ABSTRACT

The internationalization of education implies the imparting of knowledge, skills, and values that have a universal application. Internationalization has become a market-mediated and commercially moderated process in the context of globalization. The economic prospects and financial gains from internationalization further brightened as education became a tradable service under the GATS framework. Cross-border higher education has become the most visible form of internationalization. The pattern in cross border higher education seems to be that students flow from developing to developed countries, while programmes and institutions move from developed to developing countries.

In most instances, the money flow is unidirectional to the advantage of the developed countries. Cross-border education is a small but fast-growing segment of higher education in large states. In small states, it is a large and expanding segment, if not the only segment, of higher education. Given the limitations of realizing economies of scale, founding universities is not a viable proposition in many small states. Some small states rely entirely on study-abroad possibilities; some on domestic and foreign study programmes; still others on programme and institutional mobility. The recent move towards creating education hubs in many small states helps overcome the inherent limited scale of operation and financial constraints by attracting cross-border providers and foreign students.

This paper shows that education hubs, if planned properly and regulated moderately, can become a viable proposition and an alternative to study-abroad programmes in small states. It may encourage the flow of foreign students to small states rather than of domestic students to other countries, as well as helping ensure the viability of higher education institutions and realize economies of scale of operation in small states.
1 INTRODUCTION

Human capital has emerged as one of the important determinants of economic growth (UIS/OECD, 2002). Higher education contributes to increased national income, allows jobseekers to overcome the barriers to the employment market, to obtain a job of their choice, and to enhance their individual earnings. The private sector plays an influential role in investing in the production sectors, generating employment, and in the provision of higher education in many countries. The public authorities, the corporate sector and households are willing to invest in higher education since it rewards sufficiently each category of stakeholders and leads to an unprecedented expansion of higher education.

Higher education enrolment globally increased from 100 million in 2000 to 158.7 million in 2008, reaching a GER of 26 per cent in 2008 (UIS, 2010). However, GER varies greatly among countries and regions, from 1 per cent in some of the sub-Saharan African (SSA) countries (Tanzania, Niger, etc.) to 98 per cent in Korea, and from 6 per cent in sub-Saharan Africa to 70 per cent in North America and Western Europe. According to Martin Trow (1974), in the 1970s a GER of 5 per cent meant an elite system; 15 per cent meant a mass system; and 30 per cent meant universal higher education. As per the revised estimates (Trow, 2005), 15 per cent means elite, 16 to 50 per cent means mass education, and above 50 per cent means universal higher education. As per this indicator, higher education is already universalized in many of the OECD countries, massified in most of the upper middle-income countries, and has remained elite in SSA. It should be noted that the rate of expansion of higher education is the highest in SSA countries despite their low GERs.

The GER may not be a reliable measure of progress of higher education in many small states since many of them do not have a university of their own. Small states expand the pool of the higher educated by relying on the higher education systems of large states through study-abroad programmes. However, educational development in small states is, in general, higher than in the less developed countries. One of the reasons for the relatively higher levels of human development in small states is their reliance on education to seek work domestically in non-farm sectors or to migrate to other countries.

One of the constraints of higher education development in small states is the size of their population, which makes establishing a university a non-viable proposition. Many of them pursue higher education through alternatives to domestic universities, such as regional arrangements or universities in large states. Internationalization of higher education becomes
a necessary route to educate citizens in small states. The traditional pattern used to be to send students abroad for studies, leading, at times, to brain drain. Technological advancement has opened new avenues, such as virtual universities and on-line courses, to pursue higher education while remaining in one’s own country. This paper shows that the recent trends in establishing higher education hubs in small states help them to overcome the barriers imposed by economies of scale and helps natives to acquire university degrees from institutions located in their own country along with the necessary socialization associated with face-to-face learning.

The plan of the paper is as follows: The following section discusses the concepts of internationalization, globalization, and cross-border education. This is followed in section 3 by a discussion on the trends in cross-border education, focussing more on the student, the teacher, and institutional mobility in large states. Section 4 discusses issues related to internationalization of higher education in small states. Section 5 deals with the emerging idea of higher education hubs in general, and in small states in particular. The final section draws some conclusions from the discussion on some of the characteristics of higher education in small states.

