

Chapter 6

International Student Mobility in the Asia-Pacific: From Globalization to Regional Integration?

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Introduction

One of the most striking features of the globalization of higher education has been the rapid growth in the number of students studying abroad. Globally, the number of students enrolled outside their country of origin doubled from 1.3 million students in 1995 to 3.0 million in 2007 (OECD 2009; UNESCO 2009). A majority of internationally mobile students are in university programmes, with smaller numbers in vocational tertiary programmes, intensive language programmes (especially English) and secondary schools.

Most internationally mobile students from high-income countries with high tertiary participation rates study overseas for a few months, for a semester of university exchange or study abroad or to advance their language skills. In effect it is an experience incorporated within the domestic degree. Short-term mobility of one academic year or less is not included in UNESCO data, so we have little way of assessing the scale of this type of mobility in the Asia-Pacific. A smaller number undertake degree programmes abroad, usually at graduate level as high-quality undergraduate programmes are widely available locally. In the Asia-Pacific students from Japan, Australia and New Zealand fit this pattern. The pattern of outward student flows from these countries is similar to the industrialized countries in North America and Western Europe.

Students from low-income and middle-income countries more often travel abroad for several years to undertake whole academic programmes. Most of the international student mobility in the Asia-Pacific region is of this kind. In the last three decades, growth in this kind of mobility out of Asia has fuelled the development of a global higher education market. In many countries in the region, rapid economic and social development has been accompanied by several factors that have combined to raise demand for overseas qualifications. We can distinguish three different ways in which globalization has spurred the rapid growth of international

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student mobility in the Asia-Pacific, by disaggregating the effects of globalization on demand, mobility and supply of international higher education in the region. In this chapter we consider each dimension in turn, before analysing the resulting patterns of cross-border student mobility in the region, the export-orientation of several nations and the tensions created by international marketization.

Globalization and Demand for International Education

Demand for international education is spurred by several factors including rapid industrialization, increased affluence, the lag between local demand and local supply, the role of English as the international business language and the ready employability of business and IT graduates in industrial and knowledge economies.

Demand for overseas study is closely entwined with the broader process of global integration of Asian economies. Rapid industrialization in many countries has been spurred by export-oriented industrialization policies, pursued first by Japan, followed by the “Asian tiger” economies—Hong Kong, Taiwan, South Korea, Singapore—and more recently by China and Vietnam. The resulting economic transformations have created growing labour market demand for tertiary graduates. At the same time, increased affluence has also fuelled student demand. Governments across the region have invested heavily in secondary education. Completion rates have improved in many countries, producing more secondary graduates qualified for tertiary study. But in all of these industrializing economies there has been a lag in expanding access to higher education. This lag has resulted in a period of under-supply, fostering the strong growth in outward student mobility from these countries. Later, domestic (public and private sector) investment in higher education is gradually able to catch up to demand for tertiary qualifications.

Simultaneously, rising incomes have increased the affordability of foreign study, although study overseas is usually a far more expensive option than studying in the home country for the vast majority of international students in the Asia-Pacific region. Viewed in simple economic terms, many families are willing to invest a significant amount of money in foreign education, in expectation of “higher rate of return on internationally recognized qualifications (through higher earnings and migration possibilities)” (Bashir 2007, p. 51). Students and their families see the higher cost of overseas study as being worthwhile given that many employers in low and middle-income countries prefer foreign qualifications, and that international education has become a pathway to migration.

Foreign direct investment and export-oriented development creates demand for qualifications in business, information and communications technology and English language skills. International student mobility can be seen as one mean of transferring skills from high-income countries to emerging economies, alongside transfers facilitated by the relocation of manufacturing operations and the outsourcing of business services. The adoption of such technologically advanced processes requires high levels of skills, and student demand for international study can be seen

as a response by millions of families to the premium paid for such skills in Asian labour markets. International students are in effect buying their way into the global knowledge economy (Gürüz 2008).

Over the past two decades, professional competence in the English language has become increasingly important across the region. English has supplanted other foreign languages, including French, Spanish, Russian, Dutch and Portuguese, each of which was for a time the most commonly studied foreign language in one or more Asia-Pacific countries. English is now one of the most significant determinants of choice of host country, with two-thirds of internationally mobile students from East Asia and the Pacific studying in countries with English language higher education systems (UNESCO 2009).¹

As a result of the role of language in driving demand, combined with a market-oriented philosophy in Anglophone nations, English-language higher education systems and institutions almost always charge international students tuition that covers the full cost of provision—whereas most international students in non-English-speaking institutions and countries are subsidized and pay significantly less than the full cost of provision. In some Anglophone countries, such as Australia, public educational institutions are not allowed to charge below the full cost of provision of education to international students (except those in receipt of competitive institutional scholarships), a rule intended to ensure that international students are not cross-subsidized by funding intended for domestic students.

