

## What Purpose Will Foreign Universities Serve?

*Only an inclusive approach in the higher education sector can facilitate the transition to a knowledge economy.*

After continuous efforts to open up the higher education sector to foreign universities, the National Democratic Alliance government has finally released the draft regulatory framework for entry and operations of foreign higher educational institutions (FHEIs). Titled as the University Grants Commission (Setting up and Operation of Campuses of Foreign Higher Educational Institutions in India) Regulations, 2023, it allows foreign entities full freedom to operate in the country. They can run undergraduate, postgraduate, doctoral, and post-doctoral courses and award certificates, diplomas, and degrees in all disciplines.

To ensure quality of the programmes, the entry is restricted to universities who are in the top 500 global rankings, either at the overall level or in the subject wise rankings, and to other foreign education institutions of repute. The main conditions for entry are parity in the quality of education with that in the country of origin, equal treatment of certificates, diplomas, and degrees with corresponding qualification from the campus in the country of origin, and accreditation of a recognised body.

The FHEIs will have the autonomy to decide on their eligibility qualifications and admission criteria for Indian and foreign students, the fee structure, refund policy, and the number of seats. They can also recruit faculty from India and abroad after ensuring their qualifications are on a par with those at the campus in the country of origin. However, online classes and open and distance learning are not allowed.

One major factor that has hastened the internationalisation of the higher education sector is the expectation that their entry might spur the Indian universities to improve the quality of higher education closer to the global benchmarks. However, so far, apart from a handful, most Indian higher educational institutions have generally fared poorly in the global rankings. Consequently, more and more Indian students are migrating abroad in search of quality education.

In fact, it is the recent outbreak of the pandemic and the war in Ukraine that forced tens of thousands of Indian students to flee back home, which highlighted the stark shortages and the desperate need for larger higher education facilities here. Though the higher education facilities in India have been vastly expanded in the recent decades to meet the growing demand, the enrolment rate in higher education institutions still falls far short of the requirements.

A cross-country survey of the population in the age group of 25 to 34 years shows the huge gap in the educational attainments in higher or tertiary education in India and other developed countries. The share of this age group with tertiary education is 69% in South Korea, 66% in Canada, 65% in Japan, 57% in the United Kingdom (UK), 54% in Australia, 50% in France, 46% in Germany, and just 21% in India. Overall, it is as high as 46% in the European Union (EU), 47% in the Organisation for Economic Co-operation and Development (OECD) countries, and 40% in the Group of 20 nations. Given these ratios, India would at least have to more than double or even treble its enrolment in tertiary education if it is to catch up with the advanced economies and emerge as a leading player in higher education and the knowledge economy.

The constrained growth of the higher education sector in India has also prevented it from gaining a significant share of the global market for higher education. The data show that the number of foreign students in the higher education system is only 49,000 in India as compared to 69,000 in Saudi Arabia, 1,12,000 in South Korea, 1,16,000 in Argentina, 1,25,000 in the Netherlands, 1,85,000 in Turkey, 2,23,000 in Japan, 2,25,000 in China, 2,52,000 in France, 3,69,000 in Germany, 5,51,000 in the UK, and 9,57,000 in the United States (US). The total number of foreign students in the EU is a humongous 13,88,000, and that in the OECD, a still larger 43,90,000. This minuscule share of the foreign students in tertiary education in India is a pointer to the lackadaisical quality of the higher education sector in the country.

In fact, rather than being a knowledge hub that attracts students, India is one of the largest sources or exporters of foreign students worldwide. Today, there are more than a million Indian students who are now studying in foreign universities, a little more than the total number of foreign students in the whole of the US. While earlier, most of these students were enrolled for postgraduate and doctoral studies, more and more are now migrating abroad for even undergraduate courses.

The large-scale migration of Indian students is not only a heavy drain on the limited human resources available, especially since they attract some of the best talents, but also a costly proposition that can be normally afforded only by the most affluent students. Now with foreign universities opening up new campuses in India, these outflows are sure to accelerate. Unlimited outflow of India's limited skilled human resources can be

