, and lack of legitimacy and accountability). More especially, as we have noted, networks generally are composed of the elements of disaggregating states – ministries, regulatory agencies, courts and legislatures – rather than being formed by unitary state actors (except as found less commonly in full treaty or similar negotiations). They help to solve what Slaughter (2004) defines as ‘the globalization paradox’ in that we need ever more governance on a global and regional scale but not centralizing authority and its aloofness and coercive capacities operating far from the people being governed. Moreover, sector-based networks attract the experts and the knowledgeable, and those with the professional and scientific backgrounds that help forge agreement and confidence.

Regulatory networks cover a wide spectrum, from those that are informal and bilateral, to the highly institutionalized and multilateral as found in international organizations. Their functions vary too, although at the heart of a disaggregated world order are sets of horizontal networks among national government officials in their respective policy areas which collect and share information of all kinds. However, enforcement networks take a stronger form and generally arise when government officials in one country lack the capacity to enforce particular laws alone. Harmonization networks may be even more formalized, perhaps through treaty, in which regulators and other policymakers seek a common regulatory standard to govern all, rather than agreeing simply to mutual recognition of diverse territorial arrangements. Often in such circumstances, as with the EU for example, a supranational authority is required to which national officials assent (effectively to a transfer of sovereignty) in order for overall effectiveness and regulatory reach to be gained. However, vertical networks of this kind, where supranational agencies reach down directly into national sovereignty, are often more controversial and formalized than horizontal networks, which issue rules or guidelines where national sovereignty is less in play (and indeed is frequently reinforced). Consequently the vertical network generally consists of a supranational entity working closely with domestic national bodies (such as the courts) in order to secure effective enforcement. Nonetheless, many international organizations, such as the
OECD, are principally habitats (arenas) for meetings of national officials rather than being truly autonomous or resembling supranationalism. (However, Chapter 4 suggests that the authority and role of the OECD’s central secretariat may be becoming stronger, not least in helping to develop OECD standards and similar modelled prescriptions.)

Including for education, the OECD aims to help countries to learn from each other and to highlight (and to recommend) policy options that national governments may have difficulty in generating in domestic politics. The objective is more to shape future or longer-term policies than necessarily to provide detailed plans for immediate adoption nationally. The OECD shares information, undertakes comparative research, and produces models and codes of good practice that are articulated at a sufficiently high level so as to attain wider applicability and avoid the complexities of formal and more detailed legal obligations. Although its membership is confined to the world’s most advanced nations, its research and policy investigations often include non-members, and its principles and benchmarks achieve a wider and more authoritative global significance than simply for its members. As with other such regulatory networks, the OECD provides well-researched and invaluable information to formulate frameworks of best practice, governing principles, codes and standards that allow governments and organizations (including within higher education) to regulate themselves, but within the constraints of peer pressures and reputational self-regard rather than by prescribed specific commands backed up by detailed monitoring and possible sanctions. In a world of increasing information overload and complexity, government networks (officials and experts) such as the OECD acquire a ‘brand’ or reputation as credible purveyors of information that has been sifted and authenticated, which is invaluable for the time-stretched and the otherwise bewildered national decisionmaker.

THE FOLLOWING CHAPTERS

In the following chapters we examine how universities are located within a realm of global governance, developing and highlighting the themes we have just outlined. For the most part we confine our attentions to those institutions that are called universities, or that clearly operate as universities in the amount and levels of higher education that they undertake even if lacking the formal title. We use the term ‘university’ to cover both of these examples. We recognize also that increasingly the description ‘tertiary’ is applied to the sector (by the OECD, for example) to reflect the increasing diversity of provision and institutions offering education at
initial and sub-degree levels, which forms a significant component of ‘post-secondary’ education. However, for the most part we are concerned with university and university-type institutions, although, as appropriate, as in discussions of institutional mission and diversity, for example, we locate our processes in a wider sense of ‘tertiary education’.

We begin in Chapter 1 with an account of the contemporary university and the key characteristics of higher education systems in the global age. The modern autonomous university is a socially influenced phenomenon, regarded by policymakers (and institutional leaders and many staff members) as an accessible and socially-relevant organization. More particularly, it is a critical instrument for national economic competitiveness. As such, the aloof and socially isolated body of a half-century and more ago, in which academic rigour depended on both conceptual and institutional monasticism, not least to understand and develop knowledge based on sacred methodological and internally generated canons, has become transformed into a vehicle of national utility. It provides preparation for a much wider range of occupations than that characteristically for the elite professions of law, engineering and medicine, and the training of scholars and senior civil servants, that had generally dominated university education in many countries half a century and more ago. Moreover, external accountability and transparency in public affairs have become triumphant regulatory principles worldwide, and this has influenced the governance of universities nearly everywhere, not least in the introduction of external quality assurance bodies and the rise of performance-based funding.

