

Promoting Commercialization through Internationalization of Higher Education

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Abstract:

Post 1991 economic reforms, a new form of globalization called 'academic globalization' has emerged. Neo-liberalism has spread its clutches globally in the sphere of higher education. Its powerful discourse can be witnessed in terms of change in public higher policy. Higher education, initially a government-supported service has entered the marketplace. Universities are big businesses, marketing themselves in the world-wide education market. All over the world, privatization has been accepted all too well in consensual silence. Besides privatization, another global commercial strategy adopted by countries is the internationalization of higher education. This paper puts forth the conceptual framework of internationalization of higher education and highlights its role in promoting commercialization of higher education.

Key words: Commercialization, Globalization, Internationalization of Higher Education, Market, Neo-Liberalism

I. INTRODUCTION

The globalization phenomenon in the latter part of the twentieth century had a profound impact on higher education. From the economic perspective, neo-liberalism is linked to globalization in terms of 'freedom of commerce' or to 'free trade'. Neo-liberalism has spread its clutches globally in the sphere of higher education. Its powerful discourse can be witnessed in terms of change in public higher policy. Under neo-liberalism, education is to be treated as a "consumable commodity and experience" (Kumar, 2011, p.38). Smillie and Minear (as cited in Schugurensky, 2006) opine that "many institutions are becoming 'commercial enterprises' or 'humanitarian enterprises' promoting the "business of humanitarianism" (p.301-302).

Higher education, initially a government-supported service has entered the marketplace. All over the world, privatization has been accepted all too well in 'consensual silence' as it offers an exit route from the dark cave of budgetary constraints. Universities are big businesses, marketing themselves in the world-wide education market (Salter & Tapper, 2002) by hiring 'image creators' to give themselves an academic face lift and turn into a brand. "Once the universities are governed by market-driven policies, the public good nature of higher education linked to communitarian and collective concerns shifts to more individualist, privatized interests" (Rhoads, Torres & Brewster, 2006, p.195). The public universities are recurrently faced with budget crises forcing them to raise tuition and fees and freeze staff positions. Ironically, this happens at the same time that universities are marketing themselves as institutions committed to teaching and learning (Zemsky, 2004). From being independent and self-directed, the universities in the marketplace are apparently caught in between the trap of two contradictory dimensions- laissez-faire and interventionism. The heteronomous model of universities encompass elements of both a 'controlled university' and a 'commercial university' having the following features that maybe summarized in the form of ten

C's - (1) cultivation of private and foreign universities, (2) customer fees, (3) client-oriented programs, (4) corporate rationality, (5) cooperation with business, (6) casualization of labour (7) contracting out (8) cutbacks, (9) conditional funding and, (10) coordination that combines dynamics of collaboration and competition in the system (Schugurensky 1999, p.306-310).

II. CONCEPT OF COMMERCIALIZATION

According to the Merriam-Webster dictionary, to commercialize means "to manage on a business basis for profit; or to develop commerce in; or to exploit for profit; or to debase in quality for more profit" (Commercialize, 2014). The simplest meaning of commercialize as given in The Free Dictionary is "to apply methods of business to for profit; or, to do, exploit, or make chiefly for financial gain; or, to sacrifice the quality of for profit" (Commercialization, 2014). The Investopedia Dictionary defines commercialization as "the process by which a new product or service is introduced into the general market. Commercialization is broken into phases, from the initial introduction of the product through its mass production and adoption. It takes into account the production, distribution, marketing, sales and customer support required to achieve commercial success. As a strategy, commercialization requires that a business develop a marketing plan, determine how the product will be supplied to the market and anticipate barriers to success" (Commercialization, 2014).

III. INTERNATIONALIZATION OF HIGHER EDUCATION

Besides privatization, another global commercial strategy adopted by countries is the internationalization of higher education. Internationalization of higher education is nothing but international trade in education services. Countries are promoting internationalization of higher education in two

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ways- first, through ‘internationalization at home’ (Nilsson, 1999) wherein teaching- learning, research and other activities help the students develop international understanding and inter- cultural skills without leaving the campus. The second way is ‘internationalization abroad’ or ‘cross-border education’ also referred as ‘transnational education’ which involves the students, teachers, programs, courses, scholars, curriculum and projects to move between countries and cultures (Knight, 2003). Internationalization of higher education system has provided a hope of commercial opportunities for the developed countries who took the initiative to form an agreement in education as a tradable service under the World Trade Organization (WTO) regulations. It gave birth to General Agreement on Trade and Tariffs (GATS) under which services could be provided partially by the government and partly by private providers. Table 1 presents the evolution of International Education Terminology in recent years.

