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China's approach to the international market for higher education students: strategies and implications

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The rise of the People’s Republic of China (PRC) as a new destination for international students has been widely reported in both the domestic and international mass media, but academic research into this phenomenon and its theoretical implications are lacking. The purposes of this article are threefold. First, by examining the dynamics underpinning the PRC’s efforts to shape the inflow of international students, it reveals the major strategies that have enabled China to become a key competitor for international students. Second, it argues that China has emerged as a destination of choice for international students, not as the result of neo-liberal ideology or the pursuit of economic gains, but because of state-directed efforts to improve its international political and academic relations. Third, drawing upon China’s experience, this article improves our understanding of the role of the state in shaping international relations, higher education and international academic mobility, as both a rule-taker and a rule-maker in the context of globalisation.

Keywords: China; departmental state; higher education; international mobile students; neo-liberalism

Introduction

Since the Second World War, there has been a continuous flow of academic talent from less-developed countries in Asia to more economically developed countries in North America and Europe (Jalowiecki & Gorzelak, 2004; Reed, 1968). In 1999, North America was the most popular destination for students from East Asia and the Pacific, attracting 43 per cent of mobile students from the region (UNESCO Institute for Statistics, 2007). In particular, the United States is often perceived by Asian students as the preferred destination for studies abroad, mainly because of the country’s historic strength as a magnet to foreign talent and its successful open-market approach to attracting and retaining students, academics and researchers from abroad to add to the country’s supply of talent (Cummings, 1984; Douglass & Edelstein, 2009).

In recent years, however, a growing number of Asian students have decided to stay within the Asian region for their higher education. In 2007, students from East Asia and the Pacific region accounted for 41.5 per cent of the world’s internationally mobile students (1.16 million out of 2.8 million), but 42 per cent of these remained in the region (UNESCO Institute for Statistics, 2009). Asia is the only destination region that has increased its share of internationally mobile students from South and West Asia, by 11.5 percentage points (10 per cent in 1999 and 21 per cent in 2007; UNESCO Institute for Statistics, 2009). Certain

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countries in East Asia and the Pacific – including Australia, Japan and New Zealand – have become more attractive to students from the region. Indeed, these nations are now among the top host countries for Asian students (UNESCO Institute for Statistics, 2009), increasing their overall share of internationally mobile students compared with other regions.

The rise of Asia as a study-abroad locale is perceived by some observers as a triumph of neo-liberalism, characterised by its export-oriented market-driven approach towards higher education (Findlay & Tierney, 2010; Marginson, 2009, 2011; Ng, 2012). However, China’s experience provides a counter example to this perspective. Since the 1870s, China has been a source of students going abroad to pursue higher education and upgrade their professional qualifications. In 2001 alone, Chinese students studying abroad accounted for roughly 25 per cent of the world’s more than 1.6 million overseas students, making it the world’s largest ‘exporter’ of students for overseas studies (UNESCO Institute for Statistics, 2007; United Union News Center, 2007). By 2007, however, while still the world’s largest provider of outgoing higher education students, China had also become one of the five most popular host countries, attracting an increasing number of students from Asia and beyond (Hvistendahl, 2008; Ministry of Education, 2011a). What enabled China to become a leading study-abroad destination?

This question has been the subject of heated debate in the mass media (e.g. see details in International Business Times, 2011; Times Higher Education, 2011; Xinhua News Agency, 2011). Commentary has tended to focus on the Chinese government’s stated desire to attract international students to its universities. However, the strategies that have enabled the country to increase its influence in the international student marketplace have gone largely unexamined. Research into this remarkable change will inform our understanding of the global competition for talent.

This article argues that China’s approach to attracting international students is the result of state-directed efforts to increase China’s favourable international political and academic relations. In contrast to the aforementioned nations, the author asserts that the Chinese strategies do not result from neo-liberal ideology and have not been primarily motivated by the pursuit of economic gain. More specifically, the article argues that the Chinese state has played a primary role first by establishing a global educational network. The government has provided financial support, promoted the importance of Chinese language and sinology and used both domestic and international higher education resources to enhance both enrolment and programme capacity as means of attracting international students. In doing so, the state is both a rule-taker and a rule-maker in its cross-border higher education endeavours.

