International Branch Campuses

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Abstract

In this thesis, I studied the socio-economic, cultural, and political impact of International Branch Campuses in developing countries.

I focused on the financial implications for the host country and examine whether international education providers are helping to enhance students’ core competency levels. I have investigated the advantages and disadvantages of international education providers in developing countries and what contribution they provide to the development of the host country’s economy.

I conducted three case studies (Malaysia, United Arab Emirate and South Africa), which provided empirical understanding of all aspects of International Branch Campuses; including why and how host governments are financing/subsidizing foreign universities and if International Branch Campuses are productive in alleviating the demand for higher education in host countries. Some small and well-known universities do establish International Branch Campuses in foreign countries with the sole purpose of generating additional income for their home institutions and to take advantage of the monetary incentives offered by local host governments.

A major concern for critics of International Branch Campuses is how local culture and customs are not acknowledged by international education providers; this lack of acknowledgement can create problems and controversies.
I considered all aspects education has on a developing country’s economy. Also important is how foreign universities through education are helping to transform developing countries’ political environment as well as the development of the society as a whole.

I utilized the research conducted by others in the field of international education and higher education and base my research mainly on the numerous articles, journals and publications from the field of international education and international studies to answer and support my hypothesis.
International Branch Campuses

Chapter I
Introduction

In this thesis, I analyzed the socio-economic, cultural, and political impact of International Branch Campuses in developing countries. It is a common belief that international education is a new trend; the reality is quite the opposite. To put international education into historical context, the internationalization of higher education can be traced back to the medieval period, for example since the 17th century, transnational education has crossed continents led by missionary schools that were built beside missionary outposts.

Erasmus of Rotterdam (1465-1536) was a student who traveled and studied throughout Europe and later became a theologian that advocated for the mobility of higher education. In the 19th century, colonialism was also a significant factor as the European university model was imposed on the colonies and in some cases European institutions were implanted in the colonies. In the 20th century, the European Union developed the Bologna system, and programs such as SOCRATES and ERASMUS to insure compatibility of degrees and credits and to assure equal academic qualifications throughout the European Union.¹

In the United States, the development of higher education was fundamentally an international process, influenced by both the English colleges of Oxford and Cambridge and by the German research universities in 1876. Prior to World War I, international education in the United States was organized on a very small scale among churches and organizations of that

nature. After War World II, in 1947, the Council for International Education Exchange was founded, as a developmental project and a year later the Fulbright Program was established by the U.S. Congress. The Institute of International Education was created to promote peace and understating around the world and to administrate the Fulbright grants.¹

In 1948, the National Association for Student Advisors (NAFSA) was established with the mission to provide professional organizations, training, and development of the advisors responsible for the growing populations of international students in U.S. campuses. International education post World War II was firmly anchored in the politics of the Cold War as both the United States and Soviet Union attempted to use international education as a way to spread their ideologies. From 1958-66, geo-political concerns were the driving force of international education. International education re-emerged after the collapse of the Eastern Bloc and the end of the Cold War.³

In the late 20th century, international education reemerged in a different form with globalization, technological advances, and fewer communist regimes. Students became more mobile and less restricted by their local governments, which allowed students to study abroad freely. Another factor that greatly influenced students’ mobility was the shortage of higher educational providers in their home countries or even at the regional level. Hence, millions of students had the opportunity to study in foreign countries, in different parts of the world, especially the Western hemisphere.

¹ http://www.iie.org/Who-We-Are/History. Last accessed 2.2015
³ http://www.nafsa.org/Learn_About_NAFSA/History. Last accessed 2.2015
In the late 1950s, there was a shift in international education and the focus changed from student mobility to a movement of education programs and providers across borders. Up until 1955, when Johns Hopkins University established one of the first international branch campuses in Bologna, Italy, international campuses were sporadic. Thereafter some other universities set up posts in the form of International Branch Campuses (IBCs).

In the last decades of the 20th century and first decade of the 21st century, more and more universities have opened campuses overseas and students no longer have the need to travel long distances to seek higher education programs. “Nowadays universities are practically opening their doors in their student’s backyards. In the late 1990s and early 2000s governments from Dubai, Qatar and Malaysia developed policies to import education providers.”

We can define International Branch Campuses as degree-granting institutions (part of a larger overseas university) that have their facilities, classroom space, library, lunchroom, recreational facilities, and student accommodations in a foreign country. An important characteristic is that most International Branch Campuses are located in developing countries where they cater to host country students and most classes are taught in English. International Branch Campuses can also take the form of a partnership between the host (local) institution, and the foreign university.

I focused on curriculum development and the financial implications for the host country and examine whether international education providers are helping to enhance students’ core

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competency levels. I investigated the advantages and disadvantages of international education providers in developing countries and what contribution they provide to the development of the host country’s economy.

I conducted three case studies (Malaysia, United Arab Emirate and South Africa) which provided empirical understanding of all aspects of International Branch Campuses; including why and how host governments are financing/subsidizing foreign universities and if International Branch Campuses are productive in alleviating the demand for higher education in host countries.

I argue that faculty and staff of foreign universities often have limited knowledge about the host culture and therefore fail to offer appropriate curriculum that fits the needs of the locals in the host institutions. Programs are often designed with little supervision or approval from local officials and they lack proper accreditation. I argue that Branch Campuses are not helping the developing countries enough so they can become independently sustainable. I also argue here that censorship by the host countries inhibits the full examination of knowledge, limits information on democratic and gender rights, and in some cases do not even allow certain scholars with different political views to enter the country. Foreign universities offering to establish these branch campuses in many cases ignore these restrictions on the teaching of knowledge for purely profit motives.

Education is an imperative factor in a country’s development. When citizens are well educated they are better able to contribute to the development of the country, especially in
emerging countries/economies. Education provides members of society with tools to live productively in a cohesive society (environment) where all members of the community can benefit from a populace that is well-informed and has necessary skills. Furthermore, underprivileged members of society that are educated gain important tools to fight poverty and an opportunity to compete for better paying jobs.

Many developing countries are rich in natural resources and at a disadvantage when it refers to human capacity, which significantly impacts their development opportunities and success. For example, oil-rich countries have to import skilled workers such as engineers and workers with special training to work in oil refineries to operate sophisticated machinery used in the extraction of petroleum and other natural minerals. Most developing countries lack a skilled, educated workforce to work in industries that require highly trained workers. As a result, these countries indirectly lose financial resources to foreigners, which prevent the local economy from expanding and benefiting by leveraging their natural resource base.

Furthermore, it is necessary to understand that even in geographical areas without natural resources, education is a very important driver for the development of a country. An educated society will help the country to grow and shift the cycle of poverty and the dependency on outside influences more in their favor. Many developing countries receive state of the art medical equipment donated by developed countries. Unfortunately they are not able to use the sophisticated equipment to help their citizens due to a lack of employees with the skills necessary to operate them. The toll this places on a society lacking in educational progress can thus be measured in human lives that either are subject to unnecessary suffering or loss.
Developing countries that have placed a priority on educational advances and reform and have allocated financial resources towards the education of its citizens have benefited from positive returns on their investment. For example, the Brazilian government has greatly benefited from a policy of sending thousands of its students to study in Western countries with all expenses paid; with the hope that these educated students will return and be more favorably positioned to help the local economy grow.

The literature on education, higher education and international education reviews in detail how education is an investment in human capital. This means that investment in education will bring positive returns; it helps decrease socio-economic issues such as financial dependency, poverty, health, crime, etc. Education can help break inter-cultural barriers among national leaders and improve lines of communications between countries.

While all this is important, there is not enough data to support or to ensure that International Branch Campuses are providing host countries’ citizens with a good education. According to the literature on International Branch Campuses, there are many unanswered questions, and perhaps room for improvement. This is not to say that International Branch Campuses are not providing a needed service in the host country or that there are no benefits that accrue to the receiving nation from hosting an International Branch Campus. The main concern addressed in the literature is whether International Branch Campuses are in fact offering the same level of quality education that is provided on their home campus. Another concern is whether International Branch Campuses are considering the socio-economic and cultural issues that impact the host country when they implement their educational programs.
International Branch Campuses are often accused of operating like corporations, looking to make a profit in developing countries. The statement that they are profit-making entities is an integral factor to consider when we discuss the motivations behind International Branch Campuses establishing a post in a foreign country. While it is hard to contest that generating profits is the main motive why universities establish satellite campuses in other countries, particularly in developing countries, there are other motivations. When Western universities establish branch campuses they are also pursuing non-profit oriented goals such as international prestige through the development of strategic alliances (political and academic), which can be considered one of the biggest motivations for institutes of higher education to establish an International Branch Campus; which in turn will help increase international visibility.

