

Knowledge and Education as International Commodities: The Collapse of the Common Good

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A revolution is taking place in education. Education is becoming an internationally traded commodity. No longer is it seen primarily as a set of skills, attitudes, and values required for citizenship and effective participation in modern society—a key contribution to the common good of any society. Rather, it is increasingly seen as a commodity to be purchased by a consumer in order to build a “skill set” to be used in the marketplace or a product to be bought and sold by multinational corporations, academic institutions that have transmogrified themselves into businesses, and other providers. Nowhere is this trend more clearly exemplified than in the current debate about GATS, the General Agreement on Trade in Services, now taking place internationally within the World Trade Organization. The commodification of education will have major implications for how we think about schooling and the university, the ownership and transmission of knowledge, and indeed the role of citizenship in modern society. The implications are immense, both for nations and for the globalization and internationalization of education.

There are positives and negatives in this new dispensation, just as there are in the broader globalization agenda of which education is a part. Globalization is probably both inevitable and unstoppable, and much of it is positive as well. Yet there are many problems associated with globalization, from environmental degradation to growing inequalities within societies and internationally. The problem with the current debate about globalization is exactly the same as with discussions of its educational implications—the pros see only a bright future of economic integration, while the cons focus only on the negatives. Neither has a balanced vision that takes into account pitfalls and possibilities.

In the knowledge industries, of which education is a central part, globalization is already a key feature. We see implications in the growing use of the Internet for communication as well as for the marketing of knowledge products of all kinds, in the strengthening of a global labor force of highly skilled personnel, in the use of English as a widespread medium for scientific communication and increasingly of advanced training in many fields, and in other ways. Indeed, higher

education has been internationalized since the very beginning of universities in medieval Europe, when there was a common medium of instruction, Latin, and both students and professors routinely moved from country to country. Now, perhaps 2 million students study outside their home countries, and a world market already exists for faculty and researchers. The Internet has greatly expanded the international flow of knowledge. One might ask why higher education needs to be subject to the legal strictures of the WTO when internationalization is taking place anyway at a pace and under conditions generally suited to the higher education community.

The challenge for us is to understand both the context and the implications of the globalization of the knowledge economy. My purpose here is to point to some of the problems created or exacerbated by current trends. The picture is certainly not entirely negative, but a balanced perspective requires careful analysis of the downside—viewpoints often not articulated in the rush toward the global future.

Underlying this discussion is a conviction that education at all levels is *not* simply a commodity to be bought and sold in the marketplace. An education system provides the skills needed for economic success, but it also builds the underpinnings of a civil society and of national participation. An understanding of the past, of culture, and of democratic values, among other things, is part of education, and these elements cannot be subsumed in some global marketplace. They are integral to any society, and are part of the patrimony of a people. Similarly, university-level basic research, certain curricular offerings, and other elements of academic work do not lend themselves easily to commercialization. In other words, there are values of the national and social common good that must be protected and preserved in a globalized educational environment. Protecting culture, intellectual independence, and the values of a civil society are simply not on the same level as free trade in automobiles or equal access to markets for soybeans—or even to the other service-related activities that are included in the GATS agenda. To pretend that all intellectual “products” are simply to be bought and sold on a commercial market is an oversimplification that contributes to giving globalization a bad name among growing segments of the population. Ensuring that an accounting firm, for example, has free access to international markets or that software is not pirated is simply not the same as protecting an educational system.

Some Potential Downsides

Maintaining standards or even accurate information in a globalized academic environment is problematical. Ensuring appropriate academic standards in a national

higher education system is a major challenge. The United States and many other countries do this through accrediting systems that provide reasonably accurate information concerning numbers of colleges and universities, degrees offered, facilities available, and the like. It is difficult enough to ensure minimal standards, track the growing number of “degree mills,” and in general to maintain minimal standards at the national level—doing so internationally seems unworkable. Not only would data be difficult to obtain, but agreement on appropriate standards is unlikely. The European Union’s efforts to “harmonize” aspects of higher education in the EU countries in order to create a “common currency” of higher education are proving to be a major challenge—even though the EU has considerable power and resources to ensure compliance. Tracking academic programs and degrees, not to mention maintaining quality standards, on a global basis is extraordinarily difficult. It is especially problematical when many of those seeking to enter the global marketplace are motivated by a desire to earn a profit rather than by an educational mission.

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We are at the beginning of the distance revolution in higher education. There are already a considerable number of degree and training providers who use information technology and distance methods to offer programs. As IT becomes more sophisticated and the curriculum better developed, distance offerings will become more numerous. Already, “open universities” using mainly distance means of course delivery enroll well over 3 million students worldwide—the large majority in the developing world. Seven out of the 10 largest distance learning institutions are in developing countries. If national authorities are unable to exercise significant control over institutions providing distance higher education in their countries through national accrediting arrangements, degree recognition, and similar measures, quality control becomes impossible.

