

**People-to-People Exchange in Regional Integration:
EU & Greater China Area Compare**

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INTRODUCTION

In the age of the knowledge economy, human capital is a vital resource for economic development, essential to sustain growth and prosperity. Therefore, the migration of talents (students and professionals) has been a key issue for both developed and developing countries, which all aim to retain and actively attract the best talents from across the world. Nowadays, as we are witnessing a greater variety of migration process, cross-border migration of students seeking educational opportunities has been an important and integral part of international migration. The transnational flow of student migration is however not a new topic in the history of population movements and it has been extensively researched.

Most of the literature examines the phenomenon as a form of education exchange and human resource development (e.g. Cheng 2002, Chen 2003), and often locates it within the debate on brain drain, brain gain and brain circulation (Iredale et al. 2003, Cao 2004, Zweig et al. 2006, Chen 2008). In addition to the human capital argument, however, educational exchange plays an important role in fostering intercultural dialogues, building people-to-people contacts, enhancing mutual trust and eventually promoting a regional view and identity. By way of illustration, with its inception in 1987, the ERASMUS programme has allowed more than 1 million European students to take part in a study abroad programme at a partner university in Europe and it is arguably one of the most well-known and successful European Union (EU) initiatives and considered as the flagship project of European integration by the European Commission (EC MEMO/02/190 2002, Sigalas 2010). The programme undoubtedly contributed to the emergence of a European identity within the younger generations.

In the case of the Greater China Area, student mobility has also increased gradually since 1980s, despite policy restrictions, particularly between China and Taiwan. However the magnitude of student flows cannot be compared to what is observed elsewhere in the world nor to the flows directed at countries in the West, and there are many obstacles left. After the presidential election and consequent political shift in Taiwan in 2008, the discussion on the Bill to allow mainly Chinese students into Taiwan universities, which has been largely neglected in the past, has emerged again in Taiwan's political landscape and public discussion (Lin 2010). In parallel, Hong Kong has also engaged in an active recruitment policy among students from the Mainland.

While student mobility within the Greater China may be expected to contribute to further regional integration, an interesting issue is to examine whether and how the European experience of ERASMUS programme can provide some useful insights. This paper therefore examines the relevance of higher education and academic mobility in regional integration process in the contexts of Europe and Greater China relations.

1. GLOBALIZATION OF EDUCATION AND INTERNATIONAL STUDENT MIGRATION

Education is the key factor and breeding ground for developing competent and skilled human resources in the knowledge-based society. University education is one of the key components for developing advanced studies and training within the higher education system. The globalisation process and its consequent demand for skilled labour have created both challenges and opportunities for universities and other higher education institutions (Ortiz 2004; Edwards & Edwards 2001). Education, through the internationalisation process, can be seen as a 'tradable activity'. Educational institutions are seen as the specialist producers who trade academic learning and training into a global market, are becoming progressively more involved in recruiting and attracting overseas students and scholars both for the financial benefits on offer as well as scientific research and cooperation.

Therefore, one emerging trend of migration is student migration, those migrants who left their home countries of origin to pursue education in another country. In the past two decades, we have witnessed the growing international/transnational mobility of students: the number of foreign (tertiary) students within OECD countries has doubled over the past 20 years (OECD, 2002). Today there are more than 2.7 million foreign students in tertiary education worldwide (OECD, 2007). Globalization of education, especially of the higher education sector has transformed greatly within and outside the campuses. Student exchanges and faculty exchanges, joint bachelor, master and PhD programme, overseas expansions of universities, and recruitment of international students, are just a few features of this new global education.

Table 1: Top Sending and Receiving Countries of International Students

Top Sending Countries		Top Receiving Countries	
China	421100	USA	595900
India	153300	UK	351500
South Korea	105300	France	246600
Germany	77500	Australia	211500
Japan	54500	Germany	206900
France	54000	Japan	125900
USA	50300	Canada	68500
Malaysia	46500	South Africa	60600
Canada	43900	Russia	60300
Russia	42900	Italy	575300

(Source: UNESCO 2009)

A high level of private investments in tertiary education is arguably a common phenomenon across East Asia. According to the UNESCO report *Learning without Borders* (2006), four out of every ten tertiary students studying abroad are from Asia. There are external and internal reasons for education sectors to attract them, such as lack of students in the domestic market and financial resources (like limited university budget, demographic change) in the receiving countries and lack of education resources or fierce competition for high education in the sending countries. Waters (2006) uses the case of students from Hong Kong schooling in Canada to explain the high volume of outgoing students from Asia:

