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Education in the Bilateral Relationship between India and Australia

Eric Meadows

At a recent conference in Australia the guru of national brands, Simon Anholt, spoke about Australia’s apparently strong position in his 2010 National Brands Index. Australia was ranked ninth in the world of most admired countries a rank it has had for a long time.¹ Breaking down the different categories which comprise his overall ranking, Australia was seen as the most beautiful country on earth, the fifth ranked country in terms of governance, the second most desirable place to live and Australians were the second most admired people. Australia was, however, only the tenth ranked for exports, the seventh for investment and the economy and the thirteenth for culture, having slipped from eleventh in 2009. In other words, he goes onto say, Australia was well-placed on the soft issues of popular culture but comparatively weaker on the hard edged issues of foreign policy and investment: Australia is seen as a decorative country rather than a useful one. Australia

was in fact in danger of being seen as the dumb blonde of the world: not recognised for being bright underneath the show.

Anholt believes there are three factors which influence the perception of a nation's brand, three issues about which people need to be reassured before they admire a country. These are technology, environment and education.\(^2\) At the heart of technology is a perception about modernity: people do not respect a country which is not perceived as modern. His 39,000 survey group in 26 countries apparently does not respect a country that is perceived to be doing nothing about environmental issues. So, even if a country has major environmental issues as Australia does, being seen to be doing something about it is crucial to the attractiveness of the brand. As people think in personal and practical terms about a nation's brand, education is about this or that country as a place where an education taught in English can be obtained, and one which will be recognised globally. Education is the key to building up the reputation of a nation as a useful place.

Drilling a little further Anholt spoke about India's perceptions of Australia. From being seventh in 2008, Australia had fallen to thirteenth in 2009 and fourteenth in 2010. The serious blow to Australia's credibility which occurred with the student violence might have tapered off but the tinder box was bone dry and anything could set it off again. On the measure of equality in society, a value which Australia's self perception ranks very highly, Indians ranked Australia as seventh in the world in 2009 but thirty-fourth in 2010 which meant Australia was seen along with states such as Iran and Colombia. The Australian people, once thought of highly, are now very negatively perceived.

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Education is thus crucial in a nation's brand and in the case of Australia it has a problem in India, a problem that began with the violent attacks on Indian students in Melbourne and Sydney. The crisis over the attacks led to an unprecedented flurry of high level Australian visitors and delegations to India. Regular questions in the Indian Parliament and return visits to Australia by Indian ministers have drawn attention to the importance of education as a factor in the bilateral relationship. Nonetheless, the flow of students has fallen thirty percent over the last year and India is no longer the fastest growing source of international students in Australia. Some of this downturn has been caused by the changes in student visa requirements for Australia and in the skilled migration program. Educational links, which once might have occupied part of a Third Secretary's time in the High Commission, now warrant a full-time Counsellor and numerous other staff and are the subject of ministerial discussion between the two countries.

But, can education, in the sense of student flows, be thought of as part of public diplomacy? If we take a broad definition such as the one from the Edward R. Murrow Centre for Public Diplomacy at the Fletcher School of Law and Diplomacy, then it certainly can be:

Public diplomacy ... deals with the influence of public attitudes on the formation and execution of foreign policies. It encompasses dimensions of international relations beyond traditional diplomacy; the cultivation by governments of public opinion in other countries;

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the interaction of private groups and interests in one country with those of another; the reporting of foreign affairs and its impact on policy; communication between those whose job is communication, as between diplomats and foreign correspondents; and the processes of inter-cultural communications.

Central to public diplomacy is the transnational flow of information and ideas. 4

Much of the debate about just what is and is not public diplomacy centres on whether the actions of governments must be involved for the term to be used, but it is clear from my remarks so far that whether governments were involved at the start of the recruitment of Indian students to Australia, they are now, and it is churlish not to consider education as part of public diplomacy. Consider the facts: in the twenty-one years since Indian full-fee students started coming to Australia in any number, there have been several hundred thousand Indians educated there; countless university and college staff have visited India for the first time; large numbers of Indian institutions have formed links with Australia. Along with tourism and immigration, I would suggest that education has established a secure underpinning for the relationship, one which did not exist twenty-one years ago.