To present this argument, the article first examines theoretical approaches for understanding the global competition for international students. It then delineates key measures adopted by the People’s Republic of China (PRC) to expand Chinese influence in the international market for higher education students. These include four strategies that have enabled China to increase its enrolment and programme capacity. The article concludes by discussing the PRC’s state-directed approach to sourcing the international market for students. Implications for understanding the complex dynamic relationship between the state, international relations and the competition for talent in a globalising world are also examined.

**Theoretical approaches for understanding the global competition for international students**

The last decade has witnessed increased competition between nation states for access to global human capital, an intangible asset that enhances a nation’s global competitive
advantage. The competition started with governmental efforts to attract international tertiary students and scholars; as these highly educated and skilled personnel often possess the knowledge, technological abilities, ideas and information necessary if nation states are to retain or increase their competitive advantage in technology, economic development, research and education, the competition for these individuals is keener than ever before (Kuptsch & Pang, 2006; Root, 2007).

Recent literature on globalisation, higher education and international academic mobility has mainly adopted neo-liberalism as an analytic framework to explore and explain how globalisation shapes the global market for internationally mobile students, that is those who study in a foreign country of which they are not a permanent resident (UNESCO-UIS/OECD/Eurostat, 2008). Neo-liberalism is a powerful ideology in the global economy and is often regarded as the theoretical underpinning for cross-border expansion of economic markets, market mechanisms, rationalities, practices, competition and rules in a market-led, rather than state-directed, manner (Kostecki, 1994; Maitra, 1996; McGinn, 1997). This economic ideology explains the change in the nature of international education relations from developmental cooperation to commercial competition (i.e. from aid to trade) as a result of the global marketisation and commercialisation of higher education (Husen, 1994).

In relation to international academic mobility, neo-liberalism provides a perspective to explain two remarkable international phenomena. First, study abroad is officially recognised as a globally tradable product. The General Agreement on Trade in Services (GATS), a treaty of the World Trade Organisation (WTO), identifies higher education as one of 12 transnational services. These include a variety of forms of cross-border educational services:

- Twinning (i.e. agreements between institutions in different countries to offer joint programmes)
- Franchises (i.e. the approved offering of one or more programmes from one institution by an institution in a foreign country)
- Branch campuses (i.e. a campus established by an institution from one country to provide educational or training programmes to foreign students in another country)
- Study abroad programmes (i.e. students from a given institution living abroad for a fixed period of time to take courses at a foreign institution [Global Alliance for Transnational Education, 1999]).

Second, universities around the globe have adopted a commercial export-oriented approach to international student recruitment, one which uses income from overseas student to subsidise domestic students (Curie & Thiele, 2001). Reasons for this trend can be traced to two main causes. First, observers have noted the increasing influence of neo-liberal ideology and its associated paradigms of marketisation and decentralisation in framing the provision of higher education globally (Hanson, 1998; Mok, 1996; Tamatea, 2005). Second, decreased government funding for higher education have created a need for universities to become ‘entrepreneurial’ and self-supporting in terms of revenue generation.

For example, international students now generate some 10 per cent of the entire income of the UK higher education system and 15 per cent of all income for national universities in Australia (Malley, 2007). Marginson (2011, p. 21) has indicated that higher education has been transformed into ‘a commercial export industry’ in Australia. Revenues from the export of Australian higher education, vocational education, schooling and

In recent years, universities in the Asia-Pacific region (e.g. Hong Kong, Singapore and Malaysia) have adopted a similar export-oriented approach to the recruitment of students in higher education (see Bajunid, 2011; Gopinathan & Lee, 2011; Mok, 2008; Mok & Cheung, 2011). Thus, each of these East Asian societies has taken strategic actions designed to attract larger numbers of international students from neighbouring countries such as India, Indonesia, Taiwan, Thailand, Vietnam and South Korea. This reflects their emerging aspirations for becoming regional educational hubs and achieving ‘world-class university’ status (Gopinathan & Lee, 2011; Mok, 2005; Ng, 2012).