Table 1
Evolution of International Education Terminology

New Terms (Last 15 Years)	Existing Terms (Last 25 Years)	Traditional Terms (Last 40 Years)
Generic Terms <ul style="list-style-type: none"> • Cross-border education • Education hubs • Academic cities • Transnational education • Virtual education • Borderless education • Internationalization “abroad” • Internationalization “at home” • Globalization Specific Elements <ul style="list-style-type: none"> • Education providers • Corporate universities • Liberalization of educational services • Networks • Virtual universities • Branch campus • Twinning and franchise programs 	<ul style="list-style-type: none"> • Internationalization • Multi-cultural education • Inter-cultural education • Global education • Distance education • Offshore or overseas education • International students • Study abroad • Institution agreements • Partnership projects • Area studies • Double/joint degrees • Faculty exchanges 	<ul style="list-style-type: none"> • International education • International development corporate • Comparative education • Correspondence education • Foreign students • Student exchange • Development projects • Cultural agreements • Language study

Source: Knight (2011)

A key example of international trade in higher education is transnational education wherein the learners are located in a country different from the one where the awarding institution is based. The sending country is known as the exporter where as the receiving country is referred to as the importer or the host. Transnational education offers many benefits for the exporter and poses a host of challenges for the host country. It encompasses formation of educational hubs and academic cities, providing higher education through corporate universities, networks branch campus, training and franchise arrangements, virtual universities and borderless education. The emphasis is more on commercial and market driven activities than development projects. There is stiff competition between universities and university rankings determine the selection of international academic partners who can base their multilateral academic partnerships based on mutual benefits and collaboration (Knight 2005, 2011).

Let us now understand ‘what’ moves across borders. There are our different categories: people, programs, providers and projects/services/new knowledge. Thus, trade in cross-border education can take place in all four categories. The *first* category covers movement of people whether they are students, researchers, scholars, professors or experts. They may move to another country for various reasons and this initiative of movement may be self or institution funded, part of exchange agreements, contractual or supported by public or private funding. The *second* category is that an institution moves to have physical or virtual presence in the receiving/host country. Cross-border mobility of providers can be described as “the physical or virtual movement of an education provider (institution, organization, company) across a national border to establish a presence in order to offer education/training programs and/or services to students and other clients (Knight 2011, p. 27). The provider may be a traditional higher education institution including public for-profit, private non-profit, private for-profit institution, organization and companies. Both recognized bonafide institutions/providers that comply with domestic and foreign regulations (where they exist) and non-recognized rogue providers often accredited by self-accrediting groups or by agencies that ‘sell’ accreditation are included in this category. Branch campus, independent institutions, acquisition or mergers, study centers or teaching sites, affiliation and network and virtual universities are a few forms of cross-border provider mobility. The *third* category includes programs. Cross-border mobility of programs can be described as “the movement of individual education/training courses and programs across national boundaries through face to face; distance or a combination of these modes. Credits towards a qualification can be awarded by the sending foreign country provider or by the sending foreign country provider or by an affiliated domestic partner or jointly” (ibid., p. 25). The most popular methods of cross border program mobility are - (a) *Franchise* – An arrangement whereby a provider in source country A authorizes a provider in country B or other countries. The qualification is awarded by provider in country A; (b) *Twinning* – An arrangement where a provider in source country A collaborates with a provider located in country B to develop an articulation system that allows students to take course credits in country B and/or source country A. Only one qualification is awarded by provider in source country A. Arrangements for twinning programs and awarding of degree usually comply with national regulations of the provide in the source country A; (c) *Double/Joint Degree*- An arrangement where providers in different countries collaborate to offer a program for which a student receives a qualification from each provider, or a joint award from the collaborating partners; (d) *Articulation* - Various types of articulation arrangements between providers situated in different countries permit students to gain credit for courses/programs offered by all of the collaborating providers. This allows students to gain credit for work done with a provider other than the provider awarding the qualification; (e) *Validation-Validation* arrangements between providers in different countries allow provider B in the receiving country to award the qualification of provider A in the source country; (f) *Virtual/Distance*- Arrangements where providers deliver

courses to students in different countries through distance and online modes. These arrangements may include some face-to-face support for students through domestic study on support centers. Finally, the *fourth* category is the cross-border mobility of projects and services. This involves increased collaboration between nations on international projects and services based on research, curriculum and capacity building. These foster commercial partnerships between universities and private companies (ibid.).

