

Towards the Internationalisation of Higher Education in the New Zealand Context

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Abstract

This paper discusses the concept and development of, and the rationales for the internationalisation of higher education. In particular, the impacts of globalisation and the knowledge economy upon the internationalisation of higher education are examined. The paper chooses New Zealand for a case study to exemplify the current trend in the internationalisation of higher education – a shift from aid to trade. The results of the theoretical and case study suggest that the internationalisation of higher education is becoming increasingly dominated by economic imperatives and ‘internationalisation’ is occurring not only beyond but also within national borders. The paper offers a practice model for analysing the internationalisation of higher education; this model may help provide a better approach to providing teaching, services and support to both the internal and external other.

Introduction

Universities around the world are increasingly aware that they are functioning in a progressively internationalising and globalising milieu. Yet this is not completely a new phenomenon, for universities are described as “the heirs and safeguards of universalistic traditions in the history of mankind” (Van Damme, n. d, p. 2), a role that is inscribed in their name. The prefix ‘uni-’ means ‘one’ or “having or consisting of one” (Soanes et al., 2001, p. 1412), indicating that universities in the world should be ‘one’ institution that, understandably, shares some common features; therefore, universities have always been “inherently an international institution” (Scott, 1998, p.109).

Universities today are key drivers of internationalisation and global communication with regard to intellectual property and knowledge production (Blackmore, 2002). Parallel to the processes of globalisation and the advent of the knowledge economy, internationalisation has become a major trend in higher education (HE), and a major force in the globalised marketplace; this is the topic anatomised here. However, to develop comprehensive international strategies involves more than just an investigation into the internationalisation of HE. A practice model for the internationalisation of HE is needed to facilitate the design of new policies for universities and to improve existing practices.

In this paper, discussion focuses on the New Zealand HE system. In particular, the author examines the development of the internationalisation of HE in New Zealand, and addresses the educational, social and economic issues involved. She proposes a practice model for studying the internalisation process applicable to New Zealand, and possibly to other nations.

Historical Development of the Internationalisation of Higher Education

The internationalisation of HE, as Knight (1997) states, is “the process of integrating an international/intercultural dimension into the teaching, research and service functions of the institutions” (p. 8). This widely-used definition contains some important connotations: it takes account of internationalisation as a dynamic process; of integration (rather than homogenisation) as a contributor to maintaining the international dimension in HE; and of internationalisation as a response to globalisation but distinct from the

globalisation process itself. Also, it points out the basic functions of an HEI, that is teaching, research and service to society, as well as considering “international and local elements (intercultural)” (de Wit, n. d, p. 2). Yet, what is most important in this definition is that Knight draws attention to the fact that internationalisation is not only confined to relationships between and amongst countries, but also involves the diverse cultural/ethnic groups within a country. Internationalisation should not be considered only as a geographically based conception that is restricted to what lies beyond borders or between countries (Knight, 1997); rather it is a process. Thus, the internationalisation of HE will continue to evolve and face more challenges. However, this process is very complicated and must negotiate many international dimensions¹; making it difficult to capture it in a simple definition.

Historically, the internationalisation of HE can be divided into three stages, “universities in the Middle Ages and Renaissance period; the nationalist period between 1800 and World War II; and the post-war period up to the present day” (Knight & de Wit, 1995, p. 6).

The first stage was characterised by the influence of the mobility of scholars and students on HE. This mobility was very similar, in a way, to the mobility happening today: the exchange of ideas under one lingua franca (Latin), and the adoption of like programmes and evaluation systems. The second stage distinguished itself as nationally oriented HE, the internationalisation of HE at that period being principally represented by “the individual mobility of a small group of well-to-do and academically qualified students to the top centres of learning in the world; the export of academic systems from the European colonial powers to the rest of the world; and cooperation and exchange in academic research” (Knight & de Wit, 1995, p. 8). A good example includes New Zealand where in the early stages most staff were attracted from the UK. More came from the US only after the war more from the US. Also the early internationalisation of HE in New Zealand was oriented towards developing intellect in New Zealand, which was a national orientation.