Increased global prestige will further position universities to expand and increase their home institution’s revenues by charging higher tuition at home for foreign students and internationally. Furthermore it will allow them the opportunity to recruit talented faculty members and students, and consequently the university will be in a position to become more competitive compete globally. Other important motives include the ability to conduct research and development at an international level, a noteworthy motive to further the internationalization and intercultural understanding between nations. “In the case of the host country, a lot of universities, especially in East Asia are increasingly under a lot of pressure to compete internationally and a concern for value and public accountability has altered the way higher education is governed placing globalization at the top of their reform agenda.”  

In many developing countries governments try to lure international investors by proposing advantageous and hard to refuse business opportunities. The governments of host countries seek to alleviate the demand for higher education and to help develop local human resources. For example, in the case of International Branch Campuses, a host government will waive local taxes; physical space is made available where educational facilities can be established; and, quality assurance and academic matters are easily overlooked or ignored.

Western universities are experiencing budget cuts at home, which means they have to be self-sufficient entities and need to find creative ways to generate additional income for their institutions. Some small and well-known universities do establish International Branch Campuses in foreign countries with the sole purpose of generating additional income for their home institutions and to take advantage of the monetary incentives offered by local host governments.

International Brach Campuses receive funding from host country local governments, student tuition from the host country’s students and loans from the World Bank via the International Finance Corporation as well as from private investors and/or donors. Revenues are then expatriated back to the International Branch Campuses’ home institutions.

Regardless of the motivations of Western universities for setting up IBCs in other countries they are benefiting from it financially. “Dubai provides loans to foreign institutions to develop their campuses in the expectation that their eventual revenue will cover the cost. Furthermore in the complex which Dubai calls the “World Free Zone” dedicated to international
higher education, the local government offers foreign universities 100 percent ownership of their operations, tax-free status, and full repatriation of profits, as well as housing, state-of the art facilities, and government services such as visa support."6

A major concern for critics of International Branch Campuses is how local culture and customs are not acknowledged by international education providers; this lack of acknowledgement can create problems and controversies. “Sinlarat, urged the Thai government to preserve Thai cultures and traditions in education and suggest that Thai society takes globalization cautiously for fear that globalization would eventually damage the Thai cultures and traditions.”7 Many faculties teaching in IBCs in developing countries lack an in-depth understanding of the host country’s culture and/or are not sensitive to the cultural differences that exist between Western nations and the host country; nor are they properly trained by their host university to work with students from different backgrounds.

Another concern is the level of education a student in an IBC possesses. Students that are not at an appropriate educational level to start college courses or to meet the workload a college course demands is a concern that needs to be considered. For host country students, the reality is that they are not being taught or prepared for what they signed up to do the International Branch Campus. If the curriculum and teaching materials at an International Branch Campus is thus being adjusted to meet the educational level of local students, it creates an unequal and unfair comparison to say that host country students are getting the same quality of education that students receive at the home institution of these International Branch Campuses.

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7 Paitoon Sinlarant, “Changing the Culture of Education in Thai Universities”. Higher Education Policy. 2005
In this research paper I investigated the role of host country local officials and international NGOs in making sure International Branch Campuses providers are delivering quality education. For example the International Finance Corporation (the private sector financing of the World Bank) which is the largest multilateral investor in private health care and education; a major direct and indirect lender to governments, private investors and students, does not take any responsibility for the impact of students’ debt on their family or on the students’ future. Karen Mundy “Many institutions have little regard for whether the student can finance their full degree or are likely to gain employment to repay their loans.” The International Finance Corporation (IFC) does not measure the impact (positive or negative) of its investments in developing countries. Furthermore 69% of the IFC’s investments are issued to Western countries.

A big concern in developing countries is the lack of a skilled workforce that can help and contribute to the development of the country. Often students from developing countries have chosen to study in more advance countries, leaving their families and traditions behind. The tuition rate for international students is typically three times higher than the tuition rate for national students. This creates a very expensive value proposition for students with limited financial resources. In some cases, once students have completed their education they choose to stay abroad, often times because the employment opportunities and associated wages far exceed what can be earned in their home country. That’s one of the advantages of students staying home to go to school.
Some students are opting to pursue their education at home and study at an IBC in order to save on tuition costs and living expenses. According to the literature on international education, local governments are mainly concerned with developing a workforce that can compete internationally. Also, some governments envision their countries becoming an educational hub in order to attract talented students from across their geographic region, which will then help development of the economy in their country.

There are many positive aspects to International Branch Campuses. Accordingly, local governments are increasingly proactive in creating opportunities, and developing policies to attract international educational providers. International Branch Campuses afford students the opportunity to attend universities closer to their homes and in a familiar environment where the overall cost of their education can be reduced. Furthermore, once students earn a degree they can actively contribute to the country’s economic and social development, instead of adding to the “brain drain” phenomenon.

However, it is relevant to consider all aspects of the impact education has on a developing country’s economy. Also important is how foreign universities through education are helping to transform developing countries’ political environment as well as the development of the society as a whole.

In the process of assessing the impact of international education providers, I plan to explore institutional policies, as well as the role of the state and international and local non-
government organizations (NGOs) in developing policies that can help promote equity, quality, regulations and institutional reforms in the educational system of the host country.

International education will continue to expand around the globe, although we can foresee changes in the way higher education will be delivered to developing countries. Due to technological advances and the continuing shift towards living in a knowledge-based society, local governments will find ways to offer higher education in more cost effective ways.

I utilized the research conducted by others in the field of international education and higher education and base my research mainly on the numerous articles, journals and publications from the field of international education and international studies to answer and support my hypothesis. I used the data collected by different sources such as the World Bank, World Trade Organization (WTO), General Agreement on Tariffs and Trade (GATT), and United Nation Education Scientific and Cultural Organization (UNESCO). The thesis includes case studies that will provide a better understanding of and support for my hypothesis.
Chapter II
Review of the Literature

Joel Samoff states, “When applied to the developing countries, the hegemonic nature of the idea of the global context becomes even more evident. Through the global diffusion of Western ideas, thinking about education has become also most universal, dominated by a set of imperial assumptions concerning economic progress with notions of human capital and development becoming part of the broader discourse of capitalist triumphalism.”

Foreign universities are spreading Western ideology by exporting their faculty and curriculum, which can be a form of social shaping and influence on developing countries.

Schapper & Mayson, and Smith agree, “Some of the teaching materials in specific subjects may clash with the host country’s cultural or religious values.” Curriculum development is a major concern; particularly as the curriculum often is not representative of the culture and needs of the host country. Furthermore some curricula developed by International Branch Campuses do not prepare students for the skills necessary to work in society where customs and traditions are different than the society where the curriculum was conceived.

Gu Jianxin states that along with the opportunities, transnational education tends to erode national education sovereignty and threatens cultural security of importing countries, undermines

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the public nature of education and challenges the existing institutional arrangements for quality assurance, accreditation, and qualification recognitions in higher education.\textsuperscript{10}

Philip G. Altbach explains that politics and ideology have taken a secondary position to profits and market-driven policies. Multinational corporations and leading universities can be seen as the new colonialist looking to dominate for commercial gain where market forces the demand for access, and monetary gain motivates multinational higher education initiatives. The colonial power simply imposes its institutional model and curriculum.\textsuperscript{11}

Mazzarol, Soutar and Yaw Seng, in their publications “The Third Wave: Future Trends in International Education” suggest that the future of international education business is uncertain; that demand is likely to decrease because of the number of providers in the market. In “Transnational Education: Current Development and Policy Implications,” states that when it comes to International Branch Campuses, policies are hard to develop because there is not a single entity that oversees International Branch Campuses.\textsuperscript{12}

Currie and Newsom suggest that the global convergence of educational policies is an outcome of the structural condition under which branch campuses are developed and that these conditions are anchored in a global economy that shapes the policy options that nation-states

have. They also claim there is an unstoppable force that makes the relationship between global context and education appear to be natural and inevitable.

