ond chances in simulated negotiations; cultural factors are often missing from simulations; inter-state histories do not wield the same influence; and Realpolitik differentials are impossible to reproduce effectively in a simulated context. Again, the important point is to acknowledge the artifice and explain the departures from reality.

In any educational activity, the prior determination of goals is one of the keys to success. Traditional legal education has focused on cognitive learning (doctrinal, formalistic problem solving and information gathering). The performative and affective objectives concerning what students can do and how they feel and experience a situation are insufficiently emphasised.

The simulation accomplishes specific goals. First, it permits collaboration on meaningful tasks. One of the unfortunate by-products of our highly individualised mode of assessment in the academy is a tendency to deprecate the benefits of co-operative endeavour and yet much of what we do on leaving university is by necessity done as part of a team (whether in government or private practice). Simulations give students a rare opportunity to develop these very particular group skills. Second, students can better see the value of their own ideas in a situation. Third, the simulation can be an entertainment, a break from the routines of lectures and tutorials.

Teaching corporate governance

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As corporate governance has emerged as a prominent topic, legal academics have pursued the subject with some vigour. A substantial literature has already developed and the trend seems likely to continue in the future. Still, although it has emerged as an important research topic, corporate governance has been largely ignored as an academic discipline for law students. This is unfortunate. A proximity between research and teaching can often be beneficial for students.

There is no universally accepted definition of corporate governance. Instead, experts in the area prescribe the boundaries of the subject in different ways. For some, the primary concern is with those who supply finance to companies, and more narrowly, shareholders. The key goal of corporate governance, under this approach, is to improve the returns available to investors by upgrading standards of managerial accountability.

Still, while many think of corporate governance as a means of improving shareholder return, it is also possible to define the topic much more broadly. Various experts in the field have concerns which extend well beyond the risks which a shareholder will face. They focus instead on the entire network of formal and informal relations that determine how control is exercised within companies and how the risks and returns from corporate activities are allocated.

Students who are confident that they are going to practise law and anticipate that they might ultimately act as advisers to directors and executives in public companies are the individuals who will think of a course on corporate governance as having the greatest practical relevance. The audience for the subject should not be restricted, however, to individuals with such precisely focused career objectives. Instead, the market for a course on corporate governance should extend to all students who have a general interest in the role which large business enterprises play in our society. Those who take such a course will, for example, have the opportunity to think about whether corporate executives are held sufficiently accountable for actions taken. Also, if there is coverage of 'stakeholders', students will learn about the impact which corporate activity has on employees, creditors, and other such constituencies.

Since debates concerning corporate governance have focused primarily on publicly quoted companies, it follows that a course dealing with the subject is likely to be organised on similar lines. If this is in fact done, students should be discouraged from enrolling unless they have completed an introductory course on company law. A common complaint made by academic company lawyers is that they cannot teach their subject in sufficient depth in one course. For students, studying corporate governance should fill some of the gaps which result.

There is a further way in which students can expand their intellectual horizons by studying corporate governance. Law is only one of a variety of factors which influences corporate activities. As a result, if students only learn about cases, statutory measures, stock exchange rules and the like, there is a mismatch of business law education and business law practice. Taking a course on corporate governance should help to address this potential problem. The study of corporate governance draws from a variety of fields other than law, including economics, ethics, accounting and finance.

If members of an academic law department agree in principle that it would be desirable to offer a course on corporate governance, those responsible for organising matters will have to address some questions of a practical nature. With law departments that offer a degree course for graduate students, one will be whether the course should be taught at this level or as part of the undergraduate curriculum. Another important matter is teaching materials. Since there is not a suitable text or set of cases and materials for a course on corporate governance, those teaching the subject will be under an onus to draw upon a range of sources when they structure lectures and assign readings to students. This approach has significant potential drawbacks since the course will probably lack something in terms of cohesion and the students may find the learning outcome to be somewhat derivative.

