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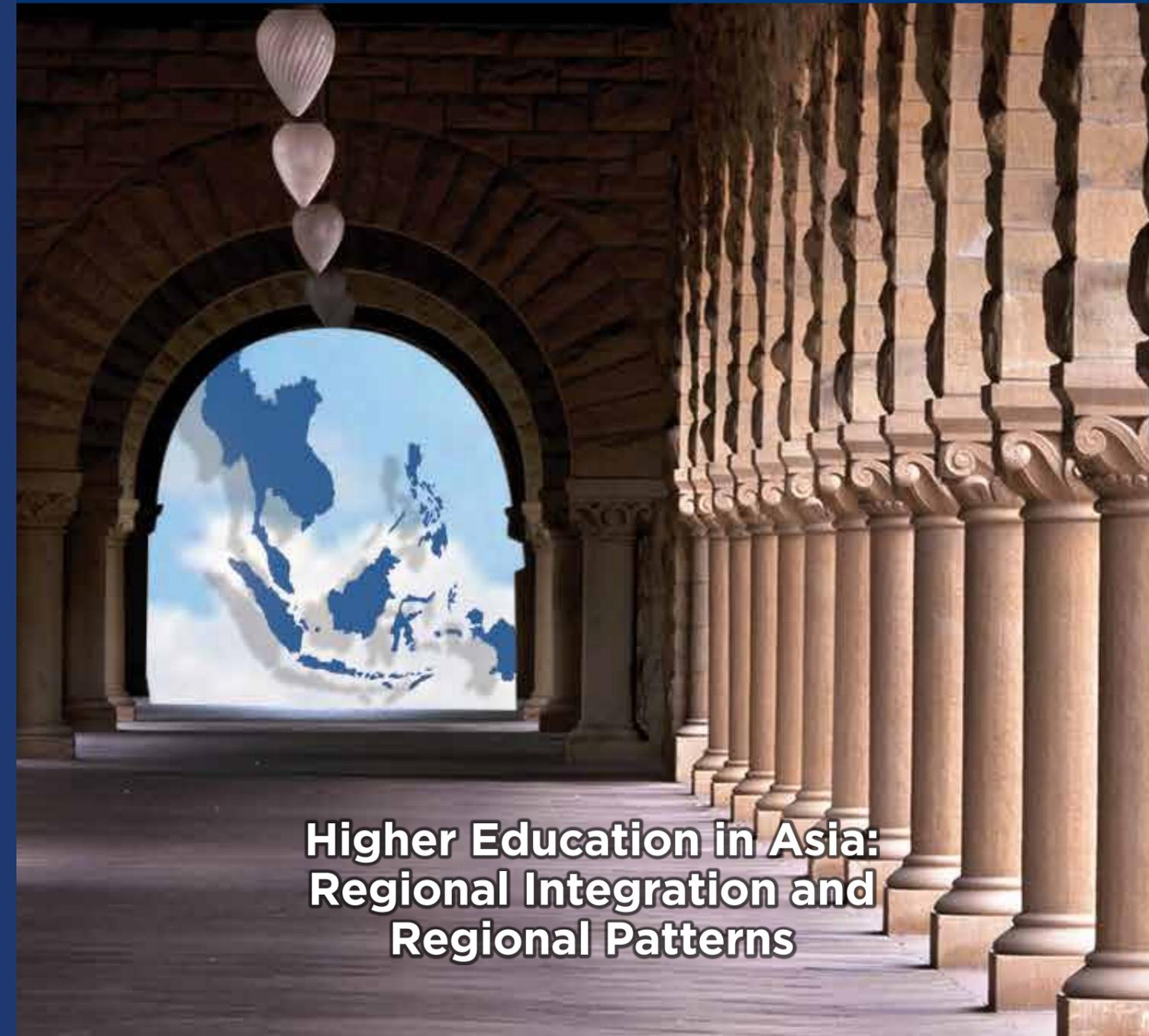
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**Higher Education in Asia:
Regional Integration and
Regional Patterns**

Editor's Message

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I am pleased to introduce the second issue of *Higher Education in Southeast Asia and Beyond* (HESB). Since our launch last year, we have strived to be a catalyst for building a network of ASEAN and Asian higher education scholars and practitioners, and to be a source of information for higher education developments in the region.

One of the key themes when discussing Southeast Asia is the Association of Southeast Asian Nations (ASEAN) and its related initiatives in regional integration. The opportunities – as well as the challenges, as many would argue – involve a whole host of policy issues in education, including higher education.

As seen with the evolution of political structures in ASEAN, regional integration in this part of the world has not been confined to the ten member states of ASEAN. Just as forums like ASEAN Plus Three have extended Southeast Asia's links into Northeast Asia and beyond, higher education networks need to be extended and strengthened in the whole Asian region.

Darren McDermott and **Edward Choi** lay out for us the political framework of regional integration in Southeast Asia and beyond, and the higher education initiatives at the regional level which arise from these frameworks, whether directly or indirectly. In doing so, they suggest how regional integration can further advance higher education in the wider Asian region.

Asia and the ASEAN region might not present the kind of deep and formal regional integration as witnessed in the European Union, for instance – but that is hardly to deny the presence of clear regional patterns in higher education trends, or of potential intra-regional policy learning.

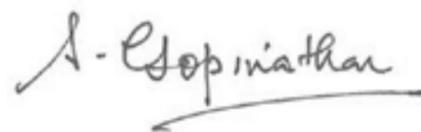
Yang Rui probes the cultural mission of the elite East Asian universities to find out what lies behind their stellar achievements – and in the process, finds out that a struggle between ideals that have been termed “Western” and “East Asian” is what would determine the future trajectory of these universities. Conversely, **Philip Altbach** and **Jamil Salmi** ask what challenges India faces in developing world class universities,

despite sustained efforts to reach that goal. These examinations have considerable potential for policy learning in Southeast Asian countries.

Ongoing reforms to university governance has been a salient issue in Southeast Asia. And as noted by **Molly Lee** and **Loke Hoe Yeong**, the trend of university corporatisation and increasing university autonomy in Southeast Asia has been influenced by global ideological trends – which they identify primarily as neo-liberalism – as well as by other Asian examples, such as in Japan. **Wan Chang Da**, **Morshidi Sirat**, **Benedict Weerasena**, **Rattana Lao** and **Jason Tan** furnish us with the cases of Malaysia, Thailand and Singapore. These researchers have worked on a project, under the auspices of The HEAD Foundation, to examine how university governance and management in these countries have changed in recent years. Separately, **Nguyen Thi Hong Dao** examines how governance issues in private universities have played out in the context of socialist Vietnam.

In our previous issue, Singapore's “Global Schoolhouse” project of creating an education hub was discussed. On this issue, **Ko Jang Wan** discusses South Korea's experience of creating an education hub, and the different set of challenges it faces. Finally, **Bonnie Yingfei He** and **Alan Ruby** shed light on issues faced by a overseas university branch campus in Malaysia – one that is not from the US, the UK or Australia as is traditionally the case, but from China.

We hope that you will enjoy the articles in this issue, and we invite you to consider contributing to future issues, and be part of the conversations and debates on higher education in Southeast Asia and beyond.



Prof S. GOPINATHAN

Editor, HESB

Academic Director, The HEAD Foundation

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Getting the Mix Right: The Cultural Mission of East Asia's Elite Universities

Yang Rui

Higher education development has resulted in stellar achievements in most East Asian societies, including China, Japan, South Korea, Singapore, Hong Kong and Taiwan. Their achievements are even more remarkable when compared with several non-Western societies. After absorbing Western knowledge for one and a half centuries, a Western-styled modern higher education system is now well established throughout East Asia.

East Asia has now become the world's third great zone of higher education, science and innovation, alongside North America and Western Europe/UK, with its research powerhouses, and impressively the fastest growth in scientific output. While Japan has been a world powerhouse in science and technology for some time, the growth of research in China, South Korea and Singapore is also impressive, and Taiwan is not far behind.