Open markets, at least in higher education, reinforce the inequalities that already exist. If educational borders are completely open, the strongest and wealthiest education providers will have unrestricted access. Countries and institutions that cannot compete will find it difficult to flourish. This means that developing countries and smaller industrialized nations will be at a considerable disadvantage. Local academic institutions will find it difficult to compete with providers that choose

to set up institutions in their country. Foreign providers will focus on the most profitable segment of the market—today including business and management studies, information technology, and a few others—and leave the rest to the local institutions. Such fields as the basic sciences, requiring expensive laboratories and other equipment and offering little immediate profit-making potential, not to mention support for libraries, will be ignored by the foreign providers.

There is a precedent for this. Several decades ago, the major industrial nations with the support of multinational publishers were able to tighten up international copyright rules and open up national publishing to the international market. What happened is that in many developing and middle-income countries, local publishers found it difficult to compete and were purchased by the multinationals or went out of business. While books continued to be supplied to local markets, something was lost. The multinationals were especially interested in the lucrative textbook market, largely ignoring less profitable general publishing. The result was that local publishers could not compete with the multinationals in the textbook market and were unable to afford to publish general books. Decisions concerning what books to publish were sometimes made in Paris, London, New York, or Amsterdam. Profits were exported rather than being reinvested in the local market. University-level textbooks were increasingly imported from abroad rather than being produced locally. Valuable expertise was lost. It is also the case that foreign capital became available and that publishing standards were sometimes improved. But the loss of independence and autonomy was significant. Higher education will find itself in exactly the same position—with its most lucrative markets creamed off by the multinationals and unable to afford to support the basic functions of the universities.

While it can be argued that science is by its nature international, higher education has a central role for nations and societies that goes beyond science and beyond training for specific careers. What may be relevant for the United States in research or training may be inappropriate or at least irrelevant for Ghana or China. If countries no longer have the ability to control the basic elements of the curriculum, the language of instruction, the pedagogical philosophies, and other key elements of the delivery of higher education much is lost. Further, if the most profitable aspects of higher education, such as management studies, are creamed off the top of the academic enterprise by foreign providers, local universities will be left with the least popular—and profitable—fields of study. These institutions will find it more difficult to compete and will be unable to offer a

full range of academic specialties. Further, they will have neither the funds nor the infrastructures to engage in scientific research—thus abandoning the research role that is central to educating the best scientists and scholars and leaving research in the hands of the wealthiest universities in the major industrialized nations. In a way, the profits that the rich universities may earn in the developing countries can further strengthen their research profile and contribute to the already existing inequalities in research worldwide.

The New Neocolonialism

In the bad old days of the Cold War, much was made of the efforts by the major powers to dominate the hearts and minds of the world. The Soviet Union, the United States, and others spent lavishly on student exchanges, textbook subsidies, book translations, institution building, and other efforts to dominate the world's academic leaders and intellectuals. We are in an entirely new era of power and influence. Now, multinational corporations, media conglomerates, and even a few major universities are the new neocolonialists—seeking to dominate not for ideological or political reasons but rather for commercial gain. The result is the same—the loss of intellectual and cultural autonomy by those who are less powerful. In the Cold War era, power politics was the motivation. GATS helps to establish open markets for knowledge products of all kinds so that the new neocolonialists will have unfettered access to world markets. In a way, developing countries were better off in earlier times—at least they could choose among feuding superpowers and could, if they had the will, keep external influences at bay without risking their entire participation in the world economy.

The new neocolonialism works through the knowledge providers who are selling a variety of products on the world markets. These products include academic programs of all kinds, offered as “twinning” arrangements with local universities or business enterprises, branch campuses offering degrees and certificates from abroad, IT-based academic degrees, corporate training programs, and a myriad of others. There are some “high end” providers currently involved in the international trade in training and certification. These include, among others, the University of Chicago's business school in Spain, Pennsylvania's Wharton School initiative in Singapore, and several coalitions of Western universities. There are many more lower prestige or unknown academic institutions and companies in the international educational marketplace offering “products” of completely unknown quality and relevance. All of these providers have one thing in common—the profit motive. Academic collaboration, intellectual exchange, and internationalization are

ancillary to the main purpose of the enterprise—money. Often, the programs that are exported are “off the shelf” offerings designed for students in the industrialized countries. The relevance of such offerings for developing countries is, at the very least, questionable because education is not country neutral. Both pedagogy and curricular content must take into consideration local conditions, traditions, and learning styles. Foreign providers are often unwilling to spend the money necessary to do this. While the new neocolonialism is profit- rather than politics-driven, the end result is the same. Countries and academic systems and institutions in the developing countries become dependent on rich and powerful foreign providers.