Nonetheless, diplomacy in any sense is about relationships and genuine dialogue seeking not only to influence but to understand. In the debates about what constitutes the public form of this arcane art, negative boundaries are often used. So, public diplomacy is not propaganda, nor is it public relations and it certainly is not a sales pitch. A good deal of what has happened

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in educational relations between Australian and India has been primarily about public relations in order to make a sale. I doubt propaganda was used but some institutional brochures might have stretched the truth! The result of the countless sales might have led to a large population of students which affects the relationship for good and ill, but the motivation of the institutions involved was mostly to build revenue, rather than to try to participate in a transnational flow of ideas. The Australian Government, however, actively involved itself in educational public diplomacy when it posted an Education Counsellor to the High Commission the early 1990s to work with Government of India agencies so that Australian institutions could successfully recruit. With some notable exceptions it is only in the last few years that we have seen the growth of solid, on-going, institutional relations, which will lead to the exchange of students and staff and joint research opportunities—a genuine transnational flow of information and ideas, which might constitute “public diplomacy.”

India as a Student Source

The large number of Indian students in Australia has raised the awareness of India in Australia and the problems some of them encountered have had an impact on the bilateral relationship, so it is worth considering how this flow of students began and what issues were addressed in order to make it successful.

Australia has taken international students into its educational institutions at least since 1904. Most of these students have paid fees although scholarships were provided under the Colombo Plan and other multilateral schemes. Many Indians went to Australia under the Plan in its early days to undertake postgraduate work or do short courses. Large numbers of students from Malaysia and Singapore and Hong Kong paid a fee subsidised by the Australian
Government to study at school, college and at undergraduate level in Australia. Very few Indian students came to Australia for their bachelor's degree.

In 1985, the Australian Government changed its policy and instead of counting the subsidy it had provided to foreign students against the aid budget, permitted institutions to charge the full economic cost. The reason for this change was quite straightforward. Australia was in the midst of far-reaching economic reform; the high tariffs, which had protected manufacturing industry, were being abolished and the Australian dollar was floated. A balance of payments crisis ensued, partially as a result of these changes. A compact with the Unions kept wage demand under control and the government looked to reduce expenditure and increase productivity. Importantly, the services sector accounted for 73 percent of Australia's GDP in 1985 but only four percent of its export earnings. One of the most effective ways Australia could increase its earnings in services was to allow educational exports where the country had a major competitive advantage which had not been realised.

So, when in 1985 the Australian Government permitted institutions to recruit overseas students prepared to pay full-fees the countries of Southeast and North Asia were immediately attractive because there was an already established knowledge in those areas about Australian education. India was not on the radar of most Australian educators. In part, this demonstrated a general amnesia in Australia about India. In the 1980s Australia's relationship with India was not a major feature in Australian foreign policy. Indeed, it had been neglected in the flurry of the Hawke/Keating Labor Government's enthusiasm for an "East Asian" perspective in policy towards Asia. Since 1944 when
heads of mission were first exchanged the relationship had gone through bouts of enthusiasm and neglect. The countries had different goals: India was committed to a policy of non-alignment and Australia was firmly part of the Western alliance, not only through ANZUS and SEATO, but also by dint of sentiment. Australia was of no consequence to India, diplomatically, strategically, or in trading terms, and, moreover, its restrictive immigration policy, abolished in the late 1960s, had been an affront to India.

So for Australian institutions to begin to try to attract students from India in 1990 was a leap into the unknown. But the allure of a vast and untapped market for full-paying students was considerable. Potential students were competent in English and there was a large unmet demand for higher education in particular; the tertiary sector whether at technical college or university level had been underfunded for years and had not grown to keep pace with the population. Australia might therefore represent a pathway to a high quality qualification for this unmet demand.

Opening the Market

The first educational mission took place in April 1990, led by a private consultancy, Australian Education Abroad, and consisting of both public and private universities as well as non-formal private colleges. The first missions held in Mumbai, New Delhi and Madras attracted enormous interest; over a thousand people attended a presentation in the ballroom of a Mumbai hotel. The institutions on the education mission found they had to spend time talking about Australia before they could begin to discuss educational issues, such was the ignorance and yet curiosity about living conditions in Australia.
The rate of successful student applicants to the number of enquiries was very low, but the level of applications soon went up. One university had an average of sixty applications per month after the April mission, but it then ran an advertising campaign in the major metropolitan dailies and its applications grew to 1600 a month. The processing time for so many applications when the same institution expected some twenty additional students in the next year was unsustainable. Many students were unable to obtain foreign exchange or could not afford the final cost. At least until 1994 the Reserve Bank of India kept a tight control on foreign exchange for overseas study and obtaining release of funds was not a fore-gone conclusion. At the first missions some parents arrived with wads of US dollars to pay the fees on the spot. It was not easy for institutional representatives to thread a path between the realities of a parallel black economy, and the nature of financing in a joint family, with the need to demonstrate in the conventional banking system that applicants had enough funds to sustain themselves in Australia.