Despite its growing popularity in both theory and practice, neo-liberalism is insufficient to explain the rise of China as a new competitor that is changing the landscape of the international student market. Between 1999 and 2004, six developed countries host 67 per cent of the world’s mobile students: the United States (23 per cent), the United Kingdom (12 per cent), Germany (11 per cent), France (10 per cent), Australia (7 per cent) and Japan (5 per cent); while China continued to be the largest source country for internationally mobile students, accounting for one-seventh (15 per cent) of the total (UNESCO Institute for Statistics, 2007).

This situation has changed, dramatically and rapidly. Between 2004 and 2007, the number of internationally mobile students worldwide increased from 2.5 million to over 2.8 million; although the international student market is larger than ever, however, the percentage of international students absorbed by the aforementioned six countries has dropped from 67 per cent in 2004 to 62 per cent in 2007 (UNESCO Institute for Statistics, 2007, 2009). At the same time, three countries emerged as new popular destinations: China, the Republic of Korea and New Zealand (UNESCO Institute for Statistics, 2009). In particular, in 2007, China’s international enrolment ranked fifth in the world, behind the United States, Britain, France and Germany, but well ahead of other developing nations, according to the New York-based Institute of International Education (Hvistendahl, 2008).

In the following year, China took in more students than it sent abroad. The number of outgoing Chinese students increased from 144,000 in 2007 to 179,800 in 2008, 229,300 in 2009 and 284,700 in 2010. At the same time, the number of incoming students reached 195,503 in 2007 before rising to 223,499 in 2008, 238,184 in 2009 and 265,090 in 2010 (Ministry of Education, 2007b, 2009, 2010, 2011a).

The top ten countries of origin were the Republic of Korea, the United States, Japan, Thailand, Vietnam, Russia, Indonesia, India, Kazakhstan and Pakistan (Ministry of Education, 2011a). In 2011, China hosted students from 194 countries and regions. The largest group of students (67.84 per cent) came from other Asian countries. At the same time, however, an increasing number of European and American students are attending universities in China. More specifically, their numbers have increased from less than 15 per cent of foreign students in 2003 (11,165 out of 77,715) to 22 per cent in 2006 (36,295 out of 162,695) and more than 27 per cent in 2011 (79,604 out of 292,611) (Counted by the author according to Ministry of Education, 2001, 2005, 2006a, 2006b, 2011b).

In September 2010, China announced a more aggressive plan, its ‘Study in China Programme’, designed to make it Asia’s largest country of destination for international students by 2020. It aims to increase the number of international students studying in China from 256,090 (in 2010) to 500,000 by 2020, just under current United States’ levels; in particular, it targets international students at higher education levels, planning to increase their
numbers from 95,000 to 150,000 (an annual rise of 4.66 per cent) (Ministry of Education, 2010).

China’s experience can be partially explained by the developmental-state thesis. This thesis emphasises the role of the state and its economic and social functions in development and economic progress. Literature on developmental economies in East Asia points out the importance of a variety of state development strategies among the ‘four Asian tigers’ (i.e. Hong Kong, Taiwan, Singapore, South Korea; e.g. Appelbaum & Henderson, 1992; Johnson, 1982; Leftwich, 2000; Wade, 1990). Indeed, the state’s ability to influence both educational and economic development is recognised as a key element of the East Asian miracle (Ashton, Green, James, & Sung, 1999; Castells, 1992; World Bank, 1993).