2 INTERNATIONALIZATION AND GLOBALIZATION
Knowledge is universal, although the institutions producing knowledge are mostly national entities. National development has been an important rationale for establishing universities and expanding the higher education sector. Universities provide the research and professional training needed to support national development. The public sector has been supporting higher institutions and providing employment to university graduates. The dominance of the public sector in development no longer exists. The market and the private sector play an important role in the expansion of higher education.

The relevance of higher education is defined by the market, and in the context of globalization the global labour market influences the type and nature of study programmes offered by institutions of higher education. Higher education institutions are in the process of repositioning themselves to remain relevant to the new global environment. A market-mediated internationalization is replacing traditional forms of international cooperation in education.
The internationalization of education implies the imparting of knowledge, skills, and values that have a universal application. It is a process of integrating an international, intercultural, and global dimension into the purpose, functions (teaching, research, service), and delivery of higher education (Knight, 2004). Internationalization promotes interactions within and between cultures (Yang, 2005) so that the curriculum becomes cross-national and intercultural in nature.

Internationalization can take place both at home and abroad. Internationalization at home is a campus-based activity and does not involve the movement of persons or programmes across borders. Students acquire international understanding through the courses offered in domestic universities (Knight, 2006). ‘Inter-cultural’ does not necessarily mean interaction with cultural traditions of another country; it can also imply interactions among different cultures within the same country.

Internationalization abroad, on the other hand, implies cross-border activities or cross-border education involving the movement of people, programmes, and providers across national boundaries. Cross-border education takes place through different channels: through cooperation projects, academic exchange programmes, and commercial initiatives (Knight, 2006). In the past, the former two modes were common and less reliant on the market. The international mobility of students, teachers, and collaborative efforts and interactions had more of a cultural and political purpose. The third mode, namely commercial orientation in the context of internationalization, is of recent origin and is influenced by the forces of globalization.

The internationalization of education tends to address the increase in border-crossing activities amidst national education systems. Globalization, on the other hand, assumes that borders and national systems as such tend to become blurred or disappear (Teichler, 2004). It implies a flow of people, knowledge, and culture across borders. It is very often a market-mediated process involving commercial motives. Globalization of higher education implies that it is becoming a designed activity to introduce an international and multi-cultural outlook to suit the requirements of a global labour market centered on knowledge production. Institutions of higher education, in the context of globalization, become yet other organizations producing and selling a good or a service to the global market, very often for profit. Higher education institutions become corporate entities functioning on the basis of the operating principles of the market process.
Economic rationality and commercial interests act as major incentives to promote cross-border education in the context of globalization. Many of the cross-border providers are motivated by the revenue-generating capacity of the internationalization process. Liberalization policies, the minimization of trade barriers and the creation of the General Agreement on Trade in Services (GATS) facilitated easy entry and exit of institutions of higher education in other national territories. Franchising, twinning, branch campuses, and cross-border student mobility are influenced by possibilities of generating profit and are instances of a market-based and commercial approach to internationalization taking place in a globalized world.

GATS facilitated trade in education, and trade is motivated by prices and profits. It has helped place higher education openly in the market place. If higher education benefited from aid in the past, it is expected to benefit more from trade in the present.

Since globalization actively promotes market ideology, the neo-conservative and neo-liberal agendas of less state intervention and more self-interest in place of collective interest assume importance. Education becomes a profitable venture, cultural activities become commercial products, the public is defined as customers, the university becomes the provider, and the learner becomes a customer or purchaser of services (Yang, 2005). The neo-liberal criticism against education used to be that public education is not addressing the needs of industry and the economy. The corporate world knows what the market needs are and, therefore, can be reliable providers of education. The corporate world is investing in education with a managerial mindset and enterprising spirit (Stromquist, 2002).

