# The Political Economy of International Higher Education Cooperation: Structural Realities and Global Inequalities

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Since its origins in medieval Europe, higher education has maintained an international sphere of activity and influence. Both students and knowledge have always flowed across borders. While Latin, and later German, dominated scholarship and science, now English is the global academic language. 21st century globalization has put the international dimension of higher education on steroids. Now, internationalization ranks as an imperative for almost all academic institutions, and few can avoid its impact (Altbach, 2004). Inequality characterizes contemporary internationalization, like its predecessors Creating international higher education relations based on equality constitutes a major challenge—one that academe has so far largely ignored.

*Historical Dimensions*

Elements of universities' long historical traditions directly affect global higher education and relations among academic institutions internationally. With only minor exceptions, all of the world's universities stem directly from the European medieval university tradition, and reflect European organizational patterns and

approaches to both knowledge and pedagogy. The German research university model and the American "multiversity" are among the most powerful academic influences worldwide of the past two centuries. (Ben-David & Zloczower, 1962).

The major expansion of universities from their European and North American heartland occurred from the mid-19th century to the present time. Colonialism was a key force in spreading higher education. The colonial powers, especially the British, implanted universities in their colonies. In all cases, universities established in the colonies resembled institutions in the metropole—albeit at a lower quality levels (Ashby, 1964). Countries that escaped colonial domination and that established universities during this period adopted Western models, in some cases jettisoning indigenous institutions. Examples include China, Japan, and Thailand (Altbach & Selvaratnam, 1989).

The contemporary American university, the most widely adapted system today, is based on an amalgam of elements—the English collegiate model, the German research concept, and the American tradition linking the university to society in terms of teaching, service and research (Altbach, 2001). Academic systems in other countries have similarly evolved over time, but have all incorporated Western models and practices.

*Language*

The language of instruction and research is key to understanding the political economy of higher education. English continues to dominate as the language of

scientific communication worldwide. English functions as the language of instruction in a number of the world's most important academic systems—including the United States, Britain, Australia, Canada, and others. These academic systems account for the bulk of research and development expenditures and scientific publications. Some non-English speaking countries—including most of South Asia, Anglophone Africa, the Philippines, and others—have instituted English as a key language of instruction. In a growing trend, some programs now allow studies in English in China, Japan, many of the countries of the European Union, and elsewhere. The major English-speaking countries predominate as destinations for the world's two million international students. English also functions as the main language for language Internet-based academic communications and research. Major international websites operate in English, and a significant proportion of scientific communication takes place in English. It is also the world's most frequently studied "second language."

The power of English impacts the role of indigenous languages in the developing world. In Africa, for example, no country provides higher education in indigenous languages—unless one defines Afrikaans as an African language. In India, while higher education institutions offer instruction in most of the country's 14 official languages, English is the medium preferred by many students. Many universities call on academic staff to publish works in English regardless of the language of instruction.

The language of instruction, research, and the transmission of scientific knowledge forms part of the cultural and political environment of international education. Language involves the dominance of ideas. Not simply a tool of communication, language affects the content of curriculum and the form and substance of methodologies, approaches to science, and scholarly publication.

*The Legacy of the Politics of the Cold War*

During the era of the Cold War, the ideological, political, and economic power struggle between the United States and Soviet Union dominated much of international higher education relations. Industrialized nations viewed higher education as another battleground for the "hearts and minds" in the world—particularly in the Third World. Assistance programs, scholarships, the translation and reprinting of books, the provision of foreign aid, and other initiatives were all see as part of Cold War political strategies.

While the situation has significantly changed, politics remains essential to international academic relations. Joseph Nye's concept of "soft power" equals to some degree a contemporary restatement of the political motivations and concerns of an earlier era (Nye, 2004). The events of 9/11 have added to the politicization of higher education relations with the Islamic world.

"Winning hearts and minds" still composes part of the international higher education equation. The bipolar world of the Cold War has ended, opening the world stage to more international higher education players.

Countries such as China, India, Japan, and others have created their own programs and initiatives. Certain countries, such as Japan, often "tie" foreign assistance to Japanese products and institutions. While in some cases this may be an appropriate approach, it does limit the options for solving the challenges of academic development. One cannot forget that national interests and agendas, on all sides, are involved in academic cooperation.

The many government-sponsored scholarship programs that provide opportunities for international study often combine elements of altruism and national interest. Australia's Colombo Plan scholarship program, Germany's Deutsch Akademische Austauchdienst (DAAD) and the German Marshall Fund, the Japan Foundation for the Promotion of Science international programs, America's Fulbright programs, Humphrey scholarships, and others are all examples.

*The Commercialization of Higher Education*

Market forces affect higher education as never before, and this factor must be taken into account when considering international exchanges. At the heart of this change is the shift in thinking about higher education from its identity as a "public good" to that of a "private good." Increasingly, states think of higher education as a private good that benefits individuals and should be paid for by them rather than as a "public good" that benefits society and therefore is public responsibility. The imposition of tuition and fees, the growth of the private

sector, and the privatization of public higher education comprise elements of this trend. The commercialization of higher education and the growing focus on market concerns affect both domestic and international higher education policy (Kirp, 2003).