The dominance of English seems well-entrenched at present, but in future decades it will be interesting to see whether Putonghua (“Mandarin” Chinese), the only other language with over one billion speakers, becomes increasingly attractive to students and employers across the region as China assumes greater economic and political significance. At present many students travel to China to undertake intensive Chinese language programmes but few foreign students enrol in Chinese degree programmes alongside local students. This may change as Chinese universities develop stronger international reputations and the study of Chinese expands in secondary schools across the region. There is enormous scope for growth in student mobility between the Chinese language higher education systems in the region—China, Taiwan, Hong Kong and Macao. Until very recently cross-border mobility between these territories was highly restricted, but since travel has been made easier, student numbers have begun to grow.

Globalization and the Accessibility of International Higher Education

Technological developments and policy decisions have together accelerated the provision and accessibility of international education.

¹ Including, in order of number of students from East Asia and the Pacific, the USA, Australia, United Kingdom, New Zealand, Canada, Malaysia (where nearly all international students study in English-language institutions or programmes), Philippines and Ireland.

Technological developments in transportation and communications have greatly simplified the process of studying in foreign institutions. The gradual reduction in the cost of air travel has made overseas study more affordable. Ease of travel also reduces the isolation felt by international students, by allowing many to return home during breaks in their studies, and making it more affordable for parents to visit during their studies.

The greatest development in communication has been in the use of the Internet by prospective students able to investigate study options online, using institutional websites directly or by exploring options through various portals operated by national authorities such as Japan's Student Services Organization (www.jasso.go.jp) and Education New Zealand (www.newzealandeducated.com), and those operated by a variable range of private marketing agencies, the most established of which is Australia's IDP (www.idp.com). These portals allow students to access information about the range of study options in a particular country, and information about immigration, work rights, cost of living and related logistical issues. Students usually draw upon a range of resources in making the big decision about overseas study, including family and friends, former teachers and recruitment agents; but an increasing proportion of students use online resources to research options and communicate with prospective institutions. Students can directly apply to enrol with a foreign institution, and can expect to receive an offer of enrolment in a matter of days or weeks, rather than the months required by postal application processes. Once students have received an offer from an institution they can access student visa application forms online and may be able to submit a visa application online. During their studies, international students can maintain contact with family and friends back home much more easily through various online channels.

As important as these factors have been, the rapid growth in student mobility would not have occurred were it not for policy changes in key education exporting countries in the 1980s. Within a few years of each other, the United Kingdom, Australia, and New Zealand governments deregulated international student enrolments, allowing institutions to enrol an unlimited number of international students on a user-pays basis, without displacing government-subsidized domestic students. This is the case also in USA, Canada and Ireland. In nearly all English-language higher education systems a vast majority of international students are self-funding (the exception is at doctoral level); and there are rarely caps on enrolments of international students, though domestic enrolments tend to be highly regulated both in terms of student numbers and tuition fees. Anglophone universities have limited capacity to grow in size or income by domestic marketing and must recruit globally where they are much less restricted by national governments. By contrast, in non-Anglophone systems where governments subsidize international students to varying extents, there are usually caps on international student numbers, commonly around 5–10% enrolments, to limit the displacement of local students competing for publicly funded places.

Patterns of Cross-Border Student Mobility in the Asia-Pacific Region

We can distinguish between four types of countries of origin in the Asia-Pacific region:

1. Low Income+Low Mobility: Cambodia, China, India, Laos, Myanmar, Papua New Guinea, Philippines, Thailand, Vietnam. These countries all have GDP per capita of less than \$ 5,000 (USD 2008) and less than 0.6% of their tertiary age population studying overseas (2007).
2. Medium Income+Medium Mobility: Malaysia, South Korea New Zealand. These countries all have GDP per capita of \$ 8,000 to \$ 30,000 (USD 2008) and between 1.4 and 3.1% of their tertiary age population studying overseas (2007).
3. High Income+Low Mobility: Australia, Japan USA. These countries all have GDP per capita above \$ 38,000 (USD 2008) and less than 0.9% of their tertiary age population studying overseas (2007).
4. Small and Island States+Medium-High Mobility. These states have widely varying incomes but high-outward mobility due to their small size, including Brunei (6.9% of the tertiary age population studying overseas), Fiji (2.1%), Hong Kong (7.0%), Macao (2.9%) and Singapore (6.2%).²

In low-income countries very few people can afford to study abroad. Many of those who could afford to are likely to enter local elite institutions. As per-capita income increases in middle-income countries, many more families have the capacity to fund overseas study and higher wages rates improve the return on the investment in overseas education. High-income countries usually provide a range of quality education options, and when students travel abroad it tends to be for short periods of time to enrich a programme undertaken at home. For small and island states, local options are limited, even in high-income countries such as Singapore, and so many young people travel abroad for study.