‘Internationalization is changing the world of higher education and globalization is changing the world of internationalization’ (Knight, 2008: 1). With the ascent of market orientation in educational decisions, terms such as ‘international education’, ‘international cooperation’ etc. are replaced by ‘cross-border higher education’ or ‘globalization of higher education’. The cross-border higher education providers are more often investors than educators, and the profitability of the sector attracts them to this area of business. It has become a market-driven activity involving numerous providers, attracting thousands of students across borders, and has become a billion dollar business. Higher education institutions can be seen as being engaged in the knowledge business and always competing to improve their market share in the cross-border segment of higher education.
Cross-border education has become a tradable commodity and part of the trade negotiations under the General Agreement on Trade in Services – GATS (Knight, 2002). Trade in education under the GATS framework takes place in four modes. They are:

Cross-border supply of the service where consumers remain within the country but the programmes cross-borders.

Consumption abroad where the consumers (students) cross-borders.

The commercial presence of the provider in another country in the form of branch campuses or twinning and franchising arrangements.

The presence of persons in another country to provide the service. The most visible form of this mode is the mobility of professors from one country to another.

The growth and expansion of cross-border education on a commercial basis was in response to the demands of the corporate world. The emergence of the knowledge economy needed a greater number of high level professionals. Many economies in the developed world faced skill gaps that acted as a major constraint to enhancing national competitiveness in a globalized world. The alternative strategies to develop skilled persons were to educate citizens at home or import highly skilled professionals from other countries (Varghese, 2011).

While the former (educating people domestically) is expensive, time-consuming, and beyond the direct control of the corporate world, the latter option was less expensive and was on a ‘cash on delivery’ basis. You invest when the products (graduates) are available. This implied a relaxation of visa rules to encourage the movement of educated people across borders. Many OECD countries introduced ‘quality-selective’ policies to attract highly skilled people (Docquier and Schiff, 2009).

Another reason for the increased demand for cross-border degrees is that employers prefer degrees from universities in the developed world. Cross-border degrees were seen by households as a passport to higher status jobs, higher salaries, and better working and living conditions. Therefore, households viewed cross-border higher education as an investment that brings higher and immediate returns. The providers took advantage of households’ willingness to invest as an incentive to invest in the sector. These two factors – increasing demand for educated people and employers’ preference for a degree from the universities of
the developed countries – contributed to the expansion of cross-border education through different modes (Varghese, 2009b).

3 CROSS-BORDER EDUCATION AND LARGE STATES

Cross-border education, although small in size, is one of the fast growing segments of higher education in large states and is expanding at private rather than at public expenses. All modes of cross-border trade, as discussed above, take place in higher education. In the following paragraphs, cross-border education is discussed in terms of mobility of institutions, teachers and students.

Institutional mobility

Cross-border institutional mobility takes place through branch campuses, franchising, or twinning arrangements. Branch campuses denote the establishment of an independent campus of a foreign university offering study programmes and degree in the host countries. Franchising denotes the delivery of all or part of a course in an institution other than that in which it is developed and validated. Twinning denotes a situation where the programme and its delivery are jointly conducted between institutions in the home country and in the host country.

Universities in Australia, the UK, the US, and other countries open branch campuses in many developing countries. Malaysia has branch campuses of universities including Nottingham University in the UK, Monash University and Curtin University in Australia, etc. (Sirat, 2006). Similarly, Singapore has branch campuses in John Hopkins University and University of Chicago (United States), INSEAD (France), and Shanghai Jiao Tong University (China). Bond University, Monash University in Australia, and Business School Netherlands have branch campuses in several African countries.

The regulations for the establishment of branch campuses vary between countries. For example, countries such as China permit only collaborative arrangements, in which foreign institutions must act in collaboration with national/domestic institutions. Many transnational providers operate through private institutions. This is a very common practice in Africa. Collaboration with foreign universities and institutions helps local private universities in several ways. It helps them to obtain academic credibility, quality appeal, and also permits them to levy high fees, sometimes in foreign currencies. Cross-border institutions offer
market-friendly courses to cater to the private business enterprises – foreign or national – which allows them to levy higher fees (Varghese, 2009a).

Teacher mobility

Teachers move within developed countries, between developed and developing countries, and among developing countries. Teachers from Australia, Canada, New Zealand, etc. are found in the UK. Teachers from India, Kenya, Zambia, and Zimbabwe are found in Botswana, for example. However, large-scale migration continues to be from developing to developed countries. The United States and the United Kingdom faced a severe shortage of teachers in the 1990s, and therefore recruited teachers on a large-scale from Caribbean and African countries, leading to teacher shortages in the sending countries. Since teacher shortages in the sending countries became acute, some of them accused the developed countries of ‘raiding [their] resources’ (Appleton et al., 2006), which led to the evolution of a strategy of ‘managed migration’ (Morgan et al., 2006).

