

Europe, and North America. The largest number of students are from South and Central Asia (2,102) followed by East Africa (1,465). The countries that sent increased numbers of students in 2003–2004 include Bahrain, Kuwait, Oman, Saudi Arabia, the United Arab Emirates, Iran, Malaysia, Vietnam, Sudan, Ghana, Ethiopia, Mauritius, Canada, and the United States.

The same period (2003–2004) has seen a decrease in the number of students from North Korea, Syria, Yemen, Bangladesh, Bhutan, Nepal, Sri Lanka, Thailand, Eritrea, Kenya, Somalia, Tanzania, and Uganda. In the same year, the largest number of students came from Malaysia (806). In 2003–2004, the largest number attended the Manipal Academy of Higher Education (2,031), followed by the University of Pune (1,416) and the University of Delhi (1,077).

International students prefer to join educational institutions located in metropolitan cities like Delhi, Mumbai, Chennai, and Pune. They join colleges located in smaller towns only for professional programs. As is to be expected, the international student population in India is not equally distributed over the country or in the various disciplines. Students prefer the western (especially Maharashtra) and southern parts of India. This is due to more congenial social and cultural environments.

To make Indian universities more attractive to international students will require a variety of improvements. Indian universities must take steps to provide better infrastructure and facilities to international students. The country's academic structure needs to "internationalize" the curricula and become more flexible. The University Grants Commission is promoting the export of education through its Committee for the Promotion of Indian Higher Education Abroad. Significantly, at this point the private universities and colleges are the ones making efforts to attract students by providing good infrastructure and other facilities. ■

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## Foreign Universities in India: Market-Driven New Directions

### SUDHANSHU BHUSHAN

*Sudhanshu Bhushan is senior fellow and head of the Higher Education Unit, National Institute of Educational Planning and Administration, 17B Sri Aurobindo Marg, New Delhi 110 016, India. E-mail: sudhanshu@niepa.org.*

A new direction for the higher education system in India consists of market-driven transnational provision of education through the mobility of programs and educational institutions. At present this phenomenon is symbolic and market driven, and as yet there is no policy guideline on foreign universities. Given the strong demand for foreign degrees by

Indian students, market-driven trends may dominate in the future. In the absence of government regulation of foreign universities the new trend is posing problems with respect to quality. It increases the risk and uncertainty for the holder of qualification as the recognition of degrees is found to be absent. Moreover, the marketization promotes the commercialization of higher education.

### THE PRESENCE OF FOREIGN INSTITUTIONS

An analysis of the presence of foreign institutions with respect to the country of origin, program types, and modes of operation reveals interesting facts. At present only the United States and the United Kingdom have shown interest in collaborating with Indian partners. Of the 131 institutions in the sample, 59 institutions partnered with UK universities and 66 institutions partnered with US universities. There are other potential countries such as Australia, New Zealand, and Canada that are constantly watching the developments and the government stand on any regulation regarding foreign education providers. At present these countries are organizing educational fairs. They also have representatives to attract Indian students to their respective countries. They lack collaboration with the Indian education system, as they do not find any enabling laws for the legal operation.

Out of the total sample of 131 institutions in India, 107 were providing vocational programs, 19 technical programs, and only 5 general education. In the vocational category, management programs were the most popular. Business management and hotel management constitute approximately 80 percent of the total number of programs. Information shows that Maharashtra has the maximum number of programs in hotel management. Delhi has the maximum number of programs in business management. In technical programs, at present not much interest is shown, although 19 institutions were active in technical sectors as well.

Analysis of 50 institutions shows that the maximum number (30) of programs are offered under twinning arrangements. This is one of the preferred methods for foreign institutions to attract international students to the home country. Twinning is a relatively cheap option, as part of the program is undertaken in the host country. The programmatic collaborations (18) consist of joint-program and joint-degree provision by the institutions of the home and host countries. Indian partners prefer to design programs with the inputs received from the foreign institution, thereby making the arrangements highly cost competitive. In this mode Indian private partners prefer to collaborate when they get a brand name of a foreign university to award the degree. There are only two franchised institutions in India. There are no offshore campuses in India. The opening of a branch campus requires an investment in terms of infrastructure. Some study centers of UK universities were also found to be operational in India.