Burules & Torres explain that universalism is implicit in the widely held assertion that the process of globalization is threatening the autonomy of national systems and the sovereignty of the nation-state as the ultimate authority in democratic societies. This threatens to weaken links to the imperatives of a community, while making stronger its relationship to the requirements of the global economy.

Jane Knight states that “the rationale for home country students to stay in their countries... [is so that ] national identity and customs can be maintained /the discourse is how relevant and culturally appropriate course content and teaching process are when exported from other countries. Students will learn about their own countries and how they relate to the rest of the world.”¹³ For example, there is a gap between American curriculum and local cultures. In some of these cultures, homosexuality is a taboo and religious practices are sometimes extremist, making it hard to cover subjects such as communication in the workplace, a class regularly taught to business students. Knight also explains, however, that students in the Middle East can attend U.S. universities in their home state without having to worry about visa issues. International students studying in the United States paid three times the amount U.S residents pay in tuition. Also foreign students suffer from racial profiling which is a big problem for students from outside the U.S. studying at American schools.

Becker, (2009); Garrett, (2004) and Shams and Huisman (2012) all agree that “International Branch Campuses help the host countries (importers) to reduce brain-drain, to enhance the level of national education, to support income generation, to increase technology transfer, and to build capacity while it benefits the home countries (exporters) by creating an extra source of income, the opportunity to exploit foreign markets, and expand the range of their research activities.” International Branch Campus administrators face many challenges in trying to gain a competitive edge in their target market by relying on their assets such as brand name, prestige of the institution, experience and intellectual property. Furthermore they lack financial resources to bring staff members to the branch campus, specially experienced and qualified lecturers. Also some host countries require that International Branch Campuses recruit from the host country, which may have effect on the curriculum and quality.

Susan Robertson, Xavier Bonal and Roger Dale claim that “By the early 1990s, the export of education services from New Zealand to Asia had risen to become a greater foreign exchange earner than the wine industry.” International Branch Campuses were at first regulated by the General Agreement on Tariffs and Trade (GATT), which was later replaced by the World Trade Organization (WTO). The WTO is the only global body mandated to establish binding rules governing trade between member countries that extend into many areas of domestic legislations. International Branch Campuses are corporations with financial and political motivations and with a commercial presence in developing countries. Under the GATT and now the WTO, education may be regarded as a for-profit service where some countries are opening up their educational system to the global market place to attract foreign investment.
For example, the Netherlands Business School in South Africa was established for the purpose of educating students to become executives with an internationally-oriented perspective. In addition to its IR program in South Africa, the school partners with the University of Rochester in New York, which offers an MBA program and has a Center for International Business that conducts research on issues related to global entrepreneurial strategies.¹⁴

Numerous colleges and universities have established International Branch Campuses or research centers around the world. Each IBC represents its home country in a foreign land, offering IBC students a chance to encounter a different culture, language, and perspective. For example: Northwestern University’s IBC in Qatar works with Al Jazeera, the Arabic news Channel; Georgetown University’s School of Foreign Service in Qatar is charged with training international affairs specialists for the Arab Gulf region. Also, many of these schools offer joint degrees, collaborative research projects, and consulting contracts. Such activities help to create a multi-national educational enterprise, and are ways for colleges and universities to transcend national borders.

The trans-border activities of International Branch Campuses will necessarily affect, and hopefully improve, international relations between countries/nations by widening the horizons of students destined to be our future leaders in business, government, and civil society.

¹⁴ Ibid
My contribution to the research on International Branch Campuses is to show the full scope of their importance. That is, International Branch Campuses are important not only in and of themselves for the educational opportunities they provide, but they are important players in the arena of international relations. “Higher education facilitates the movement of a large number of students, faculties, and staff across nations and cultures.” ¹⁵ Beyond the information covered in the literature I will compare the actual curriculum and course offerings provided by the foreign university and those offered to the host country. In addition, I will gather and compare programs in three different country case studies.

¹⁵ Jason Lane and Kevin Kinser, “What is Higher Education’s Role in International Relations?” 3.2012
Chapter III  
Case Study # 1  
Malaysia

I chose Malaysia as the first of my case studies because of its impressive transformation after gaining independence from the United Kingdom. A major factor in Malaysia’s rapid move from a traditional, peasant-based agricultural economy to a knowledge-based economy was the government’s focus on education. Believing that educational reforms would make a significant difference to the development of the country, the government invested in higher education and made it part of its strategic planning.

Malaysia is located in Southeast Asia, neighboring Thailand, Singapore, Vietnam and Indonesia. In 1957, Malaysia gained independence from the United Kingdom. Before then, there wasn’t much demand for a highly skilled workforce because the country relied mainly on its rich, agricultural sector. At that time there were only a few private universities in Malaysia and admission to them was limited to select segments of the population – the wealthy who could afford to pay for a university education and elite groups who required higher education as part of their status in society.\(^\text{16}\)

The first public university in Malaysia was established in 1962. Public universities in Malaysia, as opposed to private universities, are institutions of higher learning entirely funded by the state so that students don’t pay any fees to attend them. The Malaysian government currently subsidizes public universities, and this includes subsidizing student dormitories.

Today there are sixty-four universities in Malaysia.¹⁷ Twenty of the sixty-four are public universities, fully subsidized by the government. While these universities are run as “self-managed” institutions, in reality they have very little autonomy. There are seven International Branch Campuses as private universities among the list of sixty-four, and these are managed by the foreign/international universities providing the education. According to the Cross Boarder Education Research Team, (C-BERT) that number makes Malaysia the fifth largest host country of International Branch Campuses in the world.

There are many differences between Malaysian public and private universities. The most important differences are how they are funded, how staff is appointed, salaries, tuition fees, accountability, and governance. About 20% of the government’s budget is allocated to cover all educational expenses and 40% of that 20% is allocated for higher education. Private and public institutions report to different government entities and different quality assurance agencies. Public university faculties and staff have little incentive or interest in preparing students for a global work environment because they are civil servants and have secure jobs. That factor has a negative effect on the quality of education at public universities.

According to the last census conducted in Malaysia in 2010, Malaysia is home to 27 million people. The current literacy rate is 97.3 % for those between the ages of 10 and 64, and Bahasa Melayu (Malay) is the official language of the country. Enrollment in institutions of higher learning has grown from a mere 2% in 1995, 32% in 2005, to 38% in 2009.¹⁸ According

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¹⁷ Vocational schools, corporate universities, professional associations, non-degree granting institutions or institutions not accredited by the Malaysian Ministry of Education are not included in this list of 64.
to a report the Malaysian government spent more money on as a percent of GPD education than other countries in the region, and even more than some developed nations.\footnote{Malaysia and the Knowledge Economy: Building a World-Class Higher Education System. Human Development Sector Reports East Asia and the Pacific Region. The Work Bank 2007}

![Expenditure on Education](chart.png)

As noted earlier, Malaysia is the fifth largest host country of International Branch Campuses in the world. According to James E. Lane:

International branch campuses (IBCs) are evidence of the increasing intention of some governments to use private higher education to fulfill public policy goals related to economic development and building capacity within the postsecondary sector. The IBCs imported by the governments investigated in this study tend to be from well-established institutions in countries that attract a large number of international students. The results from the study suggest that governments are actively recruiting institutions from other countries to aid in improving the host

\footnote{\url{https://www.cia.gov/library/publications/the-world-factbook/rankorder/2206rank.html} Last accessed on 7.2015}
government's education-related reputation and signaling to the world that it is modernizing its economy and its desire to be a regional education hub. Thus, IBCs not only increase local capacity and provide a different type of education, but also are intended to foster new regional interest in pursuing an education in the host country.  

The Malaysian government, like other nations, encourages International Branch Campuses to set up in its country because it lacks the financial resources to expand its educational system. “And because IBCs foster development and economic growth, they elevate the prestige of the Malaysian education system.”

The Malaysian government also welcomes IBCs because they keep local students who can afford to study abroad in their home country. In 1997, 35,000 Malaysian students were studying overseas (UNESCO 1997) partly funded by the Malaysian government’s scholarship program along with private funding. The reaction of the Malaysian government to so many Malaysian students studying abroad was to create a policy that allowed international universities to set up IBCs in Malaysia.

