

## FOREIGN UNIVERSITIES IMPACT HIGHER EDUCATION: GOVERNANCE

**NEWS:** How will foreign universities impact higher education?

### WHAT'S IN THE NEWS?

India's new regulations enabling foreign universities to set up campuses align with NEP 2020's vision of globalising education, aiming to boost quality, reduce brain drain, and expand access, though challenges remain around affordability and implementation.

### Context

- The University Grants Commission (UGC) notified the (Setting up and Operation of Campuses of Foreign Higher Educational Institutions in India) Regulations, 2023.
- This move allows foreign universities to establish branch campuses in India—a significant shift in Indian higher education policy.

### Background

- Prominent foreign universities are starting operations mainly in GIFT City and Navi Mumbai.
- International examples like NYU Abu Dhabi and Yale-NUS in Singapore highlight the importance of strong local partnerships, government support, and academic freedom for successful foreign campuses.
- The initiative aligns with the National Education Policy (NEP) 2020, which promotes internationalisation of education.

### Why Are Foreign Universities Entering India?

#### Push Factors in the West:

- **Demographic Transition:** Declining birth rates in countries like the U.K., Canada, and Australia are reducing domestic student enrolments.
- **Financial Pressures:** Public funding cuts have pushed universities in these countries to rely more on international students who pay higher fees.
- **Policy Shifts:** Recent visa restrictions and tighter immigration controls in the U.K., Canada, and Australia have impacted universities' revenues, making overseas expansion more appealing.
- **Budget Cuts and Downsizing:** Falling enrolments and squeezed budgets are forcing Western universities to look for new markets, with India offering a large potential base.

## **Pull Factors in India:**

- **Large Youth Population:** India has the largest youth population globally and over 40 million students in higher education, with a GER around 30%.
- **Growing Middle Class:** Rising income levels and aspirations are fuelling demand for premium, globally benchmarked education.
- **Regulatory Reforms:** The FHEI Regulations 2023 allow top-ranked foreign universities to set up campuses in India with greater operational autonomy.
- **NEP 2020 Goals:** The policy envisions global collaborations, knowledge exchange, and building India into a knowledge superpower.

## **Benefits of Foreign University Campuses**

- **Improved Academic Standards:** They are expected to bring in global teaching methodologies, research-oriented curricula, faculty development practices, and interdisciplinary approaches.
- **Access to International Degrees:** Indian students unable to afford foreign education will get access to global degrees at lower costs domestically.
- **Reduced Foreign Exchange Outflows:** India loses nearly \$60 billion annually to students going abroad. Local campuses can reduce this outflow.
- **Curbing Brain Drain:** Quality domestic opportunities may reduce talent outflow and keep skilled students in India.
- **Collaboration Opportunities:** Foreign campuses can foster partnerships between industry and academia, especially in key areas like AI, STEM, climate science, fintech, and liberal arts.
- **Innovation Ecosystems:** Locations such as GIFT City and Navi Mumbai are being developed as education and economic hubs with internship and start-up opportunities linked to global corporate networks.

## **Challenges and Concerns**

- **Limited Initial Impact:** The scale is expected to remain small in the near term with enrolments in the low thousands per campus.
- **Affordability:** If foreign institutions replicate high fee structures of their home countries, average Indian students may be unable to afford them.
- **Operational Hurdles:** Issues around land acquisition, accreditation, and faculty norms could slow down implementation despite UGC's liberal guidelines.
- **Precedents of Failure:** Experiences from Malaysia, UAE, and China show that foreign branch campuses can fail due to low enrolments, cultural misalignment, or lack of local integration.

## **Way Ahead**

- ***Tiered Fee Structures:*** Introduce scholarships, financial aid, and differential pricing models to ensure inclusivity and accessibility.
- ***Quality Assurance:*** Build strong oversight mechanisms via UGC and NAAC to maintain global standards and ensure compatibility with Indian values and regulations.
- ***Local Partnerships:*** Encourage collaborations with Indian universities, industry bodies, and research institutions to tailor offerings to Indian needs and improve acceptance.
- ***Impact Monitoring:*** Establish a national-level system to periodically evaluate student satisfaction, research outcomes, and employability metrics of foreign campuses in India.

### **Concluding Remarks**

- While foreign universities' entry is a major opportunity for India, it is not a quick fix.
- Success will depend on affordability, inclusivity, and how well these campuses integrate into the broader Indian education ecosystem.
- If implemented thoughtfully, this move can accelerate India's emergence as a global education hub, consistent with the NEP 2020 vision.

Source: <https://www.thehindu.com/education/how-will-foreign-universities-impact-higher-education-explained/article69725408.ece>