“Recent developments in the internationalisation of education, which includes the growth in numbers of foreign students and the establishment of offshore schools (have demonstrated) the relationship between emergent geographies of international education in the ‘West’ and social reproduction in both student ‘sending’ and ‘receiving’ societies. Drawing on fieldwork in Hong Kong and Canada, it argues that international education is transforming the spatial scales over which social reproduction is achieved: on the one hand, upper-middle-class populations in East Asia are able to secure their social status through the acquisition of a ‘Western education’, thereby creating new geographies of social exclusion within ‘student-sending’ societies. On the other hand, primary and secondary schools in Canada are able to harness the

benefits of internationalisation in order to offset the negative effects of neoliberal educational reform, thereby facilitating local social reproduction.”

(Waters 2006:1046)

Many European countries need fee-paying students not only for filling the extra places but are also keen to have them as ‘cash-cows’ for gaining funding (Shen 2005, 2008). Governments in the United Kingdom, Canada, Australia and most European countries as well as some other Asian and Pacifica are now considering ‘education export’ a service sector and promote it worldwide. For example BBC¹ suggested that the lucrative international education export economy in the UK is said to overtake the total revenues in the country’s export in weapons. In the case of Europe, since its foundation in 1987, the Erasmus programme (formerly the Socrates programme), an university student exchange initiative, has become one of the most successful student mobility programmes in the world, and one notable as well as tangible achievement of the European project.

Despite this evolution, research on student migration is still limited in the academic literature. On the conceptualisation of student migration, Findlay et al. (2006) differentiate between mobility and migration. The Erasmus programme is widely considered as a mobility programme, as the exchange is pre-arranged by other actors rather than the migrants, although they do have a say in the choice of country and university. The students will need to go back to home university to complete the degree after their studies and sojourn with the exchange partners. Student migration however traditionally refers to longer type of migration, in length and travel distance. Comparing to the former type, student migration is more or less an open-end migration, the outcome of the sojourn is usually not predictable.

King and Ruiz-Gelices (2003) summarised three possible ways in the conceptualisation of student migration: as product of globalization (such as the globalization of the higher education sector, and development of export-oriented education economies of standardised training programmes). International and institutional processes like European integration also led to the creation of Erasmus/Socrates programme; secondly viewing the student mobility as part of wider youth mobility cultures and geographies of consumption (Mansvelt 2005); lastly and more relevant for this research, student migration as a subset of highly skilled migration.

¹ BBC: Chinese students drawn to Britain (7 September 2005)
http://news.bbc.co.uk/2/hi/uk_news/education/4219026.stm

2. THE ERASMUS PROGRAMME AND EUROPEAN INTEGRATION

2.1. The rationale for enhancing student mobility

Mobility of people and inter-personal and inter-cultural contacts are important factors in promoting dialogues and bringing people closer to discuss cultural values and worldviews. The interaction among people from different backgrounds allows us overcome stereotypes and prejudices. According to Deutsch et al. (1968), human mobility together with other international transactions (such as trade and capital flows) is the foundation for international integration. There are various forms of human mobility ranging from a short-term travel as a tourist in a foreign country, to longer duration of overseas studies, work and settlement. Deutsch highlighted the significance of cross-border human mobility based on that claim that 'in the field of politics person may be more important than either goods or money' (ibid, p.54) and personal contacts with people of different nationalities and cultures are 'probably the most efficient and permanent method of gaining knowledge about human actions and values' (ibid, p170, also in Sigalas 2010).

Educational flows through an exchange programme or pursuing a degree course in a foreign country is one of the main cross-border human mobilities. Already in the 1960s, academic inquiry has been proposed by Lijphart (1964) to look at the relations between European student mobility and European integration. The research suggested that students, who are part of the 'more influential segments of society' are likely to connect with the local community where they study and to engage in 'intensive' personal contacts, and therefore are more likely to gain a supranational identity beyond the national boundaries (Lijphart 1964, and also in Sigalas 2010). Furthermore, in the work mentioned earlier (Deutsch et al (1968), it is suggested that, besides overcoming prejudices and stereotypes, cross-border mobility also contributes to the development of a "we-feeling" among various groups of people following intensive interaction.