International Branch Campuses are often accused of operating like corporations seeking to make a profit off developing countries. This accusation that IBCs are just another kind of profit-making enterprise must be considered in any discussion of International Branch

22 Jason E. Lane “Global Expansion of International Branch Campuses: Managerial and Leadership Challenges.” Multinational Colleges and Universities. New Directions For Higher Education, Fall 2011 Published online in Wiley Online Library
Campuses. According to Philip G. Altbach: “Foreign universities do not enter an overseas market to provide a guide to ‘best practices’ or to stimulate reform. They come for quite specific purposes – often to earn a profit by offering popular degree programmes, or to engage in exchanges and collaborations of various kinds.”

It seems clear that while foreign universities want to provide a service to the host country, and the assumption is that most of them do this with the best of intentions, IBCs are indeed a business like any other. It wouldn’t make financial sense for a foreign university to set up a campus overseas without thinking about how viable that market is and what economic advantages might be gained for itself.

In the case of Malaysia, the national government has invited International Branch Campuses to their country in order to have them partner with local universities to alleviate the current demand for higher education. Without the IBCs the government would have to allocate additional funds it can scarcely afford to expand its higher education system. Local students who can afford to pay tuition fees will most likely matriculate at private intuitions and not take away seats from financially disadvantaged students who can only afford the subsidized education of the public university system.

“Rozilini M. Fernandez-Chung, vice president of HELP University, in Malaysia, said that she believes "transnational education" has "increased participation in education" in many developing nations. But she said that she worries that transnational education is increasingly...

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exacerbating economic and social divides in countries, rather than closing those divides. She noted that Western countries are charging tuition rates that, even if in some cases less than they charge at home, are beyond the reach of many. And as English has become the language of instruction in branch campuses, effectively this excludes those who haven't learned English from a young age.” ²⁴

In an effort to assist and subsidize private higher education providers, including International Branch Campuses, the Malaysian government offers small companies a 1% tax incentive for money spent on higher education for their employees, and a 2% tax break to medium size companies that offer retraining to their employees. For example, Curtin University’s campus at Miri in the state of Sarawak, Malaysia, was initiated by a group of private stakeholders and later supported by the Deputy Chief Minister of State. We see something similar in the development of Nottingham’s IBC and in Monash’s IBC in Kuala Lumpur where 300 scholarships along with land and financial support came from local politicians as well as private investors.

Furthermore local students attending IBCs in Malaysia, as well as international education providers, receive financial assistance from the government. The government offers loans to eligible students, and helps those students pay tuition and housing costs.

²⁴ Scott Jaschik, “Branch Anxieties” Inside Higher Ed. 3 2013
https://www.insidehighered.com/news/2013/03/05 last accessed 8.2015
The Malaysian government would like to become an educational hub in Southeast Asia so it can attract international universities from all over the world and students from the region. An education hub is considered to be a nation-led initiative to expand educational opportunities through cross border-education, specifically by providing training for a knowledge-based economy using innovation initiatives. It believes this would generate additional revenues for the government and the people of Malaysia and believes being an educational hub would attract international private corporations to invest in Malaysia because of the newly available skilled work force.

In the 1980s, the Malaysian government gave permission for “twinning” arrangements to take place between local educational establishments and international universities (Sivalingam). The Malaysian government also receives financial assistance from the U.S. government to advance and promote education, which includes funding for educational exchange programs and for cultural heritage preservation. The U.S. Fulbright English Teaching Assistant program in Malaysia is among the largest in the world, helping to improve the English language skills of thousands of Malaysian secondary school students since 2000. In addition, the Ambassadors Fund for Cultural Preservation (AFCP) has so far funded 10 projects to support the preservation of the cultural heritage of Malaysia.

However, a major concern for critics of International Branch Campuses (IBCs) is the way local culture and customs are ignored by faculty who are foreigners and employees of the Western international providers. This failure to acknowledge local culture and customs often creates problems and controversies. Many foreign faculty members teaching in IBCs in
developing countries lack an in-depth understanding of the host country’s culture and/or are not sensitive to the cultural differences that exist between Western nations and the host country. Nor are these teachers properly trained by their host university to work with students from different backgrounds.

Faculty members are not sufficiently prepared by their institutions to meet these challenges; many do not receive sufficient preparation to teach students from diverse populations in international branch campuses, let alone formal intercultural competency training. For instance, in a study of lecturers from three North American universities, none of the participants were involved in pre-departure training for transnational teaching. If transnational faculty members do receive cross-cultural teacher training, it is often basic and generalized, and it deals with student learning styles, rather than helping faculty members gain the competencies needed to negotiate other cultures.25

Curricula and course content are usually developed by Western countries so there is a social, cultural, and political disconnect between the provider and the receiver of knowledge. The values of the receiver are often dismissed and undermined by the provider. Furthermore some foreign universities have a limited range of affordable academic programs they can set up and operate in the host country. To them it seems more feasible, more cost-effective, to develop curricula that mirror those used at their home institutions. “In this way developing countries become the ultimate market for recycled, in some cases low quality, foreign-based, and outdated

25 Anita Gopal “Internationalization of Higher Education: Preparing Faculty to Teach Cross-culturally.” International Journal of Teaching and Learning in Higher Education. 2011, Volume 23, Number 3, 373-381
knowledge.” As a result IBC students may lack the preparation needed to perform well in a highly demanding knowledge-based work environment.

“...In a recent survey conducted by the Central Bank of Malaysia, involving 312 companies, 77.6% of the respondents felt that Malaysian graduates lack the required skills to function effectively at the workplace (Kumar, 2004).”

Another important aspect that requires attention is the lack of academic freedom that local and foreign faculties experience in Malaysia. Without academic freedom higher education at its best cannot be accomplished. Academic freedom allows teachers to teach, learn, and pursue the truth through the free exchange of ideas. In Malaysia some topics are taboo so cannot be discussed in the classroom. Thus, professors in Malaysia are not always free to teach what they believe because of the censorship of ideas. For example Christopher Hill, director of graduate programs of the University of Nottingham's campus in Malaysia, said that there is a specific provision in his contract that says "that I can't say something that would be offensive to the government. There are cultural sensitivities that you have to take into account." Hill called the issue of academic freedom at branch campuses "a hugely complicated situation.” Without academic freedom the contribution of students, faculties and universities in Malaysia is limited, which in turn hinders the general development of the country. Furthermore academic censorship affects Malaysia’s socio-economic growth by limiting the possibility of attracting investors from other parts of the world where such censorship is frowned upon.

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26 Shamsul Kamariah Abdullah, “More spices in my skills?’ Assessment and learning experienced revisited-An Analysis of the current assessment on Confucius Heritage Culture Learners (CHC). A case of Curtin University of Technology, Sarawak Campus” Curtin University of Technology, Sarawak Campus, Miri, Malaysia


https://www.insidehighered.com/news/2013/03/05/educators-consider-future-international-branch-campuses
Malaysia is a democracy whose political structure is a constitutional monarchy based on the British Westminster Parliamentary system. The king (who is elected from a select group of hereditary rulers) is the head of state. The head of government is the prime minister. It is important to note here that recent Nurul Izzah Anwar, a member of parliament, was arrested for criticizing in public the country’s judiciary system in relation to her father’s arrest and sentencing on sodomy charges. She also criticized the seditious laws of the country. These arrests reveal the limits of democracy in Malaysia by not allowing free speech.

Along with the lack of academic freedom, and the limits of free speech, the lack of gender equality in Malaysia is a concern for International Branch Campuses providers. The Malaysian government requires that any programs implemented to support the advancement of women must be in line with Malaysia’s values, religious beliefs, and cultural norms. These values and norms are often impediments to gender equality. However, Western faculties are not always familiar with the dual system of the laws (Muslim and Western) whereby Malaysian women have fewer rights than women in Western countries. This can put Western faculty in a delicate position if they teach courses or communicate ideas that are not considered appropriate for Malaysian women’s courses, which, for example, teach that women are equal and deserve equal rights with men.

Although the number of female students enrolled in tertiary education in Malaysia has increased since the country’s independence, women in Malaysian society are generally seen as inferior to men, are stereotyped, and lack full participation in the public sphere. According to the

Malaysian Human development Report from 2013, the number of women with tertiary education outside the workforce has increased. This can be attributed to the notion that women have responsibilities at home with their families.\(^{30}\) Furthermore because of Malaysia’s religious and cultural practices many Muslim women cannot pursue advanced studies or study for non-traditional careers such as engineering or business. The number of women continues to be disproportionately higher in services and clerical jobs and to be steeply under-represented in high-end professional jobs.\(^{31}\)

Another concern is the level of education of host-country students who enter IBC programs. These students may not be at an appropriate educational level to start college courses, or to meet the workload a college course demands, a serious problem that requires attention. The reality is that host-country students are usually not being taught or prepared for classes they have signed up for at the International Branch Campus. On the other hand, if the curricula and teaching materials of an IBC are being adjusted to meet the lower educational levels of local students, it creates an unequal and unfair situation – host country students are not getting the same quality of education that students receive at the home institution of the IBC.