However, since the late 1990s, the developmental-state thesis has been severely challenged by emerging trends spawned by globalisation (see details in Law, 2009). For example, the 1997 Asian financial crisis called into question developmental states’ ability to handle cross-border crises. Scholars, such as Ohmae and Fukuyama (whom Held (1999) called hyperglobalists), have argued that globalisation not only reduces the power of the nation state, but actually heralds its demise (Fukuyama, 1992; Ohmae, 1990; Veseth, 1998). In contrast, this article argues for the continuing relevance of the developmental-state thesis in the context of globalisation and provides supplementary evidence to enrich the theory. The following section of the article elaborates on the strategies employed by Chinese government in its attempts to attract international students.

**China’s strategic approach to the higher education market for international students**

*The PRC government’s discourse on international student recruitment*

Recruiting international students constitutes an important part of China’s diplomatic strategy as well as with its political and economic agendas. In its working report, the PRC Ministry of Education (2001) explicitly stated that recruiting and educating international students has been an important part of China’s diplomacy over a half century. Its efforts in this regard date back to 1950, when the PRC received its first group of 33 foreign students from socialist East European countries.

The working report further affirms that educating international students has helped China enhance its international political and diplomatic relations with other developing countries in a variety of instrumental ways. It has enabled the training of high-level personnel in science and technology, education and management necessary to national economic development. International students who have received their higher education in China will, it is hoped, also become China’s future political and business partners. Zhou Ji (2006), the PRC Minister of Education from 2003 to 2009, saw educating international students as a way to internationalise China’s education, gain international recognition for its delivery of educational services in the global market and expand Chinese influence worldwide.

In her speech at the 20th plenary meeting of the PRC Ministry of Education in August 2010, Liu Yan-dong (2010b), a PRC state counsellor and chairperson of the Chinese Language Council International, appealed to Chinese universities to ‘serve the nation’s diplomatic strategies’. They could accomplish this by conducting research on international relations, investigating foreign countries’ politics, economics and culture, establishing centres of research on foreign policy and acting as the state’s diplomatic think-tanks. Liu went on to stress that the future development of higher education in China should emphasise the role of universities and students, both local and international, as key players in cultural exchanges. This reflected the hope that student exchange in higher education would, over time, improve mutual understanding between China and the world. This served as
the rationale for increasing the State’s financial contributions towards subsidising foreign students who study at Chinese universities.

The government officials’ discourses on international student recruitment show that the PRC state has used the importation of international students to suit its diplomatic strategy and to reposition Chinese higher education in the world. The following four major measures were intentionally designed to enhance China’s appeal as a study-abroad destination.

Playing with international conventions

Admitting foreign students to Chinese universities was a diplomatic effort to enhance China’s political relations with developing countries and the former socialist bloc via academic exchange. After adopting its open door policy in the late 1970s, China began to use international conventions, such as Mutual Recognition Agreements (MRAs) on academic qualifications, to gain international recognition for academic qualifications awarded by Chinese universities. Between 1988 and 2000, China established MRAs with 15 developing countries in Asia, East Europe and Africa, based on China’s international political and diplomatic relations with these developing countries (Ministry of Education, 2006c).

Up to that point, however, China’s main role in the international market in cross-border educational services had been as the world’s number one supplier of international students. This changed after China’s 2001 entry into the WTO. As a WTO member, China was party, along with other WTO members, to the GATS. This agreement was designed to liberalise international trade in the services sector, including education. In 2002, China began to pursue MRAs with other WTO members, including Germany, the United Kingdom, the United States, Canada and Japan (Ministry of Education, 2006c). Having economically developed countries endorse the quality and standards of China’s higher education was a strategic move. It was explicitly designed to gain international recognition for China’s higher education and, thereby, improve its position in the international higher education market.