Many universities have departments specializing in regional studies – departments of African, Asian, or Latin American studies. These departments attract teachers from their regions of specialty. In some cases, teacher migration occurs in selected subject areas. It is estimated that more than 8,000 Indian teachers work in US universities. Indian professors, including some Nobel laureates, are engaged in research and teaching activities predominantly in science, engineering and social science subject areas (Melwani, 2009). Many of them obtained their doctoral degrees from US universities.

Under the Erasmus Mundus programme, more than 1,000 university teachers from developing countries came to Europe between 2004 and 2008. Under the same programme, efforts have been made to establish collaborative arrangements to promote student and staff mobility between 12 European and 8 Indian universities (EurAsia News, 9 June 2008). Some universities appoint foreign professors to improve their image and international competitiveness to promote research and improve the quality of teaching. For example, the Ministry of Human Resource Development of Korea plans to recruit 300 foreign professors as ‘part of [its] efforts to enhance the quality of education at national universities to meet the global standard’ (Tee-Jong, 2008).

Some universities appoint professors from abroad to attract foreign students. Some universities, such as Seoul National University (SNU) and universities in Japan, follow such
a policy. SNU is planning to recruit 150 professors to promote its international image and competitiveness. Further, English language proficiency is an important criterion, while SNU is hiring native Korean professors (Korean Times, 22 January 2001).

Cross-border student mobility

The total number of cross-border students was around 3.0 million in 2008 (UIS, 2010). North America and Western Europe continue to be favourite destinations for most students from any region, with the exception of Central Asia. Nearly three-quarters of internationally mobile students from all regions seek higher education in OECD countries. Nearly 90 per cent of students from North America and Europe cross the border to study in another country of the same region; 80 per cent of students from Latin America travel to North America and Western Europe for their studies. Chinese students account for more than 50 per cent or the foreign students in Japan. Students from India and Indonesia often travel to Australia for higher education studies.

In 2008 the US attracted the single largest share of foreign students (21 per cent), followed by the UK (11.5 per cent), France (8.2 per cent), Australia (7.8 per cent), Germany (6.4 per cent), and Japan (4.2 per cent) (UIS, 2010). Australia experienced a rapid expansion in foreign student numbers in the 1990s. The number and share of students from Germany and New Zealand in total cross-border students has declined sharply in recent years. Countries such as China, India, Korea, Malaysia, and Morocco send a large number of students abroad. Countries such as Australia, France, Germany, the UK and the US are the major host countries. Asian countries top the list of sending countries, with a share of 41 per cent of students crossing borders, followed by Europe and North America (27.6 per cent), sub-Saharan Africa (7.5 per cent), Latin America, the Caribbean and South America (4.5 per cent), etc. (UIS, 2010). It can be seen that most of the developed countries are host countries, while most of the developing countries are sending countries.

China, India, and Korea are the major sending countries. China sends nearly 25 per cent of its students to the USA, around 18 per cent to Japan, and 13.1 per cent to Australia (UIS, 2010). The share of Chinese students going to USA declined from 60 per cent in 1995 to 25 per cent in 2008. The number and share of Chinese students in Japan and Australia increased during the same period. India has been the largest sending country to the USA. China overtook India in this respect in 2009/2010, when more than half (55.6 per cent) of Indian students went USA, 15.6 per cent to Australia, 15.2 to UK, etc. The change perhaps is a shift in the
destination of Indian students from the USA to the UK and Australia. Korea continues to send a major share (61.5 per cent) of its students to the USA, 20.7 to Japan, and 5.6 per cent to Australia. Chinese students account for nearly 61.3 per cent of foreign students in Japan and 25 per cent of the foreign students in Australia.

4 INTERNATIONALIZATION OF HIGHER EDUCATION AND SMALL STATES

According to UN statistics (UN, 2009), there are 65 small states and 24 autonomous territories with populations under 3 million. More than three-quarters of the small states have a population of less than 1 million. Nearly 60 per cent of small states are island states. The small states experienced a relatively low average growth rate of 4.3 per cent, lower than the 5.0 per cent growth rates in the low-income countries, in the 1990s and the early decades of this century (Briguglio et al., 2006).