Another issue was the nature of the qualifications the students presented for assessment. The Indian education system was relatively transparent and all certificates were written in English. However there were some substantial differences which led to mistakes in evaluation. For instance, what was the equivalent of an Indian “first-class” degree? The wide disparity between the best and the worst Indian institutions had to be learnt by admissions staff as there were few reliable guides. Moreover, the university system in general was not able to provide students with the kind of hands on laboratory work considered normal in Australia and this presented problems in placement at postgraduate level, which it soon became apparent, was the major demand.
Students wanted engineering, computer science and management of all kinds, but very quickly the MBA, especially in Delhi and Mumbai, became the insistent demand. The typical Australian MBA did not, however, suit the market; it required at least two years' work experience and was better suited to graduates without a degree in commerce or business. The typical Indian applicant wanted to enter an MBA immediately after graduating with an undergraduate degree and usually in business. In addition, they wanted a one-year program where the usual Australian pattern was two years. Australian degrees such as a master of commerce, which better suited the demand, were not wanted at all; the magic appellation, "MBA," was crucial. The challenge for university planners in Australia was to assess the extent to which degree offerings could be modified to suit a potentially huge market in India, while at the same time meeting a demand in Australia for a quite different degree.

The Australian High Commission was unprepared for the high level of interest and the visa issuing authorities were overwhelmed. Institutions began to use agents to help weed out applicants who had no reasonable expectation of a visa and institutions had to learn how to cooperate with the High Commission so that visas were processed in time. Many missions were not prepared for the level of interest and had inadequate means of filtering serious enquirers from those simply filling in a form. Assessing the motive for study was an issue: was the student program simply a back door to migration? It soon became clear that it was and changes to government regulation in 2001 made that explicit.

Another serious issue which started to challenge the marketers was the matter of ranking. In the early 1990s the Australian university sector in particular was still uncomfortable with this
mater. Attempts by the Department of Education, Employment and Training to assess the relative performance of universities were used by some universities to try to indicate a ranking; at home, guides to universities were just starting to be significant; overseas, ranking was a systematised part of the selection process for prospective students. Indian students constantly wanted to know where a university was ranked. The concept of a national system with uniform standards wore thin with enquirers. Above all, the lack of knowledge about Australian higher education and its achievements meant that recruitment staff had much work to do to convince students that a cheaper fee would not mean a lesser qualification.

The top Indian students had been used to applying to the most prestigious institutions in the United States and the United Kingdom; most Australian universities found that this was not a market they could tap into as the lure of a possible Green Card in the United States or the perceived prestige of British universities, were too great a pull. But, it was the lack of scholarship funding which prevented Australia from attracting the top students. A graduate of an IIT or a regional engineering college knew that he or she could apply to a US university for postgraduate work with the reasonable expectation of receiving a fee-waiver and work on campus not to mention accommodation. No Australian university could provide this package of incentives, and, inevitably, Australian universities found they were attracting a different group of students, often first generation English-educated and from provincial universities and without the marks for the most prestigious US and UK institutions or the IITs, and the like, at home. These were the children of a rapidly growing new middle-class with money to spend on education, and Australia was perceived as a low cost option but one without prestige.
Deeper Educational Relations?

Some Australian institutions realised very quickly that there was much to learn and share with Indian colleagues and they tried to build links with Indian institutions. This did not prove easy. In the 1990s many Australian and Indian institutions had a limited understanding of what "internationalisation" in education might mean. If the Australians saw this in terms of export revenue, Indian institutions saw it as a way of gaining support for scholarships, which could be used to attract high achieving students with the prospect of future study overseas. Australian universities were interested in expanding exchange but the model they were used to, did not fit India's highly regulated university system. Indian universities could not transfer credit from foreign universities into their degrees which made mutual undergraduate exchange impossible: why would an Indian student want to come and study in Australia even for a semester if that work would not be counted in the Indian degree? There was some justified suspicion of Australian motives in approaching Indian institutions; did they just want to poach students?