2.2. ERASMUS, an academic programme

In the past three decades, academic mobility of student and staff has been a core issue for higher education in Europe and its Europeanisation process with a view to creating a European higher education area. As explained above, student mobility is expected to contribute to individuals' personal development and thus supports the broader development of Europe's economies and societies.

Rightfully named after a Dutchman, Desiderius Erasmus, a 16th century humanist and theologian (who has himself lived and worked in many places in Europe), the ERASMUS (European Region Action Scheme for the Mobility of University Students) programme was formally adopted by the European Commission in 1987. The scheme gives European students a chance to study at a participating partner university for a period of 3-12 months, with ERASMUS funding and free from additional tuition fee.

In the first academic year just over 3,000 young pioneers had the opportunity to carry out a study period at a partner university in another European country. After its modest start, the ERASMUS programme gained popularity rapidly among European university students and the number of exchanged students raised tremendously. In 2006, the number of ERASMUS exchange students reached over 150,000, over 1% of the total number of student population in Europe.²

Today, ERASMUS allows 200 000 students to study and work abroad each year, making it the largest exchange programme in Europe (Sigalas 2010). The programme, which became part of the EU's Lifelong Learning Programme in 2007, is often branded as the 'one of most concrete and popular example' of 50 years of European integration (Europa Press Release 2006). Over the years, the European Union has seen over 2.2 million students participating in it.³ Not only has the number of participating students increased, but the programme also expanded its geographical coverage to include non-EU countries such as Norway and Turkey. The success of ERASMUS programme has made it a flagship project for the European Union, which receives over 450 million euro per year and involves more than 4 000 higher education institutions in 33 countries.⁴

2.3. ERASMUS, more than an academic programme

The ERASMUS programme has also far-reaching implications for the European project as a whole, which is often criticised as being a bureaucratic, top-down process and for its lack of legitimacy, most known as 'democratic deficit'. The term was first used by David Marquand in 1979 (Meny 2003). The extent and content of this 'deficit' ranges from the lack of representation of European citizens (people of Europe) to the apparent lack of access from the

² The proportion is higher among university teachers, where Erasmus teacher mobility is 1.9% of the teacher population in Europe, or 20,877 people.

³ The European Commission aims to reach a total of 3 million by 2012.

⁴ The 33 participating countries are the 27 EU Member States, Croatia, Iceland, Liechtenstein, Norway, Switzerland and Turkey.

people to the various institutions of Europe, and last but not least, the accountability of these European Union institutions (Chrysochoou 2007, Meny 2003).

In view of this democratic deficit concept, the broader regional and cultural dimension of the process is therefore vital for the future sustainability of the EU. For many ordinary European students, the ERASMUS programme is probably their first time to study and live abroad and most likely their first point of contact with European Union programme. Though the actual financial contribution of the ERASMUS programme to each individual student is rather limited, it does open a new window of opportunity to experience and learn one more new culture and language. Many employers also favour having an ERASMUS exchange on a graduate's CV since it partly reflects one's intercultural competence and interdependence of the graduate.

The success of ERASMUS programme is also manifested in popular culture and media, the best example being the 2002 movie - *L'Auberge Espagnole* (in English: Pot Luck). This French film directed by Cedric Klapisch portrays the day-to-day life of a group of ERASMUS students in Barcelona and shows how much the cross-culture European exchange experiences have helped them to get to know about themselves and others by living and sharing a flat together. Sigalas (2010) suggests that when young European students are studying abroad, they share the equal status with students in the hosting countries, their common interests, goals and similar ages provide a good opportunity for developing potential European friendships. Indeed, the ERASMUS is more than just an academic programme, as outlined in its original objectives in the Council Decision in 1987:

“To achieve a significant increase in student and staff mobility between European higher education institutions; to promote broad and lasting inter-institutional cooperation; to contribute to the concept of a people's Europe; and to contribute to the economic and social development of Europe through the creation of significant number of higher education graduates with direct experience of intra-European cooperation.”

In addition to the improvement of foreign language skills and knowledge of European neighbours (Sigalas 2010), various researches and surveys (Sigalas 2010, Fligstein 2008, Krzaklewska 2006 & 2007, Kraemer-Bryne 2002, Wallace 1990) have pointed how the ERASMUS experience, interaction and contacts among fellow European students have formed a European identity. These young students with pan-European identity are referred to the Erasmus Generation by Professor Stefan Wolff, a political scientist at Bath University, UK, who

said in an interview with the International Herald Tribune in 2007 that, 'For the first time in history, we're seeing the seeds of a truly European identity' and 'Give it 15, 20 or 25 years, and Europe will be run by leaders with a completely different socialization from those of today'. Whether Professor Wolff's prediction is true or not, it is evident, ERASMUS has contributed to the building of a European identity from below.