Tourism and remittances from expatriates are important sources of revenue in many small states. Tourism’s contribution to export earnings increased to more than 50 per cent in many small states. In Mauritius, the share of tourism in the GDP increased from 4.5 per cent in the 1980s to 8 per cent in the 2000s. In 2004, remittances accounted for 7 per cent of the GNI in Caribbean small states, 3.9 per cent in the Asia and Pacific small states, and 2.8 per cent in African small states. The remittances as a share of GNI varied widely even among small states. In 2009, remittances accounted for 27.7 per cent of the GNI in Tonga, 24.8 per cent in Lesotho, 22.3 per cent in Samoa, and 17.3 per cent in Guyana (World Bank, 2011).

Foreign Direct Investment (FDI) is another source of investment for many small states. The Caribbean small states attract more FDI than small states in other regions. FDI mainly targets the export sector and its flow depends on the investment climate in the countries. The diaspora is another source of investment; it has the capacity to invest professional and technical know-how, overseas network and connections. Countries such a Mauritius, Fiji, and the Caribbean Islands benefit from the diaspora to expand their export sector.

Small states are aid-dependant. Although overseas development assistance to small states fell in the late 1990s from the peak of $ 2.5 billion in 1994, aid picked up again in the 2000s, reaching 2.0 billion in 2004. The external debt of small states has grown and now exceeds the GNI in countries such as Belize and Guyana. Given their narrow resource base and limited domestic market, production is mostly non-diversified in the small states. Their economies
are less diversified, and hence more vulnerable and susceptible to external shocks, as has been seen during the current economic crisis.

Small states have higher rates of migration than larger states. In 2010, migration from small states accounted for 4.8 million, or 14.5 per cent of their populations. More important is the migration of the higher skilled workers. In 2010, the emigration rate of people educated to the tertiary level was 89 per cent in Guyana, 85.1 per cent in Grenada and Jamaica, 79.3 per cent in Trinidad and Tobago, 76.4 per cent in Samoa, and 75.2 per cent in Tonga (World Bank, 2011). The remittances from migration are also very high and constitute a major source of national income. If the youth are higher educated, their propensity to migrate increases. This is more so if they are educated abroad. Not sending youth for higher education implies depriving them of opportunities to improve their life chances.

**Higher education in small states**

Education in small states, in general, is more advanced than in countries with comparable levels of GNI. Primary and secondary education are very advanced in small states. The GER surpasses the world average. Small states in Europe have GERs higher than 30 per cent and 50 per cent to make them mass or universal higher education respectively. In Africa, the GER of small states is around 5 per cent; in Arab states it varies between 15 and 30 per cent, in the Caribbean the GERs are high with few exceptions, and in Asia and Pacific the GERs are moderate. Since a large number of students study abroad, the GER is not a reliable indicator of higher education development in small states. Due to lack of economies of scale, the education system is neither diversified nor specialized (Commonwealth Secretariat, 1986).

The strategies followed to expand higher education in small states are many. Establishing a university is not a viable proposition, hence some of the small states do not have one of their own. Some small states share a university facility with other small states. For example, the University of the South Pacific (USP) in Fiji is jointly owned by the governments of 12 island countries of the Pacific with campuses in all of the member countries. Similarly, the University of the West Indies in Jamaica serves 15 countries in the English-speaking Caribbean region, with branch campuses in all of its member countries. In fact these two universities together serve 27 small states.

Another strategy followed by small states is to send students abroad for studies. The unit costs of higher education in smaller islands are high since they employ expatriates and are
unable to achieve economies of scale (Bray, 1993; Bray and Packer, 1993). In fact, the study-abroad programme may work out to be cheaper than the cost of establishing a university. Many small states receive external funding for higher education, and a substantial share of external funding is devoted to supporting study-abroad programmes (Varghese, 2003). However, this trend is changing now since many students are self-financing their studies in foreign countries.