Most Australian academics had had little contact with their Indian opposite numbers and little interest. From the 1950s "South Asian studies" of one form or another had been a prominent part of the offerings of a number of many universities. But, by 1990 many academics teaching in the area, including luminaries such as A. L. Basham and Antony Low at the Australian National University (ANU), had either died or retired and not been replaced in a funding model driven by student demand. Some pockets of excellence remained, in particular at the ANU and at La Trobe University, among others. Nonetheless, in 1991 a report prepared for the Australian Asian Studies Council noted that India and its neighbours were poorly understood in Australia and that this was detrimental to
Australia’s long-term interests. The same report called for a number of institutional innovations to strengthen research into India.

The upshot of the dearth of academic interest and the lack of knowledge on both sides was that engaging in educational relations with India in the 1990s essentially meant recruiting students. It was not until the next decade, with renewed interest in research into India, that serious attempts were made to grapple with the complexities of developing research links with institutions in India and these have taken some time to flourish. At first, Indian universities, chronically short of funds, were hampered in responding to any approach for collaboration. Collaboration meant the Australian side had to fund it entirely. For most Australian universities, the point of collaboration was “brand-building” in order to attract fee-paying students; there was little enthusiasm for spending funds for an uncertain return. Only as both systems have begun to understand the value of collaboration for its own sake have research links begun to flourish with both sides committed intellectually and financially.

Migration as a Factor in Recruitment

It took time for the Australian vocational sector to come to grips with Indian education and vice versa. It started to recruit large number of Indian students only after Australia’s migration regulations were amended in July 2001 to allow students to apply for permanent residence on the basis of their studies in Australia. Australia was in the midst of a shortage of skilled workers in areas such as hospitality, hairdressing, nursing support and welfare work. Colleges were set up to teach in those areas. The Australian Government published a list of skills in short supply, the Migration Occupational Demand List, and colleges showed themselves adept both at rapidly gearing up to teach courses to meet the demand and recruiting students to fill the places.
For the universities the change in the migration regulations led to growth in IT and accounting studies, both of which were in short supply in Australia in the early 2000s. One year’s study at master’s level led to permanent residence status, but, unfortunately, not to any improvement in the numbers in both professions, as the students did not stay in those areas. The same was true of students in vocational courses. It was clear that the changes in the regulations, made little impact on filling the demand for skilled workers but did provide Australia with large numbers of migrants who wanted to work in areas in which they had already qualified in their home countries. The 2001 regulations were simply an easy way of migration.

Government Action

In recognition of the rapid growth in student recruitment the Australian Government appointed its first education counsellor to New Delhi in the early 1990s. The role required considerable skill in negotiating a role among the competing interests not only in the High Commission in New Delhi, but among institutions and their representatives. The key task of the Counsellor (Education) as the position was called, was to raise the profile of Australia as a destination of high quality for students, and this meant liaison with agencies of the Government of India and key institutions in India; classic public diplomacy. It also meant developing good relations with Austrade which was often used by Australian institutions for research and promotional work. A major task was attempting to ensure there was a “whole of government” approach to educational export within the High Commission: for instance, that visa-issuing officials understood educational qualifications in India and could understand the basis for the admission decisions of Australian institutions. Nonetheless, subsequent counsellors thought that the success of their posting to New Delhi was judged only by whether numbers of students recruited
increased which seemed to run counter to their primary task of softening the view of Australian education in India that it was overly commercial. The contrast with Australia's competitors in the student market, the US, the UK and Germany, was stark. All three countries had large programs of academic and cultural contact with India; student recruitment for them was one part of a whole program.

Following the events of 9/11 IDP, a company then owned by Australian universities and the major educational agent, introduced "Peace Scholarships" in a number of countries, and these facilitated the visit to Australia of some Indian students for short periods of study. The scheme worked well but was a small offering compared to some of the scholarship programs run by competitor countries. Not having a prestigious scholarship scheme to attract the best students, nor a reputation for academic excellence established in the Indian mind, Australia projected itself in India as a safe and relatively inexpensive destination for potential students. In addition, the alliance between migration and student visas became the defining feature of the recruitment program from 2001. The brightest students continued to go to Britain and the United States because of the reputation of the institutions in those countries, and because they could secure funding or fee-waivers or on-campus work.