At the institutional level, East Asian universities have been rigorous in setting high standards in quality research. The National University of Singapore, for example, is stronger than all of Australia's universities in both research paper quantity and citation impact. Some mid-sized East Asian universities of science and technology

have higher citation rates than the Australian National University.

While there is consensus on East Asia's achievements in higher education, its future development is less certain.

To some, East Asian universities are poised at the most exciting phase of their development, leaping ahead to join the distinguished league of the world's leading universities. To others, although East Asian universities have made tremendous strides in terms of the volume and quality of research output, they generally still lag behind the best universities in the West. The notion of "world-class" status in East Asian societies has been largely imitative rather than creative. Financial and other resources, combined with some innovative strategies, can create progress only so far. East Asian universities are in danger of reaching a kind of glass ceiling soon.

While these two camps cite culture as the reason, neither of them fully understand East Asian culture. Although there is evident pride in the idea that East Asian universities are not willing to assume that Western models alone define excellence, few – both in and beyond the region – have been able to theorise their differences from Western universities.

To many in East Asia, modern universities are foreign transplants. The forging of their own identities is inevitably an arduous task for East Asian universities. What has been lacking is a cultural perspective that gives weight to the impact of traditional ways of cultural thinking on contemporary development.

East Asia's strikingly different cultural roots and heritages have led to continuous conflicts between their own values and the values of Western higher education imposed on them. The establishment of East Asian universities has been based on Western values on the one hand, and a system supported by

traditional culture on the other. The two systems often do not support each other. Instead, constant tension between them reduce the efficiency of university operation.

Although there have been strong attempts to indigenise the Western idea of a university, little has been achieved. The Western concept of a university had been adopted for its practicality. This explains why their achievements in science and technology are so much greater than that in the social sciences and humanities. This is precisely the bottleneck of East Asian higher education development. Some even ask whether or not there is a sort of "middle-income trap" in East Asian higher education development.

East Asia has much to learn from its own history. Only twice in history have foreign influences brought to East Asian culture had such a great impact that fundamentally changed its culture. The first time was the introduction of Buddhism to East Asia, which the region took over a millennium to respond to, and reshape East Asian mentalities at both the intellectual and popular levels.

The other, the intrusion of Western culture into East Asia since the 19th century, is ongoing, as the result of large-scale Western expansion. Its magnitude has been far greater than that in the first case of the introduction of Buddhism to East Asia. The 19th century was a time when the vitality of East Asian culture was just about to be exhausted, while the momentum of Western culture was at its zenith. The process is far from being completed, and the "pain" is felt constantly and regularly.

Only when significant aspects of East Asian and Western philosophical heritages are reconciled successfully can East Asian universities truly become truly leading institutions internationally. Universities can be thought of to be constituted by three layers – their materiality on the surface, social

institutions in the middle, and values at the core. So far, East Asia's import of the Western model has been centred mostly on the material level, with some touches on social institutions, while the core of the Western model has not been understood fully, let alone implemented.

Despite substantial differences and even conflict between East Asian and Western approaches to scholarship, East Asia's higher education elites and scholars believe that these conflicts can and should be resolved. Confidence in such cultural integration was affirmed repeatedly during my fieldwork at the National University of Singapore, as well as Tsinghua University and the National Tsing Hua University that are on both sides of the Taiwan Strait, for example. East Asia's long tradition of scholarship has its strengths and a great potential to contribute to the idea of a university. After painstaking efforts stretching over a century to learn from the West, East Asia universities are now well positioned to get the mix right.

The provisional and open perspective of East Asian culture, which may be hard for those from a Judeo-Christian culture to comprehend, allows East Asians to see opportunities in the contradictions found in daily life. Their pragmatic approach to life enables them to use whatever helpful means available to solve problems. As for the idea of a university, this means a choice between the seemingly contradictory East Asian and Western university models. They could utilise ambivalence and flexibility to achieve an integration of both.

Indeed, signs of hope are emerging. The struggles over a century have started to pay off. East Asian universities appear more able to turn their scars into stars. Unlike their prestigious cousins in the West who may tend to have more meagre knowledge of other parts of the world, East Asian academic elites know the West as well as their own societies. While Western universities operate in a largely mono-

institutions in six ASEAN member states; Brunei Darussalam, Indonesia, Malaysia, the Philippines, Thailand, Vietnam and two of the ASEAN Plus Three (ASEAN+3) dialogue partners: Japan, and South Korea. The Programme seeks to engender a sense of ASEAN citizenship and identity among student participants and is widely considered to be the flagship higher education mobility programme under ASEAN's People-to-People Connectivity enhancement initiatives.

A central tenet of the AIMS programme is the concept of Balanced Mobility. Through a multilateral platform, participating governments select appropriate higher education institutions under defined fields of study. Then the number of inbound and outbound exchange students is mutually agreed to determine a balance. While this ensures reciprocity and control between national systems and universities it could be criticised as an overly managed framework which stifles mobility. With a total of 1,700 students having participated to date, the AIMS Programme remains relatively small and will likely have to modify its structure to augment its scale and impact. AIMS is certainly a valuable programme which should be expanded to include all ASEAN member states including Singapore, which as the most advanced system of higher education, is notable by its absence.

THE NEXT 50 YEARS

It can be asserted that ASEAN has looked to the architecture and initiatives of the European Higher Education Area as a source of inspiration. Should it wish to, the approach to the development of an ASEAN Higher Education Area will be qualitatively different. This has as much to do with the paradigmatic differences between these two regional communities as their structural differences. For now ASEAN's education harmonisation is moving in the right direction. As former Singaporean Foreign Minister K. Shanmugam said at the ASEAN Day

reception in 2015, efforts to build a regional identity must complement the economic integration of ASEAN. He added, "We are on the right track when our youths see themselves as part of the ASEAN community and feel a shared sense of responsibility for ASEAN's future."



Higher Education Regionalisation in East Asia

Edward W. Choi

Three prominent organisations have emerged as drivers of regional higher education (HE) cooperation in East Asia: the Association of Southeast Asian Nations (ASEAN), the South East Asian Ministers of Education Organization (SEAMEO), and a recently formed trilateral grouping between the governments of China, Japan, and South Korea (hereafter referred to as Korea). While these regional actors share some history of collaboration, in part driven by a desire to create a common East Asian HE space, they implement regionalisation schemes largely based on different needs, goals, timetables, and customs. This phenomenon has resulted in a fragmented landscape of East Asian HE regionalisation. In considering this state of affairs, several questions emerge. Why are there multiple regionalisation schemes in East Asia? For nations with multiple regional memberships, is it possible that some regionalisation schemes have priority over others? If yes, are there any

adverse implications for East Asian regionalisation schemes, both as separate initiatives and, more broadly, as schemes working toward a common East Asian HE space?

ASEAN AND THE ASEAN UNIVERSITY NETWORK

Initially (roughly in the period 1967–1989), ASEAN drove cooperation on the twin premise of political stability and security. Thus, its founding members – Indonesia, Malaysia, the Philippines, Singapore, and Thailand – shared a mission focused on the containment of communism in Indochina and cooperative nation-building, especially in the years following successful national independence movements in the region. However, events of the 1990s, particularly the Asian financial crisis of 1997, prompted a shift in rationale as a wave of political discourse around economic integration swept the region. The financial crisis highlighted the need for cooperation not only among ASEAN member countries, but also among other afflicted nations – namely China, Japan, and Korea – to find economic solutions to prevent future recessions from devastating the region. This grouping of countries became known as ASEAN Plus Three.

