

### *Flows and Patterns*

The overarching reality worldwide is that demand exceeds supply for higher education. In many developing countries a foreign degree has greater cachet than a local qualification. It is also true that in some countries local students unable to qualify for local institutions can gain admission to institutions overseas. For these reasons, overseas study continues to flourish. While the numbers of students from industrialized countries going abroad is also increasing modestly, the dominant flow is from South to North. There was a 7.4 percent increase in the number of U.S. students studying abroad, and EU programs have boosted European numbers although not by as much as anticipated by planners.

Although U.S. international enrollments were widely expected to go down in the aftermath of the events of September 11, this does not appear to be the case. In 2001–2002, 582,996 international students were studying in the United States, up 6.4 percent from the previous year. India has replaced China as the largest sending country. Japan has also significantly increased its numbers of international students, with 95,500 as of May 2002, up 21 percent from a year earlier and close to the Ministry of Education's goal of 100,000. Asia accounted for 92.8 percent, with most coming from China, Korea, and Taiwan. It can be said that Japanese enrollments have become regionalized rather than internationalized. U.K. numbers are also up, due in part to aggressive marketing overseas by British universities to attract high-fee-paying international students. The government has also supported an increase in non-EU international enrollments in order to increase revenues. Australia and New Zealand have also been marketing their universities and have successfully attracted more international students, mainly from Asian countries. Although international study in EU countries has increased due to major initiatives in recent years, the numbers have not grown as much as hoped by EU officials. A few countries have largely ceased to attract international students—the former Soviet Union was at one time a major host for international students, and Czechoslovakia and Romania were also destinations. Now, these countries attract few foreign students.

### *Future Prospects*

For the immediate future, the numbers of international students will continue to increase, with some changes in destinations as well as in the sending countries. If U.S. visa restrictions become very onerous, it is possible that fewer students will choose to study in the United States. The overall attraction of the United States, however,

seems certain to continue due to the perceived quality of American higher education, the attractions of American society, and the possibilities of the U.S. job market. With fiscal pressures on European universities increasing, it is questionable how long fees for non-EU students can be kept low. It is likely that aggressive marketing will continue to boost numbers for such countries as the United Kingdom, Australia, and New Zealand. Japan's prospects for attracting students from beyond its immediate regional area are limited because of the difficulties of learning the Japanese language. Africa and Latin America, which at present send only modest numbers of students abroad, may play a greater role in the future, although economic difficulties will hinder dramatic growth.

The longer-term future is less clear. The impact of distance provision of academic degrees, "twinning" arrangements that will permit students from countries such as Malaysia and China to earn "overseas" degrees while remaining at home, the establishment of off-shore branches of European and American universities in Asia and elsewhere (Singapore, for example, is counting on such imports to permit expansion of local enrollments without major new expenditures), and other innovations may affect the international student mobility.

International initiatives in higher education are big business. These initiatives will continue to influence global academic development. What is less clear is exactly what direction change will take—and how the public good can be served in the new global higher education marketplace.

---

## Corporate Universities and the Redefinition of a Medieval Brand

**Scott Taylor**

*Scott Taylor is a lecturer in organizational behavior and international management and organization, at the Birmingham Business School, University of Birmingham, Birmingham B15 2TT, UK. E-mail: s.taylor.2@bham.ac.uk.*

Recent debates on the nature of international higher education and the "pseudouniversity" are central to understanding a new managerial initiative, the corporate university. High-profile initiatives such as Motorola University in the United States, Barclays University in the United Kingdom, and the Shell Open University on mainland Europe are all examples of a significant innovation recognizable to both educational

analysts and management scholars. Reliable estimates are elusive as to the number of these pseudouniversities, but without doubt a discourse on corporate university (CU) initiatives is gaining in visibility and popularity.

The aim of this article is to bring together insights from previous work on the corporate classroom, and to report on initial findings from our own three-year research project into CU initiatives in the United Kingdom and Europe. Defining a CU has been somewhat problematic. Previously well-drawn boundaries between education and business, and between universities and other educational institutions, are becoming increasingly blurred. Indeed, the rise of CUs may be seen as part of this process, since they are designed to increase exchange between the corporate world and education and to serve as leaders of the initiatives. Our research proceeds from two basic factors: that a CU is owned (and controlled) by a single corporation and that a CU draws the majority of its students from within the corporation. In addition, the use of language from the educational world to label the initiative is for us a crucial aspect of CU construction.

Practitioner accounts of managing corporate training and development through CUs abound, yet extended, empirically informed analysis is rare. Despite an increase in attention to both human resource development at work and the governance of established state-accredited universities, neither educationalists nor management researchers have explored the nature and meaning of CUs in any depth. The field is thus left open to “insider accounts” relating the positive effects of CUs in developmental terms and in relation to business benefits, justifying the appropriation of higher education terminology and symbolism along the way; or to consultants with an interest in portraying CU initiatives as positive and worthwhile, retelling and retailing success stories.

#### *The Corporate Classroom*

Despite the freshness of their label (first noted in the early 1980s), CU initiatives are by no means the first time that business and education have come together. From the beginnings of the industrial era in the United States, capital owners sought to influence the nature of the “products” supplied by educational systems. As the skills required for employees changed in the mid-19th century, factory managers found that new recruits were not arriving at the workplace with the desired vocational skills—so they began to found company-owned schools. Earlier writers suggest that such schools had the additional function of introducing prospective employees to the discipline of new industrial work

organizations, an issue that is reinforced in the CUs known as “corporate boot camps.”

