

Chapter 2

The Transnationalization of Business Education

John David Branch

University of Michigan, USA

David A. Wernick

Florida International University, USA

ABSTRACT

Recent decades have witnessed the emergence and growth of transnational higher education, a specific form of internationalization which considers education as a product which can be packaged and sold abroad. This transnationalization of higher education is especially prominent in the discipline of business, which has wide student appeal. The purpose of this chapter is to review the transnationalization of business education. The chapter begins by situating transnational higher education within the internationalization of higher education more broadly. It then characterises transnational higher education, enumerating various definitions and transnationalization modes. Finally, it rationalizes transnational higher education from a geo-political/economic perspective.

INTRODUCTION

Adam Smith (1976), often considered the father of modern economics, claimed that humans have an intrinsic propensity to “truck, barter, and exchange one thing for another” (p. 17)—that is to say, to trade. This propensity to trade is so basic, he continued, that it probably developed in concert with the ability to speak. As summarized by Bernstein (2008), “[w]hile other animals, particularly primates, groom and share food with each other, systematic exchanges of goods and services, particularly over great distances, have not been observed in any species besides *Homo Sapiens*” (p. 8).

Trade among humans has occurred for thousands of years. Indeed, documents from present-day Turkey allude to a 19th century BCE Assyrian merchant colony near Capadoccia (Stearns & Langer, 2001). International trade—defined here as the voluntary exchange of products (goods or services) which occurs between two countries—has likewise existed for millennia. Evidence “of the exchange of shells,

DOI: 10.4018/978-1-7998-7548-2.ch002

arrowheads, and other goods over long distances...goes back well before any written record” (Pomeranz & Topik, 2013, p. 3). Perhaps the most famous manifestation of this international trade is the Silk Road, which was established during the Han Dynasty (206 BCE to 220 CE) to facilitate the exchange of spices and other exotic goods from the Far East in Europe.

Today, international trade accounts for more than 25% of the gross world product, according to the World Trade Organization, whose members imported and exported US\$17.3 trillion in merchandise in 2012 (WTO, 2014). More than 50,000 merchant ships ply the oceans with bulk cargo (Hellenic Shipping News, 2013). And many small countries lacking resources of their own—Singapore, for example—punch well above their weight because of international trade (Ministry of Trade and Industry Singapore, 2014). Channeling both Bernstein (2008) and Pomeranz and Topik (2013), international trade and the history of the world economy go hand in hand.

It ought not to be surprising, therefore, that higher education has also come to be traded internationally. Full fee-paying foreign students, for example, play an important role in higher education, triggered to a large degree by countries such as the USA, the United Kingdom, and Australia, all of which deregulated and restructured their economies in the 1980s (Chadee and Naidoo, 2009). Between 2006 and 2009, the number of foreign branch campuses increased by 43% to 162 (Altbach, 2010; Morgan, 2010). And the COVID-19 pandemic accelerated the virtualisation of higher education, for degree-seekers, and likewise in the context of both non-degree executive education and employee training.

TNHE is especially common in business schools. Indeed, according to Altbach (2010), the most popular transnationalized programs are in business, due to the low start-up costs and to the significant worldwide demand for these programs, some of which are especially profitable (Wood *et al.*, 2005). English has doubtless become the language of business schools, especially as more and more students choose to study abroad. It is also said that business schools live and die by the league tables which, in recent years, have become more and more global in nature. And this global competition also extends to the recruitment of students, which now includes fairs, road shows, and other courting rituals which occur from Singapore to São Paulo.

The purpose of this chapter, therefore, is to review the transnationalization of business education. The chapter begins by situating transnational higher education within the internationalization of higher education more broadly. It then characterizes transnational higher education, enumerating various definitions and transnationalization modes. Finally, it rationalizes transnational higher education from a geo-political/economic perspective.

SITUATING TRANSNATIONAL HIGHER EDUCATION

According to the Institute of International Education (2019), the 2018/2019 academic year set a record for both international students studying in the United States, and Americans studying abroad—1,095,299 and 347,0997 students, respectively. But the internationalization of students is nothing new. Indeed, international student mobility dates back to the 4th century BCE (Chadee & Naidoo, 2009). The University of Oxford welcomed its first international student, the scholar and abbot Emo of Friesland, in 1190 (University of Oxford, 2014). And Sultan Ulug Beg, the 14th century ruler of a vast area of Central Asia from Kyrgyzstan to Afghanistan, built one of the world’s first observatories in Samarkand along the Silk Road, thereby attracting scholars from far and wide to study astronomy and geometry (Golden, 2011).

22 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/the-transnationalization-of-business-education/288599

Related Content

Successful Business Schools: Learning from the Success

Mohammad Ayub Khan (2015). *Diverse Contemporary Issues Facing Business Management Education* (pp. 222-237).

www.irma-international.org/chapter/successful-business-schools/117362

Assessing Electronic Records Management Systems at South African Universities

Nkholezeni Sidney Netshakhuma (2021). *Handbook of Research on Future Opportunities for Technology Management Education* (pp. 436-452).

www.irma-international.org/chapter/assessing-electronic-records-management-systems-at-south-african-universities/285385

Leadership Strategies in Cross-Culture Settings: Processes and Practices

Sanjiva Shankar Dubey (2018). *Handbook of Research on Cross-Cultural Business Education* (pp. 199-223).

www.irma-international.org/chapter/leadership-strategies-in-cross-culture-settings/205951

Culturally-Sensitive E-Learning Practices for Career and Technical Education

Lesley Farmer (2009). *Handbook of Research on E-Learning Applications for Career and Technical Education: Technologies for Vocational Training* (pp. 144-154).

www.irma-international.org/chapter/culturally-sensitive-learning-practices-career/19968

Developing Digital Literacies in Second Life: Bringing Second Life to Business Writing Pedagogy and Corporate Training

Dirk Remley (2010). *Virtual Environments for Corporate Education: Employee Learning and Solutions* (pp. 169-193).

www.irma-international.org/chapter/developing-digital-literacies-second-life/42236