It is significant for future projections that many of the world's largest and most rapidly growing economies, such as China and India, have growing rates of outward mobility. The impacts on the world's international student population could be enormous. For example in 2007 there were 4,21,148 mainland Chinese students studying outside China, equal to 0.4% of the country's tertiary age population of 1,14,945,657. If just one percent of Chinese young people undertook a programme overseas (a significantly lower percentage than most other Asian economies at the stage of development China is fast approaching) we would see over a million mobile students from just this one country. Even larger-scale growth of outward mobility is likely for India, which compared with China has a rapidly growing youth population, greater challenges in growing local institutions and higher levels of English language proficiency.

² GDP per capita data from United Nations, percentage of the tertiary age population studying overseas ("Gross outbound enrolment ratio") from UNESCO.

Table 6.1 Host countries of students from East Asia and the Pacific. (Data source: UNESCO 2009)

Destination	Number of students from East Asia and the Pacific 2007	Regional rank	Global rank
United States	2,48,288	1	1
Australia	1,26,633	2	4
Japan	1,12,257	3	6
United Kingdom	96,671	4	2
Germany	35,959	5	5
France	31,511	6	3
South Korea	26,903	7	15
New Zealand	23,383	8	14
Canada	18,267	9	7
Malaysia	13,149	10	22
Others	75,001		
<i>Total</i>	<i>8,08,022</i>		

Ninety per cent of students from the Asia-Pacific region study in just ten countries, as shown in Table 6.1 below. The list includes the seven top receiving countries globally, plus three significant regional providers in South Korea, New Zealand and Malaysia. China and Singapore would also figure in this list if they provided country of origin data to UNESCO.

In 2007 there were 8,08,022 students from East Asia and the Pacific studying overseas, making it the largest source region for internationally mobile students, 29% of the world total. On the other side of the ledger, 5,14,290 internationally mobile students were studying in East Asia and the Pacific, representing 18% of the all internationally mobile students. This puts the region in third place in terms of hoisting, after Europe (41%) and North America (24%) of internationally mobile students (UNESCO 2009). East Asia and the Pacific is becoming a more important destination for internationally mobile students, having taken an extra 5% global market share between 1999 and 2007 at the expense of Western Europe and North America.

Table 6.2 shows the growing intra-regional mobility of students from East Asia and the Pacific. Two-fifths of international students are now studying in another country within the region. There has also been a rise in the proportion studying in Western Europe and a sharp decline in the proportion studying in North America since 1999. Meanwhile, East Asia and the Pacific has proved increasingly attractive to students from South and West Asia, who now travel East more readily for study. The previously one-way flow to North America has become significantly more reciprocal.

This picture parallels developments in other aspects of the international connections between these regions. Entrenched core-periphery relationships are giving way to a greater degree of multi-polarity and intra-regional relationships (Dicken 2007). A similar growth in intra-regional students mobility has occurred in Latin America and the Caribbean, and Central Asia, with smaller gains in the Arab States, Central and Eastern Europe and sub-Saharan Africa (UNESCO 2009). In part, this

Table 6.2 Inter-regional student mobility. (Data source: UNESCO 2009)

	Destinations of mobile students from East Asia and the Pacific, proportion by world region 2007 (%)	Change in percentage points relative to 1999 (%)	Proportion of mobile students from each region studying in East Asia and the Pacific, 2007 (%)	Change in percentage points relative to 1999 (%)
East Asia and the Pacific	41.8	+6.0	41.8	+6.0
North America	33.0	-10.0	15.4	+6.4
Western Europe	22.9	+4.4	3.7	+1.0
Central and Eastern Europe	1.3	-0.4	1.2	+0.1
Central Asia	0.4	+0.3	3.2	+2.4
Arab States	0.2	-0.3	4.7	+3.5
Latin America and Caribbean	0.2	+0.1	2.5	+0.9
South and West Asia	0.2	-0.1	21.1	+11.5
Sub-Saharan Africa	0.0	0	4.3	+2.4
<i>Total</i>	<i>100.0</i>	<i>-</i>	<i>18.4</i>	<i>+5.0</i>

trend reflects the proliferation of countries and institutions that seek to recruit international students. Students have many more choices closer to home than they had in the past.