The Australian Government recognised the importance of Indian science and technology as early as 1971 with the signature of a science and technology agreement. This was renewed in 1986 but real content was given to exchanges in these areas by the quite remarkable Australia-India Strategic Research Fund of 2006 in which both countries each committed Rs 270 crore to fund collaborative research. Some seventy projects, in areas such as biotechnology, nanotechnology and renewable energy have been funded by this. This is Australia's largest such fund and was
recently described by both countries’ Ministers for Foreign Affairs as “one of the most dynamic parts of the bilateral relationship.”

The Market Down Turn

Despite such government action, Australian educational interaction with India was mostly about student recruitment, driven by the need to make money to supplement dwindling government funding. Australian education projected itself in India mostly on the basis of security, cheapness and a backdoor to migration. This was a vulnerable and short term approach and a crisis waiting to happen. The rise in the Australian dollar from 2009 onwards meant Australia was a much more expensive place to study than institutional representatives had been claiming while the attacks on some Indian students in Victoria and elsewhere in Australia in 2009 left policy makers struggling to respond to the vehemence of the media portrayal. The attacks were shocking and it was easy to assume that they reflected wider racist attitudes in Australia. They continued for months and the impression was created that the police were powerless or unwilling to stop them. Parents were understandably concerned for the safety of their children. The sometimes ham-fisted commentary on the issues by police and politicians revealed the ignorance in Australia of how to deal with India in a matter, which not only concerned personal security but also touched perceptions of national pride. Why did it appear that only Indians were targeted? There was a flurry of Australian political and official visits to try to assure India of Australia’s security and freedom from racism. These delegations were welcomed but whatever benefit there may have been in official circles the damage in the market

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was not so easily repaired. Perceptions of Australia built up over a long period of time had been reinforced by the attacks.

The down turn in the market caused by the student attacks was immediately followed, in February 2010, by changes to Australia's skilled migration program, which broke the nexus between study, in particular at VET level, and application for permanent residence. The overnight implementation of the changes left many students unsure of their future. It also led to the failure of a number of colleges which had relied on the skilled migration market. Some of them were exposed as running bogus courses merely to attract students interested in migration. This was another major story in the Indian media, this time raising a fundamental doubt about the quality of Australian institutions; were they simply interested in making money and not interested in providing a genuinely valuable qualification?

The Future

India represents a major challenge for Australian educational institutions. They must build a reputation for quality of education in a market dominated by notions of prestige. This has started to happen. A number of Australian educational institutions and, in particular, universities, have begun to build solid relationships with Indian institutions. The creation of the Australia India Institute as an umbrella organisation to encourage academic research and linkages between the two countries will assist this process. Some institutions have found partners in the private sector in India willing to put up funding for scholarships and to facilitate visits by researchers. Others have approved Indian supervisors for research degrees and developed with Indian institutions, jointly badged degrees. There are increasing numbers of successful applications to funding bodies in India and Australia.
for research projects. Some of the most successful partnerships have been built on the trust developed by distinguished Australian researchers who have visited India repeatedly, attracted by the quality of the students and staff in Indian institutions and by the breadth of the possible projects.

Both governments have recognised the importance of education in the relationship. There is now an annual dialogue between Education Ministers. In a Joint Ministerial Statement in April 2010 both countries agreed to expand educational links and to investigate establishment of an Educational Council which will presumably consist of representatives of educational institutions on both sides, among others. This will be a good development and as with the wider relationship take education to a strategic level where opportunities for collaboration can be identified. This is especially important given India's ambitious plans to expand compulsory education. 6

Australian governments have recognised the importance of international students by the adoption of an international student strategy in October 2010, which attempts to put recruitment into a wider context of educational benefit. The Baird Review of the Education for Overseas Students Act 2000 has addressed issues of the regulation of institutions and their quality.

It will, however, take a long time to counter the prevailing view of Australian institutions in India as not being of the highest quality. Long-term investment will be essential if sound relations are to be developed and a future regular two-way flow of students is to grow. Above all, it is essential that Australian education

providers build their own relationships with their Indian opposite numbers and develop meaningful research and other exchanges which take advantage of the funding both governments have made available.

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