



VC-NET

***The news service for the network
of Vice-Chancellors and Presidents
in membership of the
Association of Commonwealth Universities***

No 46

March 2004

A national research strategy for infrastructure?

Three recent major reports in Australia are recommending steps to develop a strategic approach to funding the infrastructure needed for world class research, based on greater collaboration between the universities and the four government-funded national research agencies. Australia's case is simple; with a GDP equivalent to 3.7 percent of that of the USA it cannot afford to match the research infrastructure of larger countries. Yet its government sees research capability (in both human and physical terms) as essential to the nation and has for the first time committed over 3 percent of total government spending to it. The government acknowledges the importance of funding for research infrastructure as a key component of any national policy.

The responses being suggested in the reports are to establish two bodies that sound pretty centralist – a Strategic Research Council and a National Research Infrastructure Research Council. The former would aim to develop a national strategic research plan by enhancing co-ordination among the various institutions and agencies and attempting to integrate their disparate research strategies and priorities. The latter would build on this to create a National Research Infrastructure Strategic Framework which would develop a process for identifying and prioritising research infrastructure needs. The reports work through the practical implications of these ideas in some detail. Any central infrastructure funding for a university would be linked to the degree to which the research programmes for which it was required fitted in with the national strategy. In addition one of the three reports - on research collaboration – suggests that co-location with another appropriate research provider will be the 'default position' prior to any major capital expenditure. Common indicators on research performance for all universities and the four government research agencies are also called for.

The Government seems to have been silent on the carrots it would release to compensate for all these sticks, although one report suggests the creation of a Collaboration Fund to finance world class centres of excellence – but only if the bids are from several partners.

The Canadians and English are seeking to achieve the same end differently. The Canada Fund for Innovation (CFI) is an independent non-profit organisation that is a channel for CND \$3.6 billion of federal government investment in improving research capacity. The CFI funds only 40 percent of a research programme's infrastructure and expects the provincial government or the institution to find the remaining 60 percent. To date this trigger funding has led to an investment of over CND \$4.5 billion in research infrastructure. All the CFI asks is that the projects it supports are recognised priority areas in the institution's own research strategy. In two special areas relating to international joint ventures and collaborative programmes the CFI is willing to pay for 100 percent of a project's cost.

The English have funded research infrastructure in universities through two programmes, the Joint Infrastructure Fund and two rounds of the Science Research Investment Fund (SRIF).

Including a contribution of over GBP 500 million from the Wellcome Trust, these exercises will have provided GBP 3.6 billion over a six year period. The leading research universities did very well in their bids in the first round of SRIF and in consequence, partly to appease the rest of the sector, the funds in the second round were allocated formulaically. However, this still meant that the top four institutions took some 30 percent of the funding. The rationale for both these funds is to redress past under-investment and promote long term sustainability, but there is provision for reviewing expenditure plans if they are thought to overlap or be unco-ordinated with other similar proposals.

Sources: For the Australian reports see www.dest.gov.au/highered/ri_taskforce/default.htm The details of the CFI's activities can be found at www.innovation.ca and information on the English support for research infrastructure is on the HEFCE web site under "Research" at www.hefce.ac.uk

Flows of international students are changing

Beneath the headline figures there are some dramatic changes in the flows of international students to the leading provider countries. Until 2000/01 China was the leading country in sending students to the USA, with just under 60,000 in that year. Then India took over the lead with numbers growing sharply to a figure of 74,603 in 2002/03, some 10,000 more than China. This change is within a long-term picture where the USA is losing market share, although it is still the world's leading importer of students. The growth in total international student numbers from 2001/02 to 2002/03 was a mere 0.6 percent, far less than the growth in the UK and Australia. Philip Altbach of Boston College believes that the immediate future looks bleak and cites current heavy falls in applications in leading US colleges. He believes a 'tipping point' has arrived and that America has begun a decline in its international prominence academically. September 11th and the restrictive attitude to visas and student applications that the immigration service has encouraged have had a deterrent effect. The US economy will be the loser, as it is estimated that higher education is the fifth largest service exporter, bringing in some US\$12 billion a year. Since a high proportion of the brightest postgraduate students have always stayed on in the USA, the long term implications for human capital could be serious.

The UK and Australia have been the beneficiaries. Chinese students are now the largest international group entering the UK and their numbers have increased from 2,500 to 32,000 in the last six years. In Australia the Government's International Education Network claims that student numbers have risen by 16.5 percent overall in the last year, with a 37 percent increase in the number of Chinese, making them the largest national grouping at 22,400. Some smaller countries are also gaining; Ireland expects its international students to double in the next five years to 20,000 and New Zealand has also seen a large increase in its international students, again particularly the Chinese.

Within the UK there is another change about to happen with an anticipated increase in the number of students from the ten Accession Countries joining the European Union. At present 6,000 students from these countries are treated as international students and pay international tuition fees accordingly. After 1st May they will become EU students liable to pay only domestic tuition fees (after they graduate) and their numbers are expected to rise significantly. A recent paper for the Higher Education Policy Institute estimates that this will cost UK institutions about GBP 50million in lost revenue. The overall economic impact of these students is thought to be positive for the country, but the more tangible long-term return depends on how clever the UK's Student Loans Company is at its debt collection in years to come.

Sources: US statistics are at www.opendoors.iienetwork.org/ Philip Altbach's comments in *International Higher Education*, Spring 2004, available at www.bc.edu/bc_org/avp/soe/cihe/ Australian statistics are at the site of the Australian International Education Network at <http://aei.dest.gov.au/general/stats/> Libby Aston for HEPI *Projecting demand for UK higher education from the Accession countries*, see www.hepi.ac.uk

Leadership in the UK

The Leadership Foundation for Higher Education was launched with a flourish in March by an unlikely patron - the Chancellor of the Exchequer, the UK Minister of Finance. He had endowed it with GBP 10 million of funds for its first three year's work and was keen to see it start on the right lines. As we predicted in VC-Net 35, the Foundation has set itself a challenging vision; "that the leadership, management and governance of UK higher education institutions is regarded as world class and that the practice of excellence in leadership is recognised and held in high esteem by the higher education sector."

To this end it will embark on several activities:

- * researching and generating fresh ideas about leadership in higher education,
- * developing individual leaders and managers through a range of learning programmes,
- * mentoring and coaching,
- * building capacity within institutions by working with senior management teams,
- * helping to identify needs for support, and finally
- * championing good practice in leadership, management and good practice.

The Foundation is the first of its kind in the world and sees itself as having an international reach - both in calling on the best global expertise and in helping other countries build leadership capacity in higher education.

Source: The web site of the Foundation is at www.leadership-he.com

The editor, Svava Bjarnason, and author, John Fielden, are always pleased to receive comments on the usefulness and content of this briefing service. News from other Commonwealth countries, which might be of wider interest, is also most welcome. They can be contacted by e-mail on vcnet@acu.ac.uk or by fax on +44 (0)20 7387 2655.