The pattern of students moving from across the globe to study in North America and Western Europe has had a long history. It is integrally connected with broader economic and cultural relationships between the world's established industrial powers and developing and emerging economies. The pattern is deeply embedded. As Altbach (1980) showed, the inequalities in access to knowledge and resources that underlie this pattern are resistant to change. But one of the most dramatic changes since the 1970s is the rapid integration of many Asian countries into the global economy, with the shift to export-oriented industrialization. This has increased incomes in the region and hence number of students able to study overseas, leading to the rapid growth in international student numbers from newly industrialized countries, most recently from China and India.

Export-oriented growth in Asia's globalizing economies in many ways reflected longstanding core-periphery patterns of trade and investment. Investment flowed from advanced industrial countries ("core") countries to less industrialized ("periphery") countries that used cheap labour to produce goods for export back to the core. More recently, as Dicken (2007) has shown, Asian economies are slowly becoming decoupled from the United States and Europe, with rates of trade and investment between economies in the region increasing faster than those with the rest of the world. We can see this occurring in education also, as student mobility between countries within the region increases.

Table 6.3 Region of origin of international students in selected East Asia and Pacific countries, 2007. (Data source: UNESCO 2009)

	Arab States	Central & Eastern Europe	Central Asia	East Asia & Pacific	Latin America & the Carib.	North America & West Europe	South & West Asia	Sub-Sah. Africa	not known	Total	Share from E. Asia & Pacific (%)
Australia	4,406	1,524	194	12,6633	2,394	15,912	36,764	6,487	17,282	2,11,526	60
China	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	42,138	42,138	n/a
Hong Kong Ch.	-	-	-	6,026	-	95	40	-	113	6,274	96
Indonesia	18	34	2	2,892	6	25	11	33	2	3,023	96
Japan	564	1,217	1,246	1,12,257	1,288	4,301	4,463	531	10	1,25,877	89
Macao China	-	1	-	11,739	3	93	2	41	51	11,930	98
Malaysia	3,574	207	227	13,149	40	301	5,186	1,680	40	24,404	54
New Zealand	328	350	39	23,383	319	5,472	2,859	256	41	33,047	71
Philippines	156	3	-	2,758	9	1,284	822	93	11	5,136	54
South Korea	112	374	1,293	26,903	171	930	1,123	187	850	31,943	84
Thailand	23	103	44	8,064	35	1,416	1,151	131	-	10,967	74
Viet Nam	3	11	32	3,178	-	6	-	-	-	3,230	98
<i>Total</i>	<i>9,184</i>	<i>3,824</i>	<i>3,077</i>	<i>336,982</i>	<i>4,265</i>	<i>29,835</i>	<i>52,421</i>	<i>9,439</i>	<i>60,468</i>	<i>5,09,495</i>	<i>66</i>
<i>Percentage (%)</i>	<i>1.8</i>	<i>0.8</i>	<i>0.6</i>	<i>66.1</i>	<i>0.8</i>	<i>5.9</i>	<i>10.3</i>	<i>1.9</i>	<i>11.9</i>	<i>100</i>	

International student numbers in many Asian countries have grown in the past decade, including significant growth in China, Japan, Malaysia and Singapore, with a majority of foreign students in each of these countries originating in other Asian countries. Despite the shifts noted above, it is striking how few students from East Asia and the Pacific study outside of their own region and the “Global North”. Only 2.3% of students study in any other part of the world.

Australia, New Zealand, the Cash Cow and the Killing of the Goose

The major host countries for students studying outside the region are the United States and the United Kingdom, especially for graduate-level students. Within the region, Australia and New Zealand have proven to be attractive to many students, as the only countries in the region with higher education systems that operate in English and have excess capacity. From the mid 1980s onwards, following the lead of the UK, both countries allowed educational institutions to recruit unlimited numbers of self-funded international students and actively encouraged growth in incoming students. Previously, international students had been funded by government and numbers were limited. So rather than the role of the state being undermined by globalization as many had predicted in the 1990s, in these countries the nation state played a key role in facilitating and steering (or attempting to steer) global engagement (Martens and Starke 2008).