Throughout ASEAN's evolution – from an exclusive grouping of Southeast Asian countries, to the inclusive ASEAN Plus Three configuration, and later the ASEAN Plus Six arrangement (with the addition of Australia, India, and New Zealand) – policy dialogue around HE regional cooperation materialised slowly. The conversation began with the first two ASEAN Committee on Education meetings in the 1970s; together, these meetings promoted higher education, particularly the labor potential of HE graduates, as the primary engine driving economic prosperity. The meetings also advanced a compelling argument in favour of an international pipeline to secure qualified and highly motivated students. What resulted was a subregional

grouping known as the ASEAN University Network (AUN), which, assisted by the ASEAN University Network Quality Assurance (AUN-QA) framework and the ASEAN Credit Transfer System (ACTS), facilitates exchanges of faculty, staff, and students among 30 member institutions.

SEAMEO AND THE SOUTH EAST ASIAN HIGHER EDUCATION AREA

Whereas ASEAN's AUN operates on a subregional platform, the SEAMEO Regional Institute of Higher Education and Development (RIHED) seeks to achieve a higher-order objective of establishing a South East Asian Higher Education Area (SEA-HEA). To date, three primary regionalisation processes have advanced this work: the Malaysia, Indonesia, and Thailand (M-I-T) mobility pilot project and two regional harmonising mechanisms, the ASEAN Quality Assurance Network (AQAN) and the Southeast Asian Credit Transfer System (SEA-CTS). Assisted by the University Mobility in Asia and the Pacific Credit Transfer System (UCTS), 23 universities under M-I-T facilitated the exchange of 1,130 undergraduate students during the initiative's four-year rollout (2010–2014). M-I-T is now moving forward under a more inclusive branding, the ASEAN International Mobility for Students (AIMS), and plans to expand its remit to include four additional countries: Brunei Darussalam, Japan, the Philippines, and Vietnam. In contrast to M-I-T, AQAN and SEA-CTS activity has been difficult to measure; however, it is likely that these two regional mechanisms will have increased visibility under AIMS.

CAMPUS ASIA

The newest arrival on the scene of regional cooperation in East Asia is a trilateral student mobility scheme called the Collective Action for Mobility Program of University Students in Asia (CAMPUS Asia). Launched in 2012 as a pilot project

under the direction of China, Japan, and Korea, CAMPUS Asia facilitates both undergraduate and graduate student mobility through credit exchange, dual degree, and joint degree programmes, and aims to develop a pool of talented “Asian experts” through a shared resource and knowledge platform. These experts are expected to become ambassadors of an internationally competitive, knowledge-based Northeast Asian region. As perhaps a secondary objective, the mobility scheme may be regarded as a means to alleviate China and Korea’s brain drain problem (the loss of intellectual capital to popular study and work destinations such as North America and Europe), while simultaneously creating international demand for HE sectors faced with the prospect of diminishing enrolment rates (Japan and Korea).

THE CONUNDRUM OF REGIONALISATION IN EAST ASIA

Taken separately, all the regionalisation schemes described above have the potential to yield considerable benefits within their respective geographic purviews: a deepening of cross-cultural understanding; knowledge sharing; an international pipeline to skilled labour; and regional stability and peace. However, viewed as a whole, they represent a fragmented landscape of HE regionalisation, comprised of mutually exclusive and, in some instances, overlapping cross- and intraregional economic and political interdependencies. These uncoordinated dynamics are bound to cause geopolitical tension, as regional networks are likely to engage in political manoeuvring and other posturing behaviours, especially as programmes expand into neighboring territories and endeavour to recruit member nations that are already committed to other initiatives.

For example, the trilateral Northeast Asian grouping has plans to include some ASEAN and/or SEAMEO member countries in CAMPUS Asia, while both ASEAN and SEAMEO have entertained the possibility of expanding AUN and

AIMS, respectively, to the northeast, namely to China, Japan, and Korea. As the prospect of new regional partnerships opens up, countries with multiple memberships may choose to honor or devote more resources to cooperative arrangements that either yield the most benefit (e.g., in terms of prestige, political endorsement, or resources), are most feasible, or both. The maturing of spinoff ASEAN Plus One arrangements (e.g., ASEAN-Japan), perhaps at the expense of developments in the larger ASEAN Plus Three grouping, may illustrate this point. In other cases, regional networks may find themselves fighting over resources that become “spread too thin” as member nations devote funding, manpower, and time to multiple regionalisation initiatives. In sum, prioritisation activities may thwart the cultivation of enduring regional cooperative ties and hamper the progress of regionalisation schemes that share multiple member nations. Perhaps also at stake is the creation of an all-inclusive, single East Asian HE community.

Another challenge facing regional organisations in East Asia is the inherent difficulty of attempting to harmonise an extremely polarised geographic area of cultures, languages, standards around HE quality, and national norms and regulations, specifically around visa protocols and academic calendars. Reference tools such as AQAN, UCTS, and ACTS have mitigated the most visible differences and successfully facilitated student exchanges for elite regional groupings such as AUN and pilot international mobility projects. But a need emerges to develop more broad-sweeping harmonising mechanisms with the aim of equalising educational benefits across East Asia as a whole. In recognition of this limitation, SEAMEO RIHED and the Asian Development Bank (ADB) have begun to develop what aims to be an all-inclusive, pan-East Asian reference tool known as the Academic Credit Transfer Framework (ACTFA). However, the question becomes whether the many regional networks that coexist in East Asia will embrace this framework, especially in light of their tendency to promote homegrown mobility schemes and

harmonising mechanisms native to their respective subregions. Currently, CAMPUS Asia seems to be exploring its own CTS and QA framework and AUN, as already mentioned, uses AUN-QA and ACTS.

Given this current state of affairs, now would likely be a good time to emphasise a greater level of interregional cooperation among regional networks in East Asia. The aim here would be to alleviate any geopolitical tension that is perhaps characteristic of East Asian regionalisation today, and develop efficient ways to share knowledge and resources across regional networks to equalise HE benefits across the region. Perhaps in this way, East Asian regionalisation can begin to move toward a more inclusive regionalisation agenda of creating a single, pan-East Asian HE community.

This article was originally published in International Higher Education.

Reforms in University Governance and Management in Southeast Asia

Molly N.N. Lee and Loke Hoe Yeong

University reforms are very much the result of interactions between global influences and national responses. The development of universities is embedded in their socio-economic and political contexts. At the same time, it is also influenced by global trends, which provide a source of policy borrowing and a backdrop of policy choices. In recent

years, the development of higher education throughout the world continues to be heavily influenced by the hegemonic economic discourse of neoliberalism. In the context of these development, a team of researchers – the authors of the Thailand, Malaysia and Singapore articles that follow this article – embarked on a research project to examine how neoliberal ideology has influenced various higher education reforms in the Southeast Asian region, particularly in the area of university governance and management.

Neoliberalism has been defined by the British social scientist David Harvey as a “theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets, and free trade”. The policy tenets derived from this ideology emphasise the reduction of public expenditure, privatising the public sector, and replacing the concept of “public good” with “individual responsibility”. In brief, neoliberalism privileges the market over the state in the provision of public services.

Under such a neoliberal ideology, many governments are cutting back on their public and social expenditure, which has resulted in drastic budget cuts in government funding to universities. To overcome these budgetary constraints, universities need to seek alternative sources of funding, and to generate their own revenue through engaging in different kinds of market-related activities. In many aspects, higher education is increasingly seen as a dynamic business which seeks profit from the buying and selling of education “services”. Besides the marketisation of higher education, neoliberal policies also place great emphasis on accountability and performativity.

The role of the state in higher education is to create an appropriate market by providing the conditions, laws and institutions necessary for its operation. The state, in its new role, employs techniques of auditing, accounting and management. Universities are

encouraged to formulate clearly defined vision and mission statements, adopt new public management techniques and a result-based management approach. Under neoliberal influence, the relationship between the state and universities is being re-defined, in that the state is demanding more accountability on the one hand, and the universities are insisting on more autonomy on the other hand. The emerging trend is an increase in institutional autonomy in return for more public accountability.