The last stage can be classified into three further periods, the immediate post-war period, the 1960s and the 1970s, and the 1980s onwards. The first period was strongly affected by World War II and characterised by a strong desire for world peace and mutual understanding. The second period concentrated more on the developing countries as the social context changed. This can be seen in “decolonialisation of the developing world, expansion of HE, and the changing role of universities as generators of human resources in addition to their traditional role as centres of scholarly study” (Knight & de Wit, 1995, p. 8). New Zealand is no exception in this aspect as its internationalisation of HE has increasingly shifted from ‘aid’ to ‘trade’. The internationalisation of HE in this period can best be described as the growing “one-way mobility of students from the South to the North”, that is from the developing to developed countries (*ibid*). New Zealand is one of the beneficiaries in this global trend. The education for aid overlapped both the first and second period of this stage for New Zealand. For example, the Colombo programme supported most overseas students coming from Malaysia, Sri Lanka, India and the Pacific Islands (past British colonies and part of Commonwealth territory). The shift to economic rationales is a change, which is not part of the decolonisation but the globalisation of the economy, which led to a stage after stage 3.

Impacts of Globalisation and the Knowledge Economy upon the Internationalisation of Higher Education

In an age of a global knowledge economy, the internationalisation of HE cannot be immune from the two powerful forces of globalisation and the knowledge economy. Globalisation has facilitated and quickened the pace of the internationalisation of HE. Globalisation has opened economies and borders so that competent individuals have far greater opportunities to live, work and pursue education in other countries. However, the global representatives of neoliberalism, the World Trade Organization (WTO), the World Bank (WB) and the Organisation for Economic Cooperation and Development (OECD), have narrowed the conception and benefits of the internationalisation of HE by prescribing neoliberal policies in the cross-border trade of

educational services globally. Insofar as these policies are exclusively economy-oriented, profit has become the major target and motivation leading to the increasing trade in university education. This neoliberal trend in the internationalisation of HE should not be regarded as “a form of internationalisation but a part of the university’s neoliberal globalization agenda” (Currie et al., 2003, p. 11).

Likewise, the knowledge economy is an important force that deeply affects the internationalisation of HE. Today the knowledge economy is manifest in the phenomenal increase in the amount of knowledge; the speeding up in the fast flow of knowledge on a global level; the considerable growth in knowledge-mediated industries and services; the alterations in the access to and ‘control’ over knowledge; and the new ways of thinking about the relations between knowledge and innovation. For instance, advances in information and communication technologies are closely linked with knowledge production and exchanges that cut across “traditional disciplinary and cultural boundaries” (Henry et al., 2001, p. 151). These advances have led to an important move towards international integration of products and markets. Therefore, obtaining sophisticated knowledge and skills has become the most significant competitive advantage in the international market and correspondingly to educate ‘knowledge workers’ will be one of the key enterprises of the 21st century (The University of Melbourne, n. d). HE has become much sought after in the global marketplace, leading to the intensification of its internationalisation.

Nowadays, knowledge has become an industry and HE, as a knowledge carrier and agent, has developed into a central component of that industry. HE is seen as a passport to a successful career in the increasingly competitive global marketplace. Therefore, an increasing number of people are seeking HE particularly outside their home countries in order to procure a profitable future job. This challenges the capacity of many universities worldwide, but also brings about welcome additional income for the universities which are confronting tight fiscal situations.

Rationales for the Internationalisation of Higher Education

National governments, HEIs, international organisations and increasingly the private sector are proactively engaged in educational services across national borders. There exist multiple rationales (and different means and ends) for encouraging the internationalisation of HE. Rationales in this context, as de Wit (n. d) explains, refer to “motivations for integrating an international dimension into higher education” (p. 2). The widely known four rationales for the internationalisation of higher education are identified by Knight (1997) as political, economic, academic and cultural/social. The present author adopts these rationales and now considers them in that order.

The first rationale is the political, which is closely linked to the issues regarding a country’s status and role as an independent nation in the world. This takes account of such issues as national sovereignty, identities, security, stability, peace, culture and ideological influence. This was a dominant rationale during the period before the 1980s (Knight, 1997). Knight (1997) points out that internationalisation is a politicised process and that universities run as politicised institutions, endeavouring to maintain a level of autonomy and academic freedom, whilst at the same time being unable to ignore the national expectation that they will serve national interests.

The second rationale for the internationalisation of HE is linked to long-term economic effects. The internationalisation of HE is envisaged as contributing significantly to the professional and skilled human resource that is necessary for maintaining and sharpening a country’s competitive edge in the international marketplace. Also, foreign students are considered as vital links to a country’s trade relationships, as well as bringing direct economic benefits, as evidenced in institutional income and net economic effect of foreign students (Zha, 2003; Knight, 1997).

