

# Students Without Borders

*Increasingly, globalization will force universities to compete for students.*

By Brian Lee Crowley

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I stand before you as a recovering academic, one who has taught in at least five of Canada's post-secondary institutions and studied at several more. I gave up tenure to found my own think tank, because it had become clear to me that the universities had largely lost the ability to think critically about themselves, let alone about many social issues.

The post-secondary world we are accustomed to is collapsing around our ears. Most people are only dimly aware of it, because the collapse is so far relatively slow and silent and there is much denial going on, but it is gathering pace and will soon be sweeping some if not all of our institutions before it in a way that is unprecedented in the post-war era.

Until recently, the post-secondary world has been a largely-closed system in which powerful institutions — chiefly governments and public sector universities and their now essentially unionized professoriate — have totally dominated the provision of services.

This cozy oligopoly has been dominated by the fiction that there are no important differences between universities, that real competition between institutions (as opposed to superficial competition for high school graduates) is somehow vulgar and a social solecism.

Other assumptions underlying this world have been that universities should be chiefly funded through tax dollars rather than through the free choices of the consumers of their services, and this has been justified, among other things, by social equity concerns.

In practice, the effect has been to isolate university administrations and the professoriate from the consequences of their decisions in terms of salary, workload, and course offering responsiveness to students, among other things.

The result has been precisely what Adam Smith observed 200 years ago about the difference between Oxbridge and the University of Glasgow.

At the University of Glasgow, (where Smith taught), the well-being of the professors depended on their satisfying the expectations of their students (because students paid their lecturers directly). Those students were well-served. At Oxbridge, where the professors lived essentially from the endowment of the university rather than from the money freely given by students in exchange for quality services, the professors were awkward, indifferent, and distant.

Smith's analysis is directly relevant to the mobility question. Mobility is, of course, not a cause but an effect. People need to have a reason to move, and so the phenomenon of mobility must be driven by both a perception of inadequate opportunity locally and superior opportunity elsewhere.

Thanks to a host of technological changes, as well as the rising cost of university education paid by the student (or his or her family) within Canada, a range of options is now available to Canadian students.

As *The Economist* notes: "Numbers studying abroad were statistically negligible only two decades ago.... Now growth is soaring: two million university students — approaching 2% of the world's total of 100 million.... were studying outside their home country in 2003. Since the late 1990s, the higher-education market has been growing by 7% a year."

Basically, Canadian students don't have to accept under-performing institutions in this country, any more than students in other countries have to accept it in theirs. Increasingly, they will not even have to leave their own country to do so. They will have access to some of the best post-secondary education in the world through a computer and the Internet.

There is no way in the world for the Canadian government to regulate a private transaction in which students pay an institution that exists in another country and delivers its education via the Internet. Nor can it stop the emergence of private tutoring services designed to help local students meet international standards.

Those snobs in the university world who do not believe that quality education can be delivered over the Internet remind me of those in the early part of the 20<sup>th</sup> century who thought that the telephone was merely a toy because no one would ever do business over the telephone — people needed to look each other in the eye.

Not only will the rising generation be very comfortable with e-learning, but they will be much less moved by the misty-eyed romantic nostalgia so many older people attach to their undergraduate beer parties and mate-hunting rituals.

Canadian universities and students can benefit from the coming changes. But the challenges for the universities will be enormous.

I predict fierce battles over unionization, deregulation of tuition fees, new accountability standards and methods, and a growing division and specialization of labour within the post-secondary teaching world.

Universities are about to learn what the goods and services markets learned a long time ago about globalization, namely that the idea of a sheltered home market you can use as a base to launch yourself into the wider world is obsolete. Your home market is now an export market for everybody else in the world.

*(Adapted with permission from an address to the National Association of University Board Chairs and Secretaries. Dr. Crowley is President of the Atlantic Institute for Market Studies.)*