Following this global trend, a number of countries in Southeast Asia have undertaken reforms on the governance and management of their public universities. For instance, Malaysia and Singapore have corporatised their public universities, whereas autonomous universities were established in Thailand and Indonesia. Despite the differing nomenclature, both “corporatisation” and “autonomy” often point to aspects of the same phenomenon. Such developments have also been seen in the wider Asian region. For example, in Japan in 2004, national universities were also corporatised and became independent administrative corporations in the country’s move to revitalise the university system, and in its attempt to create dynamic, internationally competitive universities. Generally, the shift in university governance and management has been towards greater institutional autonomy and public accountability. University leaders and ministry officials have had to work out different ways in relating to and working with one another. Furthermore, ministries have established external quality assurance mechanisms to supervise and monitor the performance of universities, while university leaders have institutionalised new management practices, so as to ensure increased efficiency and productivity.

In examining the reforms in university governance and management in Southeast Asian countries, it is possible to observe a convergence in policies at the systemic level, as well as significant variation when it comes to implementation at the institutional

level, because of the decoupling between policy and practice. Although all higher education policies are aimed at increasing institutional autonomy among the corporatised and autonomous universities, how the concept of institutional autonomy is interpreted varies from one country to another. Institutional autonomy among Thai universities is much greater than those among Malaysian and Singaporean universities. For examples, university councils in Thailand have more appointive power and power over academic matters than the boards of directors and boards of trustees in Malaysia and Singapore respectively. In the case of Malaysia, despite the rhetoric of increasing institutional autonomy among the corporatised public universities, the government is still reluctant to give full autonomy to the universities in the present climate of political and economic uncertainty.

All corporatised and autonomous universities are empowered to engage in market-related activities and generate revenue to fund a portion of their operating costs, which can be as high as 70% in Thai universities. On the other hand, the SIM University in Singapore, which started off as a private not-for-profit institute, received government subsidies for its part-time undergraduate enrolment. Another significant variation is that academics in both Singapore and Thailand are delinked from the civil service, while those in Malaysia remain part of the civil service. However, all academics are subjected to a surveillance culture where their performances are assessed by measurable indicators and targets. They are also under great pressure to do research and publish in international journals, so as to improve the ranking of their universities on the league tables. At the same time, they are required to be enterprising so as to generate revenue for their universities.

The research study concluded that while there is a discernible convergence in university reforms in the Southeast Asia region, the impact and outcomes of those reforms at the institutional level vary considerably among the universities within a

country, and also across countries. What is emerging is a hybrid of local variations of neoliberal higher education policies that originated from the West.

University Autonomy in Malaysia: Tales from the Ground of Two Public Universities

**Wan Chang Da, Morshidi Sirat
and Benedict Weerasena**

The development of university autonomy within Malaysian public universities has had its twists and turns. Prior to the 1975 amendment of the Universities and University Colleges Act (1971), public universities in Malaysia were self-governed with a structure comprising three principal governing bodies of the Court, Council and Senate. Yet, public universities were almost fully funded by the state. However, the 1975 amendment became a watershed moment when the self-governing structure was dismantled, and this redefined the relationship between universities and the state. In other words, universities lost their autonomy. Fast forward to 2012, the then Minister of Higher Education announced that five public universities – after having undergone an audit process – were ready to be self-governed and were therefore granted autonomy status. Autonomy has been operationalised in the academic, finance, human resource and institutional spheres. To date, 17 of

the 20 public universities have received autonomy status from the ministry.

However, academics interviewed in two of the public universities that have received autonomy status were of the view that regardless of their seniority, position, gender or discipline, there is no autonomy. This strong assertion is commonly justified in three ways. First, as public universities continue to rely on funding from the government, there can be no autonomy because the government holds the purse strings. Second, many of the academics pointed out that the autonomy status is “guided” or “restricted”, in that the universities are still required to seek approval from various parties including the Ministry of Higher Education, the Public Service Department, the Treasury, and the Ministry of Finance, pertaining to academic, finance, human resource and institutional matters. The analogy used for “restricted” autonomy is one of having freedom but with one’s hands cuffed behind their back. Third, some academics argue that autonomy cannot be fully realised until and unless public universities have the authority to decide their own appointments to top management positions. Even with autonomy status, the appointments to the Board of Directors (the Chairman and its members), the Vice Chancellor and Deputy Vice Chancellor remain the prerogative of the Minister of Higher Education.

LEADERSHIP

Although academics have opined on an absence or lack of autonomy, many of them, particularly those who have been in the university for a relatively long time, highlighted that leadership has been a critical factor in the interpretation of autonomy. In the two universities which formed the case studies in the research project, the leadership of the Vice Chancellors had a strong bearing on the vision, branding, and the ways in which the university handles the relationship with key stakeholders – and, importantly, the extent to which the university can be self-governed. In other words, academics

differed as to how autonomous their universities had been in relation to the state under the leadership of different Vice Chancellors.

With regard to exercising autonomy, in theory, the university has three options pertaining to whatever instruction, circular or regulation issued by central agencies such as the Ministry of Higher Education. One option is to adopt the circular in its entirety. The second is to adopt it with amendments. The third option is not to adopt it all. But since university leaders are appointed by the Minister of Higher Education, it is clear why the third option is rarely exercised, if at all, the degree of autonomy then according to which of the other two options are chosen.

FINANCE AND FUNDING

The lack of autonomy of public universities has been strongly associated with their reliance on the government for funding. However, given that allocation from the government to public universities has been slashed by 15% in 2016 and 19% in 2017, the lack of ability of public universities to generate their own income has been a major stumbling block in the exercise of their autonomy.

However, the financial constraint has, in a way, prompted public universities to exercise their autonomy in generating income. One particular creative initiative undertaken by one of the two universities in this study was to privatise some of the student hostels. Several blocks of student hostels were rented out to the university's holding company at a similar rate for students, and in turn, the holding company renovated the hostels and equipped them with air-conditioning and hot water showers to be rented out at a higher rate (equivalent to the out-of-campus market rate). This initiative was well-accepted by students, and at the same time, generated additional income for the university. According to the Vice Chancellor, this initiative was initiated before the severe budget cut took place,

and is now made possible due to the autonomy granted to the university.

TALENT MANAGEMENT

In theory, public universities with autonomy status have the prerogative to decide on staffing matters. However, due to the dominance of the public service human resource framework, universities have only been able to exercise their autonomy in limited ways. First, public universities have, traditionally, rehired academics who have passed the mandatory retirement age of 60 on a two- or three-year contract based on their last pay grade. Yet, with autonomy granted, these two universities have developed their own schemes for retired academics. One of them provides a lump sum payment for specific tasks; for a retired full professor, the package is RM10,000 (US\$ 2,260), with the condition that he or she must teach two courses and supervise one doctoral student. Conversely, another university, because of budgetary constraints, was only able to offer honorary positions without a stipend, albeit with access to university facilities.

Second, autonomy has also allowed universities to provide additional incentives to attract talent. As one of the two universities is perceived to be less prestigious, and unable to attract talent, especially professionals in critical disciplines, the university has developed a scheme for internal promotion – but to a non-pensionable position – for some of its academics. For example, an academic may be holding the position of Associate Professor as his pensionable position, but in order to compensate him better, the university offers him the salary of a Professor, but on a non-pensionable arrangement.

CONCLUSION

Although 17 of the public universities have been granted autonomy status, our study of two of these institutions suggests that its leaders and academics are still grappling with the ways in which they can exercise their autonomy and introduce positive

changes to the governance and management of their institutions. Coupled with the current financial constraints faced by these institutions, developing strategic ways to navigate around the frameworks and bureaucracy within the larger higher education environment will become even more crucial for these universities to leverage on the rapid changing dynamics at the systemic and national policymaking level.

Governance and Management of Universities in Thailand

Rattana Lao

Thailand's universities were founded as part of the Thai state apparatus, funded by the government budget and regulated by bureaucratic rules. Academics were civil servants, and were given the same benefits as other government employees. However, Thailand has shifted, like many of its neighbours, towards a push for university autonomy. In the last two decades, 19 universities became autonomous. Today, greater insistence from the state has made autonomy not so much an option as a decree. Among autonomy's many ramifications, a major consequence is the sense of frustration and instability it has created.

