

welcomed. They do oppose at least three basic underlying elements of the WTO-GATS approach to higher education—the dominance of the market and the accompanying notion that higher education is a commodity to be traded on an open market where those who have a “competitive advantage” will come to control, the idea that higher education is a private good (to be paid for by “users”—students), and the idea that higher education is a common commodity, easily transferable from one country to another.

GATS critics see the role of higher education differently. Higher education is seen as more than a commodity—it is part of the cultural patrimony and the research infrastructure of a society, and is therefore a public good and at least to some extent, a public responsibility. It is seen as a means of access and social mobility to disenfranchised segments of the publication. And for developing countries, it is seen as a central element for nation building. GATS opponents see higher education as much more than a tradable commodity to be determined by the vagaries of an international marketplace.

The Future

For the first time, there are articulate groups debating the pros and cons of GATS and seeking to understand the highly complex details. The playing field, which was at one time completely dominated by pro-GATS forces, is now contested, with ideas flowing in all directions. The WTO remains dominated by government agencies and commercial interests, and it is thus difficult to gauge the outcome. It might be that the very complexity of the issues involved will make GATS difficult to legislate and even more difficult to implement. One thing is clear—those with concern about the future of higher education need to be actively involved in the debate and the politics that will inevitably follow. ■

Offshore Australian Higher Education

Fazal Rizvi

Fazal Rizvi is professor in the Department of Educational Policy Studies, University of Illinois. He was pro vice chancellor (international) at the Royal Melbourne Institute of Technology (RMIT) in Australia from 1998 to 2001. Address: 1310 S. Sixth Street Champaign IL 61820, USA. E-mail: frizvi@uiuc.edu.

Much has been written about the spectacular success of Australian universities over the past decade in recruiting international students to their campuses. However, one other aspect of their internationalization

efforts has attracted much less attention: the export of their teaching programs offshore.

Nature and Scope

Each of Australia’s 38 public universities is now involved in providing offshore education. The idea of offshore education (increasingly called “transnational education”) is complex, covering a whole range of financial, institutional, and pedagogic arrangements. At the most basic level, it refers to educational arrangements that necessitate the crossing of national borders; for example, when a program of study is offered to learners located in countries different from the one where the program has been developed and from where it is awarded. Of all the countries involved in the delivery of educational programs offshore, Australia has perhaps been the most innovative, entrepreneurial, and aggressive. Australian universities have forged a bewildering array of relationships with a whole range of institutions, from universities and colleges to educational agents and large corporations.

Of all the countries involved in the delivery of educational programs offshore, Australia has perhaps been the most innovative, entrepreneurial, and aggressive.

According to a report by the Australian Vice Chancellors Committee (AVCC), the number of offshore programs of Australian universities has risen from just 25 in 1991 to almost 1,600 in 2003. The number of international students enrolled in offshore programs of Australian universities now exceeds 70,000. More than 85 percent of these programs are in China (including Hong Kong), Singapore, and Malaysia, with the remaining much smaller programs scattered around the world, from India and Indonesia to Canada and South Africa.

The institutions that were once colleges of advanced education and were granted university status only after 1988, following the introduction of market-orientated reforms to Australian higher education, have been among the most active players in offshore education. Universities such as Curtin, the Royal Melbourne Institute of Technology (RMIT), Southern Queensland, and South Australia have viewed offshore education as essential to their growth and profile. On the other hand, with the exception of Monash, elite universities such as New South Wales, Sydney, Melbourne, Queensland, and the Australian National University have only belatedly joined the business of offshore education, after initially expressing major reservations about its financial and academic viability.

These reservations are no longer expressed as strongly as before, partly because some of their earlier predictions about the long-term sustainability of offshore programs have not been realized but also because the Australian government itself has become a vocal champion of offshore education. The government views offshore education as incredibly valuable in promoting its economic and political interests, especially within the Asia-Pacific region, in performing the tasks of public diplomacy. Understandably, therefore, the Australian government has been a leading advocate of the General Agreement on Trade in Services (GATS), organized by the World Trade Organization. Not only is the government committed to multilateral agreements designed to liberalize the global economy, it has also argued strongly in favor of the application of GATS to educational services.

For many Asian students, twinning programs constituted an affordable option to gain access to Australian higher education.

Multiple Forms

The origins of Australian offshore education lie in “twinning” arrangements with colleges in Southeast Asia, designed to enable students in countries such as Singapore, Malaysia, and Hong Kong to complete the initial part of their studies within their own country before completing their degrees in Australia. For newly industrializing Asian countries, offshore education provided an effective way of meeting the fast-growing demand for higher education. In twinning programs Australian academics and local instructors share the responsibilities of teaching courses assumed to be identical to those offered at Australian campuses, making articulation a reasonably seamless process. For many Asian students, twinning programs constituted an affordable option to gain access to Australian higher education, which otherwise might not have been possible for all but the wealthiest families. For Australian universities, this arrangement provided a guaranteed source of supply of full-fee-paying international students, albeit for a shorter period. It also enabled Australian academics to travel abroad and enhance their understanding of intercultural and educational issues at a time when all Australians were being encouraged to forge closer links with Asia.

