

Preface

This report is based on presentations to the international conference of March 2015 held jointly by the Center for Research and Development of Higher Education, The University of Tokyo and the Japan Student Services Organization. Four scholars and one commentator were invited to the conference. Each gave a presentation on student financial assistance in their country and provided ample lessons for the reform of student financial assistance in Japan.

I will explain the background to the conference, in particular its academic and political context in the introduction. Before that, however, I would like to give readers some background information on the research activities for the conference.

“The Task Force of the Reform for Student Financial Aid Policies,” chaired by Prof. Masayuki Kobayashi from the University of Tokyo, started in 2005 with support from a major grant from the Ministry of Education, Culture, Sports, Science, and Technology (MEXT), Japan. The major mission of this task force consisted of two parts: to identify and survey the present status of student financial assistance policies in major countries in relation to higher education and government reform, and to provide the ministry and the public with meaningful insights and research findings on these policies and practice, in order to contribute to future policy formation and the development of higher education in Japan.

Japan’s student financial assistance scheme has been under criticism from the government and various stakeholders as the social and economic environment around higher education has undergone significant changes. How do we maintain and improve the system in a period of fiscal stringency not only maintaining accessibility to higher education but also increasing higher education’s efficiency and effectiveness? Furthermore, how do we enrich the quality of higher learning in response to the current context of higher education reforms? We have been urged to prepare an appropriate response to these needs. This challenge requires careful examination from economic, sociological and political viewpoints.

To pursue these objectives, the Task Force team has been doing research on student

financial aid schemes using two methods. One is a comparative study of financial aid schemes in various countries, especially Australia, China, Germany, Korea, Sweden, the United Kingdom (England), and the United States. The other method is a statistical analysis of students, parents and higher education institutions. The team has presented four major reports to the Ministry of Education that are available to the public. One of them is “Worldwide Perspectives of Student Financial Assistance Policies: Searching Relevance to Future Policy Reform for Japanese Higher Education” (2008)

(<http://www.he.u-tokyo.ac.jp/en/home/publication-2/>) in English. This is a report of an international conference held in 2007.

Also, the Japan Student Services Organization (JASSO), the major and largest student financial aid organization in Japan, has been doing comparative studies of various countries, particularly Korea, the United States, and the United Kingdom. Some members of the task force team have been participating in these studies, too. Thus, it is natural for them to hold a conference to make the outcomes of these studies public while also discussing these issues with guest speakers from abroad.

MEXT and JASSO have already added the so-called “Income Contingent Loan Repayment Scheme” to the interest-free loan of JASSO since 2012. However, this scheme is very limited and imperfect. Everyone agrees that we need to improve this scheme. This is the most important item on the policy agenda at present, and the committee on this issue, led by Prof. Masayuki Kobayashi, has been presenting proposals on reform since September 2015. The team is now embarking on obtaining some policy options and robust evidence for reform of the scheme.

The central theme of this report, “Financial Assistance Policy” should be interpreted broadly as “cost-sharing for higher education” within the complex system of higher education finance. This “cost sharing” might be considered an inevitable consequence of common mega-trends in higher education; stringent public finance, the massification of higher education, societal, demographic and economic structural change, the diversification of students, and a crisis regarding equality in educational opportunity.

In this report, I will explain the background to the reform and make comparisons with some of the countries to be mentioned in the introduction. The four speakers at the conference wrote their country reports after the discussion on their presentations, a panel

discussion, and a workshop. These country papers will provide both lessons for the reform of student financial assistance in Japan and material with we can make useful comparisons between countries. After the comments on the country reports, I will sum up these lessons and provide some policy implications for the reform of student financial assistance not only in Japan but also in other countries.

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