The chapter explores the rise of private higher education provision around the globe (and the ‘privatizing’ of the public universities) and the regulatory implications, not least for quality assurance and consumer protection. The rapid growth of private providers has provided a rising element of institutional diversity in higher education systems – and such differentiation is a global policy mantra – but the still-called public universities are also differentiating, not least by reputation, and their brands are subject to the vagaries of increased private standards and regulatory authority in university league tables. The global diffusion of funding instruments that are focused on user-pays and high-tuition-costs/high-student-loan policies is also highlighted, to illustrate the embrace of market-like and consumerist forms of coordination for universities worldwide by policymakers.

The growth of cross-border higher education also has important regulatory consequences for universities, including that flowing from trade agreements, and is stimulating the growth of softer forms of global regulation through the influence of international organizations such as UNESCO, the OECD and the WTO, and their diffusion of codes of best practice and similar guidelines (although the WTO has legal arbitration
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procedures and is the most constitutionalized of these international entities outside the EU). It is a form of international provision where the longstanding globalization of scientific exchanges is increasingly accompanied by the active corporate endeavours of the university as ‘person’. Yet the chapter points out that the motives for cross-border provision are numerous and that the regions of the world display different drivers. These include the policy-driven activities on student mobility of the European Union, the high-skill-seeking approaches of the leading US universities, and the commercialism found in the Asia Pacific region, and in countries such as Australia and the UK, that reflects in high private demand for undergraduate and taught master’s provision from international students paying deregulated fees. Yet national regulations remain important as both obstacles and opportunities for cross-border flows, such as on qualifications’ recognition, quality assurance, accreditation and visas.

Unsurprisingly, national regulators, not least quality assurance agencies and accrediting bodies, are increasing their international range to cover the international activities of their domestic institutions and, in some cases, as with the US regional accrediting bodies, regulating foreign university incomers. Moreover, the international dimension has become a much stronger driver of university strategies than before (Woodhouse and Stella 2008). Although markets and operations have globalized more rapidly for universities than has regulation (unlike, say, in accountancy), and universities are predominantly regulated in a conventional sense by national governmental agencies, this is by no means the complete picture. Regulatory governance involves more than the state these days, particularly on the world stage. Increasingly universities are self-regulating themselves through international peer-driven processes of external review, and are becoming subject to the softer forms of regulation and private authority globally that are found in other sectors too.

In Chapter 2 we explore the influence of economic models in public policy discourse generally, not least the claimed advantages of markets and competition as both efficient allocators of resources and also forms of regulation and coordination. Theories of public choice and the new public management have significantly influenced higher education and form a key global template for universities worldwide. That is, such notions have become globally institutionalized as private sector instruments have come to be regarded as wholly appropriate for application to universities and other public services.

Two other global policy templates are discussed in the chapter: institutional systemic diversity in higher education sectors, and the idea that universities are a key to national economic competitiveness. The role of international organizations in both connecting and diffusing such templates
as examples of good policy practice is also examined, as are the ambiguities found in such models. Such processes appear particularly appropriate for the application of neo-institutional explanations that are focused on the extent to which national entities, such as universities, are deeply shaped and made more uniform by a wider world culture. Universities are quite homogeneous worldwide in many of their key features – curricula and subjects offered, for example, display remarkable consistency around the world despite high variations in local circumstances – while the norms of science strikingly inform policy processes of many kinds. Significant regulatory implications for universities flow from such processes, especially at the transnational level, and these are discussed in the context of the ‘post-regulatory state’ and ideas of ‘networked governance’.

We examine notions of regulatory governance and transnational policymaking more closely in Chapter 3. Here, three main explanatory approaches are offered for global similarities in university governance: economic competition, in which the regulatory modes of the dominant world economies and their university systems tend to be diffused to others; the institutional influence of inter-governmental and other cross-border forms, such as the EU and the OECD; and, third, the impacts of transnational networks of professionals and experts. The chapter examines also contemporary notions of the regulatory state and regulatory capitalism, and the consequences for levels of regulation and their modalities in the modern world, not least for universities. The outcomes often are ambiguous, resulting in mixtures of top-down external formality and target-setting, for example, but within retained notions of academic peer process and self-regulation. In global governance especially, soft law forms of governance tend to prevail, based on utilizing notions of peer pressure and reputation rather than in exercising traditional command and control. Decentred forms of regulation appear particularly appropriate for both transnationalism and higher education systems more generally. However, problematic issues of transparency, accountability and legitimacy loom large in such processes, and we examine ways in which such matters may be approached without losing the benefits gained from networked governance processes delivering a public interest.