3. EDUCATION EXCHANGE WITHIN GREATER CHINA

1.1. Student migration from Mainland China

China has a long history of internal and international migration and holds a large stock of diasporas around the globe. The research on international migration from China, in both historical perspective and contemporary context re-conceptualises Chinese migration after the 1980s and shows two new trends of migration flows. The first one is the rise of student migration.

For a long time in the history of Chinese migration, migration from China has been flows of low skilled, for example, the notorious 'coolies' trade and earlier migration flows to the Southeast Asia, United States, Europe and Canada etc. During two world wars and the two decades after the founding of the People's Republic of China in 1949, migration from China has also been interrupted and only a few Chinese people managed to leave the country to live, study or work abroad.

Since the economic reform and the introduction of 'open-door' policy in the 1978, China has broadened its relations with the rest of the world, in both economic and cultural spheres. This has brought significant impact to the migration flows from China. The fundamental difference between the pre-1978 and recent migration in the past three decades is the emergence of China as a global power, in economic and political terms. The newly acquired status as one of the world fastest growing economies has transformed the patterns of international migration flows in and out of China, bringing more diversity as well as higher volume of migrants. One notable trend within the diverse migration flows is student migration, which constitutes the main category of Chinese skilled migration.

The internationalization of education has attracted considerable academic interest, because over the last thirty years international student migration has become a prominent aspect of social change in China. In the past three decades, the migration of students from China has

become one of the most significant features of contemporary Chinese migration. Since 1978 more than 1.2 million students have left China to study abroad. In 2007 alone, China sent around 144,000 students abroad, 167 times of the 1978 figure (860) (Ministry of Education 5 April 2008). This makes China the largest source country in the world for international students, as Chinese students spread over 100 countries across five continents.

More than 85 percent of the students study in North America, Europe, and Asia. The most popular countries are the USA, UK, Germany, France, Australia, and Canada. The 'Global Education Digest 2006', published by UNESCO (2006), confirms China's status as the largest source country for students studying abroad, with one out of seven international students coming from China.⁵ This provides China with a huge potential human resource but at the same time, it poses challenges and dangers if these students, do not return, i.e. the 'brain-drain'.

3.2. Student mobility within Greater China

Comparing the systematically developed educational exchange mechanism in the EU, academic cooperation between Mainland China and Taiwan has been limited by policy restraints, despite the interests from universities and students from both sides. The educational exchanges between the straits are still at infancy stage (Yang 2010, Lin 2010), as most of the activities are limited to delegation visits and forums of university presidents in Fuzhou (2006) and Xiamen (2008). Essential policy framework such as the mutual recognition of diplomas and joint research initiatives is absent. Despite the establishments of sister and partner universities between universities in Mainland China and Taiwan, the flow of students is mainly one-way traffic dominated by the influx of students from Taiwan to Mainland China.

On the contrary, mobility of students between the mainland and Hong Kong SAR, as well as mainland and Macau SAR is much higher and equally distributed, according to the educational statistics collected by Yang (2010). Also, while the majority of Hong Kong, Macau and Taiwan students are enrolling in degree programmes in China, most Mainland Chinese students who are allowed to go to Taiwan are on short-term exchange visits and summer schools.

⁵ UNESCO Institute for Statistics: there are 2,500,000 international students studying abroad, 14 % (350,000) are coming from China:<http://www.uis.unesco.org/TEMPLATE/pdf/ged/2006/GED2006.pdf>

Table 2. Students Flow Between Mainland and Hong Kong, Macau and Taiwan

Flow of Students	Number of Students
Mainland > Hong Kong	1421
Hong Kong > Mainland	3228
Mainland > Macau	1740
Macau > Mainland	2169
Taiwan > Mainland (2006)	2307
Taiwan > Mainland (2007)	2235

Source: Yang (2010) and author's calculation)