In the ensuing years, China actively expanded on these forms of cross-border educational service. This included degree programmes jointly offered by Chinese universities and their foreign partners, educational institutions jointly operated by foreign providers and their Chinese partners and increased exchanges of scholars and students between China and foreign countries (Zhou, 2006). In the Going Global 2011 Conference in Hong Kong, a PRC Ministry of Education representative expressed China’s global aspiration of hosting more international students. Specific measures adopted to facilitate this goal included offering more scholarships and international student exchange programmes, making more institutional credit transfer agreements, pursuing mutual academic degree recognition agreements between Chinese and foreign universities, developing more English language teaching courses and hiring more ‘world-class experts and scholars’ and ‘high-level professionals and academic teams from overseas’ (International Business Times, 2011; The Central People’s Government of the People’s Republic of China, 2010, p. 34).

This approach was first ‘tested’ by Tsinghua University, a premier Chinese national university known for its engineering, science and technology programmes. In September 2001, Tsinghua University recruited a high-profile American engineer and scientist to head its newly established Department of Industrial Engineering. The University administrators believed that his reputation would enhance the nascent department’s (and the university’s) international recognition, afford it immediate access to international academic exchanges and cooperation and make it easier to publish research articles in international journals (Pan, 2006). Efforts such as this reflected China’s global aspirations and its awareness of the
need to play according to the rules of the game in the international community. Moreover, they paved the way for other measures designed to enhance the country’s enrolment and programme capacity to attract international students, as the following shows.

Providing financial support

China provides massive government support to subsidise foreign students and increase their capacity to enrol. It offers a wide range of scholarships (e.g. Chinese Government Scholarships, Great Wall Scholarships, the Excellent Student Scholarships and the Chinese Proficiency Test Winner Scholarships) to international students who study in China on a long-term basis, (i.e. pursue undergraduate or postgraduate studies at Chinese universities). International students holding Chinese government scholarships also receive medical and health insurance coverage (Ministry of Education, 2005).

China has also set up other scholarship programmes to reflect more regionally focused strategies. For example, the ‘Study in Asia’ Scholarship Programme sponsors students and scholars from other Asian countries who wish to study or conduct research in China in a single academic year. The programme is intended to ‘strengthen mutual understanding among people in Asian countries’ through academic cooperation and exchanges (China Scholarship Council, 2011b, para.1). The China-ASEAN Scholarship was established to sponsor students from Association of South East Asian Nations (ASEAN) member countries who wish to study Master and PhD degree programmes at Chinese universities. Two additional China-ASEAN Student Exchange Programmes were established with the goal of sponsoring 100,000 ASEAN exchange students to study in China by 2020 and vice versa (International Business Times, 2011).

Local governments (e.g. the Beijing and Shanghai municipal governments) and individual universities have also established scholarships for international students. In general, priority has been given to postgraduate students studying Master or PhD programmes and students studying in the sponsoring cities and universities on a long-term basis (Study-in-china.org, 2007; Xinhua Net, 2007).

In 2007, the China Scholarship Council awarded 10,000 full scholarships – at a cost of 360 million yuan (approximate US$52 million) – to international students. Forty per cent of them hailed from other Asian countries. In 2010, however, the central government decided that ‘[m]ore international students shall be admitted for studies in this country. Chinese government scholarships shall be increased, with financial assistance offered mainly to students from other developing countries’ (The Central People’s Government of the People’s Republic of China, 2010, p. 35). This policy more than doubled the amount of funding awarded to foreign students to 800 million yuan (approximate US$121.7 million). The number of awards increased to 22,390, of which just over 50 per cent (11,197) went to students from other Asian countries (Ministry of Education, 2011a).

Promoting the importance of Chinese language

Most international students (62.5 per cent) who come to China study Chinese language and sinology (Ministry of Education, 2011a). This reflects students’ awareness of Chinese as an important language in world affairs. For example, Paradise (2009, p. 664) states, ‘[m]any people around the world want to study Chinese, if not because of an intrinsic interest in the language, which is very difficult to learn, then because of its usefulness for doing business’. On the other hand, it is also the result of a concerted governmental effort to increase that importance. Following its economic reforms and its opening to the West,
China moved to increase economic opportunities to attract foreign investment. The state cooperated with international investors by offering Chinese language training. To reduce language barriers to international investors, 12 state ministries and commissions jointly administer and support Chinese language programmes in other countries (Office of Chinese Language Council International, 2007).