In Malaysia there are hundreds of foreign educational providers that are non-degree granting institutions. Because these institutions don’t belong to the higher education system of any country there is no one/no agency responsible for assessing the quality of education they provide. As for overseeing the private universities in Malaysia, while current efforts to assure the quality of the programs are commendable, the effectiveness of the monitoring mechanism is

\(^{30}\) Malaysia Human Development Report 2013, UNDP Published for the United Nation Development Programme

\(^{31}\) Malaysia Human Development Report 2013, UNDP Published for the United Nation Development Programme.
hindered by the small number of officers available to oversee the process relative to the large number of Private Higher Education Institutions (PrHEIs) in the country. Moreover, while programs are accredited, that does not imply recognition, which would require international quality assurance agencies to recognize the accreditation efforts of Malaysia Quality Assurance (MQA). While MQA is a member of several quality assurance networks, greater efforts have to be made to widen the recognition of MQA’s accreditation exercises.32

In addition to other issues, there is now often a disconnect between the academic qualifications of current overall graduates in Malaysia and the expectations of employers. Graduates do not always have the competencies required for success in high demand areas of the job market due to the inadequate nature of their education. There does not seem to be a match between the quality and the type of education and jobs that are available in Malaysia.

Unemployment rates are fairly high for Malaysian college graduates, which seems to mean that there are not enough employment opportunities for graduates with advanced degrees.33

In many ways it is great that Western countries are beginning to help meet the increasing demand for higher education in Malaysia and other developing countries by creating International Branch Campuses (IBCs).

32 Capacity Building Through – Cross Border Higher Education for Development OECD
After independence in Malaysia’s higher education system was almost non-existent, which made Malaysia the perfect proving ground for hosting International Branch Campuses. At that time, there was an urgent need for IBCs not only in Malaysia but in the wider region.

The data compiled and analyzed in my case studies (Malaysia, South Africa, and the United Arab Emirates) supports my arguments concerning the advantages and disadvantages of IBCs. Needless to say, however, much more research needs to be done in the field of International Branch Campuses in developing countries.

According to research conducted by others, it is clear that Western institutions that establish IBCs benefit financially. More to the point, perhaps, is the intellectual benefit gained through a new form of colonization (or neo-colonialism) whereby Western ideologies are visited upon the host country’s student population through curricula developed by those Western institutions.

Ideally, curricula and didactical material would be developed by IBCs in collaboration with the host country’s ministry of education. That way, all instructional material could address a wider group of issues, including not only concerns for women’s rights and Lesbian/Bi- sexual/Gay/Queer/Transgender issues but whatever local issues need addressing in the realm of social and human rights.

It is essential that ways be found to make higher education accessible to all, to make sure that educational services reach everyone, especially those who lack the financial resources to pay
IBCs’ tuition fees. Close attention needs to be paid to “quality assurance” by monitoring the learning objectives and learning outcomes of IBCs.

The international community has a moral responsibility to see that IBCs avoid neo-colonization and the harm it inflicts on the host country. There are practical ways that the international community can help to improve the quality of education and the services of IBCs. For example, policies could be developed to ensure that a percentage of all tenured faculty and other teachers are from the host country and are involved in the development of curricula.

Also, it is important to underscore the fact that, for the most part, profits generated by International Branch Campuses go back to the IBCs home institutions. Currently, IBCs pay little or no taxes to the host country. Furthermore, they don’t pay for constructing the physical facilities of the IBCs which must therefore be provided by the host country. This creates a sense that the primary purpose of IBCs is to make money for Western institutions rather than to contribute to the advancement of local higher education institutions to become independently sustainable so that, ultimately, they can improve their own educational services.
Politically, culturally and economically, the United Arab Emirates is a very interesting country that possesses unique characteristics. It is also one of the largest host countries of International Branch Campuses and with that concentration of IBCs it has become a major international provider of higher education in the region. In addition, the United Arab Emirates (“UAE”) is an oil-rich country with more than ample financial resources available to foster creativity and innovation in education and development. In 2007, the government of Abu Dhabi invited the prestigious New York University to open a satellite Branch Campus in Abu Dhabi. Before the parties even began their conversation on this project, New York University received a $50 million donation from the UAE.

The United Arab Emirates is located in the Southeast portion of the Arabian Peninsula on the Persian Gulf, bordering Oman to the east and Saudi Arabia to the south, and sharing borders with Qatar and Iran. After gaining independence from Great Britain in 1971, the UAE was established as a sovereign nation. The United Arab Emirates is formed by a federation of seven Emirates: Abu Dhabi, Ajman, Dubai, Fujairah, Ras al- Khaimah, Sharjah and Umm al Qu wain.

The United Arab Emirates is an absolute monarchy, governed by the ruler of Abu Dhabi, considered to be the president, and the ruler of Dubai, the vice-president. As of 2013, the country had a total population of 9.2 million, of which 1.4 million are Emirati citizens and 7.8
million are expatriates or immigrants from other countries. In 2012, the literacy rate among the population of UAE ages 15-24 was 90%.

After gaining independence, the higher educational system was developed to model Western educational systems; there were no degree granting institutions before 1971. Alsin University was founded in 1977 as the first public university in the UAE offering (free of charge) degree programs.

Because of the high demand for higher education, the government of the UAE decided to open its doors to international education providers, predominantly from Western countries. There are two types of private universities of higher education in United Arab Emirates today: the first one is owned and controlled by local emirates or local organizations, the second type is owned and operated by foreign universities which have established International Branch Campuses in the UAE.

In 1993, the University of Wolloongong from Australia established the first International Branch Campus in the United Arab Emirates. Since then, the UAE has grown to be the largest hub of International Branch Campuses in the world, currently home to 60 universities, and as of 2009 hosting 40 International Branch Campuses and International education providers.34

The higher education system in United Arab Emirates has not expanded enough to accommodate current demand for higher education. The overall enrollment in higher education

institutions in UAE has increased immensely, from 400 students in 1977 to 12,000 students in 2010. The Ministry of Educations guarantees nationals a place in the country’s public universities if they meet entrance requirements. Students that are not accepted into the local public universities have the opportunity to apply to attend a private university and earn a degree, provided that they meet entrance requirements and have the financial resources to pay for tuition fees.

Students have other motivations to study in International Brach Campuses, such as specializing in programs not offered by their local university, better employment opportunities post-graduation and better job prospects in the international labor market. In addition, students seeking to stay close to home in order to reduce some of the expense related to their education and avoid the cultural shock and visa issues related to traveling abroad for education purposes. It is important to mention that if UAE nationals earned a degree from a local non-accredited institution they would not be eligible to be hired in the public sector which is a preferred and highly desired sector for locals due to the high salaries, benefits and high working standard conditions.

The business of International Branch Campuses seems to be appealing to small foreign college administrators, but the many prestigious universities do not yet believe that the reward outweighs the risks and potential cost. Many IBCs are struggling with low enrolment, unprepared students and the challenges associated with a host country’s culture, and the demands from the parent institution. International Branch Campuses are competing to attract the best students, which over time will help the recruitment process and make the IBCs more
competitive. “A survey conducted in the UAE revealed that many professors believed their students had insufficient ability in mathematics and writing in English. It is possible that these things are due, in part, to the need for international branch campuses to recruit and retain students.”

Students are often considered to be consumers and are needed to generate money for the foreign institution and therefore a lot of the IBCs have waived or re-evaluated admission requirements. Many students are below average in mathematics and in English. Some students have acknowledged that they received higher grades than what they deserve (Gerson 2010). Professors have awarded higher, undeserved grades to students in fear of receiving a poor performance evaluation from students which would cost them their jobs or contracts.