The early twinning arrangements thus had an educational purpose and were not viewed primarily in financial terms. Issues of access and purpose have increasingly become secondary to the focus of most

Australian universities on the ability of offshore programs to broaden their financial base. Indeed, a study conducted by IDP Australia in 2001 indicated that more than 40 percent of the universities surveyed cited the generation of additional sources of revenue as their main rationale for offering educational programs offshore. Most other rationales were also couched in commercial and corporate terms, such as increasing profile and reputation and recruiting more international students to Australian campuses.

Australian offshore education has developed rapidly from early twinning programs to a wide variety of arrangements including distance learning, joint-award programs, program articulations of various kinds, and branch campuses. Most of these arrangements involve developing partnerships with local organizations and complying with the requirements of local legislation concerning the provision of educational services. More than 70 percent of the partnerships Australian universities have developed are with private organizations—some of which are recognized universities and colleges while others are private agencies seeking mainly to generate profits from the business of education. Partnerships involve creating commercial contracts that specify the role and responsibilities of each partner and the formulas for the distribution of profits.

More than 70 percent of the partnerships Australian universities have developed are with private organizations.

Emerging Issues

While Australian universities have succeeded in negotiating, managing, and delivering on these contracts, offshore education has also generated a number of complex issues that universities are just starting to address. To begin with, there is a great deal of debate on Australian campuses about the costs and benefits of offshore programs. Many senior managers are now openly skeptical about the financial windfalls from such programs promised by their proponents. Indeed, while many of these programs bring considerable financial rewards to particular individuals or even to the departments, for the universities as a whole a net loss is often incurred. Many universities have developed new models for calculating the financial viability of offshore programs, only to conclude that real profits can only be generated either from large-scale programs or from programs that provide a minimal level of student service and support.

This has led many Australian universities to shift toward franchising their programs—that is, providing institutions offshore the syllabi of the courses developed in Australia but assigning teaching responsibilities to local instructors. In this mode, Australian universities restrict their role to quality assurance, leaving most of the remaining tasks to local partners. This helps keep the costs down for Australian universities while still allowing them to receive a share of the income generated from tuition fees. The main problem with the franchise model is that it is almost totally devoid of any expectation of academic exchange. It is purely a financial arrangement through which a commodified product is bought and sold. It cannot be said to contribute in any way to internationalization, which universities often claim as one of their goals.

Not all Australian offshore programs involve such franchising.

Of course, not all Australian offshore programs involve such franchising. Other programs involve Australian faculty traveling to partner institutions to teach the courses they have developed, mostly in short bursts of one to two weeks of intensive instruction. This mode of program delivery has many advantages, not the least of which is the opportunity for offshore students to engage with Australian teachers. The teachers acquire a better understanding of their students, which they can in turn use to help local tutors meet their pedagogic challenges. However, this mode of delivery can be highly onerous for faculty, making it difficult for them to sustain the effort. It is also often disruptive of the programs on Australian campuses for which the same faculty are also responsible. There is a high turnover of faculty interested in this kind of academic work, except of course when they are offered excellent conditions and additional remuneration.

There are many other risks associated with offshore programs. These relate to the fluctuations in demand, which can be affected by a whole range of factors, including changes in government policy; and to the difficulties associated with pulling out of contracts without doing immeasurable amount of damage to students in the pipeline and to institutional reputations. There are also risks associated with the faculty working abroad, not only with respect to health and security but also visa conditions for working in another country. In a number of countries, national regulations governing offshore education remain fragmented, unclear, and ambiguous, making them difficult to interpret and therefore easy to violate. Some Australian universities have also experienced difficulties caused by poorly crafted contracts and joint-venture

agreements. There is also the risk of choosing a partner that lacks professional integrity or cannot sustain the institutional longevity required of degree programs taught over more than one year.

The capacity of Australian universities to sustain multiple relationships offshore has also emerged as an important issue. Educationally effective and culturally sensitive relationships are not easy to develop. They require an appropriate level of resources, effective leadership, and constant vigilance. They are forged over a long period and demand continuing commitment. If this is so then it is an open question as to how many relationships it is possible for a university to be able to sustain. Yet some Australian universities have opportunistically signed an unrealistically large number of contracts (over 70 in one case) that cannot possibly be managed in an effective and sensitive manner, without compromising on quality.

Australian universities are self-accrediting institutions and are responsible for the management of the quality of their programs, no matter where or by whom they are taught. With excessive number and dispersed nature of offshore partnership, quality is not easily managed. While all Australian universities have signed on to a Code of Ethical Practice in the Provision of Education to International Students by Australian Universities, developed by the AVCC, many universities have been faulted by the Australian Universities Quality Agency (AUQA) for the lack of adequate quality assurance procedures, for inadequate services to students, and more generally, for failing to uphold academic standards. Indeed, the Australian government has recently announced a major audit of Australia higher education offshore.

Australian offshore education has spawned a whole class of educational entrepreneurs.

Australian offshore education has spawned a whole class of educational entrepreneurs, located both within Australian universities and throughout Southeast and East Asia, more interested in monetary gains than in issues of appropriate transnational curriculum and pedagogy. It has also generated a fundamental dilemma for Australian universities concerning how to relate to private for-profit organizations offshore, in a way that does not undermine universities' formative mission to promote public good. They have yet to find a way of reconciling their educational and cultural goals with their new commercial interests.