There are five main guidelines for universities in shifting to autonomous status, one of which is that faculty become "employees" of the universities, as opposed to their old status as civil servants. It

is this particular change of status that has caused discomfort, for the lives of the "employees" within and beyond campus walls. This article will describe the consequences of autonomy on a university's decision-making processes, before launching into greater detail on how the professional and personal livelihoods of university "employees" have changed due to autonomy.

AUTONOMY AND DECISION-MAKING

There are advantages to a university being autonomous. Being autonomous promises, in theory, effective decision-making processes by devolving decision-making from the central government, with its long time lines and red tape, to the University Council of each institution.

In practice, however, long time lines and red tape are not removed. Rather, they manifest themselves differently. A new form of centralisation is occurring in the university – centralisation from within. Every decision is made by the central executive, and individual faculty and staff have little freedom or flexibility to make choices. One academic explained as follows:

[Autonomy] is power-centric and totalitarian from the centre... The state has given all the authority to the executives, who can announce all the new rules and regulations to control all the employees – from civil servants, to students, to everybody else.

University staff fear that autonomy will create a new, internal hegemony, and are hoping for ways to enable checks and balances to mitigate abuses of power. Employees of the university fear for their job security, and have lost a sense of pride in their work.

THE LIVELIHOOD OF "EMPLOYEES"

The autonomous university policy in Thailand has created a whirlwind change for academics. Traditionally, academics in Thai public universities were considered civil servants, who received royal

accolades and a multitude of welfare benefits. In contrast, they are now judged based on key performance indicators, such as the number of their publications and the amount of external grant money received.

While sometimes emotional in nature, the consequences of this new treatment are also practical. At professional schools, for instance, the new focus on research has had a negative repercussion on the morale of the professional staff, who would prefer to spend their time on ground-breaking laboratory experiments and provide clinical leadership, rather than to go through the mechanical processes of publications. Equally, faculty members also feel penalised for doing valuable research whose output take longer to materialise. The pressure from annual publication targets can be problematic, and makes publications less comprehensive by focusing on quantity rather than quality.

Autonomy has also affected the lives of the university’s “employees” beyond the walls of the university. With autonomy, welfare benefits have also been reduced to the point where they are sometimes even considered inferior to those of civil servants. For some academics now, welfare benefits are not extended to family members, and there is no longer a pension scheme. Some academics claim that they cannot even afford private medical care anymore.

Academic staff feel as though they are “employees of a company rather than a respectable member of the university”. The implication is that persons of the former group are treated with a short-term outlook, while those of the latter group are respected and given a long-term sense of security. Many academics prefer to remain or to return to being civil servants due to many factors, including sentimentality, job security, and, as mentioned, welfare benefits.

CONCLUSION

Autonomy for universities has been a policy aspiration for Thai policymakers and leading academics in higher education for five decades. Thai public universities, known to be bureaucratic and slow, were hoping for an improvement in finances, academics matters and human resources. After five decades of debate, the policy has been implemented at institutional levels.

In truth, bureaucracy might be manifesting itself in a different way with university autonomy, this time from within the campus walls. There is a greater pressure in both universities for academics to conduct research and to publish, though these might not actually be the best activities for them to accomplish high-quality work. Contracts, quality assessments and key performance indicators have been used to compel academics to follow rigid guidelines. Even though there is greater monetary gain from becoming a university employee, there is also a threat to non-monetary security. A sense of pride and long-term security among academics are dissipating, as their universities become autonomous.



University Governance and Management in Singapore: The Case of SIM University (UniSIM)*

Jason Tan

**Editor’s note: The SIM University was renamed the Singapore University of Social Sciences (SUSS) on 17 March 2017, as part of its restructuring to become Singapore’s sixth autonomous university. However, because the article primarily discusses the university as it was before 17 March 2017, its old name of UniSIM is used. Its name change, and related changes, are discussed in the conclusion.*

University governance and management in Singapore began to come under firm government control in the 1960s. Prior to that, the then Raffles College and King Edward VII College of Medicine, precursors to the University of Malaya and the University of Singapore, enjoyed considerable operating autonomy. In addition, the Chinese-medium Nanyang University, which began operations in 1955, was fully privately-funded. The situation began to change when the People’s Action Party (PAP) was elected in 1959. A series of confrontation with university staff and students at both the University of Singapore and Nanyang University led the PAP to begin clamping down on academic freedom and imposing

draconian legislation governing student activities. In addition, the state began progressively playing a dominant role in such matters as the appointment of top university officials, as well as in funding, admission and strategic planning.

Moves in the direction of greater operating autonomy began in 1999 when the then Deputy Prime Minister Tony Tan commissioned a committee to explore this prospect. Citing the need for change amid the challenges of the knowledge economy and international competition, the committee released its report in 2000. A key recommendation was for greater operational autonomy within key government-determined policy parameters in three main areas – the overall development of the university sector, funding and subsidy, and manpower planning.

Five years later, another committee that had been commissioned by the then Deputy Prime Minister Tony Tan released its report recommending that all three publicly-funded universities be turned into autonomous universities by being corporatised as not-for-profit companies. The report also claimed that the National University of Singapore and the Nanyang Technological University would no longer be constrained by the operational regulations imposed on statutory boards.

THE CASE OF UNISIM

The Singapore Institute of Management University (UniSIM) had its origins in a totally private not-for-profit institute that was established in 1964 with a grant from the Economic Development Board, in order to provide professional leaders and managers to aid Singapore’s economic development. Since its inception, it has evolved in many ways – ways that challenge the simplicity of the term “private”

and shed light on the difference between “private” and “autonomous” in Singapore.

UniSIM was set up as a private limited company in 2005 and received a degree-granting licence from the Ministry of Education. In the first few years of its operation, it was “private” in the sense of being totally self-financing and self-governing, with total autonomy to decide on matters such as staffing, running of programmes and quality assurance. After a few years of operation, negotiations took place between the ministry and UniSIM to provide government financial subsidies for part-time undergraduate students in order to encourage more working adults to acquire degree qualifications. With the start of government financial subsidies came, quite naturally, an increase in government intervention and oversight of UniSIM’s programmes.

GOVERNANCE AND MANAGEMENT

UniSIM was part of the Singapore Institute of Management (SIM) Group, a not-for-profit organisation established under the Charities Act. UniSIM was autonomous from the SIM, except for SIM Governing Council representation on its board of trustees. The University President was directly accountable to the board, and was appointed by the board in consultation with the SIM Governing Council. The board also has an Establishment Committee that had broad oversight over the appointment of top management staff such as Deans, Directors, Department Heads and senior non-academic administrative posts. The resident made nominations for these positions, which must then be approved by the Establishment Committee.

FINANCE

Almost 100% of UniSIM’s income was from student tuition fees.

Full-time students, similar to their counterparts in autonomous universities, could apply for various forms of financial assistance. Tuition fees for both full-time and part-time programmes were based on market forces. UniSIM used the autonomous university fees as a benchmark to determine what might be affordable for its students, and also does market surveys to determine what fee levels students are comfortable paying. The President pointed out that UniSIM was a not-for-profit institution, and that while some programmes were making money, others were operating at a loss. It was not necessary, he claimed, for every programme to make money, as the more important priority was serving the needs of the country and working adults. Being a private institution meant having to make its own calculations about financial viability, without any guarantees on either student enrolments or Ministry financing.

STAFF AND STUDENT BODIES

As of 2016, there were approximately 130 full-time and 800 associate staff. Associate staff who have relevant industry experience were appointed on a flexible basis, that is, for a semester, two semesters or even up to three years, depending on course demand. There was a deliberate flexibility in staffing in order to meet market needs. This large percentage of associate staff is one major difference between the UniSIM and the autonomous universities.