Table 1 indicates some trends in student flows from small states. It can be seen that: a) the number of students going abroad for higher studies increased in all countries between 1996 and 2008; b) the number of students going abroad for higher studies exceeded the number of students studying in domestic institutions in some small states such as Dominica and Saint Lucia. These are comparisons based on absolute numbers.

The number of students abroad as a share of total enrolment in higher education in the country is a more valid indicator to compare the situation among countries. Such comparisons clearly show two patterns: a) The share of students abroad in total enrolment increased in some countries. This is the case with most of the small states in Africa such as Botswana, Lesotho, Namibia, Swaziland, etc. The reason seems to be that South Africa opened its doors to foreign students, especially students from the region. The fee policy followed by South Africa for foreign students from the region is very reasonable and the cost of living is affordable. Larger numbers of households took advantage of these new options for obtaining a foreign degree at a lower price; b) the share of foreign students to total domestic enrolment declined. Countries such Bahrain, Mauritius, Oman etc. belong to this category. It can be seen that these countries adopted strategies to expand higher education domestically. For example, Oman encouraged private institutions to start operations in the country, and all private institutions had to be affiliated to universities abroad to ensuring the quality of the education imparted (Martin, 2007). Private higher education institutions were also established in Mauritius. The share of students going abroad for studies declined. It should be mentioned that in terms of absolute numbers, the number of students studying abroad in these two countries (Oman and Mauritius) increased substantially. As did the GER in higher education in these countries. Although Qatar has established an education city or an education hub, the share of students going abroad for higher education studies continues to increase, albeit modestly.
<table>
<thead>
<tr>
<th>Country</th>
<th>Students abroad in 1996</th>
<th>Students abroad as % to total HE enrolment 1996</th>
<th>Students abroad in 2008</th>
<th>Students abroad as % to total HE enrolment 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominica</td>
<td>..</td>
<td>..</td>
<td>602.0</td>
<td>262.0</td>
</tr>
<tr>
<td>Grenada</td>
<td>271.0</td>
<td>..</td>
<td>4240.0</td>
<td>56.7</td>
</tr>
<tr>
<td>Saint Lucia</td>
<td>..</td>
<td>..</td>
<td>1133.0</td>
<td>131.4</td>
</tr>
<tr>
<td>Belize</td>
<td>..</td>
<td>..</td>
<td>798.0</td>
<td>22.2</td>
</tr>
<tr>
<td>Guyana</td>
<td>..</td>
<td>..</td>
<td>1413.0</td>
<td>19.4</td>
</tr>
<tr>
<td>Bahrain</td>
<td>1970.0</td>
<td>25.7</td>
<td>3374.0</td>
<td>18.7</td>
</tr>
<tr>
<td>Qatar</td>
<td>947.0</td>
<td>11.4</td>
<td>1919.0</td>
<td>13.1</td>
</tr>
<tr>
<td>Swaziland</td>
<td>616.0</td>
<td>11.1</td>
<td>3518.0</td>
<td>61.4</td>
</tr>
<tr>
<td>Mauritius</td>
<td>1915.0</td>
<td>54.9</td>
<td>7401.0</td>
<td>28.5</td>
</tr>
<tr>
<td>Botswana</td>
<td>1664.0</td>
<td>22.9</td>
<td>7314.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Lesotho</td>
<td>646.0</td>
<td>14.0</td>
<td>4300.0</td>
<td>50.6</td>
</tr>
<tr>
<td>Namibia</td>
<td>2470.0</td>
<td>21.8</td>
<td>8252.0</td>
<td>41.5</td>
</tr>
<tr>
<td>Oman</td>
<td>2677.0</td>
<td>36.6</td>
<td>5641.0</td>
<td>6.6</td>
</tr>
</tbody>
</table>

Note: a) Countries are presented in the ascending order based on the size of their population.
b) .. Not available


Another strategy to expand higher education opportunities in many small states is to create a university by amalgamating the existing tertiary institutions in the country. This is the case with small states such as Jamaica, Samoa, Trinidad and Tobago, Saint Lucia, Seychelles, Cape Verde etc. (Bray and Martin, 2009). It is not clear to what extent this strategy has helped curb the outflow of higher education students abroad since the share of students abroad continues to be high in some of the countries following this strategy.