The economic rationale is now clearly evident in Australia, Canada and New Zealand. Overseas students in New Zealand have to pay three times as much as domestic students. Their tuition has become a welcome income for universities which are faced with financial difficulties. These countries are proactively marketing themselves in the global marketplace as alternative English-speaking educational destinations, able to be taken up in place of traditional hosts, the United States (US) and the United Kingdom (UK). In each of the three countries the export education market has considerable value. The revenue gained by institutions has further become a key alternative source in a situation of deregulation and reduction of subsidies on HE (Hoffmann & Jiang, 2002).

The third rationale is academic and directly related to the early history and development of universities. That the notion of universe is embedded in the name ‘university’ can exemplify this point. For centuries there has been international mobility of students and scholars and an international dimension to research. Today’s new trends in internationalisation reflect the impact of the market orientation in HE and place the stress on improved quality and accountability. In academic terms, criteria for teaching and research involve standardisation, though this raises controversial issues of national identity. Achieving international academic criteria becomes a mission for internationalising the HE sector. According to Knight, it is assumed that “by enhancing the international dimension of teaching, research and service there is value added to the quality of our higher education systems” (Knight, 1999, p. 20). This assumption comes from the view that internationalisation is vital to the mission of the institution instead of being “a marginalised endeavour” (*ibid*). Here, internationalisation represents a positive change and could assist in institution-building through an increased intellectual exchange with overseas students and hence improve the human, technical or management infrastructure of HEIs. A good example includes New Zealand with increased student exchange through Universitas 21 etc.

The last is the cultural and social rationale that focuses on the role and position of a nation’s own culture and language, and on the significance of understanding foreign languages and culture. As Knight (1997) points out, “The acknowledgement of cultural and ethnic diversity within and between countries is ... a strong rationale for the internationalisation of a nation’s education system” (p. 11). Related to this point is the need for improved intercultural understanding and communication. The preparation of graduates who have a strong knowledge and skill base in intercultural relations and communications is considered by many academics as one of the strongest rationales for internationalising the teaching/learning experience of students in undergraduate and graduate programmes (*ibid*). New Zealand government has issued an important policy as evidenced in pastoral care act as an attempt to accommodate international students.

In brief, there is no single, absolute rationale because the four listed may either overlap or combine or differ within and between ‘stakeholders’² due to the major differences in the hierarchy of priorities. Equally important, priorities in rationale for internationalisation may shift with changes over time. During the Cold War period, the political rationale was dominant in the internationalisation of HE, yet the then New Zealand government policy was focused more on ‘aid’. However, after the Cold War, the emphasis has increasingly shifted from the political to the economic. Orientation towards the economic imperatives started in New Zealand in the 1970s with the then Prime Minister, Robert Muldoon, but became much intensified in the 1990s. As de Wit (1999) observes, this shift was clearly revealed in a European study of 1997, which indicated a shift from a political, cultural and educational rationale to an economic rationale for internationalisation. Eight years on in 2005, prompted by the global knowledge economy, the internationalisation of HE is even more economically oriented. New Zealand is no exception. Higher education in New Zealand was treated as export commodity. There was a sharp increase in revenue from mid 1990s to early 2000s though things have changed since 2003 and 2004. Also, to meet the new demands of the present international labour markets, HEIs are expected to produce future knowledge workers equipped with internationally competitive qualifications. Clearly, the academic and cultural/social rationales for internationalisation seem to be of diminished importance.

Critiques of the Internationalisation of Higher Education

The internationalisation of HE is more prominent now than in the previous decades. However, despite the worldwide acclaimed significance and need of active internationalisation policies, internationalisation also raises some difficult issues.

The concept of internationalisation has clear connections with international power and dominance. As Teichler warns, “At any event it should make us suspicious that the most powerful actors, and the most likely winners, praise internationalisation of higher education almost unconditionally, and push aside the anxieties of less powerful actors” (1996, p. 9; as cited in Enders & Fulton, 2002, p. 4). Most of the voices arguing for internationalisation are Western, particularly the powerful voice of the OECD, supported by the WTO (which has non-Western countries but Western influence). The OECD reports on national HE policies have exerted strong influences on member countries such as New Zealand. The challenges of internationalisation are confronting developing countries at the critical moment of key national transformation. The pressures for these countries are represented principally in three aspects: “to support the further expansion and ‘nationalisation’ of their higher education system, to redefine its role and situation in the regional context, and to struggle with the impact of global forces confronting it, like the WTO treatment of higher education in the framework of the GATS agreement” (Enders & Fulton, 2002, p. 4). This situation puts the developing countries at an even worse disadvantage than they have already been, further reinforcing the power of developed countries mainly in the West, and leading to the neo-colonialisation of HE as inequalities grow between the well-established, rich and powerful universities of the North and the poorer and less-well-resourced universities of the South. In a radically unequal marketplace they are effectively deprived of the right to have a say about curriculum, quality standards and many other educational elements (Altbach, 2002, p. 4).

