

International graduate students in the United States are predominantly from Asia (73 percent), with half of them from India and China alone. Thus, the flows of students from these two key countries matter. While the enrollment of Indian graduate students declined by 13 percent between 2016 and 2017, the number of new Chinese graduate students increased by 5 percent. Despite this mixed picture, institutions report that both Indian and Chinese students, particularly at the graduate level, are concerned about possible future constrictions of either OPT or work visas. Overall (regardless of academic level), international students from India and China accounted for more than half of all OPT approvals from 2012 to 2015, according to an analysis by the Pew Research Center.

OPT, the next step in the pipeline, is where international student numbers have increased over the past couple of years, with more and more students availing themselves of a work-study opportunity. Thus, more students have remained within the US higher education system, while the enrollment of new, incoming students has not grown at the same rate. As of fall 2016, 175,000 students were on OPT, due in large part to the extension for STEM students, who can remain in the United States for a total of 36 months

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under the terms of the program. A majority of international graduate students (62 percent) are in STEM fields and thus avail themselves of the expanded OPT option. However, this has also resulted in a situation where there are large numbers of international graduate students who complete OPT, but not enough H1B visas (employment-based, non-immigrant visas for temporary workers) for those who may wish to stay in the workforce. An analysis by the Pew Research Center shows that H1B visa applications have exceeded supply over the past five years. Indeed, 41 percent of campus administrators who reported declines in new international enrollments in IIE's Fall 2017 snapshot survey indicated that the drops could be due to student concerns about not being able to secure a job in the United States after study completion.

An additional challenge around retaining international graduate students relates to financial support, and the fact that students have long relied on research and teaching assistantships provided by their departments. A decade ago, in 2006–2007, roughly equal proportions of international

graduate students supported themselves through personal resources (45.4 percent) and through college and university funding (46.6 percent), primarily in the form of teaching and research assistantships. A decade later, the proportion of graduate students funding their studies primarily through personal and family means has grown to 61 percent. This could be due to a combination of reasons, including an increasing number of international master's students who may be less likely to receive assistantships that are more common at the doctoral level, as well as overall declining support for all graduate students (domestic and international). Add to this the fact that the average cost of a US higher education for an international student obtaining a master's degree at a public institution increased by 52 percent between 2008 and 2016, and by 46 percent at private institutions.

The multiplier effects of international graduate students and what they bring to the US higher education enterprise cannot be underestimated. A recent 2017 analysis by Kevin Shih shows that international graduate students help expand the enrollment of domestic graduate students, while also subsidizing the enrollment of domestic students. For those international graduate students who stay on, many go on to fuel the US knowledge economy. For instance, a substantial proportion of firms in Silicon Valley were founded by what might be considered new immigrant entrepreneurs—most of whom came to the United States as international students—and many of the US-based Nobel laureates also came to the country as international graduate students. Finally, those who return to their home countries help establish trade, diplomatic, and educational ties between other countries and the United States, especially in the form of joint research and international partnerships.■

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What an International Branch Campus Is, and Is Not: A Revised Definition

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According to the Observatory on Borderless Higher Education (OBHE) and the Cross-Border Education Research Team (C-BERT), there were 263 international branch campuses operating worldwide at the end of 2017. Although the international branch campus has become an established part of the cross-border higher education landscape—and definitions of this phenomenon have been elaborated by OBHE, C-BERT, and HESA (the United Kingdom’s Higher Education Statistics Agency), there is still debate about what an international branch campus actually is.

In any scholarly field, researchers need to use the same terminology and definitions, otherwise meaning is subject to misunderstandings among readers, and comparisons of findings become, at least to an extent, pointless. Thus, clarifying what an international branch campus is, and is not, requires further attention.

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PUSHING FORWARD THE CURRENT DEFINITION

During the last few years, the definition of international branch campuses used most often by researchers is C-BERT’s, which was modified slightly in the November 2016 OBHE/C-BERT report on international branch campuses as follows:

“An entity that is owned, at least in part, by a foreign education provider; operated in the name of the foreign education provider; and provides an entire academic program, substantially on site, leading to a degree awarded by the foreign education provider.”

This definition has provided a sound point of departure for researchers. However, it omits certain key features that are vital to the essence of what a branch is, notably how the terms “branch” and “campus” are used in business and higher education. While international branch campuses are not generally considered businesses, they *are* parts of multinational enterprises (MNEs), because the term “MNE” refers to any organization that engages in foreign direct investment (FDI) and operates in multiple countries. Business terms and concepts can help us make sense of what an international branch campus is, so that a clearer and more implementable definition may be developed.

The OBHE/C-BERT definition of international branch campus not only omits certain key features, but it also specifies unnecessary criteria. In business, a bank, hotel,

or retail company does not always offer exactly the same products and services at every branch; similarly, it seems unnecessary to insist that an overseas campus “provide an entire academic program” or one that “leads to a degree” in order to be categorized as an international branch campus. Indeed, there are a range of possibilities that might be considered. The programming offered to students enrolled in branch campuses should bear the name of the foreign institution, but should *not* encompass study abroad centers, which are intended mainly to provide a short-term study experience for students from the institution’s home campus.