After the lifting of ban on Taiwan residents to visit their mainland relatives in 1987 by Taiwan authority, Mainland China has welcomed Taiwan students to study at its higher education establishments. However, the policy of admitting Mainland Chinese students to Taiwan has remained a sensitive issue even until recent years. The topic of 'Lu Shen Lai Tai' (Mainland Chinese Students Coming to Taiwan) has started to appear in the news in May 2005, when legislative body in Taiwan made proposal to give the possibility for Mainland students to study in Taiwan in order to promote cross-strait cultural exchange (Lin 2010). However, this proposal was repeatedly declined the educational authority in Taiwan on basis of national security matters and current social reality in Taiwan (Lin 2010). Mainland China, on the other hand, has encouraged Taiwan universities to recruit in China and its Vice-Minister of Education - Yuan Guiren - has announced in 2007 that Mainland will provide necessary support to facilitate its students to study in Taiwan (Liu 2007).

The 2008 presidential election dramatically changed the political landscape in Taiwan and directly influenced Taiwan's policy towards the Mainland. The intensified Beijing-Taipei interaction also allows new opportunities for academic exchange. There are a number of motivations for relaxing the restrictions of Mainland China students to study in Taiwan. Firstly, the demographic reality in Taiwan means there is a serious shortage of students for higher education institutes in Taiwan. Lin (2010) pointed out the number of university and college entries is decreasing gradually and the shortage rate has reached 20% in 2008. Secondly,

education is an important export industry. Countries like the UK and Australia has successfully transformed their higher education sector as an important part of export economy and recruited high volume of overseas students. Hence Mainland China students can also contribute financially to the educational establishments in Taiwan during a time of economic turbulences. Thirdly in the era of globalization, attracting talents has been a high priority for industrialised and emerging economies, therefore recruiting students from Mainland China is also fast track talent migration to retain a fresh and young workforce in Taiwan. Last but not least, the arrival of Mainland China students is also said to foster cross-strait dialogue and promote internationalization of education in Taiwan.

In August 2010, after 15 years of discussion, a landmark bill was passed in Taiwan to allow universities to recruit students in Mainland, and allowing around 2,000 students to study in Taiwan each year. However, the public opinion is mixed on this long waited bill, as some residents fear the potential loss of jobs and scholarship opportunities for the locals. Furthermore, this is not an open access for Mainland China students, the Taiwan authority is rather cautious on this new policy and has placed a number of restraints on the admission of students, for instance on the subjects of study and types of institutions, banning students enrolling in certain disciplines. Furthermore, only students in 6 chosen provinces in Mainland are eligible to study in Taiwan, which seriously limits the potential pool of candidates. In its first year of recruitment in 2011, all undergraduate places are filled, while there is serious shortage of applications for master and doctor degrees. With a quota of 2,141 students, only 1,263 places are filled, resulting in 41 per cent of student quota unfilled.

3.3. Talent and the City - Hong Kong as an International Education Hub

The global race for talents does not stop at the national or company level. Global and world cities are now increasingly involved in a worldwide competition for a skilled labour force to differentiate themselves from each other and gain a competitive edge for luring investors and businesses. Professor Shih Choon Fong, President of the National University of Singapore (NUS) addressed the importance of cities in the global talents war⁶:

“The emergence of global economic powers in Asia will propel the development of some of its great cities into even more dynamic global cities. These cities will draw diverse talents, becoming financial, culture and innovation hubs. Leveraging the

⁶ Presidents’ Colloquium, 19 May 2006, Tri-University Colloquium, Korea University

dynamism of these cities, their universities will become talent magnets, thereby contributing to the city's intellectual, social and cultural vibrancy. This natural synergy between global cities and great universities will power the vitality and vibrancy of both.”

Professor Shih pointed out two important issues, firstly the rise of Asia and its economies like China is reflected in a rapid urbanisation process and the economic transformation of Asian metropolises into global cities. Secondly he draws important links between global cities and the production and attraction of talents. Global cities together with other stakeholders such as business schools and public and private corporations are the producers of global talents, working hard to develop and retain talents to study, work, invest and live in the cities. The global trade in educational services has grown very fast in the past few years. Different from other trade, overseas education is traditionally supply driven, i.e. the clients (the students) are driven to the place where good and high quality education is available. With the increasing internationalisation in education, business education providers are setting up new campuses or starting joint programmes abroad to offer MBA and EMBA courses close to the students' home-base.