Also, the internationalisation of HE is characterised by the new dimension of commodification and marketisation. Accordingly, an economic rationale for pursuing HE dominates over political, academic or cultural/social rationales. HE, described as “a multi-billion dollar industry”, is seen as “a new source of profit” (Asmal, n. d, p. 3). This orientation is manifested in the WTO’s definition of HE as a service like any other service, and is reinforced through the General Agreement on Trade in Service (GATS) New Zealand is one of the countries that have been committed to GATS, intensifying the shift to economical rationale in the internationalisation of HE.

Treating HE as a service or a commodity is problematic. As Alec Erwin, the South African Minister of Trade and Industry, contends, “Knowledge is not a commodity and can never be one. Knowledge is distillation of human endeavour and it is the most profound collective good that there is” (as cited in Asmal, n. d, p. 3). Erwin further argues that the growing commodification and privatisation of knowledge will lead to an increasing erosion of the collective knowledge base, or of private knowledge itself, as it “distances itself from that collective wellbeing” (*ibid*). Particularly if the knowledge of the world becomes brokered through a standardised system that belongs to the West, the world is poorer for this.

As HE is a vital part of a culture and a society it cannot be regarded as a simple commodity (Altbach, 2002). HE is expected to play a leading role in attaining equity, development, justice and democracy, in fostering the values of democracy, creating critical citizens, as well as shaping new generations of thinkers and actors (Asmal, n. d). Hence, while promoting the internationalisation of HE, a country cannot sacrifice its national culture, needs and future simply because the WTO advocates freer trade and the GATS legalises it. This freer trade signifies a pursuit of money and profit rather than enlightenment. It further remains a question as to whether the dominance of the WTO and the GATS is necessary in the internationalisation of HE. Most of internationalisation’s forms, such as the international exchange of students and scholars, bilateral and multilateral agreements about knowledge, research and transfer of expertise and skills, have occurred for a long period of time outside those two entities.

Last but not least, the internationalisation of HE is usually seen as a concept that takes its bearings from geographical borders. But it causes effects that are not dependent on spatial mapping. Inside the boundaries there is a fluidity of movement and changes that are not geographical. For example, an international student, an external other, may later become a permanent resident, an internal other. Yet, although status may change, background does not. The literature tends to regard international students as being outside the borders. The borders are in fact permeable; the geographical framework is a limiting one. What is missing in the literature is recognition of the strong increase in human movement in varied forms in a globalised world. International students as a “migration public sector niche market” generating considerable income (Salt, 2001, p. 92) constitute an essential element of internationalisation on campuses.

Under globalisation, there has also been a sharp increase in recently arrived immigrant students. An example includes New Zealand with increase migration from Asia during the 1990s on economic/business grounds..This growth raises the question, what is the impact of immigrant students on the internationalisation of HE? Essentially, both foreign and immigrant students who are not from an English-speaking background are bearers of their cultures. They both are likely to confront difficulties integrating into a new culture. Knight (1997) acknowledges that internationalisation is not confined to the ‘international’ external to the nation but includes that which is internal within the nation. She points out, “It is shortsighted to think of internationalisation as only a geographically based concept (meaning outside our own borders or between/among different countries)” (Knight, 1997, p. 8). Knight does not take this observation to conclusion; the point she mentions can be developed more fully. Therefore, it can be argued that both ‘internal international’ and ‘external international’ students are a consequence of globalisation. The external international students and internal resident internationals are two groups whose specific details are different but both groups carry their culture and must negotiate life between the host culture and their own. Hence, internationalisation policies and strategies as a response to globalisation should consider the needs and interests of the two groups in countries where immigration has a substantial impact on who attends university. The practice model for the internationalisation of HE provided in the next section allows for the analysis of ‘internal international/others’ as well as ‘external international/others’.