However, some schools refuse to lower their standards. For example, Michigan University’s International Branch Campuses in the UAE offer scholarships. Two hundred students applied for some of the scholarships and discount opportunities, but only 10% were academically fit to be admitted at the University. Michigan University however was not and is not willing to compromise its academic standards. The University knows that students admitted without the English skills and SAT scores required for entrance will not succeed and as consequence will end up dropping out of college because they were not ready for a level of education that is significantly more demanding than the one they are used to. Malaysian education system is more student-centered rather than independent learning. Furthermore, IBCs

cannot lower their standards if they are providing a full degree that is endorsed by the home university. For example “New York University in Abu Dhabi, which admitted its first students in September 2010, believes that there are only a limited number of local students who can satisfy its admission requirements, and as a consequence it expects to recruit most of its students from outside the UAE, and mainly from the US.” 37

Some more prestigious schools refuse to lower their standards by even operating an IBC. For example, Yale University decided against opening an IBC in UAE due to major concerns over the brand name reputation of the university, quality assurance, and fears related to requirements which local students were not going to be able to meet. Furthermore students were not up to par with Yale standards38; and as a result, faculty members were strongly opposed to this opportunity even though it could earn a profit for Yale.

Other universities like NYU and Paris Sorbonne, both of which have established IBCs in Abu Dhabi, have higher chances of surviving and succeeding because they are choosing to capitalize on their brand name to attract talented students and researchers that will in turn bring the university more grants and prestige. Also, they are relying on guaranteed funding from the Abu Dhabi government, which is looking to attract students in order to ensure that future professionals from the region have the sufficient education and skills to help boost the local

37 Spencer Witte “Gulf State Branch Campuses: Global Student Recruitment”. International Higher Education. The Boston College Center for International Higher Education 2010. Pg 5
economy. For instance Daniel Balland, director-general of the Sorbonne - Abu Dhabi IBC said, “We’re in Abu Dhabi because Abu Dhabi proposed to pay for all our expenses.”

The president and master-mind behind NYU - Abu Dhabi was motivated to open a branch in Abu Dhabi because he felt this would be a great opportunity for NYU to become a global elite university. On the other hand faculty members from NYU claimed that NYU is acting like a corporation and it is spreading itself too thin and turning the university into an academic chain restaurant.

Many are concerned about the rush of established universities in the United States that are seeking to establish new foundations in foreign developing countries: “A lot of these educators are trying to present themselves as benevolent and altruistic, when in reality, their programs are aimed at making money,” said Representative Mr. Dana Rohrabacher, a California Republican who has criticized the rush overseas, and Philip G. Altbach claims, “this is the McDonaldization of universities.”

Over the last several decades, Western universities have seen a decrease in their budgets and an increase in the student population; forcing them to find alternative ways to secure new sources of revenues. Establishing an IBC in a foreign country can improve the university’s prestige, help generate revenues and help recruit talented students and researchers.

40 S. Wilkins, Jeroen Huisman; the international branch campus as transnational strategy in higher education (2012)
42 http://www.nytimes.com/2008/02/10/education/10global.html?_r=1&
George Mason University, an American public university in Fairfax, VA, established an IBC in the United Arab Emirates in 2006 in Ras al Khayamah. Ras al Khayamah is one of the emirates that seemed to be having a difficult time recruiting qualified students. Students today receiving a degree from the George Mason University IBC are benefitting from Ras al Khayamah paying for all the costs to operate and to keep the university functioning. 44

One of the biggest issues that faculty from foreign countries have is the lack of academic freedom. “Academic freedom in teaching refers to the opportunity for academic staff to have input into program design and delivery; in research it refers to the freedom to pursue topics that might lead to the university, government, or other holders of power, being perceived in a negative light.” 45

When the home university is in control of the intellectual property, there is little autonomy at the branch campus level and not enough room for creativity or adaptation to the local community. Many of the faculty members at IBCs are employed on a part time-short-term basis by local agencies. In an effort to improve students’ learning experiences, faculty members at IBCs try to adapt the lectures, class exercises, and assessment criteria provided by the home campus to reflect local academic priorities and to help prepare students for local and regional careers.

The threat to academic freedom is clear when the curriculum is an inflexible package to be delivered, and local staffs are not able to contribute to its design as they are only hired to teach. Many International Branch Campuses conduct the research and development at their home campus, which can represent a problem in terms of relevance of the curriculum content and a lack of understanding for the local host country’s culture.

International Branch Campuses offer different curriculum and classes in host countries compared to curriculum and classes offered at their home campuses. During my research I closely examined NYU’s website and compared it with the NYU Abu Dhabi’s website as I was curious to learn more about their degree programs and how they differed.46

The importing of curricula has raised concerns about the differences between foreign and indigenous curricula, prompting unease about the influence of a dominant global curriculum but more importantly the fact that the programs offered in the host country are not as robust as the programs in the home school.

I learned that NYU Civil Engineering curriculum and course offering at the home school are different from the Civil Engineering program offered at NYU Abu Dhabi. The program at NYU Abu Dhabi resembles a continuing education certificate program with lighter course work and a lesser number of credits needed to complete the degree. The Civil Engineering degree program at NYU requires students to complete a larger number of credits to complete their

46 NYU’s website: http://bulletin.engineering.nyu.edu/preview_program last accessed 8.7.2015
degree. Furthermore, the program description for the home school program is very detailed and explicit in regards to the program’s goal and what students should expect from this program while the IBC program description is less detailed.

As stated in some of the international education literature “Branches typically offer a limited curriculum—generally in the fields that attract large enrollments, require limited infrastructure, and are relatively inexpensive to teach. Branch campuses seldom reflect the home university in terms of facilities, the breadth of curriculum, or the experience of studying at the sponsoring institution. Another perfect example is the Johns Hopkins University’s medical program in Singapore, the local authorities did not feel it was providing the promised goals, resulting in the cancellation of the program.”

In other cases, some country governments require international education providers to integrate the local culture in the curriculum. For example foreign campuses in Malaysia must teach Islamic studies to Muslim students or Ethics to non-Muslim students. A teacher conducting a class in communication at the UAE George Mason IBC had to tailor the curriculum for her students because the language in the original version could be offensive to her students due to lack of consideration for the local culture. Using the word church or homosexual could be illegal in some Islamic countries and the government can arrest teacher that uses these terms.

in the classroom. International Branch Campuses are often strictly monitored and regulated by central and local governments. In some countries IBCs are not allowed to provide programs on the military, religion or political science fields.\textsuperscript{50}

Provost, Peter Stearns, from George Mason University in 2006 said “a task as simple as ordering books can take months because of government censors.”\textsuperscript{51} There are serious issues in developing and implementing programs with little understanding of the cultural differences and learning styles. For example, language issues may be a further barrier or obstacle to overcome.

Another relevant example is the case of a British faculty member from the London School of Economics that was not allowed to enter the United Arab Emirates because of his views of the local government. On February 2013, The Middle East Centre of the London School of Economics (LSE) and the American University of Sharjah (AUS) jointly organized a conference. The theme of the conference was "The New Middle East: Transition in the Arab World" The London School of Economics abruptly pulled out of the conference after the United Arab Emirates (UAE) government intervened to inform the American University Sharjah that no discussion of Bahrain would be permitted. The London School of Economics withdrew from the event, citing "restrictions imposed on the intellectual control of the event that threatened academic freedom."\textsuperscript{52} On arrival at Dubai International Airport, Kristian Coates Ulrichsen a faculty member from the London School of Economics (and the writer of the paper entitled

\textsuperscript{50} Huang F. “Internationalization of Higher Education in Developing and Emerging Countries: A focus on transnational higher education in Asia, Journal of International of Studies in International Education. 2007. Pgs 421-432


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"Bahrain’s Uprising: Domestic Implications and Regional and International Perspectives” which is deemed to be critical of the UAE government) was stopped by immigration officials who informed him that he was being denied entry to the UAE and sent back to London.53

Recently in March 2015, a New York University professor who has written critically on migrant labor issues in the United Arab Emirates was blocked from boarding a plane to Abu Dhabi. Andrew Ross, a professor of social and cultural analysis at the New York City campus and president of NYU’s American Association of University Professors chapter, was prohibited by UAE authorities from boarding an Abu Dhabi-bound plane at New York’s Kennedy International Airport due to stated “security reasons.” Ross had been planning to continue his research on migrant labor issues in the Emirates over his spring vacation. He was not planning to stop by the NYU Abu Dhabi campus while there, but was prevented entry, anyway. These examples demonstrate government control of what can even be discussed within the country.