IV. DISCUSSION

There are several arguments and counter arguments put forth regarding internalization of higher education. The Organization for Economic Co-operation and Development (OECD) gave the rationale for provision of cross-border education as something that promotes mutual understanding between nations, revenue generation, skilled immigration and capacity building (OECD, 2004). On one hand, in a knowledge economy, an increased trade in education services has led to 'brain drain' for the country that could not provide the educational environment to its students. On the other hand, it has facilitated 'brain gain' for the country to which the student immigrates to pursue higher studies. Knight (2011), however, opined that the term 'brain chain' is more appropriate than 'brain drain' and 'brain gain'. This is because cross-border education usually benefits larger and developed nations from 'brain gain'. The smaller and less developed nations experience more 'brain drain' and are at the bottom of the 'brain chain'. Further, the imported educational programs and courses by the smaller and developing countries serve as an effective mean to lessen the probability of higher education graduates staying abroad after they have finished their studies. However, Altbach (1980, 2002, 2003a) has argued that universities in the third world find themselves at a disadvantage in the knowledge system. Under neo-colonialism, centers and peripheries exist in the university system. The international education equation has some universities and higher education institutions that provide direction and produce research. They are centers of knowledge production and have research-oriented faculty. Thus, they function as pinnacles of the academic system. These universities are located in the West or the industrialized world particularly the United Kingdom, France and Germany. On the other hand, the universities in the third world are peripheral institutions that are characterized by lack of facilities, infrastructure and fiscal constraints. They find themselves dependent upon the academic superpowers. They are in majority and are basically distributors of knowledge, followers of universities that are centers of knowledge, seldom blaze and are psychologically dependent. Poor countries and poor people differ from rich ones not only because they have less capital but because they have less knowledge (World Bank, 1999). An interesting paradox of these third world universities is that though they are peripheral in the international sense at the same time they are quite central to their local society. A large number of students from the third worlds study in the industrialized nation and many do not return home resulting in 'brain drain'. Several developing third world countries serve as regional centers between international universities in industrialized

nations by training a large number of international students in their region.

Another view point extended in favour of cross-border and internationalization of higher education is by Vincent-Lancrin (2007) who suggested that capacity building of the nation can be done if higher education of quality is imported from foreign countries, this would meet the increase in demand and help increasing access to higher education. Further, Knight (2011) supports internationalization by extending an argument that students who live and study in other countries are better oriented to international understanding and cross-cultural skills. However, Altbach (1980) has expressed his reservations regarding foreign training. In his opinion, when a student is exposed to the education system of another country, either through cross-border education or commercial presence, she/he becomes oriented to the educational system, intellectual directions, work habits and professional expectations of the host country. Many of them do not return home. Those who do return, tend to orient themselves to the educational experiences they underwent in the industrialized world. The western language they acquire during higher education becomes the language of power and wealth, as the western languages like English have an international prestige. The impact is so great that indigenous languages face setback in multilingual societies, like India for instance. Thus, the western language learnt by students has psychological as well as sociological implications as a status maintenance device and as a means of conferring elite membership. Moreover, internationalization of higher education has paved way for the emergence of the ancillary industries that seek to serve the specific market niches and earn a quick buck (Altbach, 2003b). The credentials awarded to the student by these 'degree mills' have to be critically checked and evaluated in terms of their recognition, international legitimacy and employment certainty (Knight, 2011). Taylor (2003) explained that conventional universities are being transformed into corporate universities under the influence of internationalization of higher education. These universities have been designed to increase exchange between the corporate sector and education and to serve the vested interests of the leaders of the managerial initiatives. However, this development is like a hollow shell or "Trojan Horse" that would affect the academic freedom and critical analysis of the academia. On the whole, the term 'university' shall be debased if cultural capitalism through these corporate universities is allowed to grow freely.

V. CONCLUSIONS

The current trends indicate that many developing economies all over the world are fast emerging markets for cross-border education. Cross-border education also fosters competitiveness among universities to improve their international reputation. Every higher education institution aspires to be known as the world-class university through franchise arrangements, branch campus, online delivery and increased recruitment of fee-paying students highlight the commercial dimension of internationalization of higher education. Borderless higher education is commercially driven, both in terms of income generation to providers of

education and in terms of the return on investment for purchasers of education. Education being one of the twelve services in GATS is a valid proof that importing and exporting of education programs is a potentially lucrative trade area especially for the commercial companies (OECD, 2004).

Cross-border internationalization of higher education has some emerging challenges that need to be addressed with respect to cost, quality assurance, access, recognition of qualifications, accreditation and trade agreements. It is a huge potential but cannot be promoted at the cost of academic quality and integrity. The education providers using marketing and branding campaigns to increase student enrolments, earning recognition and status through self-serving accreditors and accreditation mills that sell 'bogus accreditation labels' have to be identified. If such education providers are not checked, it would certainly lead to commercialization of quality assurance and accreditation in higher education. Equally important is the presence of international trade laws to regulate cross-border education provider from turning into 'for-profit' commercial business (Knight, 2011).

To conclude, in the words of Kelsey (cited in Rochford, 2006) "the consensus- mongering of global neo- liberalism has led to the successful subjugation of the traditional university resulting in intellectual closure, an absence of questioning" (p.156). Also, to quote Weiler (2011) "The politics of knowledge manifests themselves in the hierarchical nature of knowledge systems and knowledge institutions, in the intricate relationship between knowledge and power, in the political dynamics inherent in the transnational knowledge system and its division of intellectual labour and in the political economy of the commercialization of knowledge" (p.205).

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