There have been two part-time student intakes and one full-time student intake annually, with no pre-determined upper limits on student enrolments in various programmes and courses. UniSIM discusses with industry representatives to determine market demand for programmes, to predict their financial viability, and to curate course content. A Programme Definitive Document (PDD) is produced, which contains information such as market demand and sustainability; programme

structure and curriculum; programme outcomes and course learning outcomes; modes of delivery and assessment; and resources needed and financial breakeven analysis; external assessor review of the proposed programme. There must be approval by the Curriculum Planning Committee, before final approval by the Academic Board and board of trustees – a process largely different from the case of autonomous universities, which undergo considerable consultation with the government about national economic needs before deciding on new programmes and courses, as well as enrolment levels.

QUALITY ASSURANCE

There has been an Academic Quality Assurance Unit that works with various departments and centres. UniSIM also subscribed to the SIM Quality Framework. In this regard, the UniSIM Quality Assurance Unit holds a few annual meetings with its SIM Global counterpart.

Furthermore, UniSIM has also undergone the Ministry of Education’s Quality Assurance Framework for Universities (QAFU). Every five years a ministry-commissioned team conducts an external site-based inspection of various aspects of university governance and course delivery. This is one respect in which UniSIM is identical to the autonomous universities.

Fourthly, UniSIM as a private institution has had to submit annual routine reports to the Ministry of Education’s Council for Private Education (CPE), which was established in 2009 to monitor quality in the private education sector. UniSIM has a mutual understanding with the Ministry that its degree-granting licence will normally be granted for consecutive four-year terms. The CPE audits are more detailed than the QAFU audits, involving more detailed inspection of course materials and instructor qualifications, for instance.

Fifthly, UniSIM, like all the autonomous universities, has needed to submit annual routine reports to the Ministry’s Higher Education Division. It also needs to undergo annual SIM financial audits. However, UniSIM has not been required to undergo EduTrust inspections by the Committee for Private Education, since it has not enrolled non-Singaporean students. (The EduTrust inspections ensure that the needs of foreign students are adequately addressed.)

CONCLUSION

UniSIM was renamed the Singapore University of Social Sciences (SUSS) on 17 March 2017, as part of its restructuring to become Singapore’s sixth autonomous university. It is now also no longer part of the SIM Group.

The case in the Singapore context of UniSIM/SUSS shows that the term ‘private’ needs to be considered carefully. Although UniSIM/SUSS differs from autonomous universities in some respects, in many other ways the Ministry of Education’s influence is clear. It remains to be seen, however, as to what extent the new ‘autonomous’ label will translate into more operating autonomy for the SUSS, compared to its earlier UniSIM days – during the dispensation when state subsidies were tied to the government’s oversight of UniSIM’s programmes.



Private Higher Education in Vietnam: Issues of Governance and Policy

Nguyen Thi Hong Dao

Contemporary private higher education (PHE) in Vietnam has experienced almost three decades of development featured by an impressively rapid expansion in the number of institutions, from only one in 1988 to 22 in 2000; 77 in 2010; and 83 in 2013. The most striking increase of over 50% was seen in the period between 2005 and 2009 as a response to economic demand for highly educated workforce. Currently, the number of private institutions accounts for 20% of higher education institutions and their enrolment is around 15% of the total number of students. Their role is getting bigger in sharing with the public sector the provision of higher education in Vietnam, thus decreasing the state budget for higher education.

Private universities in Vietnam are generally demand absorbing. They are inferior to their public counterparts in campus size, numbers of students and faculty, and quality. They are challenged by social and institutional problems. The issues of governance and policy currently seem more pressing and put them on the edge of existence. In order to find reliable and viable solutions to deal with these problems, a qualitative multisite case study was conducted in 2015 to get insights into governance and policy issues

faced by PHE in Vietnam. It was instrumented by document analysis and in-depth interviews with board members and administrators from seven private universities of various location, history, size, reputation, and programmes. This sampling was typically stratified and purposive.

INTERNAL GOVERNANCE TENSION

As in private universities around the world, the top-tier organisational structure of private universities in Vietnam consists of two key constituents – the board and the president. But the authority and perspective of each constituent are different from country to country. In Vietnam, the board is legally called “Board of Directors” (BOD) (Hoi dong quan tri), sounding and functioning exactly like BODs in business. Members play roles as investors, owners, and influential shareholders of universities. They are legitimated to have a number of votes and dividends according to their financial investment. The president, appointed by the board, functions as the top manager or top administrator of the university. He or she is widely thought to represent academics, with little or no money to contribute to the university. In some cases, he or she is also a board member with votes in proportion to his or her financial contribution.

Interviews with selected board members and administrators reveal tension between the board and the president in the management of the institutions. Most board members prefer their universities to be driven by profit, to attract more investment and increase their investment returns, while the president and a few board members advocate the public good or not-for-profit purposes of their institutions.

An analysis of legal documents – Decision No. 58 of 2010, Decision No. 61 of 2009 and No. 63 of 2011 on university regulation – reveals that current requirements of government have resulted in this

tension. They favour those who support the for-profit nature of private institutions. They therefore turn all private universities in the country uniformly into for-profit institutions.

Recently, in order to solve this problem, a new decision (No. 70 of 2014) has been promulgated to replace earlier official documents. It clarifies the distinction between not-for-profit and for-profit institutions in terms of organisational structure and income use. Nevertheless, many issues still need careful consideration, particularly concerning the core nature of BODs and financial mechanism and management. The new document continues to affirm that financial contributors have the right to get financial benefits and authority like shareholders in corporations, although dividends are capped at the rate of the current government bond rates (as stipulated in Article 32 of Decision No.70 of 2014).

EXTERNAL GOVERNANCE TENSION

The first tension mentioned by interviewees is about the struggle of institutions with cumbersome, complicated, and time-consuming paperwork procedure to obtain licenses for their official establishment and operation. They also had to deal hard with unaffordable and impractical requirements for land, chartered capital, and facilities for their establishment and operation during the first 10 years.

Secondly, all the interviewees complain that the government has applied many regulations on academics, which are arbitrary and obstructive to the development of their institutions. The universities and faculty have limited autonomy and academic freedom. Some salient examples are the uniform national entrance exam applied to all universities; the rigid “floor marks” (minimum entrance exam points) applicable for student enrolments at all universities; required submission of planned programmes and planned student enrollment for approval to the ministry of education and

training before every academic year; and national curriculum frameworks with one sixth of the total credits forced to include communist ideologies and national defence education.

Thirdly, external governance toward institutions has fluctuated considerably – sometimes loosely and sometimes strictly, depending on office term of senior officials. One of the interviewed administrators shares that her institution’s activities (such as academic programme offering and financial management) was rarely inspected by the local government of the previous term, but that lately it has been frequently controlled by the current local government.

LIMITED AND UNEQUAL POLICY

As Education Law of 2005, Higher Education Law of 2012, and sub-law documents state, it is automatically understood that private universities in Vietnam are not financially supported by the government. In 2008, however, the government implemented a policy to encourage socialisation (i.e., social participation) in education, vocational training, healthcare, culture, sports, and environment. Under this policy, preferential site clearance, land right for long-term use, incentive revenue tax rates and some soft loans have been encouraged to be provided to private institutions. In practice, these privileges are not equally offered to all institutions because of different commitment and capacities of local governments. In the meantime, all public institutions are given abundant resources from state funding to build campus(es), purchase facilities, and for annual appreciation, research grants, and scholarships for faculty for professional development.

Regarding support for student access and success, only one preferential loan programme is provided by the government through the system of social policy banks. Nevertheless, the loans have not helped

students much because of their modest amount per student and because in many cases they have been scattered and misused.