These countries are among the top five education “exporting” nations in the world. (France and Germany host more international students, but at their own expense, as aid donors rather than exporters). In 2005, the value of education exports for the five exporters for whom data are available was over \$ 28 billion (USD), with the United States accounting for an estimated \$ 14.1 billion, followed by the United Kingdom at \$ 6.0 billion, Australia \$ 5.5 billion, Canada \$ 1.6 billion and New Zealand \$ 1.0 billion (Bashir 2007). Education has become an especially significant export in Australia and New Zealand relative to the economies of those countries. According to Education New Zealand, expenditure from international students accounts for 1.13% of GDP in New Zealand and 1.06% in Australia, higher than the other leading destinations of self-funded students: 0.4% in the UK, 0.25% in Canada, 0.16% in the USA. Considered as a proportion of export income, international education is even more significant. Expenditure by international students accounts for 6.90% of export revenues for New Zealand, 5.60% for Australia. This compares to 1.49% for the UK, 0.94% for the USA, and 0.88% for Canada (Boag 2008).³ Education is the third most valuable export industry in both countries, after coal and iron ore in Australia; and wool and dairy in New Zealand.

³ As well as including tuition fees, such expenditure figures include living expenses in the host country, which typically account for as much or more export income as fees (Kenyon and Koshy 2003).

Educating students from across the Asia-Pacific is a vitally important part of the local economies of those cities where those students are concentrated—especially Sydney, Auckland and Melbourne. Education is the most valuable export industry for the state of Victoria, Australia's second most populous state, where Melbourne is located. Both countries put considerable energy and resources into national branding, industry development, market research and government-to-government relationships with key educational trading partners.

The fable of the goose (or sometimes hen) that laid the golden eggs, attributed to Aesop, is often invoked by commentators concerned by the success of Australian and New Zealand universities in attracting international students. It is worth recounting the fable here for those who may be unfamiliar:

A man had a hen that laid a golden egg for him each and every day. The man was not satisfied with this daily profit, and instead he foolishly grasped for more. Expecting to find a treasure inside, the man slaughtered the hen. When he found that the hen did not have a treasure inside her after all, he remarked to himself: "While chasing after hopes of a treasure, I lost the profit I held in my hands!" (Gibbs 2002)

The critique espoused by higher education researchers such as Marginson (2007a, 2007b) and widely evident in popular media discourse (Benson 2006), suggests that the attractiveness of universities in these countries results from long-term public investment in infrastructure, education for the public good and research. The commercial full-fee provision of education to international students creates pressures to standardize quality and mass-market programmes. These pressures often conflict with and undermine the non-profit teaching and research activities. If the commercial pressures become too dominant, the reputation of the university and indeed the national system can be undermined. Universities have become over-reliant on income from international students' tuition fees. The solution is for governments to increase the level of funding for domestic students and research so that the value of these universities in the international marketplace is not eroded:

Universities are rarely credited for good teaching on a comparative basis, and in building a positive global reputation it is research outcomes that count. For Australia, the worst case scenario is that it becomes locked into the role of global polytechnic by its fiscal settings and business culture, its position-taking strategy becomes a downward spiral, its strong quantity position in the cross-border market is eroded, and the material resource base of Australian higher education is further eroded with it. The way out is public reinvestment at scale and especially in research infrastructure. (Marginson 2007a)

The construction of international education as a business activity has led to regarding students as "clients" or "customers". A recent Australian example helps to illustrate the risks involved for educational institutions heading down this road. In early 2006, international students at the Melbourne and Sydney campuses of Central Queensland University staged banner-waving protests and threatened a hunger strike. It was reported that the students were disgruntled by failure rates of up to 80% in their final taxation law exam, accusing the University of treating them as a "cash cow" and providing poor education services. (Colloquially, a "cash cow" is a part of a business that generates unusually high profit margins). Central Queensland University countered that its services were high-quality, and that the

course was “notoriously a tough one: with high standards expected”.⁴ Commenting on the protests, Central Queensland University Professor Paul Rodan underlined the propensity for some students to seek to negotiate a better result:

...there is the constant danger that “customers” will see everything, including academic standards, as negotiable. All too often, students with borderline fail marks seek a pass, not on any academic grounds, but on the same basis as one might haggle over a price in an eastern bazaar. Given a cultural orientation to regard “no” as merely the start of negotiations, institutions will pay a price if they fail to emphasise that negotiation stops at the classroom door. (Rodan 2007, p. 5)

Rodan characterized some protesting students as “opportunistic types who had attended few classes and done minimal work, but who hoped to manipulate their way to a cheap pass” (p. 2). CQU agreed to reassess disputed results, and noted that the students could have requested a re-mark.