Model of Practice for the Internationalisation of Higher Education

Various theorists have developed models of internationalisation mainly at institutional level, such as Neave, Davies, Van Dijk and Meijer, and Rudzki. Neave’s model offers a practical framework to enable international cooperation from a service and administration viewpoint. Davies’ model attaches more importance to the organisational strategies. Van Dijk and Meijer’s model is an endeavour to improve Davies’ model by instituting three dimensions of internationalisation: policy, support and implementation. Rudzki’s model uses a programmatic framework so as to assess the levels of international activity within institutions (Knight & de Wit, 1995). All of these models study how an institution constructs the organisational structure for internationalisation. The main focus of these four models is on how to develop internationalisation strategies where they have not existed previously. However, Hoffmann and the present author (2002) present a model for universities to examine their inter-relationships with other nations and to consider more effective ways of building cooperation and collaboration. This model draws on the existing models and integrates the work of Knight (who hypothesises four rationales for internationalisation as described in the above section) and is staged by *recognition, reflection, response* and *integration* as demonstrated in Table 1.

Table 1: Model of Practice for the Internationalisation of Higher Education

		University and Development of Internationalisation Strategy			
		Teaching – Research – Administration			
RATIONALES ANALYSIS	Political	Economic	Educational	Cultural/Social	
	International National	International National	International National	International National	
Recognition	International relations, international organisations, trade relations	Economic imperatives of education sector and institutions	Need for intercultural skills and understanding of the world	Changing demography of population and student body	
Reflection	Impact of above on university	Capacity to recruit international students	Internationalisation of the curriculum and teaching	Consideration of cultural diversity and student needs	
Response <i>Teaching</i> <i>Research</i> <i>Administration</i>	The way the university responds to challenges and opportunities	Participation in national campaigns and development of own marketing	Policies to internationalise curriculum and review of curriculum	Cultural diversity policy and its implementation	
Integration <i>Teaching</i> <i>Research</i> <i>Administration</i>	Development of strategies and programmes	Marketing, admissions and support programmes	Inclusion of internationalisation in departmental reviews	Development of cultural awareness programmes	

The first analytical step in the model highlights the need for a university to *recognise* the existing *political, economic, educational and cultural/social* conditions impacting on the university in its context as a national institution in relation to the international. For example, in the intersection between *Political* and *Recognition*, the analysis focuses on the nation state's international relations, such as its membership in international organisations, trade relations, changes to immigration policies and other political aspects. Through *Recognition*, universities can identify and take into account how they might be affected by membership in organisations such as the United Nations Educational, Scientific and Cultural Organization (UNESCO), the WTO and Asia Pacific Economic Cooperation (APEC). The opportunities affiliation creates for the university as an institution is of particular interest to the University of Auckland, Universitas 21 and international universities.

The *Reflection* process encourages a university to analyse the necessity, opportunities and challenges of integrating its teaching and research within the international environment. For instance, a university might consider whether it should establish a national APEC Centre for stimulating research initiatives in the Asia Pacific region. It should then reflect on how such a centre could contribute to governmental policy-making; what benefits the centre's research could provide to the wider community, such as business and environmental organisations, and how it could foster critical self-analysis. For example, the Chinese Centre in the University of Auckland, established by the Chinese government could be examined in the real practice.

The university also needs to *reflect* on transformations in national policy as a response to the international questions; for example, when the nation changes its immigration policy, allowing more skilled migrants from different countries, what immediate or long-term effect will it have on the university? What differing needs should the university cater for? Who will fund it? For example, the New Zealand policy to grant student visas with less hassle than the US to Middle East and Pakistani students. What does that mean for providing the necessary services and support?

The *Response* of the university will inform its strategic directions that are enshrined in mission statements, goals and operational priorities as well as in funding and staffing responsibility. It will be the internal process that the university applies, for example, in authorising an analysis of the situation for discussion and positing of recommendations by its 'Internationalisation Committee'. The recommendations can serve as the basis for a strategy or plan of action. In the case of a projected rise in immigrant students from non-English speaking backgrounds, the 'Internationalisation Committee' may propose recommendations for provision of resources to support students. Therefore, the *political* intersects with the *educational*, as is normally the case. The model does not suggest a strict demarcation of the rationales but rather provides a means to structure the analysis. The eight state universities in New Zealand could do based on the reflection.

The *Integration* stage of the strategies or plans ensures that the *responses* of the university are actioned. This stage involves consideration of future actions, 'actors', cost and the length of time of implementation. This process aims at creating a university community environment where the inter-national, regional and global are very much a part of the daily reality and students can achieve the personal skills to work in an increasingly multicultural environment. This *Integration* stage is oriented towards how the university is altered, or internationalised to a further extent. The University's main functions are teaching and research, accompanied by needs/policies for administration, which are the broad activities that internationalisation addresses. When analysing how each of these areas is impacted on, it is essential to consider the *responses* and the *integration* of strategies or plans. The integration is also a response to not only reflection on state policy towards international students but also immigrant students.