At the same time, the state has competed with English-speaking countries to increase the importance of the Chinese language in global economic and higher education markets. In 1990, China set up the Chinese Proficiency Test to evaluate the Chinese language proficiency of non-native speakers. The test scores are used by Chinese colleges and universities for admissions purposes and by international organisations to identify personnel with Chinese language proficiency (China National Office for Teaching Chinese as a Foreign Language, 2007). In 2009, the Ministry of Education announced that foreign students sponsored by the Chinese government to study degree programmes in Chinese universities would be required to attend a 1-year preparatory programme to improve their Chinese language proficiency (China Scholarship Council, 2011b).

Since 2004, China has made further efforts to promote the Chinese language and culture by establishing Confucius Institutes around the world. The Institutes were aptly named after Confucius, a Chinese scholar and philosopher whose teachings and philosophy have influenced thought and life in many Asian countries and around the world. The Confucius Institutes reflect the PRC’s interest in giving Chinese language and culture a more international image.

By August 2011, China had established 353 Confucius Institutes and 473 related Confucian Classrooms in 104 countries and regions where Chinese enjoys an increasing popularity (Chinese Language Council International, 2011). According to Chinese Language Council International (2007, para.1), the Confucius Institutes’ goals include ‘developing Chinese language and culture teaching resources and making [Ministry of Education] services available worldwide, meeting the demands of overseas Chinese learners to the utmost degree, and contributing to global cultural diversity and harmony.’

The Confucius Institute project also serves as an international showcase for education in China. Between 2006 and 2010, the Chinese Language Council International organised five annual Confucius Institute conferences to facilitate exchanges and cooperation among Confucius Institutes in different parts of the world. At the fifth such conference, Liu Yan-dong, the Chairperson of the Confucius Institutes’ headquarters, explicitly tied the development of Confucius Institutes to the expanded educational endeavours and international exchanges between China and other countries. Liu noted the Institute’s aims to ‘make China’s education more internationalised’ and to promote China’s policy on international student recruitments and academic cooperation. She further stated that ‘the Chinese government will also increase the number of government-granted scholarships and accommodate more international students to study in China. China will support world-renowned foreign universities and educational institutions to carry out cooperation programmes in China and encourage more foreign experts, scholars and academic teams to teach and work in China’ (Liu 2010a, p. 4). In her speech at the 20th plenary meeting of the PRC Ministry of Education in August, 2010, Liu again stressed the Confucius Institute project’s role in enhancing China’s international academic relations with foreign countries. In practice, Confucius Institutes facilitate personnel exchanges between Chinese universities and their foreign partners and promote the popularity of Chinese language and culture in foreign countries (Paradise, 2009; Yang, 2010).

The worldwide expansion of Confucius Institutes and China’s emergence as a significant global economic power have made the Chinese language more important to the
international community, by linking Chinese language proficiency to access to higher education and job opportunities. Between 1990 and 2003, the Chinese Proficiency Test was administered to some 300,000 individuals, over 10 per cent of whom were overseas examinees. Indeed, in 2006 alone, 35,000 overseas examinees took the Chinese Proficiency Test (Xinhua News Agency Reporter, 2007). The increasing global significance of Chinese has contributed to the rapid increase in the numbers of international students studying in China. Between 2006 and 2010, the number of international students majoring in Chinese language or sinology at Chinese universities drastically increased from 98,700 (61 per cent of 162,695 students) to 165,680 (62.5 per cent of 265,090 students) (Ministry of Education, 2007a, 2011a).

**Curriculum and programme development**

This broad strategy in four more specific strategic steps was adopted by China to increase its capacity to attract international students. The first diversifies available areas of specialisation for international students. In addition to Chinese language studies, China offers degree and non-degree programmes in such disciplinary areas as sinology, Chinese medicine, business, management, sciences and technology, arts and sports. These programme specialisations are offered at 620 universities in 31 provinces, autonomous regions and municipalities (China Scholarship Council, 2011a). This has increased the diversity of curricular options open to international students in terms of the academic programme, subject areas, institutes and geographic locations.