Chapter 4 considers specifically two examples of transnational regulatory governance in higher education which contain important non-governmental as well as inter-governmental elements. One is the European Bologna Process and the increasing role of the European Commission in the development of a common higher education ‘space’ or area across Europe. The other is the Organisation for Economic Co-operation and Development (OECD), an association of the 30 most advanced nations. We analyse it as a key influence in constituting policy models and ideas of great authority based on widespread research, and as an important
gatherer and publisher of data on national education and other performances. The latter significantly influence governments, especially by operating through processes of reputation and peer standing. Increasingly the OECD is extending its authority in the field of tertiary education, particularly through the development of comparative data on learning outcomes. Its authority is based on the dissemination of models of best practice that follow extensive thematic reviews, and which effectively constitute sets of standards for higher education systems.

Three particular themes are explored for both organizations: the manner in which transnational regulatory and other policies reflect wider ‘world society’ models of how best to govern universities in the modern age; the levels to which on-the-surface similarities and convergences in structures and system architectures across higher education systems disguise important differences in local interpretations and applications; and, finally, the increasing role of the supranational or vertical network level (alongside governmental horizontal networks) in the two organizations, and the resort to soft law and voluntarism rather than hard-line compulsion for achieving authoritative leverage over higher education systems. The growing role and authority of permanent officials are discussed as indicating the importance of managerial and expert power, and similar administrative resources, in providing, for these two international organizations at least, levels of organizational autonomy apart from formal inter-governmental supremacy and supervision.

Through the chapters of Part II we explore examples of private authority in the global governance of higher education, and the increased role of standards and benchmarks in guiding university strategies. Chapter 5 looks closely at league tables of university performance as a global phenomenon, in the sense that these are found nationally around the globe, but also at the development of institutional rankings that are global in reach and which purport to highlight the leading ‘world-class universities’. We examine reasons for their growth, relationships between rankings and governmental and wider public policy objectives, the underlying assumptions about the ‘top’ universities in the compilations, the impacts of league tables for institutional behaviours, and their role in producing orderliness and market-functionality, not least across borders, and explore how, rather like the credit ratings agencies in financial services, they perform the role of ‘embedded knowledge regulators’.

Chapter 6 looks more closely at studies that have investigated the impact of university league tables empirically, particularly those by Hazelkorn (2007), and by Locke and his colleagues (2008) for the Higher Education Funding Council for England. It is clear from both investigations that universities take these forms of private regulatory governance
very seriously although not always admitting to it. Increasingly the world of higher education and the institutions that help to form it are perceived by simple significations, and league tables fall into such a category. In a world of information overload and complexity, individuals search for authoritative short-cuts to obtaining the knowledge they require for their decisionmaking, such as in deciding which universities to apply for. By no means are such decisions based on high formal rationality: rather, psychological research tells us that individuals look for simple heuristics or bounded rationalities in their decisionmaking, and university rankings may be regarded as falling within such categories.

Chapter 7 looks more closely at the global rankings in regulating the world-class university. It explores the notion of ‘world class’ and the intense interest that government policymakers around the world appear to have in possessing at least a few such universities within their own national jurisdictions. Policies of selectivity and concentration of funding to institutions in countries in support of such aspirations are considered, as is the alternative notion of the ‘world-class university system’ that seeks less elitist means of raising research and other performances within the context of valuing institutional diversity. The two main global rankings, and the methods and models that underpin these, are explored in detail, as is the increasing emphasis in governmental research funding in focusing on publication rates, citations and similar statistics in their processes for evaluating university performance. The extent to which global rankings are influencing senior university leaders is also explored, although it is recognized that to date little such investigation has taken place (in comparison with that on national league tables, for example). The so-called ‘emerging global model’ of the research university, and its close ties to the worlds of knowledge and innovation, is also explored as forming a further ‘global template’ for university governance to add to those we outlined in earlier chapters.

The book concludes by looking at what is next in researching university global governance, and suggests a number of approaches.

In summary, throughout the chapters, the focus is on understanding the university as a ‘person’, as an organization with its destiny and reputation in its own hands. This produces significant consequences for how universities are best governed, not least internationally. Soft law, decentred regulation and a proliferation of guidelines, benchmarks and recommendations illustrate authoritative recognitions of the autonomous university, but one that as a consequence is increasingly shaped by notions of world standards and culture, and which is driven by anxieties for reputation and standing. How we arrived at these conditions is a story that starts with Chapter 1, which follows.