In brief, this practice model allows a better examination of whether the policies, strategies and actions that universities have made and taken are effective and appropriate for the smooth development of the internationalisation of HE. By applying this model, the implications for 'external international/others³' and 'internal international/others' can be analysed, as in the case of China, since it involves both Chinese international students as well as new immigrant students who have settled in New Zealand. However, whether this model is effective remains to be tested.

The following section takes New Zealand for a case study and addresses the issues in its internationalisation of higher education.

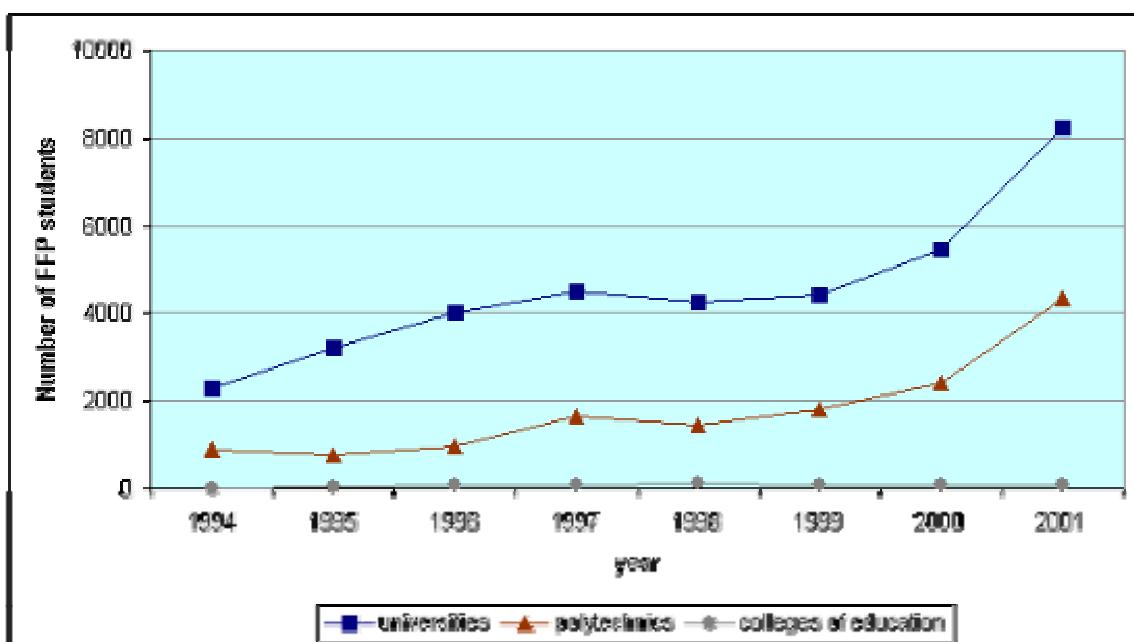
Internationalisation of Higher Education in New Zealand

The internationalisation of HE in New Zealand is mainly manifested in two stages in policy: aid and development, followed by selling/marketing New Zealand HE in a global education market. This demonstrates a shift from a sponsor to a seller model. The first stage started around 1951 with the inception of the Colombo Plan⁴ and ended in approximately 1971 with the first debate about charging international students above domestic students fees (Butcher, 2002). The Colombo Plan was principally focused on economic goals, yet educational and technical assistance constituted the major part of the Plan's strategy to speed up economic development and to stabilise the social and political situation in South and South-East Asia.

However, the publication of *Directions in Foreign Exchange Earnings: Education Services* (the New Zealand Market Development Board (NZMDB), 1987) changed the scene and oriented the internationalisation of New Zealand HE towards economic gain by recommending the institution of a full-fee cost recovery policy. The NZMDB report triggered a change in government policy. The government introduced a new fee for international students enrolling in a New Zealand university for the 1989 academic year (New Zealand Vice-Chancellors' Committee (NZVCC), 1989), thus moving towards the commodification of education. The internationalisation of HE in New Zealand has since switched its orientation from 'aid' to 'trade' and developed as a new industry (Alvey et al., 1999).

The shift to full-cost fees has proved to be very successful. New Zealand's export education sector has become one of the fast-growing sectors of the economy in the country as represented in the strong growth of foreign fee paying (FFP) student number in HEIs as demonstrated in Figure 1.