We are not in a position to comment on the merits of either case. The general issue, however, has important implications for student mobility in a higher education market. What is the nature of the relationship between the provider and the client in an educational setting? There is a tension inherent in trying to simultaneously embrace two qualitatively different types of relationship: that between service provider and paying customer (where the old adage is the “customer is always right”); and that between teacher and learner (in which the teacher is the one with the knowledge/expertise, and the student is the empty vessel there to gather the pearls of wisdom). What is the nature of the service the student/client is engaging? A university would normally argue that the student is entitled access to specified resources (such as library materials, lecture and tutorial attendance, and so on) which, combined with successful study on the student’s part, can result in the award of a qualification. Failure to reach a common understanding can lead to accusations that inadequate students are passed (so as to not upset the client or potential clients) or, conversely, that it is in the financial interests of a university to fail marginal students so that they are obliged to repeat studies and pay additional fees.

These tensions are further heightened when substantial tuition fees, foregone earnings, additional living expenses (to cover a longer stay while subjects are repeated) and applications for permanent residency status are also at stake. It is important for students to have proper recourse to grievance procedures and dispute settlement mechanisms. At the same time, it is vital for universities to maintain—and be seen to maintain—high standards of academic quality.

These concerns are most strongly held by critics within research-intensive universities in Australia and New Zealand, concerned by the growth in international student recruitment by teaching-focused universities and vocational education and training institutions. They fear that such expansion is aimed at “lower-quality” students, and this will tarnish the national brand and deter “high-quality” students and doctoral students from studying in Australia. The massification of these countries’ international education industries is seen as detrimental to their international reputa-

⁴ See coverage in the Sydney Morning Herald March 17, 2006, Brisbane Courier Mail March 17, 2006, p. 21; and The Age March 14, 2006, p. 21.

tions in an era in which global league tables of universities based on research output are increasingly influential (Marginson 2007a).

An oft-cited case of market failure in international education exports is the spectacular and destabilizing rise and fall in the number of Chinese students studying in New Zealand in the early years of this decade. After several years of rapid growth in Chinese student numbers, in all types of providers, in 2003, complaints by Chinese students at some private English language colleges in New Zealand led the Chinese Ministry of Education to use its International Education Affairs Supervision and Management website (www.jsj.edu.cn) and official news agencies to advise students not to study in New Zealand (Li 2003). As a result, the flow of Chinese students to New Zealand collapsed, even though the complaints stemmed from students' experiences of a handful of institutions. The New Zealand government used talks during bilateral free trade agreement negotiations with China to have these warnings modified and to have some private providers recognized by Chinese authorities. Since that time Australian and New Zealand governments have been much more responsive to foreign governments' concerns about their students' welfare, but this did not prevent a replay occurring in 2009–2010 when a series of assaults on Indian students in Australia prompted a media storm and strained relations between the two countries.

All educational institutions and academic commentators, perhaps unsurprisingly, are calling for domestic students and research to be more heavily supported by government, so that institutions are not so dependent on international students for discretionary income. It is by no means clear that increasing universities' funding for domestic students and research would lead the institutions to recruit fewer international students. However, such funding increases would likely allow institutions to provide better services to international students (Bradley et al. 2008).

Emerging English-Language Education Exporters: Singapore and Malaysia

As noted, countries with English language higher education systems are more easily able to recruit foreign students. In the past decade Singapore and Malaysia have taken advantage of their English-language institutions by actively marketing their education systems to foreign students.⁵

⁵ The other predominantly English-language system in the region, India, is understandably focused on meeting local demand rather than recruiting foreign students. International students in India numbered just 12,263 in 2003–2004, with over 90% of these coming from other developing countries in Asia. Nepal, Bangladesh, Malaysia and Kenya were the largest sending countries (Agarwal 2008).

Singapore

Singapore's "Global Schoolhouse Strategy", launched in 2003, aimed to establish Singapore as a regional hub for education, with the ambitious goal of attracting 1,50,000 international students by the year 2015. The multi-pronged approach includes expansion of local provision, attracting prestigious foreign education providers in branch campus mode, and enacting enhanced quality assurance and registration provisions for local private providers and consumer protection measures for students. Education is one of several sectors promoted by the government, which presents Singapore as a well-regulated, low-risk location where English is the official language of government, business and education—where one can undertake Western-style education while having the opportunity to be immersed in Asian culture and business practices.

It is clear that Singapore has become a popular destination for international students. In 2003, when the government began marketing Singapore as an education hub, there were 61,000 foreign students. By 2008 international student enrolments had grown to 97,000 (Lee 2009). Chinese students have become the largest group of foreign students in Singapore, overtaking traditional source countries Malaysia and Indonesia (Davie 2005). The Singapore Tourism Board, charged with promoting Singapore as an education destination, is now promoting Singapore in more remote Chinese cities. Small numbers of students from Europe, the USA and Australia are also choosing to study in Singapore. For them Singapore is a relatively comfortable introduction to Asia.