Reflecting the new philosophy and rapidly growing enrollments in most countries, academic systems face financial pressures, and must themselves generate some of their revenues. Increased tuition and fees, the sale of academic products, and other income-generating schemes have been part of the privatization of public universities. In many countries, the state provides a declining share of the academic budget, and many institutions become responsible for generating their own operating funds. In some countries, universities receive increased autonomy in return for reduced state support.

Universities and other academic institutions look, of course, to students as a major source of revenue. In many countries, international students constitute an attractive revenue source, by being charged higher fees than are domestic students. Universities seek to generate funds through selling research and consulting services, and university-industry partnerships often consist of profit-making enterprises. Income earned from patents, licenses, and other aspects of intellectual property has also become essential in some research universities. The idea that research belongs in the public domain has been replaced by an interest in designing profitable research.

*The Private Sector*

Worldwide, private higher education is the most rapidly expanding rapidly sector. In such Asian countries as Japan, South Korea, Taiwan, and the Philippines, 80 percent of students have traditionally attended private institutions. Expanding private sectors in Indonesia, Brazil, Argentina, Mexico and many other countries now account for half or more of the enrollments (Altbach, 1999). The private sector contains a diverse range of institutions. Distinguished private universities in many countries concentrate on research, high-quality instruction, and have a strong sense of public mission. These include many religiously based institutions, especially those with Roman Catholic affiliations, and some others—including the Ivy League universities in the United States, Waseda and Keio Universities in Japan, and a small number of others. But the large proportion of private academic institutions serve a mass student clientele, and many have quite low academic standards.

The growing number of for-profit institutions represent an increasingly visible part of private higher education. The well-known University of Phoenix, now the largest private postsecondary institution in the United States, is listed on the New York Stock Exchange. There are hundreds, if not thousands, of profit-making postsecondary institutions worldwide. Even in countries such as China, that formally does not permit profit-making schools, moves are being made to accommodate such institutions.

The impact of the growing private higher education sector on the political economy of universities worldwide concerns institutions that are focused mainly on earning a profit for owners and investors. These institutions generally offer a narrow and specialized curriculum for meeting vocational qualifications without providing general education or serving the broader public purposes of traditional universities. I have earlier called these institutions "pseudo universities" because they have only a few of the characteristics of traditional academic institutions, but nonetheless call themselves universities (Altbach 2001c). They are seldom concerned with research—indeed, with very few exceptions research universities are limited to the public universities worldwide. Most of the new private institutions have little interest in international programs or activities except as they might increase revenues. The tilt toward private higher education will change the atmosphere of higher education in many countries, and will further reduce the "public good" orientation of higher education generally. The private sector is large, complex, and has diversified. It will increasingly affect the political economy of higher education worldwide as its values are of greater importance.

*The Marketization of Internationalism*

The varied international components of higher education are becoming increasingly commercialized as academic institutions and systems confront massification, decreasing state support, and the effects of privatization (Garnier,

2004). Describing the landscape of international higher education will reveal the key aspects of these changes (de Wit, 2002).

Flows of students across borders constitute one of the major elements. Today, almost 2 million students study outside of their home countries, with the flow overwhelmingly from South to North (Davis, 2003). In 2003, 580,000 international students were studying in the United States—the largest host country—with Britain, France, Germany, Australia, and Canada among the other major countries. Countries hold many motivations for hosting international students. Foreign students produce significant income for academic institutions and the economy. Estimates indicate that international students bring more than $12 billion to the U.S. economy annually. In an era of reduce state funding, Australia now relies on international students and programs to produce income to permit the universities to survive. The United Kingdom significantly raised fees for foreign students from outside of the European Union in order to increase revenues. Many other host countries also see international students as a source of income. International graduate students also provide low-cost research and teaching in many universities. In some fields, foreign graduate students make up a significant portion of enrollments, permitting departments and programs to survive. In the United States, for example, international students received 58 percent of doctorates in engineering and 35 percent in the physical sciences (National Science Foundation, 2004). A majority (58 percent) of postdoctoral scholars in the United States hold temporary resident visas.

Host countries also view international students as a source of highly trained personnel for the labor market, and some nations have established immigration regulations that permit international graduates to remain once they have finished their studies. In some host countries (including the United States and much of western Europe), declining enrollments in science and engineering fields has meant a shortage of qualified graduates—international graduates have made up much of the shortfall. For example, the large majority of students from China (90 percent) and India (80 percent) remain in the United States after graduation. U.S. policymakers worry that the current decline in international enrollments will result in shortages of science and technology personnel in the future.

Other elements of internationalism, such as branch campuses and twinning programs, form part of the commercial strategy of sponsoring institutions. These programs, largely North to South initiatives, place control over curriculum, faculty, and degrees firmly in the hands of academic institutions in the North. Host institutions hope to earn money from such initiatives. Australian and British universities have been active in this arena, partnering with academic institutions and sometimes with business enterprises in developing or middle income countries to offer degrees off-shore (Rizvi, 2004). Typically, the Australian or British university offers degrees to students who have attended the partner school in their home country, and in most cases have not studied abroad. Many of these programs are offered by lower prestige

institutions in the North, although there are a small number of respected universities offering these offshore degrees as well.

