

Temple University Japan & Japan's Third Opening

By Robert DUJARRIC



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Photo: Temple University, Japan Campus



Diverse student body - TUJ students come from more than 50 countries

A Globalized Economic Giant, a Secluded Society

Japan is one of the world's most open economies. Japanese corporations are not only world-famous exporters, but also major investors on every continent on the planet. Foreign products are far more available than they were a generation ago. Millions of Japanese travel abroad every year, and the country welcomes numerous tourists annually. Japanese bookstores are full of translations of foreign works and the latest European fashions are available throughout the land. Restaurants in Japanese cities offer a wide choice of cuisines from the rest of Asia, Europe, and North America.

Yet at the same time, Japan is incredibly unglobalized. The most visible aspect is the very small number of foreigners who live in the country. With less than 2% of the Japanese labor force comprised of non-Japanese nationals, Japan is an outlier among old developed economies, where outside migrants, from unskilled workers to scientists, are common.

Minuscule Overseas Footprint

Less recognized is the dearth of Japanese overseas. Very few Japanese hold managerial or executive positions in foreign multinationals outside of the Japan subsidiary. Statistics are not available, but based on research and interviews we have conducted, it is clear that, relative to the quantitative and qualitative size of Japan's economy, Japanese are the most under-represented nationality in non-Japanese multinationals. The same applies to the realm of international civil servants. Japan is a major funder of the UN and big shareholder at the World Bank and International Monetary Fund (IMF), but Japanese professionals in these organizations are surprisingly few. Nor are many Japanese prominent in the world's major NGOs or organizations such as the (Davos) World Economic Forum. In the intellectual realm, Japanese professors abroad are noticeable by their absence.

This state of affairs is detrimental to the country. As the economy continues to mature and the population shrinks, Japanese corporations will increasingly rely on foreign investment. To be successful, they need to internationalize from the inside, i.e. foster foreign managers and make Japanese employees more effective at dealing with foreigners. But as of now, their core executive teams are almost exclusively Japanese. The pool of globalized Japanese residing overseas is extremely small, making it harder to connect Japan with the rest of the world. Japanese diplomatic efforts also suffer from a situation that isolates Japan and makes it nearly impossible to hear Japanese voices. How many economists at the IMF working on the euro-zone crisis understand how this affects Japan? Very few, since the Fund has few Japanese staffers and probably almost none of the non-Japanese studied in Japan.

Japanese Academia Shut Out from Wider World

Last but not least, Japanese academia is a victim of this state of *sakoku* (the term coined to describe Japan's quasi-isolation during the Tokugawa era). Despite recent improvements, there are still relatively few foreign faculty in the most prestigious non-scientific departments that train Japan's future leaders in government, business, and the media. Most Japanese academics lack the language and cultural skills to interact with foreigners, which explains why they are so under-represented in international academic activities and writings (especially in the social sciences and humanities). The number of foreign students in Japan has grown significantly but has started to stagnate. Moreover, they are mostly limited to a few Northeast Asian countries (China, South Korea, Taiwan). For Chinese students, who account for the majority of non-Japanese studying here, the most ambitious, dynamic and/or rich ones prefer universities in the Anglophone world.

Even if they receive their diplomas from the most competitive *gakubu* (college majors) in the country, Japanese graduates are ill-prepared for the 21st century. Having been trained in a very secluded environment (foreign students are very rare in the elite social science *gakubu* whose degrees are critical to a successful career), they are not equipped to function in a global environment. Their inability to express themselves in English is the most visible but not most important aspect of this handicap. What is more striking is that they cannot engage in the freewheeling discussions that characterize, for better or worse, "global/western" standards. They find it hard to ask questions, to summarize an argument succinctly, to quickly rebut an argument, to give a presentation, or to participate in a meeting, in great contrast to the highly globalized elite produced on the Asian mainland. Foreign employers in Japan always lavish praise on their Japanese staff's work ethic, but they all lament their lack of the skill set that is necessary to assume managerial responsibility outside of Japan. Anybody who is familiar with Seoul and Tokyo will notice that young elite South Koreans are much more effective at operating on the world stage than their Japanese peers.

Temple University Japan's Role in Globalizing Japan

As the only full-service foreign university in Japan, Temple University's Japan Campus (TUJ) has strived to globalize Japanese education. The school, located in Minami-Azabu in Tokyo, has more than 1,100 degree students and over 3,000 students and participants, including non-degree offerings and corporate employees trained off-site by TUJ. As the Japan campus of a large US research university, TUJ offers an American liberal arts education, as well as graduate and professional schools degrees (master and doctorate of education, master of law (LLM), and MBA), and continuing and corporate education courses. Approximately 40% of the undergraduate students are from Japan, another 40% from the US, and the rest from over 55 countries. The faculty are about equally divided between Americans, Japanese, and other nationalities. The curriculum is the same as at the main campus in Philadelphia. The language of instructions is English, but the foreign students have the opportunity to learn Japanese.