This corporate response to educational “failings” continued to stimulate educational initiatives throughout the 20th century. One of the first CUs, Motorola University, was in part established to provide basic literacy and numeracy training to lower-level employees who had escaped the state education system without these skills. Other CUs, such as that of British Telecom in the United States, focus on retraining in order to meet changing demands placed on employees as technologies are replaced and working practices redefined. Still others emphasize a role as “broker” or “gatekeeper” in explaining the types of training and development available to large corporations, filtering the possible options. Yet others, such as the CUs of Gemini Ernst & Young or Boeing, are seen as strategic centers for the organization, a free space within which senior managers and high-flying potential leaders can come together in a luxuriously appointed and protected space to debate and define corporate goals.

---

***This corporate response to educational “failings” continued to stimulate educational initiatives throughout the 20th century.***

---

#### *Higher Education Symbolism and Practice*

For some people, the term corporate university translates as little more than a hollow shell or “Trojan Horse.” CUs are seen as the products of adoption and adaptation of a prestigious label by managers to lend legitimacy to essentially in-house training activity focused only on corporate aims. For others, the central tenets of higher education, as encapsulated in the idea of the university, stand in contrast to operations within CUs. Critics conclude that the nature of the corporate product is inferior to the reality and philosophy of the university as it has developed over 500 years. For example, the concept of academic freedom to do research and publish without institutional interference is fundamental to higher education, whereas neither self-directed research nor publication of findings are key aspects of corporate university activity. Further, the norm of independent critical analysis may be seen as essential to individual and institutional identity in the academy; these are also not traits that are valued in the corporate context.

Beyond these definitional issues, our research focused on what were perceived as the key question raised by CU activity: what motivates managers to talk about and set up institutions that draw on the symbolism and practice of higher education (and what do corporations gain)? This question may be considered from two perspectives: from inside the corporation and from inside the academy. The second viewpoint is easier to locate, through published criticism of CUs. There has been considerable academic resistance to corporate use of terms such as university, institute, academy, or college. Indeed, some countries (such as the United Kingdom) have placed legislative constraints on the use of these terms since they fall into the category of "protected business names." Moreover, academics have questioned the commitment of corporations with CU initiatives to uphold educational standards or norms. Two arguments are emerging: first, as outlined above, that CUs are not committed to any of the tenets that make up the idea of the university; second, that the term university (and therefore any cultural capital accruing to it) will be debased if large corporations are free to apply it to any managerial initiative.

---

**The importance of the corporate market to higher education is easy to overlook**

---

Managers in our study, however, express little interest in these issues. The use of educational symbols and terms is seen as having two purposes. First, training and development (traditionally known as a "Cinderella" activity in companies, bullied by the ugly sisters of financial constraints and production imperatives) are being raised in status and legitimated through relabeling. Second, the visible commitment that a high-profile CU initiative constitutes enables senior managers to stake claims for a place at the educational policy table, rendering them better able to voice corporate perspectives in state education debates.

*Mutual (In)comprehension*

It has been suggested that any institution that is not an established university should be relabeled as a specialized training institute or a corporate training institute, and provided with their own accrediting bodies and award structures. These steps would return the symbolism (and value) of academia, so long in the making, back to the academy, and therefore protect it. This straightforward solution is challenged, however, by the actions

of academics at established universities who have enthusiastically responded to corporate requests for greater flexibility in the boundaries between the academy and corporations. In short, "the university" may be a less unique label than we assume.

The importance of the corporate market to higher education is easy to overlook. People may not notice students being quietly funded by their employers and research projects and academic posts being funded by multinationals. Higher education, it is argued, has been getting progressively closer to corporations, and the potential threat this poses to academic freedom is well documented. Less expected, perhaps, is the intrusion of large corporations into the world of higher education as emulators or competitors, and this is largely the way that corporate universities have been perceived to date. More research and thought are needed before we can claim to understand corporate universities. Our research to date certainly indicates that CUs in the United Kingdom and Europe are more complex and meaningful initiatives than academic commentators have assumed so far. Beyond the symbolism and badging lies an important and far-reaching shift in corporate practice. Perhaps through seeking to understand what a corporate university is (for), we might come to better understand what higher education is (for).

This article is summarized from *Corporate Universities: Historical Development, Conceptual Analysis, and Relations with Public-Sector Higher Education* (London: Observatory on Borderless Higher Education, 2002). Additional information is available from OBHE, 36 Gordon Sq., London WC1H, OPF, UK. Website: [www.obhe.ac.uk](http://www.obhe.ac.uk).

---

## E-learning: Expanding the Bottle to Fit the Genie

### Simon Marginson

*Simon Marginson is director of the Monash Centre for Research in International Education at Monash University, and an Australian Research Council professorial fellow. E-mail: [simon.marginson@education.monash.edu.au](mailto:simon.marginson@education.monash.edu.au).*

Electronic distance learning poses a new and difficult set of problems for educators and governments, problems both political and pedagogical. The mystery deepens when we contemplate electronic learning across international borders. While there has been much hype about the Internet as a learning medium, its educational and social potential is as yet unclear. Equally unclear is the global policy framework in which e-learning will be