Analysis of student perceptions indicates that the practical, market-oriented nature of programs, flexible curricula and

examinations, attractive evaluation systems, and good job prospects constitute the strong factors leading to growing enrollments in foreign-degree programs.

#### RATIONALE AND MECHANICS

A number of rationales may explain the presence of foreign institutions in India. There is a growing demand for foreign degrees, triggered in part by the international mobility of knowledge workers. The supply constraint in the public provision of higher education has opened up the market for private providers of education. They found an opportunity to link up with foreign universities to provide foreign degrees that attract the students for programs that could be easily marketed. The other side of the picture is that the foreign providers willing to collaborate saw this as an opportunity to sell education. However, the mechanics of operations are not guided by com-

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petition.

What is the context of the market-driven trend of the growing number of foreign higher education providers in India? There is neither recognition of foreign degrees in India nor any mechanism in place for the mutual recognition of degrees abroad or at home. The holder of a foreign degree earned in India may find it difficult to achieve job security, thereby increasing the uncertainty of a professional career. There is at present no system of quality assurance and accreditation of cross-border education operating in India. An important aspect is that private higher education partners rely mostly on guest faculty. It is also not clear who bears the responsibility—private institutions in India or the foreign collaborators and providers of foreign degrees. Nevertheless, enthusiasm among Indian students for foreign degrees has supported the commercialization. Some of the aspirants for foreign degrees choose to earn foreign degrees in India at a relatively lower cost than for the same degree earned abroad.

The concern for policymakers in India is that the new market-driven trend backed by strong demand defies the domestic regulatory system, which clearly stipulates that only universities established under central or state control have the authority to confer degrees. On the other hand, regulating foreign education providers amounts to accepting their existence, amending the University Grants Commission act and setting standards and quality assurance for cross-border education. All these issues might put pressure on the government to improve the competitiveness of public universities, which would in turn amount to committing resources for higher education. As the resources are limited for funding public universities, a market-driven trend might lead to further privatization. Given such possibilities, government finds it convenient, instead, to gloss over the presence of foreign universities. However, given pres-

sure from international agencies to regulate and put in place the mechanism for quality assurance the government might in future accept the presence of foreign universities without getting ready for the competition they will create. Under these circumstances, the long-term dynamics of foreign universities in India would thus lead to commercialization without raising competitiveness in the system. ■

## Strengthening International Education in New Zealand

VIKASH NAIDOO

*Vikash Naidoo is the international relations officer in the Office of the Pro Vice-Chancellor (International) at the University of Auckland in New Zealand. E-mail: viknaidoo@gmail.com.*

International education, primarily in terms of international student recruitment, has been a rapidly growing industry in New Zealand. While in 1995 it was responsible for NZ\$530 million (US\$370 million) in foreign exchange, by 2003 it was estimated to have created over 20,000 jobs and contributed NZ\$1.7 billion (US\$1.1 billion) to the local economy. Approximately 31,000 international students were enrolled at New Zealand's tertiary institutions in 2003 compared to a mere 4,000 in 1995. For a small country with only 8 universities and 20 polytechnics (as community colleges are known in New Zealand), such growth especially in a relatively short time frame is quite substantial. Furthermore, although there are relatively small numbers of international students in New Zealand's tertiary institutions, these students comprise a similar proportion of the total tertiary roll as they do in countries such as the United States and Canada.

Complementing this economic dimension of international education, the development of deeper educational relationships with other countries has enriched New Zealand's social, cultural, and political networks. Recognizing the role of international education as an established sector of the New Zealand education system, the government has recently committed NZ\$21 million (US\$15 million) over the next four years to support its development. In particular, this new funding is focused on developing the government's educational diplomacy in key countries, attracting high-quality doctoral students to study in New Zealand, and creating an innovation fund to support New Zealand education providers in new product and service development—all with the aim of enhancing New Zealand's reputation as a high-quality education provider on the international scene.

Through "education diplomacy," the government is setting up seven offshore education counselor positions to develop stronger and deeper linkages with those parts of the world rec-