For Singapore, student recruitment is but one strand in an extensive regional hub strategy, the contemporary continuation of the city's *entrepôt* economy. Since its foundation, Singapore has acted as a regional business hub providing a point of coordination for extensive trade and investment relationships across South East Asia. The contemporary approach to Singapore's hub strategy is to draw foreign investment by fostering concentrations of specialized services in fields facilitating international business in the global knowledge economy: research and development, IT, finance, accounting, advertising, property development, and legal services. These knowledge-intensive aspects of companies' operations require a highly trained workforce and links with a range of higher education institutions. One of the Global Schoolhouse strategy's aims is to attract top international student graduates to remain in the country as skilled immigrants—an important consideration for a small nation with a low birth rate. Liberal immigration policies make it easy for international student graduates to stay on, and public institutions offer bonded scholarships to top foreign applicants. However, there are stresses. Just as there is some public concern about the domestic impact of large numbers of international students in Australia, there is anecdotal evidence of some local resentment of "foreign talent" in Singapore. The presence of foreign students (and the allocation of international scholarships) adds to the pressure on locals seeking to enter the already highly selective public university system, which effectively restricts entry to the top quartile. Similarly, the presence of foreign graduates and other skilled immigrants makes the employment market more challenging.

Malaysia

Malaysia's higher education system includes public institutions operating primarily in Bahasa Malaysia, the national language, and private institutions operating in English. Most international students in Malaysia are enrolled in English-medium programmes in private institutions, with a smaller number in English-language postgraduate programmes in public universities. The few international students who study in public universities in the national language are mostly from neighbouring countries and already proficient in Malay.

The Malaysian government has set a target of 1,00,000 international students per year by 2010 and established Marketing and International Education Division within the Ministry of Higher Education. The government's recruitment efforts focus on Islamic countries, primarily North Africa and the Middle East. Private institutions are more active in China and South Asia. Capitalizing on Malaysia's diversity of higher education institutions and cultural diversity, the more active recruitment strategies of both government and private sectors appears to be paying off and the country looks set to meet its 2010 target. By 2007, international enrolments were at 65,000, with 48,000 (74%) enrolled in private institutions. In 2008 foreign students enrolled in private higher education institutions reached 71,000.⁶

The successful recruitment strategies of Malaysia and Singapore demonstrate the competitive advantage of English language institutions when recruiting foreign students, especially when supported by government policy in areas such as student visas, overseas promotion and branding, and quality assurance of providers. As a point of comparison, it is interesting to compare the experiences of these countries with the Philippines, which has a large number of English-language institutions, but lacks a coordinated strategy to increase international enrolments. In both Malaysia and Singapore, education export strategies were promoted by powerful central economic policy units, able to coordinate whole of government responses aimed at recruiting more international students and encouraging institutions to accept them. Meanwhile ministries of education have remained concerned primarily with the education of the local population and the functioning of the public institutions.

Universities in several countries are developing graduate programmes in English, to cater both to local students seeking a more international programme, and international students proficient in English but not in the local language. Significant numbers of these programmes are offered in China, South Korea and Thailand. Many of these programmes are heavily subsidized by institutions and government, as part of a broader internationalization effort. It remains to be seen whether such programmes are sustainable in the longer term. The key reform that led to the huge growth in the number of international students in Malaysia was the liberalization of the private higher education sector in the mid 1990s. Under this policy the government encouraged the development of domestic private institutions and allowed them to teach in English, often in collaborative partnerships with foreign universi-

⁶ *The Star*, March 9, 2008; *The Star*, April 4, 2009.

ties; and invited foreign universities to establish branch campuses. This was possible in Malaysia due to the colonial legacy of widespread English-language use. Politics is also a significant factor. In Malaysia, private education catered largely to ethnic minorities who missed out on places in public institutions due to racial quotas. In India, there has been considerable opposition to liberalizing the private higher education system on equity grounds. For most other countries in the region, the only way to develop English-language institutions is to invite foreign universities to establish branch campuses.

Intra-regional Mobility Outside the Anglosphere

Until around 2000, the bulk of the growth in intra-regional student mobility in the East Asia and Pacific was accounted for by students from Asia studying in Australia and New Zealand. Since that time, as noted above, more East and South East Asian students are studying in nearby Asian countries. Mobility between neighbouring countries in the region is an excellent mean of building long-lasting connections and of sharing expertise between higher education systems.

The student recruitment strategies of the Anglophone exporters are driven primarily by the desire to develop knowledge-intensive export industries. Australia, New Zealand, and Singapore also seek to recruit skilled migrants to fuel the knowledge economy and counteract ageing populations. In most countries across the region the situation is very different. Many non-Anglophone countries are seeking to enhance inward mobility especially between neighbouring countries in order to enhance social and economic regional integration. Across the region, mobility between neighbouring countries appears to be increasing. In 2007 three quarters of the international students in Vietnam were from Laos. Indonesia is by far the most popular destination for students from Timor Leste (UNESCO 2009).