In the past decade, there has been an expansion of branch campuses being established abroad. Several prestigious academic institutions in the North, including the University of Chicago Business School, the European INSEAD business school, Monash University in Australia, and others have established offshore branches. The curriculum provided by the branches is the same as that on the home campus. The main motivation for establishing offshore branches is to earn money. Singapore and Qatar sought to encourage the setting up of branches as a way of building up their higher education sectors, and several developing countries—including South Africa and Vietnam, have succeeded in attracting branch campuses as well.

International treaties that include higher education may shape international higher education in the future. The most important is GATS, the General Agreement on Trade in Services, part of the World Trade Organization, and currently being negotiated (Observatory on Borderless Higher Education, 2004). GATS is, by its nature and sponsorship, dominated by commercial motivations. Its goal is to open higher education markets in all countries and free them for international competition—including cross-border flows of students, the establishment of academic programs and institutions in other countries, open markets for academic personnel, among others (Altbach, 2001b, Knight, 2004). The underlying rationale behind GATS is that service industries, including

higher education, are commodities to be freely traded in an international market. It is not surprising that those in favor of GATS in the United States are the for-profit education providers, the testing industry, and the U.S. Department of Commerce. The higher education community is, in general, skeptical or opposed.

The European Union's Bologna initiatives are quite different than GATS, but they too will have significant implications for international higher education. The harmonization of the higher education systems within the EU is aimed at creating a European market for higher education, and providing opportunities for study and employment within the EU. It is likely that barriers will be implemented so that students and others from outside of the EU may have diminished access and face high fees. The exact policies are still to be determined.

These examples show that the market and commercial forces are increasingly dominant in international higher education. Commercialization serves needs on both sides. For the North, income producing higher education ventures produce much needed funds and may make up for enrollment shortfalls in the home market. For the South, access to higher education may be provided to students who otherwise could not gain entry to postsecondary institutions. New pedagogical or organizational ideas may be introduced, and partnerships among institutions may emerge. But they also impose foreign models and shift the locus of decision making abroad. The income produced by these initiatives mainly benefits the sponsoring institution in the North.

*Exceptions to the Rule*

This discussion has focused on the growing commercialization of international higher education. While commercialization is a central theme, there are some exceptions worth discussing. Many student exchange programs that have no commercial motives—their focus is to provide an international experience to students in another country. These programs may involve institutional links or may be more informal. Many American colleges and universities have active study abroad programs—175,000 students, mainly undergraduates, studied abroad in 2004, mostly in other northern countries. Many thousands of students within the EU take advantage of the numerous EU-sponsored exchange programs.

Many scholarship and exchange programs have few, if any commercial or direct political motivations. These include the Rhoades scholarship program, Marshall scholars, Rotary International programs, and others. The new Ford Foundation international fellowship scheme, aimed at providing graduate-level training to students from disadvantaged backgrounds from developing countries is an innovative effort. The Soros Foundation's Open Society Institute and related programs also provide scholarships. As noted earlier, programs sponsored by the German Academic Exchange Service (DAAD), the Japan Foundation for the Promotion of Science, the Fulbright program, the Colombo Plan, and other

programs sponsored by governments are political only in the broadest sense of the term.

These are but a few programs and initiatives that have few, if any, commercial or directly political underpinnings.

*What Is To Be Done?*

This analysis has argued that, by the large, the landscape of international higher education is characterized by inequalities and is increasingly focused on commercial and market concerns. These inequalities are especially stark in the context of relations between developing and developed countries, but market concerns are central to academe worldwide. This, of course, creates serious problems for international academic relations based on cooperation and on traditional academic norms and values. The following ideas may help at least to ameliorate a difficult reality.

- A clear understanding of contemporary realities is a necessary first step in dealing with the problems created by commercialization and inequalities. All too often, international academic relations assume goodwill and a "level playing field." Even when universities, foundations, government agencies have the best of intentions, structural realities intervene. A analytical and critical perspective is needed. The assumptions, motivations, and basic interests of all sides must be transparent and clearly understood.

- The public good must be at the center of all academic collaboration (Task Force on Higher Education and Society, 2000). There is a place, of course, for private institutions and for the possibility of earning money as part of some international academic relationships, but the dominating principle must the public good.
- Equality in decision making must be maintained as much as possible.
- South-South academic initiatives should be encouraged.
- Academic programs that link, on the basis of as much equality as possible, institutions in several countries and provide training and scholarship programs that enable students to study in more than one country, deserve consideration.

*Conclusion*

The challenges of creating effective academic collaboration and devising ways of assisting universities in developing countries are substantial. But the task is not impossible. Some countries, including the Netherlands, have been at the forefront of creating solutions to difficult problems of effective collaboration. The task of creating high quality and responsive universities in developing countries is an important one—the struggle for effective solutions starts with a realistic understanding of the political economy of 21st century academe.

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