The second strategy provides financial support to attract international students pursuing academic degree programmes at Chinese universities. The PRC sees awarding academic degrees to international students as an indication of China’s ability to attract high-level personnel and as tacit international recognition of the quality of teaching and research at Chinese universities (Study-in-china.org, 2007; Xinhua Net, 2007). Therefore, government scholarships give priority to undergraduate and postgraduate students reading Bachelor, Master or PhD programmes at Chinese universities. As a result, the number of academic degrees awarded by Chinese universities to international students has increased rapidly from 3030 in 2004 to 18,563 in 2010. In 2010 alone, China awarded over 10,000 scholarships to international students at postgraduate levels (China Scholarship Council, 2011a).

The third strategy draws upon China’s strengths in science and technology to appeal to students in the Middle East, Africa and Central Asia. Thus, the Chinese government has formed partnerships with governments in those regions to sponsor students in medicine, engineering and agriculture. Countries such as Thailand, Pakistan and Vietnam have dispatched government-funded students to study at Chinese universities. Policymakers in the host countries hope that students will learn from China’s experiences in achieving rapid economic growth and reforming its higher education system in response to economic developments. Ultimately, these student scholarship recipients have the potential become future high-level management personnel and economic experts. This will both benefit the host countries and create good will and mutual understanding with China (Ministry of Education, 2005). This may explain why, after Chinese language and sinology, the subject areas most frequently chosen by international students are economics and management (China Scholarship Council, 2011a).

The fourth strategy involves developing joint Sino-foreign programmes and branch campuses of international institutions of higher learning. In recent years, China has appealed to US and UK academic institutions to establish branch campuses in China. There
are several successful examples. The University of Nottingham-Ningbo, a Sino-British venture financed by the city of Ningbo, offers mainly business-oriented courses. Xi’an Jiaotong-Liverpool University, founded in 2006, offers undergraduate degree programmes in science, engineering and management. New York University has opened a campus in Shanghai offering US-style liberal arts education and research courses. These institutions recruit both Chinese and international students, as stated on their websites.

In the National Outline for Medium and Long-term Education Reform and Development (2010–2020), the PRC Central People’s Government (2010) appealed to Chinese universities to be more active in establishing joint academic programmes with world-renowned universities, research institutes and companies. Together, this approach would lead towards the import of a variety of quality education and training resources from abroad. This shows the PRC’s intention to import high quality programmes from world-renowned universities to improve the international image and reputation of Chinese higher education.

Conclusions

This article has examined China’s approach to the international market for higher education students. The data presented confirms that China’s strategy for internationalising its higher education sector has been a state-directed effort designed to increase China’s favourable international political and academic relations. This contrasts, for example, with the neo-liberal, market-oriented approach adopted by the United Kingdom and Australia. As shown above, the state has played a primary role by establishing a global network for the delivery of cross-border educational services, providing financial support to international students, promoting the importance of Chinese language and sinology and using both domestic and international higher education resources to attract international students.

The case of China provides a counter example to the argument for the triumph of neo-liberalism as a model for the internationalisation of higher education. China’s path to becoming an emerging destination for international students appears to fit comfortably in the developmental-state model. Hosting international students is employed as a diplomatic tool for improving China’s international relations. Simultaneously, this serves as a vital means of increasing international recognition for China’s higher education system.

This analysis of China’s experience in higher education development yields two theoretical implications. First, it shows the continuing relevance of developmental-state theory in the context of globalisation and provides supplementary evidence to enrich this theory. The existing literature on the developmental-state model has emphasised the state’s investment in domestic education as an important impetus for economic growth (e.g. Ashton et al., 1999; Becker, 1998; Castells, 1992; World Bank, 1993). In contrast, this study illustrates how the state’s ability and willingness to invest in – rather than profit from – the education of international students has enabled China to transform itself from Asia’s largest supplier of international students to Asia’s largest host country.