Figure 1: FFP Student Numbers in Universities, Polytechnics, and Colleges of Education, 1994-2001
(Ministry of Education (MoE), NZ, 2002, p. 25).



In 2001, more than 50,000 FFP students studied in New Zealand and contributed about \$1.5 billion to New Zealand's GDP (MinterEllisonRuddWatts, 2002). This was estimated to be worth \$1.7 billion at its peak, exceeding the value of the wine business in New Zealand. Education has become the country's fifth biggest

export earner (The Independent, 2004), and based on the 2002 statistics, international students at HEIs are one major group contributor to this considerable revenue in New Zealand's economy (MoE, NZ, 2002).

The rapid growth in the education industry was attributed to two major factors: deregulation of education and reduced government funding. Prior to 1989, international student numbers were restricted through quotas which prevented HEIs from meeting the demand for HE from the Asian region. Hence, it became the objective of HEIs themselves to increase international student enrolments, as was reflected in the "corporative objectives" of many institutions (Alvey et al., 1999, p. 7). Other factors lie on the demand side, such as "rising income levels in source countries; the universality of English in commerce; travel costs; and the cost of substitutes" (higher tuition fees in the US and the UK) (*ibid*). The key driving forces behind this prosperous industry are globalisation and the knowledge economy discussed in the earlier sections. Importantly, the GATS, under the auspices of the WTO, is a principal facilitator in smoothing the way for commodification of HE by removing "all restrictions on international trade in services, including education" (Kelsey, 1999, p. 1) and by increasing "'trade in services' through progressive liberalisation" (Kelsey, 2003, p. 15). As New Zealand is a signatory to the GATS, its commitments to open trade have inevitably affected government policy choices in different fields including education and tourism (*ibid*).

As discussed earlier, the enrolment of international students is the NZVCC's predominant objective with regard to internationalisation. This stress on HE as a marketable commodity has a number of implications (Hoffmann & Jiang, 2002). First, New Zealand is in danger of falling behind Western countries, such as Canada and Australia, in shaping a sector-wide internationalisation strategy, despite calls for such a strategy since 1994 (Smith & Parata, 1997, p. 124; Back, et al., 1998). Second, there has been little attempt to integrate export education into a wider national strategy to develop international and trading relationships with other countries, and in essence to accomplish the social/cultural and political aims of internationalisation. Third, internationalisation policies do not take new immigrant students into account as regards assessing their educational and support needs and their impact on the internationalisation of the curriculum. Universities could thus actually be excluding them.

One fact that is overlooked is that new immigrant students and international students have their own cultures and language backgrounds, even though the former have changed their residence status. Both categories of students experience difficulties integrating into a new environment because of their limited skills in English, the unfamiliar pedagogy and learning systems, and different cultural values and social structures. In New Zealand there has been unprecedented growth in the number of migrants, particularly from Asia since 1986 when immigration policy expanded to include immigrants beyond traditional source countries (Winkelmann, 1999; NZIS, 2002), although the new immigration policy concerning *The Skilled Migrant Category*, issued on 18 December 2003 and replacing the *General Skills Category*, has curbed this growth (NZIS, 2003). Nevertheless, the number of students in universities who identify with an Asian ethnicity has increased steadily in that period.

If university policies do not consider the changing picture of the student population and endeavour to accommodate the multicultural campus, the country could experience a significant loss of immigrants if they choose to migrate to more welcoming countries after graduation. The reduction in Chinese students from the Mainland serves a good example. Last but not least, the overall aim of internationalisation is to provide both domestic and international students with an international and intercultural perspective that will assist these students in working in a globalised world. This advantage will be lost to New Zealand, thus hampering the country's human capital development. Other countries such as Canada and Australia, Ross claims, recognise the fact that "international education, that is, the two-way movement of staff, students, education materials, ideas and research, can have a profound influence on the intellectual, economic, political and cultural life of their countries and the capability of their citizens to participate internationally in their professions, businesses

and other pursuits" (1994, as cited in Smith & Parata, 1997, p. 125). The NZVCC, however, has a limited vision, mission, and goals or strategies on internationalisation.

This limitation was observed in the 1998 Review of Internationalisation in New Zealand HEIs, which found that "New Zealand's tertiary education institutions lack a culture of internationalisation" and that "[d]espite the favourable national settings, there is little internationalisation policy" (Back, et al., 1998, p. 121). In 2001 the MoE formulated a strategy with a view to expanding the international student market and explicated an economic rationale for developing the export education market. The strategy acknowledged that no appreciable progress on internationalisation had been made by educational institutions: "While an increasing number of institutions refer to internationalisation in their strategic objectives, resource materials and advice to support this are not widely available" (MoE, NZ, 2002, p. 29).