Other small states encourage the establishment of private higher education institutions. In many instances the non-university tertiary level institutions are operated by private providers. However, most small states are used to a model of state-funded higher education, and given the limited economies of scale it is not always easy to attract the private sector. Oman is a good example of public initiatives to encourage and invite the private sector to start higher education institutions, since the government decided not to expand the public provision of higher education. Many private providers with affiliations to foreign universities are in operation in Oman. Another example is Mauritius, where private higher education institutions from India are encouraged to open campuses. Technical institutions and medical colleges are started through such a collaboration with Indian private universities.
Another strategy is distance learning: programme mobility. The availability of computer facilities gives access to study programmes and resource materials through distance and Internet education, which are increasingly replacing overseas study, enabling students to pursue higher education programmes in foreign universities without leaving their home country. Thus the combination of expanding connectivity and the growing reservoir of open education eliminate the disadvantages faced by small states (Daniel, 2006). The launch of the OpenCourseWare project by the MIT, USA, the OpenLearn website of the UK Open University, and the idea of Open Education Resources (OER) have changed the possibilities of expanding higher education through this mode.

Some of the Open Universities of the developing world also attract a large number of students from foreign countries. UNISA in South Africa and the Indira Gandhi National Open University in India etc. are examples of universities enrolling large numbers of foreign students. The Virtual University for the Small States of the Commonwealth (VUSSC) is an initiative that was created by the ministers of education of small states, with the help of the Commonwealth of Learning (COL).

Another strategy followed to expand the pool of educated adults in small states is to align with neighboring large states to share higher education facilities. The establishment of SAARC University in Delhi is an example of such an arrangement. Regional collaborations are seen in other regions also. The idea of regional collaboration places education beyond national concerns and is very good for the development of higher education in small states.

5 EDUCATION HUBS FOR SMALL STATES

A new mode of expanding higher education in small states is through education hubs – a cross-border education facility designed to attract international students and faculty. They provide opportunities to launch international programmes by any of the universities abroad or international joint programmes. Education hubs also attract foreign investment, retain local students, and build a regional reputation by providing access to high-quality education and training for both international and domestic students. An education hub can include different combinations of domestic/international institutions, branch campuses, and foreign partnerships.

The education hub is not an idea confined to small states. Malaysia is developing an international education hub targeting the graduate education market. Abu Dhabi has
campuses of the Sorbonne (France) and New York University (USA). Dubai Knowledge Village (DKV), established in 2003, was founded as part of a long-term economic strategy to develop the region’s talent pool to support a knowledge-based economy. DKV has attracted 15 international universities from Australia, India, Pakistan, Iran, Russia, Belgium, UK, Ireland, and Canada. Dubai International Academic City (DIAC) is a free zone for higher education and houses over 20 international universities.

Singapore’s Global Schoolhouse (GS) initiative, launched in 2002, houses over 16 leading foreign tertiary institutions. The aim of the Global Schoolhouse is to make the country a global talent hub. It is estimated that the GS has already attracted over 86,000 international students.

Hong Kong has promulgated the notion of Hong Kong as a regional education hub.

Education City in Qatar is an example of an education hub in a small state. It attracts academic programmes from US universities with a view to reduce the out-flow of Qatari students. To attract foreign students to study in Qatar, the Qatar Foundation provides loans to many foreign students and will write off the loans if the students stay and work in Qatar after graduation. The Education City has six branch campuses from international institutions. It is expected that a good share of graduates from cross-border institutions in Education City will prolong their stay to work in Qatar.

Bhutan is planning to build a US$1 billion education city to encourage prestigious universities and colleges worldwide to establish affiliated institutions in Bhutan. The project aims to bring in the branches of about 30 top universities, including those from the US Ivy League universities, and about 50,000 international students. The city would be spread over 1,000 acres (405 hectares), whose development was approved recently by the government, with a population of more than 100,000 people, including academics and support staff. The estimated cost is around $1 billion (Wangadi, 2010).