By the time they graduate, Japanese students at TUJ are not only perfectly bilingual, they are also bicultural. They know how to function outside of a Japanese cultural environment, how to make their point, how to express their opinions, and how to navigate in multicultural settings. They are not intimidated by having to deal with foreigners. By the time they finish school, Americans and other overseas students at TUJ are totally familiar with Japanese society. They have learned Japanese and studied Japanese history, politics, art, and sociology. They have made friends with their Japanese classmates and other Japanese. They often earn money thanks to *arubaito* jobs, giving them an additional insight into Japanese customs and society. Contrary to short-term visitors who attend segregated programs for foreign students, they really know the country and its people.

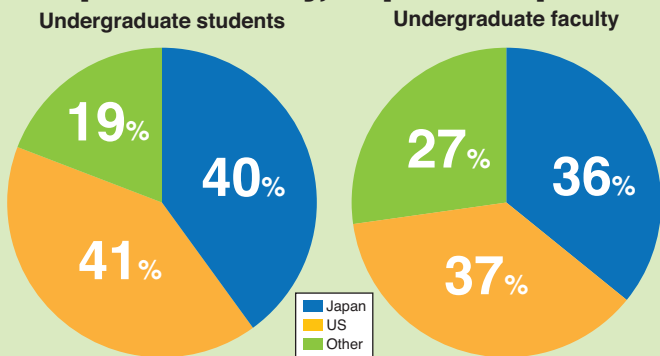
When they enter the job market, they fill the large unmet demand for junior professionals who can operate in the international market place from day one. TUJ Japanese graduates have an inbuilt advantage compared to Japanese whose first experiences of foreign cultures came when they went to graduate school in their late twenties or were posted overseas later in their career. Japanese companies looking to expand, *gaishikei* (foreign firms in Japan), and other businesses with an interest in Japan, all need these types of new recruits. Despite not having the same "brand recognition" as Japan's most famous universities, TUJ has achieved a 92% job placement rate in an extremely difficult job market.

TUJ illustrates Japan's ambivalence towards the outside world. On the one hand, foreign students and faculty at TUJ, in their overwhelming majority, love being in Japan. They feel welcomed in Japan, which motivates non-Japanese TUJ professors to stay in the country and students to find jobs in Japan upon graduation.

On the other hand, despite its contribution to Japanese society, TUJ faces challenges establishing itself as a not-for-profit educational institution within the current Japanese education system. The university has to operate as a Japanese corporation. Therefore students must pay a 5% consumption tax on tuition (and probably more in the future), the school is subject to a 42% corporate tax on any profits, cannot receive charitable contributions directly, and is excluded from Japanese government grants, scholarships, and other subsidies available to private institutions in the country. In theory, TUJ could alter its legal status to re-incorporate itself with Japanese Educational Institution (*Gakkou Houjin*) status. But as they now stand, regulations would force it to sever its ties with Temple University in Philadelphia. This condition would negate its *raison d'être*, which is to be an American university in Japan. Asking it to be separate from

CHART

Nationality breakdown at Temple University, Japan Campus



Source: Temple University Japan

Temple University would be like ordering Toyota's American factories to end their relationship with the parent company in Toyota City.

TUJ has been working for years with the government and politicians to try to alleviate some of these problems, which has forced it to divert significant resources (and therefore money and management time) to this effort. Though its status may improve, it is still very far from enjoying an even playing field with Japanese private universities.

Japan's complex relationship with the outside world is not unique. Such sentiments are found in all societies, including the US which prides itself on its openness. Some fear globalization as a threat to Japanese culture. But the Japanese economy cannot afford seclusion, nor can Japan cut itself off from diplomatic intercourse. Japan needs the human tools to compete economically, to be heard in the global debate, and to shape the 21st century. Moreover, as the example of open countries such as Switzerland or Ireland shows, internationalization is not incompatible with the preservation of a local culture.

Japan needs citizens who can be effective in the global arena and foreigners who are at home in Japan. So far, Japanese universities have failed at this task. Schools such as TUJ can help the country surmount this obstacle and follow the path of other Asian nations in preparing the next generation for the challenges of the present and future. **JS**

Photo: Temple University, Japan Campus



TUJ graduation ceremony 2011

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