A course on corporate governance should probably begin by addressing the same sort of questions that this article does. What is corporate governance? Why has it emerged as a prominent issue? What will students learn by taking a course on the topic? An overview of the corporate governance framework can then be provided. Once students are aware of the ba-

sic framework, various elements can be examined in more detail. For instance, the board of directors merits close scrutiny. Executive pay is another topic which should be dealt with because it has in recent years received a great deal of attention. Politicians and the press have, for instance, had a great deal to say on the matter, primarily because concern exists that those who run public companies are being paid too much.

Since corporate governance has an important international dimension, ideally part of a course on the topic will be devoted to comparative issues. One objective of this exercise should be to make students aware that the issues which dominate discussion in the UK are not necessarily as pivotal elsewhere.

As corporate governance becomes better established as a suitable subject for academic study, interest in teaching a course on it may well grow. The publication of a student-orientated text would no doubt foster the process. Nevertheless, there is plenty of material currently available that could be used for instruction purposes.

LEGAL EDUCATION GENERALLY

Decline in the reform of law teaching?: the impact of policy reforms in tertiary education

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10 *Legal Educ Rev* 1, 1999, pp 109-140

Law as a discipline struggles as much as, or perhaps more than, any other discipline in its attempts to reconcile its close historic connections to professional practice with its current location in a university environment. Should law schools focus on producing graduate who are 'practice-ready' or make available a broad, contextual education for their students in line with academic standards of the wider university? The overarching issue in debates about legal education in Australia has been is: what is the nature of a university legal education? The key issue is: should law schools be driven by market requirements or by more idealistic educational values?

In posing this question marketing requirements are thrown into opposition with educational values. This may be a false dichotomy. It might be, and it probably ought to be, possible both to respond to the demands associated with being a service provider in a marketplace while keeping faith with the objectives of a broad and informed educational ideal.

Radical changes to government policy in higher education in the past 10 to 15 years have irreversibly altered the relationship between law schools and government, and between law schools and the Commonwealth in particular. In retrospect this shift can be seen to have begun with the Pearce Report, carried out as part of the Commonwealth Tertiary Education Commission's project to develop a system of reviews which would provide the government and the broader community with an assessment of the needs of higher education and the benefits of providing funding to the tertiary sector.

The Dawkins reforms aimed at aligning the higher education sector with broader economic aims and to move universities to a more market footing. Universities made a fundamental transition from universities as public funded institutions towards universities as service providers to a range of clients, including government, students, and industry (a process occurring elsewhere in the public sector at the same time and which has come to be known as 'commercialisation').

In an environment where universities had become dependent on undergraduate student numbers for a large part of their funding, the ability to attract undergraduates was critical. Law schools offered a 'cash-cow' opportunity to vice-chancellors. In this environment, it seems likely that the issue of what law schools should teach became secondary to the need to increase student places in law, whether or not the resources were there to teach law in the way Pearce and others had suggested it should be taught.

Two key, and apparently contradictory, themes emerge in reviewing law school responses to economic policy changes in the higher education sector over the last 10 to 15 years. The Dawkins and post-Dawkins shifts in tertiary education policy had the effect of both pressuring law schools to return to (some would say retain) a more 'legal practice' focus in the delivery of curriculum, while at the same time focusing them on the need to broaden the curriculum to accommodate a wider range of students with presumed diversified career interests.

Implicit in each of these themes (practice orientation and a liberal-arts focus) is the need to cater to student career intentions and with it a recognition of both the vocationalism emphasised by the Daw-kins reforms and the critical importance of students (and numbers of students) to law schools.

At the same time as law schools responded to the changing economic environment within which they found themselves, the private legal profession, or at least certain components of it, have moved to reassert or increase their influence on the law degree. In the first half of the 1990s the development by state admitting authorities of a set of compulsory subject areas required for admission to practice with uniform application throughout Australia effectively mandated the inclusion of those areas in all law school curricula.

In recent years a number of law schools have moved to integrate practical legal training into their degrees. Despite the essentially practical nature of PLT material, a significant number of law schools are now moving to include the practical legal component of their students' education in their undergraduate degrees, and have sought and obtained accreditation from admitting authorities. Graduates of these new degrees will be able to apply for admission immediately on completion of their degrees, without any further pre-admission training. This provides universities with an additional marketing point for their law programs, since students can complete their qualifications to practice-ready stage more quickly and within one institution.