Without a clear framework through which to examine the progress of universities in internationalising education, New Zealand is running the risk of missing opportunities to develop its long-term national goals in building international understanding of the country, its bi-cultural history, its politics and economy, as well as the dissemination of other integral information that assists in creating a wider appreciation of the country, its perspectives and its ambitions. In the running of a university there are other considerations such as capacity and the need to serve local demand, however, the potential to develop internationally should not be jeopardised through lack of intercultural policies and strategies.

The mandatory *Code of Practice for the Pastoral Care of International Students* (2003) presents a framework for education providers from which to address issues relating to the pastoral care of international students. This Code is created under section 238F of the Education Act 1989, and obliges an education provider to be a signatory to the Code to recruit international students (MoE, NZ, 2003b). It is a positive move, but to develop comprehensive internationalisation of HE involves more than a code. The New Zealand government and universities are still facing many challenges, such as how to accommodate the increasing diversity of students (and staff) on campus. The presence of international students in New Zealand is arguably an 'investment' in New Zealand's future relationship with other countries. International students are an asset for New Zealand, providing links all over the world, particularly with China. Therefore, New Zealand universities should develop internationalisation strategies that not only address the economic objectives of the country and the individual institutions, but that also advance broader internationalisation imperatives. The additional revenue from export education needs to fund initiatives which facilitate the acculturation of international and immigrant students for their benefit and for that of other students. The internationalisation strategies should develop international relationships that support teaching, learning, research and administration.

Conclusion

The external factors of globalisation, the knowledge economy and technological advances and their impacts have intensified the internationalisation of HE. HEIs have to face both predictable and unpredictable challenges and that requires them to continually reassess their role in the internationalisation of HE. Accordingly, they cannot be isolated in their 'ivory tower' but need to establish links with the outside world (Kanjanaiyot, 2003). Internationalisation, as a key global trend in the field of HE, "is contributing to, if not leading, a process of rethinking the social, cultural and economic roles of HE and their configuration in national systems of higher education" (Enders, 2002, p. 1).

Internationalisation has become a prevalent and strategically significant phenomenon in the field of HE, bringing about an increasing growth in the cross-border delivery of education, resulting in a substantial market in the export and import of HE products and services. This process is being motivated by the further liberalisation of global education markets advocated by the WTO, the WB and the OECD, and legitimised

by the GATS in particular (Van Vught et al., 2002). When evaluating the economy-driven internationalisation of HE, however, it should not be overlooked that it is essential to maintain the ability of universities to “serve a broader public purpose” as well as to preserve the vital values and traditions of universities (Duderstadt, 2002, p. 8). In the internationalisation of HE, there emerges a growing inequality of competition between universities in developing countries and those in developed countries, leading to the flow of students mainly from the developing to the developed countries rather than the other way around. The treaties or agreements set out in the GATS are formulated to meet the best interest of the most powerful HE systems and corporate educational providers, thus deepening inequality and dependence (Altbach, 2002). Most importantly, the government sector and the education sector should realise the fact that the ‘international’ is no longer just that which is beyond our borders. It is now within our borders. By realising this fact, the government sector and the education sector should consider internal (immigrant) students in internationalisation strategies such as in the case of New Zealand. The model proposed in this paper is a starting point for incorporating the two groups into the internationalisation policies and strategies of universities.

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Notes

- 1 International dimension is defined as “a perspective, activity or program, which introduces or integrates an international/intercultural/global outlook into the major functions of a university” (Manning, 2003, p. 2).
- 2 ‘Stakeholders’ in this context refer to three groups: the government, the education and the private sectors.
- 3 ‘External international/others’ in this paper refers to those overseas students in the host country while ‘internal international/others’ refers to those new immigrant students who have immigrated to the host country.
- 4 The Colombo Plan was designed for Cooperative Economic Development in Asia and the Pacific, and came into effect in 1951. Australia, New Zealand and the US are the largest donors. Assistance is provided in the form of educational and health aid, training programmes, loans, food supplies, equipment and technical aid. This international economic organisation comprising 24 members and one provisional member, Mongolia, bases its headquarters in Colombo, Sri Lanka (Columbia Encyclopedia, 2004).

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