China’s experience shows how a developing economy interacts with international and domestic actors to expand its influence in the international market for higher education students. The state is both a rule-taker and a rule-maker in the cross-border higher education endeavour. As a rule-taker, the PRC accepted the fact that WTO membership offered challenges for its domestic higher education market. Premier Zhu Rongji saw the need for China to use WTO rules as a stimulus for change and as an enabler of the nation to compete with other countries internationally (China.org.cn, 2003). Thus, with respect to higher education, China fulfilled its WTO commitments and followed GATS requirements by lifting restrictions on the exchange of tertiary students and scholars with foreign countries to reduce
domestic educational market protectionism. At the same time, China leveraged WTO membership as a means of developing bilateral agreements with other countries. As a consequence, it was able to expand its global education network and its international influence.

As a rule-maker, China made rules of the game that were acceptable to the international community. The most potent example is perhaps represented by the Chinese Proficiency Test. Adoption of this test facilitated efforts to make learning the Chinese language mandatory for non-native Chinese speakers seeking higher education or job opportunities in China. The rule is an indicator of how China has used and continues to use its growing economic influence to increase the global importance of the Chinese language. Another example was the government’s targeted scholarship scheme. Under this scheme, China has established separate scholarship programmes to target students from other Asian countries, especially ASEAN countries (China Scholarship Council, 2011b). This financial arrangement has enhanced China’s regional strategy of diplomatic cooperation. Bhattacharya (2010) examined three institutional discourses on China’s regional strategy, drawn from Chinese think-tanks, government officials and the People’s Liberation Army. The analysis revealed China’s aspirations to create a China-led regional order that will provide a new platform for interaction between China and the United States and allow China to realise its potential as a major world power.

To achieve that end, China has adopted two mutually reinforcing approaches. On the one hand, it has sought to bring together regional countries with different political systems and cultural traditions through the promotion of economic cooperation and trade. On the other hand, it has sought to strengthen its role in regional political alliances to counter the influence of other world powers (such as the United States) over East Asia. The dual approaches were mirrored in curricular options open to international students. On the one hand, China offered economics and business as key programme strands for self-financed international students. On the other hand, China limited the disciplinary areas available to government-funded students, for example China-ASEAN scholarship holders, to mainly China-related fields of study, such as Chinese language, culture, arts, sinology and sports (International Business Times, 2011). These targeted scholarship programmes reflect the co-relationship between academic exchange and political partnership, in line with the PRC’s international relations objectives. From this perspective, it is not surprising that China shaped its international education relations in an effort to spawn a new generation of China supporters in ASEAN countries.

The second implication of this study is that it deepens our understanding of the dynamic and complex relationship between the state, international relations and higher education in the context of globalisation. It shows that international student recruitment is more than just another form of cross-border trade, as defined by GATS and theorised by neo-liberalism. Rather, it can also be understood as a part of a state’s overall strategy in the pursuit of favourable international relations and higher education capacity development.

For China, WTO membership meant an end to domestic educational market protectionism and an obligation to play the game according to the international rules and conventions. Nonetheless, the analysis presented in this article shows that the role of the state has not diminished. In China, the government remains the key player in global education, interacting with international and domestic actors to expand its influence in the international market for higher education students. Despite being subject to the transnational rules of the WTO, the PRC continues to increase its capacity to cope with domestic and international affairs. This can be traced, in part, to its ability to make rules that are acceptable to the international community.
In this sense, findings from this study exemplify predictions made by scholars such as Hirst and Thompson (1999) and Golding and Harris (1997) (whom Held (1999) has called ‘skeptics’) by showing that, in the context of globalisation, the nation state is still powerful domestically and remains the main player in international affairs. China’s experience suggests that education can be a strategic lever to strengthen diplomacy. By undertaking appropriate strategic efforts, a developmental state can increase its capacity to compete with more-developed economies for global talent.

References