Opponents of the expansion of NYU were concerned because academic freedom and human rights were not guaranteed at NYU – UAE campuses.54 Human Rights Watch brought to the public’s attention the cases of hundreds of human rights violations on a partially, still under constructions site where NYU is going to be housed in Dubai; including workers, many who are immigrants, claimed that their wages were being withheld; they were forced to work six to seven days a week; passports were taken away and they were being forced to live in deplorable conditions. Many of these workers faced deportation for speaking out against the local

According to Human Rights Watch the government continues to crack down on freedom of speech and the right to associate. Detainees face prison and torture by the local authorities if they congregate and speak against the government. This is a real concern for Western academics working in the UAE.

The United Arab Emirates (UAE) is an oil-rich country (its oil reserves are the seventh-largest in the world). Located on the Arabian Peninsula in the Persian Gulf the UAE has the financial resources to create and support a sophisticated system of higher education for the region.

The United Arab Emirates is one the largest host countries for International Branch Campus in the world. And it is one of the countries that provide the most support to IBCs, offering very attractive incentives to providers and students.

The example of the UAE supports my arguments and research concerning the financial aspect of IBCs. The government of the UAE offers financial support to IBCs, giving them benefits such as repatriating revenues and profits, and doesn’t require them to pay taxes. To support my argument (that most IBCs fail to offer appropriate curricula to address social inequality and human rights issues in their host country) I focus on human rights issues in the UAE such as the lack of freedom of speech and the lack of academic freedom, among others.

Furthermore, research studies done by experts in the field of international education reveal

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55 http://www.hrw.org/world-report/2014/country-chapters/united-arab-emirates
restrictions on IBC curricula and didactical material in the UAE and the dissatisfaction of IBC instructors due to a lack of understanding about local culture and local issues.

The international community has a moral duty to voice concerns about human rights issues and all forms of inequality in order to pressure local governments and international education providers to work together to develop policies that address these issues by supporting new regulations.
Chapter V
Case Study # 3
South Africa

Although, South Africa has very few IBCs right now, its importance as Africa’s leading host country for international students makes it an interesting case for this study.

South Africa, officially known as the Republic of South Africa, is located at the southernmost tip of the African continent, surrounded by the waters of two oceans, the South Atlantic Ocean and the Indian Ocean. Its neighboring countries are Namibia, Botswana, Zimbabwe, Mozambique, and Swaziland.

South Africa is the 25th largest country geographically in the world and its population of nearly 53 million people makes it also the 25th most populated country in the world. It is a multiethnic nation, dubbed the “Rainbow Nation” by Archbishop Desmond Tutu, with 11 official languages. Approximately 80% of South Africans have ancestral roots in sub-Saharan Africa.

In 1652, Dutch traders landed in South Africa to establish a stopover port on the spice route between the Netherlands and the Far East, thereby founding the Cape Colony. The British along with the Dutch descendants of the original settlers, known as Afrikaners or Boers, ruled South Africa together beginning in 1910, when the country was known as the Union of South Africa. In 1961, South Africa became a republic after a referendum in which only white people could vote.
In 1948, the whites-only National Party gained power and instituted a policy of apartheid, which favored the white minority at the expense of the black majority. The first multi-racial elections were held in 1994, after years of oppression and the jailing of black Africans (including Nelson Mandela) who had to have passports to move about in their own country, finally bringing to an end the official policy of apartheid. Since then, South Africa has struggled to address imbalances rooted in apartheid-era practices by establishing policies that provide the black African majority with decent housing, health care, and education.

South Africa has been called a democracy for many decades but for much of that time it was a democracy for whites only since blacks did not have equal rights and were excluded from voting in local elections until 1994. Furthermore blacks were not eligible for many of the government benefits available to whites. Given the often brutal nature of apartheid it is interesting to note that South Africa is the only country in Africa that never had either a political or military coup, or any other form of overthrow of an established government.

South Africa’s education system is currently divided into primary school followed by high school, while tertiary education is divided into academic universities and technological universities. Under apartheid, schools for blacks were sub-optimum due to inadequate funding and the use of a separate teaching syllabus for blacks called Bantu Education designed to give black students a minimum amount of education and skill so they would only be able to qualify for work as laborers. With the abolition of apartheid in
education, the adult literacy rate increased dramatically so that in 2007 in South Africa it reached 88.7%. Unfortunately, these figures don’t look quite so promising when we introduce gender issues into the mix. In South Africa women make up 61% of the uneducated adult population.\textsuperscript{56}

South Africa is now listed as a middle-income economy, and is considered a middle-level power in international affairs, as well as being the second highest richest economy in Africa. According to reports from the World Bank unemployment and poverty are still extremely high which means access to higher education for South Africans is limited to those who can afford it.

The Extension of Universities Act of 1959 made provision for separate universities for separate races - whites only and blacks only. This Act was abolished by the Tertiary Education Act in 1988. In 2004, South Africa started reconfiguring its higher education system, merging and incorporating small universities into larger institutions, and renaming all institutions of higher education "universities."

Today, a director manages the South African higher education system while the country’s minister and deputy minister make its policy. All the universities are autonomous, reporting to their own state councils rather than reporting to the government. The Department of Higher Education is funded by the central national

\textsuperscript{56} James et al 2000 page 18

Meena 2001 equal right to education.
government, while universities and colleges are accredited by the Council on Higher Education and are authorized to grant degrees.

South Africa has an active higher education sector, with more than a million students enrolled in the country’s academic universities and technological universities. The public expenditure on education is 20% but the expenditure in higher education is only 2.7% as opposed to 3.3 for the rest of the world.\(^{57}\)

At the present time, there are 23 public universities in South Africa and 178 private ones. Among the over 200 universities there are now only three International Branch Campuses which are local campuses of foreign universities. IBCs also conduct classes for students who write/present exams at the distance-education department of the University of South Africa and offer unaccredited or non-accredited diplomas.

According to the current international literature on higher education, South Africa has a robust system of higher education. In the 1990s, foreign universities flooded into the democratic Republic of South Africa. In 2008, there were 92 private higher education institutions or International Branch Campuses. But, over time, the majority of International Branch Campuses withdrew from South Africa because of difficulties encountered over government regulations and the accreditation process. However, International Branch Campuses are not very successful in South Africa for reasons that go beyond the high number of governmental requirements. These include the lack of

\(^{57}\) National Advisory Council on Innovation [NACI] 2006
financial support from local governments, few scholarships for students, and a lack of investment from the private sector. As stated above, there are currently only three branch campuses left in the country: Bond and Monash from Australia, De Montfort (UK), and the Netherlands Business School.

In 2001 the South African Ministry of Education received seven hundred inquiries from universities all over the world asking for approval to develop satellite programs or branch campuses in South Africa. Thirty-two private universities received such approval. Among those thirty-two, two were approved to operate International Branch Campuses: Monash University of Australia and the Netherlands Business School. 58

However, while the number of International Branch Campuses is increasing in Asia and the Middle East, international education providers seem both reluctant and unable to establish themselves on the African continent. International education providers have much more difficulty recruiting students in Africa due to many factors, including a poor business model, being unable to comply with the large number of local regulations and restrictions, and/or being unable to adapt to the constantly changing local regulations.

Needless to say, there is a lot of demand for higher education in Africa although the continent has a weak infrastructure unable to facilitate the development of new international education ventures. But, it is argued that International Branch Campuses in

Africa are not truly sustainable primarily because they receive little or no monetary support or incentives from either private industries or local governments. Some claim that the reason there are so few International Branch Campuses in South Africa is merely a reflection of the bigger problem: there is simply too little financial support available for IBCs in Africa as a whole.

Monash University, the largest university in Australia, is one of the most prestigious universities in the world and was the first foreign university to establish an IBC in South Africa in 2001. With 3,500 students enrolled a decade after it was created, the South African Monash IBC has shown itself to be extremely successful in meeting government mandates, offering degrees in social science, business and economics, information technology, and health and human science. A degree from the Monash University IBC is a valuable asset for anyone pursuing a professional career.