RECOMMENDATIONS AND CONCLUSION

Governance tensions and limited unequal government policy are major issues challenging the survival and development of PHE in Vietnam. They should be urgently addressed by changing current legislation and policy. To combat the internal governance tension, the concepts and criteria to distinguish between not-for-profit and for-profit institutions should be clearly informed, not only in the nature and authority of each constituent in the top-tier organisational structure, but also in financial mechanism and management. To ease external governance tension, the government should be less dominant and centralised and more supportive to private universities. For policy, fair competition should be considered in providing loans, student scholarships, research grants for faculty, and appropriations based on the merit and need of institutions. Income tax exemption or reduction should also be applied to stimulate more financial contributions to not-for-profit institutions. It is expected that if this tax policy is launched and successful, a tradition and culture will soon be established in Vietnamese society, in which donors of not-for profit private universities will no longer request to get financial returns on their donations.

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India: World-Class Universities

Philip G. Altbach and Jamil Salmi

Not long ago, Indian President Pranab Mukherjee declared, “If we provide enough funds to 10 to 15 top institutions for the next four to five years, these institutions will certainly storm into the top 100 of global academic rankings within the next few years.” Late in 2016, the Ministry of Human Resource Development issued a series of draft guidelines and regulations to create 20 world-class universities (WCUs) – 10 public and 10 private. Unfortunately, this laudable goal will be difficult, if not impossible, to achieve in the short or medium run. Why?

INDIA’S HIGHER EDUCATION ENVIRONMENT

India’s higher education and research sectors have for decades been generally underfunded, especially in view of the tremendous growth in numbers of students. Compared to the other BRIC countries, the percentage spent on education, 4.1% of GDP, is second to Brazil. But in terms of research expenditures, India is at the bottom, with only 0.8% of GDP. And India educates the lowest percent of the relevant age group at the postsecondary level among the BRICs. Although India now has the second largest higher education system in the world, following China, the pressures for expansion to meet both public demand and the government’s own targets are immense.

The higher education system is poorly organised to create WCUs. None of India’s state governments seems to have an ambitious vision for the development of world-class institutions at the state level, and none provides funding for higher education that is adequate to main high standards of quality. The central universities are better funded and most do not have the immense, and globally unique, responsibility for supervising India’s 39,000 colleges that the state universities have.

In the past, when India wanted to create new and innovative higher education institutions, entirely new schools were started – such as the Indian Institutes of Technology (IITs), the Tata Institute of Fundamental Research, the Indian Institutes of Management, and a few others. Indian planners did not want to grapple with the seemingly insurmountable governance problems of the existing universities. Indian regulations stipulate that eligible universities should have around 15,000 students, or to achieve that number within 15 years. It is unclear if the guidelines would disqualify the IITs – arguably the only Indian institutions with the spirit and governance that might permit rapid advancement.

Further, it is stipulated that of the total 20 universities to be selected, ten will be private. It would be difficult to find ten Indian private universities with potential for world-class standing, even with a massive infusion of resources. Three or four might qualify. Globally, except in the United States and Japan, there are very few top private universities.

Creating WCUs requires careful thought, planning, and quite considerable funding over the long run. If recognition in the global rankings is a goal, the challenges are even greater because the rankings are a moving target and competition is fierce. For example, the Russian government is funding an

initiative with the goal of five Russian universities entering the top 100 by 2020. More than US\$200 million is being given each year to 21 top universities. Japan recently started its Super Global Universities Project. China continues to spend heavily on its top universities, two of which have made it into the top 100 of the Shanghai rankings for the first time.

India is very much a latecomer to the world-class party, and will not be spending enough to make dramatic headway. Funding was stipulated to be 500 crores of rupees (around \$US75 million) for each of the 20 universities over a five-year period – or about 100 crores (about \$US15 million) annually for each institution if funds are uniformly distributed. More recent discussions seem to have reduced the allocations. The amounts are significant in the Indian context—but perhaps not sufficient to be truly transformative.

A WORLD-CLASS BLUEPRINT

We analysed the experiences of ten new universities that have achieved considerable success in our book, *The Road to Academic Excellence: The Making of World-Class Research Universities* (World Bank, 2011). We found that all share some common characteristics. The following list provides necessary, but perhaps not sufficient, conditions for building successful top-level research universities.

Among the key ingredients necessary for creating a new research-intensive university are the following: adequate financial resources to get started and sustain excellence over time; a balanced governance model that includes significant participation from, but not total control by the academics; strong leadership, not only a visionary president, but a professionally competent administrative staff able to implement the university’s mission; autonomy

In addition to the hub, the Incheon Global Campus (IGC) in Songdo Global City, one of the areas in the Incheon Free Economic Zone (IFEZ) with geographical advantages and existing infrastructure, also became increasingly prominent in the internationalisation of South Korea’s HEIs. Between 2012 and 2014, the State University of New York (US), George Mason University (US), Ghent University (Belgium), and the University of Utah (US) launched campuses in the IGC, where they each operate three to five of their most competitive and reputable programmes.

IMPACT AND FUTURE DIRECTIONS

The higher education hub is still in its infancy, but has already demonstrated positive impact on both students and the foreign HEIs themselves. The universities on the IGC adopt the “extended campus” model, which requires identical curricula, programmes, faculty qualifications, admission standards, graduation assessments, accreditation agencies, and educational management as those of their home campus, making the experience at Incheon as close to that at the home campus as possible.. Faculty members are also required to hold qualifications equal to those stipulated for the home campus. Consequently, institutional and programme accreditations are under the same accreditation agencies as at the home campuses. Therefore, students can take the same educational curriculum and programmes, learn from faculty of equal quality, and earn the same degree as students at the home campus. In addition, students are required to spend one year studying at their university’s home campus, which also allows them to experience a foreign environment. The universities on the IGC, in general, enjoy a high level of student satisfaction and student enrolment has begun to increase.

Students in Songdo can also access extensive career opportunities with many well-known domestic and

global companies and international organisations, such as Samsung BioLogics and the United Nations Office for Sustainable Development (UNOSD). The IGC universities collaborate with such companies and international organisations to advance their students’ internship opportunities and career prospects. The universities report that many students have already benefited from the programmes.

Above all, the environment surrounding the IGC has changed over the past few years, indicating positive prospects for the continuous development of the higher education hub. Some major domestic universities opened their branch campuses and international schools at primary and secondary levels in Songdo, and more higher education and research institutions are expected to be established. More than 1,700 domestic and foreign companies, including about 50 global companies and international organisations, are also located in the Songdo Global City. The total population in Songdo doubled between 2012 and 2016 and is expected to continue increasing. All these developments are expected to revitalise the global education hub.

ISSUES AND CHALLENGES AHEAD

Despite the successes thus far, some issues and challenges lie ahead. The most critical issue for the IGC universities is financial, since the universities are financially independent from their home campuses. The South Korean government has provided US\$1 million for the initial settlement, and US\$1 million to US\$2 million for the first four years of operation to each university. The government has also waived management costs for buildings, auxiliaries, libraries, and other facilities for the first five years for the IGC universities. Although generous, these provisions from the government will end in four to five years. The extended campus model involves extraordinary financial costs and human resource management issues in order to maintain environments identical to those of the

home campuses. The top priority for the IGC universities is to figure out how to be financially sustainable without government intervention.

As of 2016, 1,144 students were enrolled, accounting for only 27% of the target enrolments. Although enrolment has increased every year, the number of students on the IGC is still lower than original estimates. The IGC universities do not seem troubled at this time, focusing on admitting only high-quality students based on the same admission standards as at their original campuses; however, the South Korean government *is* concerned that the HEIs will not meet the original enrolment projections – a major indicator of the hub’s success.

Other issues, including differing views on the IGC among government agencies, restrictive regulations for foreign institutions, the need to build additional campuses and facilities to attract more foreign institutions, and a sceptical view of the real effect of the extended campus model, all need further consideration.

More foreign HEIs plan to locate in Songdo Global City sooner or later. With continued marketing efforts and innovative ideas, it is expected that the initiative will be a success. For the IGC to become sustainable, substantial financial investment, planning and collaboration should be arranged not only by the South Korean government, but also by the home institutions, philanthropic foundations and surrounding corporations.