China has enormous comparative advantage in manufacturing, a massive trade surplus, and no shortage of highly trained young people. The Chinese government awards around 11,000 scholarships per year, mainly to students from developing countries, to assist in building political, diplomatic and economic links. Self-funded students are also welcomed by the state as a way of showcasing Chinese achievement and fostering cultural engagement (Ministry of Education [n.d.](#)). According to Chinese government figures, there are more foreign students arriving in China each year than there are Chinese students leaving to study abroad. In 2008, 2,23,000 foreign students entered China while 1,79,800 Chinese students went abroad for overseas studies, 90% self-funded.⁷ However, while most Chinese students studying abroad are undertaking degree-length programmes, only around one-third of the international students arriving in China enrol in degrees. Two-thirds undertake non-award programmes, such as intensive Chinese language studies or short courses for study-abroad students (AEI 2008). Therefore while commencing numbers are simi-

⁷ *People's Daily*, March 26, 2009.

lar, the total commitment of Chinese students outside China remains much greater than the commitment of foreign students studying in China. Nevertheless, the gap appears to be closing.

Around three-quarters of the international students in China in 2007 were from Asian countries (72.5%), followed by Europe, the Americas and Africa. The top source country by a considerable margin was South Korea (33.0%), followed by Japan (9.5%), the United States (7.5%), Vietnam (5.0%) and Thailand (3.7%) (AEI 2008).

While the Anglophone exporters are able to attract students from outside the region, as illustrated in Table 6.3, most countries in the region, including Japan, Korea, Hong Kong, Vietnam, and Macao, recruit nearly all of their international students from within East Asia and the Pacific. Usually the patterns of mobility are quite localized. For example, students from mainland China constitute 64% of international students in Japan, 72% in Korea, 93% in Hong Kong SAR, and 95% in Macao, China (UNESCO 2009). Japan and Korea are striving to increase the number of incoming students. It would seem that closer economic and cultural ties, coupled with linguistic affinities, will continue to make these countries attractive to mainland Chinese students. Within the Chinese language territories, or “Greater China”, the flows of ethnic Chinese students across borders is potentially enormous—given the demand in China, the quality institutions in Hong Kong, and the oversupply of higher education in Taiwan. However, in Hong Kong the government sets quotas for foreign students, most of whom are from mainland China, in order to ensure that local demand is met (Li and Bray 2007). Continuing tensions over the status of Taiwan long made travel difficult, let alone the recognition of qualifications, and student mobility across the Taiwan Strait was non-existent (Republic of China Ministry of Education 2008). However, Taiwan has now announced that it will recruit some mainland students.

Conclusion

Students, institutions and governments across the region have sought to exploit and manage the new possibilities and challenges that globalization has opened up. Until the onset of the Global Financial Crisis it appeared certain the flow of international students from countries in the Asia-Pacific region would continue to grow rapidly—and the crisis may indeed have only brief effects on the trend. Across the region, the growth in student mobility has been underpinned by growing household incomes, government and employer valuing of international education, greater emphasis on foreign language study in schools (especially English), streamlined application processes, and opportunities for students to work while studying and to obtain work experience in country after graduation.

Governments in China, Vietnam, Malaysia and several others have increased their scholarship programmes for research students as a way of quickly expanding the size of the academic workforce. This is a critical ingredient in the drive to boost

participation rates in tertiary education. In future decades we could expect to see student mobility from developing countries follow a similar pattern to that found in some higher-income countries in the region. As participation rates in domestic tertiary education climb, the number of students studying abroad tends to plateau. A smaller proportion of students enrol in undergraduate studies overseas, but higher numbers engage in short-term overseas study and postgraduate degrees.

At the same time, the casting of education as an export has led to tensions between the role of student as learner and as client, and the potential for the quality of education to be undermined (or at least perceived to be undermined) by an overemphasis on the pursuit of revenue at the expense of traditional educational values—for example, concentrating too heavily on the provision of internationally popular undergraduate courses at the expense of research and scholarship. There are also concerns about the impact of foreign students on the domestic system in terms of skewing provision and increasing competition to the detriment of locals. Indeed, problems in the education field—questionable quality of provision, inadequate regulation of providers, mistreatment of students—can become flashpoints that fray international relations. As traditional education-importer countries in the region seek to become major education exporters and regional education hubs, they too will be obliged to deal with these tensions.

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