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Education is a Commodity
“The World Trade Organization will be considering a series of proposals to make the importing and exporting of higher education subject to the complex rules of W.T.O. protocols” (Altbach 20) This indeed, along with all other arguments nowadays going on about education being “commoditized,” sounds quite alarming. Is it the case, however, that this is seriously dangerous? Not really. According to Karl Marx, the definition of the term commodity is as follows: “…a commodity, [in the language of the English economists], is “any thing necessary, useful or pleasant in life,” an object of human wants, a means of existence in the widest sense of the term.” (Marx) Surely Marx would consider education a commodity, as it is a service that is marketed between students and universities, that is, its consumers and suppliers. The whole process of education starts with prospective students looking for an education and continues with universities offering their service to those interested. If a successful relationship is established, what follows is universities trying to satisfy the student-customer, so that each student is willing to maintain “his/her business” with the university and also promote it. In the end, this relationship produces a result beneficial to both parties.

The consumer culture in educational institutions has existed for many years to some extent, with no damage to society. Now it is being developed further. However, often politicians may voice the statement that “education is a public good, not a commodity.” This is in fact what it is and has always been. It might also be true that a century or two ago, education was not particularly viewed as a commodity to be bought and sold. Still, in those times, too, without any incentive to the educational institutions—to spend time and effort teaching students, it would be hard to envisage a beneficial process of education.
At this point, the popular adage in Economics class comes to mind: “There is no free lunch.” From what I know from the history of Azerbaijan, for instance, even during the times when the only educational institutions were religious, the educators expected some reward in return, mainly from students’ parents. Moreover, parents would also have to provide the venue, and pay for it. In reality, there is no other way the university-student relationship can work efficiently since quality comes with mutual expectations and acknowledgements. What has been common practice in world-famous universities is deemed to be the best way to make education develop the welfare of the world we live in.

Although the consumer culture of the university-student relationship has long existed in some shape or form, it was not until the middle of the last century that universities explicitly began basing their relationships on marketing management. Seldom would older generations have found marketing departments in their schools. What they saw were admissions departments or some kind of communication department that did not employ marketing principles. In today’s world, it is no doubt that without marketing management, successful universities, such as Virginia State University’s (VSU) Business School, which applies the theory of Customer Relationship Management (CRM), would not be what they are now.

VSU uses CRM without apology because, as in any other institution, it is important for universities to have a successful management model to balance the expectations set between them and “their customers.” VSU’s model is comprised of the stages of recruitment, enrollment management, retention and progression, and post graduation. (Bejou 44-47) In each one of these stages, the university pursues its goal of
being a successful entrepreneur in the market, attracting new student-customers and retaining current relationships by providing quality education and vibrant student life.

As near as can be, ADA is also a successful example of a university that puts a lot of effort into maintaining the most productive student-university relationship. Being a newly established institution, along with providing quality education, it pays a lot of attention to promoting its programs and employing various strategies most of which have strong marketing underpinning. Both the university and its students are aware of the relationship that holds them together, yet education always stands as the main purpose.

Now that we are looking at education from an economic perspective and viewing it as a marketing opportunity, we need to also understand that competitive markets are always the best models in any economy. Therefore, if there is no competition between the suppliers, in our case, universities, there is no incentive to work for a better outcome. To that end, an educational institution as a competitive “marketplace” is, as a result, benefit students and thus, society at large. “Students are investing time and money with a purpose in mind. The school that does not serve that purpose will not survive,” says Stephen Joel Trachtenberg, president emeritus and professor of public services at the George Washington University. (Trachtenberg) This situation pushes the school to do its very best, since the mutual expectations between the school and the student are high. With the thought of those student-customers that may end their relationships if they are not satisfied, universities have now become more responsible and caring towards students, providing them with higher quality education.

University of Virginia English professor, Mark Edmundson, in his article, “On the uses of a liberal education,” might refute this idea by saying: “One of the ways we've
tried to stay attractive is by loosening up,” by which he means grading and requirements are getting softer, (Edmundson 44) However, the market culture of universities also influences students in a good way. They become more committed to their studies and study to learn, not to fail, with the thought in mind that they are paying for what they are spending their time on. Just because universities loosen up grading or course requirements does not mean students will also survive by “loosening up.” It is not only about staying attractive, what follows always matters: those with a purpose in mind will tend to seek the fortune that has been promised, and to do so, they have to live up to the expectations of the university, which requires critical thinking, hard work and creativity. Thus, the end result benefits the society as a whole because it gets more prospective intellectuals, thinking minds, and not to mention, skilled labor.

The competitive marketplace has another benefit for students; they have gained greater power over their university education. For example, they can now more comfortably raise their concerns if they are not satisfied with the “product” they are “purchasing.” Thus, the gap between university and students gets narrower in a good way as the university tries by all possible means to respond to its students’ concerns. In that sense, as a great influencing factor of student commitment to learning and thus to their educational institution, universities pay special attention to faculty development. “When the teacher says, I am the one that makes learning possible in the classroom and I am committed to make it happen,” Ben Johnson’s argument goes, “…that is when the magic of learning really happens.” Proceeding from this perspective, faculty are realizing their responsibilities towards their students more thoroughly and becoming more caring by
putting all the effort into truly helping students who they now see as individuals with unique needs and abilities who should be treated with dignity.

Some, on the other hand, claim students may abuse the student-as-consumer view as they have more influence in hiring or firing teachers and other administrative issues at university. This might be true in some cases; however, as stated earlier, it all comes with the good management theory that an educational institution should employ. This could include the mutual understanding and room for compromise between students and university, clearly letting students and faculty know what their responsibilities are. To that end, it is important that the line between the university’s rights and the students rights be clear, which will help balance the student-university relationship. Moreover, once students understand why they are there, they will be less likely to view themselves as just customers, and will focus on attaining their purpose as a priority.

As long as students are educated in basic ethics and the rules of the university environment, there will be a friendly academic relationship between faculty and students, and students will be less likely to abuse the rights they are given. A simple analogy illustrates this point. Imagine, for instance, you purchased a ticket to a movie with your girlfriend. You both go into the theater where there are about 50 people, all of whom have the same rights over a certain period of time. Your rights, however, are limited; you have to keep quiet, try to not obscure others’ viewing area and keep the theater clean. If you break these rules, you could be removed from the hall no matter how much you have paid. Similarly, students ought to understand that just because you pay for what you get, once you are a student, you do not have endless power over what the university asks of you.
As explained above, regarding education as a commodity and students, as consumers, produces better outcomes. Both parties understand their responsibilities, and value their relationship. Thus by balancing the role of student-as-customer with the role of student-as-learner and expecting students to meet high expectations, universities promise to deliver a high quality education.