A Chinese Branch Campus in Malaysia – Adjusting Fundamentals

Bonnie Yingfei He and Alan Ruby

Xiamen University Malaysia (XMUM) opened in February 2016, describing itself as “the first overseas campus established by a renowned Chinese university and the first Chinese university branch campus in Malaysia.” The Malaysian government invited China’s ministry of education to establish a branch campus to strengthen bilateral relations. Xiamen University (XMU) was chosen to lead the initiative because its founder, Mr. Tan Kah Kee, was a successful businessman in Malaysia, and the university has well-established programmes in Southeast Asia studies and traditional Chinese medicine. XMUM is to be a not-for-profit entity, with any surplus revenues reinvested in research and student scholarships in Malaysia. The project is expected to cost US\$315 million and is being financed largely by a loan from the China Development Bank. Private donations helped with initial construction, including a US\$30 million gift for XMUM’s library.

CONTEXT

XMUM is of interest as the first branch campus of a Chinese university and its role as a flagship of China’s international engagement strategy in higher education. A late entrant to a region with many branch campuses – nine in Malaysia and 14

in Singapore – XMUM offers some insights into how to attract enrollments in a well-served market – but a market where there have been failures, such as the withdrawals from Singapore of the University of New South Wales and New York University’s Tisch School. How XMUM adjusts and adapts to the local environment will be instructive for other Chinese universities seeking to establish branches.

ADAPTING TO THE LOCAL ENVIRONMENT MAY CONSTRAIN VIABILITY

XMUM opened with 200 undergraduate students and expects to grow to 1,200 students by the end of 2016, with a target of 5,000 by 2022 and a long-term goal of 10,000 students. XMUM’s first cohort of Malaysian students started in February 2016, followed by its first group of 440 Chinese students in September 2016. Rather than mirroring the policies and practices of the home campus, XMUM has adjusted some key features, including the language of instruction, length and type of academic programmes, level of tuition fees, and entrance requirements.

The most obvious difference between the two campuses is the language of instruction. At XMUM, as required by the Malaysian government’s Qualification Agency, most courses are taught in English. The exceptions are two degree programmes, Chinese studies and traditional Chinese medicine. On the home campus, most courses are taught in Chinese. By offering classes mainly in English, XMUM has faced difficulties in recruiting faculty from the home campus because not many XMU faculty are proficient in English. To entice faculty to XMUM, it has offered financial incentives and arranged for the main campus to recognize four months of Malaysian service as meeting the

requirement of a year’s international experience for promotion to full professor at XMU.

The second significant adjustment is the academic calendar. At XMU, student intake occurs in September and most first-degree programmes are four years in length, with medicine and architecture being five-year programmes. At MUM, there are two intakes a year, in February and September, and greater variation in programme length: arts and social science degrees take three years, while science degrees take four. The differences in academic cycles will constrain student and faculty mobility between the two campuses.

A further difference is the establishment of foundation year programmes at the Malaysian campus. With the Malaysian government’s approval, XMUM offers one-year science and arts and social science foundation programmes. Successful completion will qualify for admission to XMUM undergraduate studies.

There is no foundation year or courses in XMU’s undergraduate programmes – or in China’s public secondary schools. The different level of academic eligibility may further constrain the flow of students from the China campus to Malaysia, and may make it difficult for Chinese high school graduates who enroll at XMUM to be academically successful. These programming decisions may limit the attractiveness of the Malaysian campus for mainland Chinese students.

Similarly, the cost of the Malaysian campus programmes may deter students from China, particularly when comparing tuition fees. For example, a software engineering student at XMUM will pay more than seven times the home campus tuition for the same degree. The price difference

is the same for international students. It is cheaper for them to study at the main campus in China than at XMUM; humanities majors would pay around US\$3,700 annually at the main campus, roughly 50% more compared to US\$5,600 at XMUM.

To alleviate the price disadvantage, XMUM will offer academic scholarships, needs based grants, and bursaries to enrolled Malaysian students. Until policies for Chinese students and other international students are developed, price will limit the attractiveness of the Malaysian campus. The fee “discount” inherent in need and merit aid will also reduce XMUM’s net revenue and impede its path to financial viability.

Conversely, there are some aspects of the academic programme that may attract students from China, Malaysia, and neighbouring nations. The opportunity for English language immersion is a ready example. For students majoring in Chinese studies, some may be attracted by the reduced emphasis on linguistics in Chinese language and literature courses, and by the absence of compulsory political courses and military training. Others may come for culture-related elective courses like “International Relations of Southeast Asia since WWII.”

Students may also be attracted to XMUM by its nine different enrolment pathways. Most of these are to recruit Malaysian students to different undergraduate programmes and to accommodate the different assessment schedules in Malaysian secondary schools. XMUM has designed its more flexible admissions policies and practices to make its programmes more attractive, to respond to the local environment, and to attract students from neighboring countries. But the Chinese government has limited XMUM’s flexibility by requiring Chinese nationals resident in Malaysia to take the

gaokao as a path to enrolling at XMUM. Similarly, any mainland resident Chinese student seeking to enter XMUM has to take the “Big Test.”

LOOKING AHEAD

While it is too early to assess XMUM’s long-term viability, its first steps are informative. The XMU/XMUM partnership illustrates that a branch campus is not a simple mirror site of the home campus. In this case, adjustments have been made to fundamentals like language of instruction, academic calendar and programme, admissions policies and practices, and price. Some of these decisions may limit the flow of students from China in general and from the home university. Yet these adjustments, made in response to local context and prevailing educational practices, may impact the longer-term viability of the branch campus.

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About THF

The HEAD Foundation (THF) is a charitable organisation set up in 2013 in Singapore to contribute to the development of Asia. As a think tank, we focus on issues around:



The Foundation provides a collaborative and inclusive platform for a multidisciplinary approach to scholarship, policy reform and programme development. We partner with like-minded local and regional experts and institutions to advance our common goal. THF plans to help build communities of practice in order to root and sustain more effective education and leadership models.

Our Work

- Research projects in Asian countries
- Publication of book series, working papers, reports and policy documents
- Events such as workshops, seminars, lectures and policy fora
- Development and delivery of models and programmes for capacity building

Our Research

- The Foundation's Faculty is supported by its young and dynamic in-house research team that focuses on core areas ranging from higher education to school improvement.
- The team is also involved in other knowledge-building activities, including literature reviews and contributing to our series of publications.

Our People

- Senior Advisors and Fellows share their extensive experience and leadership. They are instrumental in helping the Foundation shape its research projects and programmes and in building new alliances.
- The Management Team comprises specialists with experience across various sectors, including in education, multinational corporations, government and non-profit organisations.

Our Partners

THF partners with regional and international institutions that bring along with them expert knowledge, resources and on-the-ground networks to help achieve our aims. We work with our partners to mutually enhance knowledge-building capacities and to strengthen the influence and impact of our activities to achieve meaningful outcomes.

**HUMAN CAPITAL
& EDUCATION FOR ASIAN
DEVELOPMENT**

About CIHE

The **Center for International Higher Education (CIHE)** at the Lynch School of Education, Boston College, promotes the belief that an international perspective is needed to foster enlightened policies and practices in higher education. With this mission, CIHE was founded in 1995 to advance knowledge about the complex realities of higher education in the contemporary world through its research, publications, training programmes, and advisory activities.

Its flagship publication, *International Higher Education*, is read widely around the world, in English as well as in Chinese, French, Russian, Spanish, Portuguese and Vietnamese. In addition to its collaboration with The HEAD foundation on HESB, CIHE is also in collaboration with the National Research University Higher School of Economics, Moscow, Russia, on *Higher Education in Russia and Beyond* (HERB). This year, CIHE will also start a similar collaboration with Latin American partners on Higher Education in Latin America. Visit CIHE's website at: www.bc.edu/research/cihe.html.