

stream of income. The benefits of this TNE arrangement are great, for a small school with limited resources back home.

5.8.0 Toward a Model for TNE

Figure 5.2 presents transnational education in China as a series of projects that achieves several goals. The goals of each project are financial, and some projects plan strategically. One project, in the United States, is looking for more funding to help achieve a vision in education, in its home country. That project seeks funding. Under WTO guidelines, the project may promote its educational product overseas. Meanwhile, wheels are turning on other projects. The researcher as a participant, observed several of those projects in action.

The MOE project operates within the political dimension, and is working toward educating China's future; education is a tool for economic progress. The MOE project needs, and asks, for assistance. This is in the form of a formal request, through the WTO. The two projects, one from China and one from the U.S., cross paths, but not directly. Chinese regulations do not allow the State university to negotiate directly with foreign schools that wish to sell education to China.

The MOE grants a license to a Chinese State University. The State university then grants approval to another Chinese organization, commonly termed an International Business School (IBS). The IBS has authority to negotiate the import of education into China. A third entrepreneurial project, recognizes its role in bringing the Chinese and U.S. projects together and applies for approval from the MOE. The Chinese MOE grants approval to the Agent. The

third, negotiating party termed “Agent” by the WTO, forms a bridge between the Chinese and American projects and charges a toll. The bridge is the only way the two projects meet to communicate under Chinese law. The Agent serves a critical role in the provision of Transnational Education in China. That Agent shapes the TNE program through an array of politics, power, and people that make up *Guanxi*.

After the Agent and the U.S. project reach an agreement, the Agent markets the prestige of the U.S. school to the IBS. In this study, the primary marketing strategy was *experiential education*. *Guanxi* potentially connects the Agent to the MOE, the State university and the IBS.

Parents of college-aged students that have been unable to enter State Universities due to low *Entrance Examination* scores learn of the IBS and its offering of a joint-degree from the U.S and China. If their children can graduate with a college degrees, joint degrees from a foreign country, the families will gain face in society; this is their second chance. Parents want competitive advantages for their children. A foreign degree, with the prestige it carries in China, provides such a competitive advantage.

The Agent works with the IBS to establish a TNE program. The IBS provides the Chinese curriculum and Chinese teachers to the TNE program. The Agent provides curriculum from the U.S. school and hires foreign teachers for the TNE program. Parents pay tuition fees to the IBS and send their students to the TNE program. The TNE grants joint-degrees to the students that pass its courses.

The TNE project earns profit while meeting Chinese Parents' goals that include prestigious education for their children. Parents in China spare little costs when their children

are involved; they will pay premium prices to give their kids competitive advantages. Those students face the pressures of successfully navigating their own projects, in order to meet family goals. The savvy Agent understands that the Parents and Children are his “keys” to profit.

The TNE program meets financial goals for itself and the Chinese university. The Agent meets its and the U.S. project’s goals. Education is a sold and bought commodity. Figure 5.2 presents a graphical view of the series of projects.

Loss of control, both from the U.S. Side and the Chinese side present barriers to operation. However, that loss of control limits liability on each side. The Agent, by hiring U.S. instructors directly, limits liability for the U.S. project. The TNE project, via its hiring of Chinese instructors directly, limits the liability for the Chinese education project.

There is no robust quality system in place, but the TNE project in China does reflect quality standards as outlined by The Commission’s (International Association of Universities (IAU), Association of Universities and Colleges of Canada (AUCC), American Council on Education (ACE), and Council for Higher Education Accreditation (CHEA)) joint statement in at least one dimension. Student feedback is rated highly. When students are not pleased, the Agent takes that information and acts on it. Instructors are reassigned or dismissed primarily based on student feedback.

The TNE program itself does not rely on Instructor feedback. Instructors are private contractors that are expected to satisfy the students, thus satisfying the parents. Eaton (2004, page 5) stressed the concern for higher education’s “commitment to the public good and serving the public interest.” By satisfying the parents, and giving students tools to attain their goals, the

Figure 5.2.

Sino-U.S. Transnational Education "Buying" Tertiary Education.