The South African Monash IBC was able to flourish given all the difficulties IBCs face in Africa by creating an independent sustainable money-stream. According to David Robinson, the Vice Chancellor of Monash University, the South African Monash IBC does not receive any financial help from the South African government or the Australian government. Instead, it is expected to generate its own revenues from student fees, primarily from international students with scholarships from their governments.
South African private universities continue to play a very important role in South Africa, even though IBCs are few and far between, by helping to absorb the increasing demand for higher education in the country and the surrounding region. But given the scarcity of IBCs, some might find it surprising to learn that South Africa has become an International Education hub. Its institutions of higher education are currently rated among the top 40 of the world’s host countries.

The number of international students at South Africa’s 23 public universities grew from 12,557 in 1994 to nearly 54,000 in 2006, representing 7% of the student population. The majority of international students come from different parts of the African continent, especially from the Southern Africa Development Community (SADC). South Africa sees hosting students from the rest of Africa as a way of contributing to the continent’s human resource development and also as a way of helping to stop the “brain drain” problem the continent experiences when talented students leave Africa to study abroad.

South Africa has the highest number of public universities on the African continent which has helped the country to position itself as an international educational hub and a major exponent of higher education in the region. In fact South Africa has approximately 70% of the students enrolled in higher education in the region. Studies have shown an increase of more than 7% in the number of international students in South

59 Southern Africa Development Community member States: Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
African university campuses (with a national higher education student body of 730,000, from approximately 12,500 in 1994 to almost 60,000 in 2009 (Kishun, 2006, p.1).  

South Africa is in a very good position to host international students given the following factors: the country’s location and proximity to many other sub-Saharan African nations; the country’s universities use English as the primary language of instruction which is an asset in the current global economy; South Africa’s institutions of higher learning charge lower tuition fees than those of developed nations; there is a relatively low cost of living in South Africa; and students acquire internationally recognized academic qualifications.  In addition, professors and lecturers in South Africa are paid well, and are eligible for government-sponsored research funding, creating stability in the teaching staff.

Unlike many countries in the region, South Africa has not suffered from civil war or military conflict, so the country’s provisions for higher education have not been interrupted or compromised by such fighting. This makes South Africa a very attractive destination for international students, a fact that is revealed in its rankings. South Africa is ranked among the top ten countries for higher education in the world and is one of the top five countries in the world for its enrollment of international students.

Given what I have learned about higher education in South Africa, I believe that it is crucial for South Africa to carefully consider all the implications of what it means for

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that country to become one of the world’s knowledge-based societies and to evaluate how it fits into the worldwide need for highly skilled personnel. And, if international education is to contribute to addressing the challenges of the internal development that South Africa faces it must begin by addressing the local issues of poverty and unemployment, as well as considering gender and racial inequality in South African education.

Ideally, South Africa should evaluate the current strengths and weaknesses of its higher education programs in order to create an appropriate education policy to help it move forward. The design of such a policy might benefit from an examination and assessment of all the problems that have hindered the development of IBCs in South Africa.

My last case study on South Africa is different from the others in that South Africa has very few IBCs and these are, for the most part, financially independent. Nevertheless, this case study also supports my arguments about IBCs.

Because of the general lack of financial resources on the continent of Africa, there is very little interest on the part of International Branch Campuses to establish satellite campuses (aka IBCs) in South Africa because without the local financial input, there is no opportunity for profit.
Yet South Africa is, in fact, an important higher education provider for other countries in Africa. Its local higher educational system is well established, highly regarded and eagerly sought by students from the region, and it is more affordable than some of the existing IBCs in the country.

There are only three International Branch Campuses in South Africa. These International Branch Campuses do not receive financial support from the local government; the Ministry of Education places very strict restrictions on IBCs; and there is a very rigorous accreditation process that International Branch Campuses must follow before they can open their doors in the country.

Unlike students in other developing countries, South African students receive fewer scholarships to pay for their education. This makes it very difficult for students to pay the fees required to study at a private university or an International Branch Campus. However, the number of students matriculating at South African schools of higher education continues to grow due to the high quality of local South African universities and their affordability.

It is worth noting that South Africa does not suffer from many of the problems that plague other countries. There is no political instability, no religious restriction, and no immigration complexity. All of this makes South Africa a relatively safe and supportive country for local and foreign students.
CHAPTER VI
Conclusion

Although there is not enough research on International Branch Campuses, this is an important subject and developmental dynamic for the international community to understand as the global impact of international education on developing countries is only increasing in relevance. More clarity and understanding of establishing International Branch Campuses will naturally lead to more beneficial outcomes for students and therefore alleviate the dangers they present if they are not set up correctly.

Globalization has also contributed to the need for additional International Branch Campuses, as developing countries today are more dependent on higher education and intellectual capital. Therefore it is vital that international education providers assist host countries with the development of their own sustainable for the long term systems, and it’s important to implement policies that protect the local society so that they can have access to higher education and continue to develop their own knowledge community.

As the industry grows, we need to be more cautious and ensure the IBCs don’t become incubators of Western ideologies, Western culture, and/or Western customs. If they were to become incubators, the effects on the developing countries could be detrimental to the citizens of these countries as some developing countries are not quite at the stage of development where they are equipped to be a productive party in the global economy.
The essence of international education should continue through International Branch Campuses to promote internationalization of higher education, cross-cultural understanding and the further solidification of relationships between nations. Research for local culture is essential because in some cases International Branch Campuses are to an extent eliminating some customs and traditions. For example, through language we learn and transmit culture and social values. Many indigenous traditions and curriculum are taught through verbal communication - language. In most International Branch Campuses classes are taught in English, which is considered the official language in the business world. This de-emphasizes the importance and cultural significance of the local language.

In some instances where International Branch Campuses are established, it was very clear that the educational provider was not willing to make any changes to accommodate the needs of the local community. There is a lot of pressure exerted by local and international staff located in the International Branch Campus settings; they should be aware of the needs to contextualize the curriculum to make it interesting and relevant to the local students. Different teaching styles should be required to build on the students’ learning skills and approaches and their research should be locally or regionally focused to reflect national development priorities.

One issue that International Branch Campuses could possibly address is the phenomenon of “brain drain”; also known as “brain exchange”. Countries further along in their developmental cycle with a sophisticated economy and growing academic
systems have a need for researchers and scientists. Brain drain is more prominent in developing countries especially in African countries where the economy and teaching conditions are not favorable for the faculty. When students attend school in their home country they are more likely to stay in the country and as result contribute to the economic development of the nation.

Curriculum and didactical material should be developed in collaboration with local education ministries and NGOs, in order to ensure that it reflects and relates to the local culture, history, and society as a whole. It can be argued that the business of international education is another example of Western countries adding to the problem of dependency, exhausting resources, and replicating a model of Western culture and values that may not be the right fit for the host countries. Further polices and laws should be in place that would require a portion of the revenues generated by IBC host institutions to be reinvested in the host country’s program.

According to my research, International Branch Campuses today are predominantly functioning like businesses and as such are mainly located where they can be guaranteed to generate profits from the host countries. As verified by my case studies, countries that have little financial resources have proven to be unattractive locations for international education providers to establish International Branch Campuses even if there is an important educational need in the host country.
These case studies represent the current reality regarding International Branch Campuses in three distinct geographic regions. Although these regions have a lot of historical and developmental commonalities including that they are areas that were formally colonized and have only recently gained independence, and that until recently their higher educational systems were very limited.

A study of an Australian International Branch Campus in the United Arab Emirates found that during the initial stage of establishing the IBC, conflict arose due to lack of clarity of the academics’ roles and responsibilities on both campuses including in the quality assurance process.62

Western countries, especially the United States, are providing something that is in need. However, the burden shouldn’t be borne solely by the foreign institutions; local officials should bear some of the responsibility for the performance and the outcome of international universities. It is imperative to stimulate the growth of education in developing countries so that developing countries gradually can be integrated into the global economy.

To ensure that the industry continues to grow, governments and foreign institutions need to closely collaborate in determining the best way to issue licenses, accreditation, evaluation of curriculums, and allocation of funds, as well as to ensure that
all citizens have access to education, especially women so they are not excluded from future educational and employment opportunities.

More research is needed in the international education industry/field especially in regards to International Branch Campuses. In this process it is important for the international community to pay close attention to the impact International Branch Campuses have on the host country.

What is particularly worrisome at the current time is the rush of some foreign universities to establish branches in developing countries without doing the proper research or without comprehensive knowledge of the culture and the people where they plan to establish. It suggests that their intention to establish an International Branch Campus is more driven by a desire for the generation of new profits rather than for the benefit of the local needs.
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