CORE FEATURES

A refined understanding of international branch campuses recognizes several core features, as described below.

- **Ownership, a key criterion:** International branch campuses are owned, at least partially, by a specific foreign higher education institution. Foreign-backed institutions like the American University of Beirut or the British University in Dubai are not international branch campuses since these are typically private institutions that have adopted a foreign higher education system, which often involves accreditation by foreign organizations. Confederations or educational systems, like Islamic Azad University, which has four campuses outside Iran, should also not be considered as branch campuses, since there is no clear “parent” campus.
- **The bottom line matters:** MNEs make investments in foreign countries, typically to establish operations in these countries. If the home institution earns only a fixed fee or a commission based on student enrollments, then it is clear that the home institution does not truly “own” the foreign operation, and it is not a branch campus.
- **Substantive control is crucial:** The home institution may not actually own the land or premises from which the branch operates, but it does own the brand name, and it is responsible for curricula and accrediting awards. Although host country governments may provide the financial investment needed to establish branch campuses—as Abu Dhabi did for New York University and Paris-Sorbonne—when a true branch campus is established, the parent institution has control, at least to some extent, over strategic decisions such as scale of operations, curricula, and faculty appointments. It is also responsible for academic standards and quality assurance.
- **Partnerships:** If a foreign campus is really an international branch campus, it will be recognized as such on the websites of the home and branch

institutions. For example, Westminster University's website refers to Westminster International University in Tashkent as a partner institution, not a branch campus. Similarly, Xi'an Jiaotong–Liverpool University in China and Yale–NUS College in Singapore, which both resulted from partnerships, are not described by any of the founding institutions as a branch campus. However, some branch campuses do have a partnership ownership structure. Partners may be private entrepreneurs, for-profit companies, or not-for-profit organizations. For example, Heriot-Watt's campus in Dubai is jointly owned with a company called Study World. Profits resulting from the campus's operations are shared between the two organizations.

- **The need for a campus:** Finally, to be recognized as a branch campus, the institution's infrastructure should fit with the definition of a campus. The word "campus" refers to the grounds and buildings of an educational institution and suggests that students receive a certain study experience. However, many universities run foreign outposts that offer only a single qualification, or a very small number of qualifications, operating from a handful of rooms in an office block, while others employ no full-time faculty in the host country. At a minimum, students at a branch campus should have access to a library, an open access computer lab, and dining facilities.

REVISED DEFINITION, AND MOVING FORWARD

This refined understanding of international branch campuses suggests a new working definition for the field, which speaks to the key elements that should ideally frame the phenomenon:

"An international branch campus is an entity that is owned, at least in part, by a specific foreign higher education institution, which has some degree of responsibility for the overall strategy and quality assurance of the branch campus. The branch campus operates under the name of the foreign institution and offers programming and/or credentials that bear the name of the foreign institution. The branch has basic infrastructure, such as a library, an open access computer lab, and dining facilities, and, overall, students at the branch have a similar student experience to students at the home campus."

Transnational higher education operates in a myriad of forms and modes. Although this article has identified some of the core features of an international branch campus, these campuses are far from homogenous. For example, shared campuses exist in countries such as Malaysia and the United Arab Emirates, where multiple institutions share infrastructure such as catering and sports facilities.

Thus, while our proposed definition may be an improvement over existing definitions, a degree of personal judgment will still always be needed to classify certain campuses. ■

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International Branch Campuses: Success Factors

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In November 2017, the Observatory on Borderless Higher Education (OBHE), a think tank concerned with transnational education, online learning, and other innovations, published the second part of its latest report on international branch campuses (IBCs). The first part, focused on IBC numbers, was published in November 2016 and covered in *International Higher Education*, Spring 2017. Both parts of the report were produced in conjunction with the Cross-Border Education Research Team (C-BERT) at the State University of New York at Albany and Pennsylvania State University. The Observatory and C-BERT are the world's two leading authorities on international branch campuses. Our definition of an international branch campus is "an entity that is owned, at least in part, by a foreign education provider; operated in the name of the foreign education provider; and provides an entire academic program, substantially on site, leading to a degree awarded by the foreign education provider."

The second part of the report considers the success factors of mature international branch campuses. Based on in-depth interviews with leaders at selected IBCs, it examines their organizational evolution, relationship to the home institution, and their expectations and outcomes, ultimately identifying and discussing the models and practices that have been critical to their operation long-term. The report also includes a full and updated list of known IBCs in operation, along with data on year established, number of programs offered, student numbers (where available), and IBCs currently in development.

IBC growth continues, with the number of international branch campuses worldwide reaching 263 in late 2017. Around half (130) of these institutions are at least ten years old. The fact that 133 IBCs were founded more recently indicates that IBCs continue to be a relevant and enticing form of transnational education, despite the invest-