The Minister of Tertiary Education, Mr. Rajesh Jeetah, plans to transform Mauritius into a ‘knowledge hub’, and by so doing, hopes to increase the GER to 45 per cent in 2009 to 70 per cent by 2015. It is expected to attract around 100,000 international students to Mauritius by 2020. To achieve these goals, the Mauritian Government will be investing US$19 million for the construction of a new university campus at Réduit (Maull, 2010). Further plans under consideration include the establishment of a new university, possibly at Montagne-Blanche,
as well as loosening the restrictions on international student visas and work permits. The
Mauritian Government will also be working with foreign institutions wishing to open
branches on the island and promoting the nation at international education fairs.

Mauritius has already developed collaborations with prestigious foreign universities,
including: Curtin University of Technology and the University of Southern Queensland in
Australia; Leeds Metropolitan University, the University of Birmingham, the University of
London, the University of Sunderland, and the University of Surrey in the UK; Université de
Lille, Université Panthéon-Sorbonne, Université Paris I, Université Paris VI, Université
Paris-Dauphine, and Université de Poitiers in France; Anamalai University and Visvesvaraya
Technological University in India; and the University of South Africa. One of the advantages
of Mauritius is that it offers the possibility of pursuing bilingual (English and French) tertiary
education.

Private Indian universities are also setting up campuses in Mauritius. For example, a
Karnataka-based educational foundation of India established the JSS Academy of Technical
Education in Mauritius in 2006. The DY Patil post-graduate school of medicine was started
in 2009 at Quatre-Bornes, in partnership with the University of Technology, Mauritius
(UTM), and the Jawaharlal Nehru Hospital for clinical training of the students. The Amity
University, a private university based in India, founded an institution in Mauritius and started
admitting students in 2010.

By attracting foreign universities to open new campuses in Mauritius, the government
expects to increase the enrolment of nationals in tertiary education within the country, as well
as attracting foreign students. These efforts would help develop Mauritius as an education
hub in the African region, catering to students from both Anglophone and Francophone
countries.

6 CONCLUSIONS
Internationalization of higher education has become is a market-mediated process in the
context of globalization. Cross-border education is a visible form of internationalization, and
under the framework of GATS takes place in four modes – border crossing of programmes,
students, institutions and teachers. Cross-border education has become an attractive area of
investment, bringing good rewards. Cross-border education is a small but fast growing
segment of higher education in the large states. It involves the flow of nearly 3 million students and billions of dollars.

Cross-border education is an important and major segment of higher education in small states. In some instances, it is the only alternative left where the establishment of a university is not a viable proposition. Cross-border education helps small states to overcome some of their inherent constraints of not being able to realize economies of scale. This has helped some countries to become less reliant on study-abroad programmes. Bahrain and Oman are examples of countries reducing the share of students going abroad for studies.

Cross-border education through the modes of programme mobility and institutional mobility are reliable alternatives to study-abroad programmes. Many small states are increasingly relying on these modes. Education hubs are an idea that needs to be exploited in favour of the small states, since they may help reverse the flow of students – inflow of foreign students to small states in place of outflow of domestic students from small states to other countries. An education hub may thus help overcome the difficulties posed by lack of economies of scale or viability of institutions. Education hubs may help retain the educated in the country. They may also create employment opportunities in small states.

One of the advantages enjoyed by many small states is in terms of language; many small states offer instruction in an international language, thus enabling them to attract more students. Mauritius has the additional advantage of being a bilingual country. Most small states use English as the medium of instruction, which allows them to offer courses to an international audience. The English language enjoys a premium in the context of globalization. This also may help attract students to study in branch campuses of prestigious universities located in small states. The education hubs provide foreign degrees at a relatively lower cost than what one would pay in a developed country. This is reflected both in terms of tuition fees and living expenses.

There seems to be a dilemma in many small states as to whether to educate people and encourage migration, or deny people the opportunity to pursue higher education in the hope of retaining them in their own country. Many small states could not have provided employment to many of those higher educated who migrate, even if they remained less educated. Therefore, reducing opportunities to pursue higher education fearing migration is, in a sense, depriving them of realizing their potential and lowering their future contribution to
the economy. It seems a better strategy would be to encourage larger numbers of students in small states to pursue higher education so that even if some emigrate, small states are not constrained in their development efforts due to lack of human capital. Education hubs may be one of the options to expand higher education to improve cognitive skills and develop affective traits through face-to-face interactions and socialization with students from multinational and multi-cultural contexts.
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