

## **Establishing International Branch Campuses: the need for a moral compass**

### Abstract

The global expansion of higher education has led to the rapid growth of international branch campuses (IBCs). Western universities have established IBCs in developing economies in the Middle East and South East and East Asia where international human rights organisations have often highlighted persistent breaches of international law and ethics (eg Mainland China, Malaysia, Singapore, United Arab Emirates, etc). Existing literature focuses on a description of the phenomenal growth of IBCs and evaluates their service quality and economic viability rather than offering any consideration of ethical issues. This paper will provide a critical analysis of the implicit and explicit justifications for establishing IBCs, using documentary analysis and drawing on an ethical algorithm from the international business ethics literature. This provides a means of evaluating whether universities, as publicly funded entities representative of their 'home' country's 'common culture', should establish an IBC on moral rather than purely financial grounds.

### Introduction

The global expansion of HE has led to the rapid growth of international branch campuses (IBCs) (Verbik & Merkley, 2006). IBCs are an element of transnational higher education (TNHE) in which 'the learners are located in a host country different from the one where the awarding institution is based' (Dos Santos, 2000:7). IBCs have been established by Western universities in developing HE systems, particularly in the Middle East and South East and East Asia where a growing middle class is keen to obtain the benefits of a university education (Altbach & Knight, 2007). The TNHE literature though is focused on describing growth and quality assurance issues (eg Ahmad, 2014; Altbach & Knight, 2007; Huang, 2007; Wilkins & Balakrishnan, 2013). HE policy specialists explore IBCs in terms of global economic trends and university managers focus on the 'business case' for investment (eg Emery & Worton, 2014).

Hence there is virtually no literature focused on the ethical issues connected with IBCs. For example, Emery and Worton (2014) use a cost-benefit analysis, such as investment demands, the challenging nature of quality assurance and other 'financial and HR issues' (p 6). They make no mention of the risk to institutional reputation let alone broader ethical considerations, something which is pertinent to the role of public universities.

### Ethical arguments

IBCs are commonplace in Mainland China, Singapore, Malaysia and parts of the Middle East, such as the United Arab Emirates (UAE). Yet, all these contexts have been the subject to adverse reports by international human rights organisations. Issues highlighted include arrest without trial and restrictions on freedom of expression and peaceful association (eg Malaysia and Singapore), racial discrimination (eg Malaysia), the mistreatment of migrant labour and abuse of female domestic workers (eg UAE), and the rights of women (eg UAE).

While there is no focus on the ethics of establishing IBCs in the HE literature the business ethics literature provides guidance for corporations. Yet the ethics of investment decisions in foreign environments is often presented in starkly dualistic terms. At one extreme a *cultural relativist argument* asserts that the organization in the home country organisation should respect the host country's ethical norms and not seek to impose their own values or standards. This position can be presented persuasively in terms of respecting a foreign culture and eschewing a 'Western' or post-colonial arrogance. Yet, it can also be little more than a convenient justification for turning a blind eye to practices which breach fundamental human rights whilst making a healthy profit at the same time.

This cultural relativist stance may be illustrated by a statement by New York University President John Sexton who, in robustly defending the New York Abu Dhabi campus suggested that 'it would be downright presumptuous to pretend that we have some inherent understanding from day one that would allow us to think that we have all of the answers for society, much less the questions' (John Sexton quoted in Lindsey, 2012). This response came after allegations concerning the mistreatment of South Asian labourers in constructing the NYAD campus (Kaminer & O'Driscoll, 2014), reports of restrictions on academics broaching liberal/sensitive issues in the classroom (Lindsey, 2012), and criticism from Human Rights Watch about professors enjoying a so-called 'cultural free zone' (Wheeler, 2011).

At the other end of the continuum is a *cultural absolutist argument* that organisations have a duty to preserve and promote the values associated with their 'home' country, largely based on a liberal democratic set of principles, such as free speech and gender and racial equality. These principles should not be conveniently cast aside in the pursuit of profit. Yet the problem with this position is that it can be perceived as intolerant of other cultural contexts.

The second justification for the establishment of IBCs is the *development argument*. This is informed by a utilitarian rationale that the social and economic benefits derived by the host country population from the presence of an IBC outweighs the disutilities, such as the continuation of human rights abuses. This argument has been asserted by university spokespersons acting for NYUAD (Wheeler, 2011). Several statements have been issued in response to criticism from Human Rights Watch suggesting that the arrest of three human rights activists by the UAE government was appropriate due to 'security concerns' (Wheeler, 2011). While rarely addressing ethical issues explicitly, others authors who write about IBCs, such as Emery and Worton (2014) cite 'capacity building' as a positive benefit of IBCs.

### An ethical algorithm

Instead of adopting an extreme position Donaldson (1989) argues that an ethical algorithm can be applied to making foreign investment decisions helping to distinguish between home and host country standards on whether the difference is due the stage of home country's economic development as opposed to one which is independent of this factor. Donaldson contends that where the difference in ethical standards between home and host countries relate to 'type 1' differences (ie due the stage of economic development) this can be distinguished from 'type 2' differences (ie based on real/long lasting cultural differences). For example, bribery is sometimes

the result of type 1 differences where pay levels for public officials is low. In other situations, however, bribery may be due to a type 2 – or cultural – difference (as in Italy, for example).

### Conclusion

This algorithm may be applied to decisions made by universities in considering whether to establish an IBC. It provides a middle ground between the extremes of cultural relativism and cultural absolutism. It also exposes that slack and often lazy way in which the word ‘culture’ is used as a blanketing term for refusing to face up to issues of value conflict where the reason for the ‘cultural difference’ is the level of economic development rather than a lasting or fundamental aspect of culture. While universities increasingly represent themselves as global institutions virtually all receive public funding in their ‘home’ country and, hence, they have a responsibility to reflect ethical norms which prevail within that society.

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