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What Is To Be Done?

This is neither an argument against the internationalization of knowledge nor against collaboration. Inevitable inequalities between the well-established, wealthy, and powerful universities of the North and the less-well-endowed universities of the South are also recognized. This is an argument against forcing those who are less powerful to be subject to a dramatically unequal marketplace, one that will rob academic institutions and systems of the right to make decisions about curriculum, quality standards, and a variety of other educational factors. It is an argument in favor of recognizing that education in all of its many forms is not a simple commodity but a central part of a culture and of a society and deserves to be treated differently than other parts of the marketplace.

In reality, we are not doing too badly right now. The heavy hand of GATS and the WTO is not needed in the educational sphere. International educational transactions of all kinds are at an all-time high. Some countries, such as Singapore and Malaysia, have opened their doors to foreign universities, but have done so on their own terms. Others, such as Argentina, are seeking to understand the impact of foreign providers and to regulate them appropriately. China is slowly opening its doors to overseas academic institutions and programs. The United States is trying cope with adapting its well-established accrediting system to American colleges and universities offering programs overseas. Australia is aggressively marketing its educational products overseas. The European Union is moving toward the

harmonization of its divergent academic systems. An unprecedented number of students travel abroad for study, and there is a functioning global market for highly educated personnel. The world is moving toward internationalizing higher education by using the energies of academe and responding to market needs. At the same time, those on both side of the equation have the power to shape educational transactions.

A new treaty that will have the power to force countries with quite different academic needs and resources to conform to strictures inevitably designed to serve the interests of the most powerful academic systems and corporate educational providers will only breed inequality and dependence. Intellectual globalization is alive and well now and does not need the straitjacket of GATS and the WTO. We should be moving toward a globalization based on equality rather than a new neocolonialism. ■

Trade Creep: The Implication of GATS for Higher Education Policy

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The General Agreement on Trades in Service (GATS) plus other regional trade agreements are testimony to the increased emphasis on trade and the market economy in this era of globalization. GATS is the first legal trade agreement that focuses exclusively on trade in services—as opposed to products. It is administered by the World Trade Organization, a powerful organization with 144 member countries. Education is one of the 12 service sectors covered by GATS. The purpose of GATS is progressively and systematically to promote freer trade in services by removing many of the existing barriers. What does this mean for higher education?

The current debate on the impact of GATS on higher education is divided, if not polarized. Critics focus on the threat to the role of government, the “public good,” and the quality of education. Supporters highlight the benefits that more trade can bring in terms of innovations through new providers and delivery modes, greater student access, and increased economic gain. The purpose of this article is to discuss both the risks and

opportunities that GATS brings to higher education and to identify some issues in need of further analysis.

Trade in Context with other Trends

Trade liberalization is firmly enmeshed with other issues and trends in higher education, which complicates the task of isolating the implications emanating from trade alone. These trends include the growing number of private for-profit entities providing higher education opportunities domestically and internationally; the use of information and communications technologies (ICTS) for domestic and cross-border delivery of programs; the increasing costs and tuition fees faced by students at public and private institutions; and the need for public institutions to seek alternate sources of funding, which sometimes means engaging in for-profit activities or seeking private-sector sources of financial support.

These trends are evident in both developed and, to some extent, developing countries. How does the existence of the GATS relate to these trends? While GATS may contribute to a commercial approach to education and lead to expanded use of electronic or distance education, it cannot be held responsible for the emergence of these trends. In fact, it is important to acknowledge that the business side of transnational or cross-border education was alive and well before the advent of GATS. Supporters of more trade in education services celebrate the existence of the GATS to maximize the benefits of these new opportunities. Critics emphasize the risks associated with increased trade—believing that it leads to more for-profit providers, programs of questionable quality, and a market-oriented approach—which are seen to challenge the traditional notion of education as a “public good.” The following sections identify questions and issues that need to be explored in terms of the impact of trade liberalization and GATS on policy directions for higher education.

Student Access

Government and public education institutions have keenly felt the responsibility of ensuring access to education. In many, if not in most, countries this is a challenging issue as the demand for higher and adult education is steadily growing, often beyond the capacity of the country to provide it. This is one reason why some students are interested in out-of-country educational opportunities, and more providers are prepared to offer higher education services across borders.

When increased trade liberalization is factored into this scenario, the question of access becomes complicated. Advocates of freer trade maintain that consumers, or students, can have greater access to a wider range of education opportunities at home and abroad. Nonsupporters of trade believe that access may