In the past decade, we have witnessed new initiatives in business education similar to the coalition in the airline industry like Star Alliance, Skyteam and One World. With names like TRIUM MBA (which involves New York University, London School of Economics and HEC in Paris), One MBA (an alliance of premier business schools in Rotterdam, Hong Kong, São Paulo, North Carolina and Monterrey), business schools are building up strategic alliances with partners in global cities around the world to offer a streamlined education programme across geographical boundaries. Some leading business schools have even moved one step forward to set up overseas campuses, for example, INSEAD and Chicago's Asia campuses in Singapore. Cities play an important role for business schools besides being the hosting site. They offer cosmopolitan lifestyles and extensive working and networking opportunities for business students. Therefore it is not surprising to see that many top business schools are advertising their 'urban advantages', such as the 'New York Edge', 'London Advantage', 'Downtown Advantage' as well as more desirable and specific lifestyles like 'Bay Experiences'. To conclude, just like advanced producer services, business schools are now also expanding their geographical coverage to increase their 'globalness' in today's education market. At the same time, the exchange programmes and overseas campuses / courses they establish will enable better student mobility across the world's major cities.

As Asia is gradually re-gaining its global influence, Asian nations and cities are also becoming new knowledge hubs with increasingly well-ranked education institutions and research centres. Governments in Asia have also been pouring millions of dollars into creating a global and regional education hub, hoping to transform the country's economy towards service-oriented sector and rebrand national identity. The city-state, Singapore, for instance has been leading the race, by welcoming a number of top-notch universities and business schools like Chicago from the US, Insead of Fontainebleau (France) and Australia's University of New South Wales. The pro-active policies in Singapore has brought the foreign student population from 50,000 in 2002 to 85,000 in 2007, many of these students later stayed as skilled labour force. Among them, the majority of the international population is coming within the Asian region, with China being the main sending country

With a size of as much as \$2.2 trillion, the international education market is highly attractive in terms of both financial and human capitals. Hong Kong, as Asia's premier global city, has a lot to gain from establishing itself as the leading hub for international student migration. The study of international student migration, as a subset and emerging trend of international migration provides such a research angle to understand the relationship between global city and migration. Universities (students) are strongly associated with urban communities and contribute greatly to regional growth. As a result, the flow and movement of students have now brought 'an alternative stream of global connections' to global cities and even smaller cities with concentration of educational organisations. Advanced level students working at research level often engage in lab work and academic projects as highly skilled labour. At the same time, the high costs of studying abroad have led them to seek part-time jobs to defray tuition burdens. Due to the nature of their work and low pay, they could thus still be considered as a form of the low-skilled migrant labour in the global cities as defined by Saskia Sassen (1992).

The education hub project has already been in the pipeline since 2006, according to the newspaper the Standard⁷. Compared with Singapore, Hong Kong has a number of distinct advantages, the proximity to Mainland China and other key Asian economies (Japan, South Korea), all large students sending countries; tax free trading port and world-class financial institutions; most high-ranked universities in Asia, three out of the top Asian universities are based in Hong Kong, with HKUST (Hong Kong University of Science and Technology) on the top,

⁷ The Standard:
http://www.thestandard.com.hk/news_detail.asp?pp_cat=11&art_id=21260&sid=8522355&con_type=1

according to the latest QS World Universities' Ranking⁸ in 2012. Hong Kong's official entry in the race to become an Asian higher-education hub started in 2008 when the appointment of members to the steering committee and investment committee of the HKSAR Government Scholarship Fund and implementation details of a number of measures under the education hub policy were announced.

In order to ascend to its education hub status, Hong Kong needs a coherent and integral policy planning, which will involve the participation of educational and immigration authorities, to provide the necessary administrative framework to facilitate the entry, internship/work experiences, and the eventual change in immigration status should the students choose to stay. Under the new policy, Hong Kong has seen increasing number of international students, and many were recruited directly in China. This has drawn great attention in public opinion and media. Therefore, despite its geographical and cultural closeness to the Mainland China, the international student migration in Hong Kong should be coming from a diverse source of origin should Hong Kong aim at being a global and regional education hub.

Hong Kong is already facing vast challenges from established regional educational nodes, such as Malaysia and Singapore, and will face greater contest from the other side of the Pearl River Delta, as China also plans a big increase in the number of foreign students, from 260,000 now to 500,000 by 2020. There are also internal constraints for Hong Kong's ambitious hub plan, Hong Kong universities have in fact reached its operational capacity for students, after expanding their international student intakes significantly in the past decade. The physical size of the universities and existing policy limits the growth potential for Hong Kong's education hub. For instance, only a limited quota of first year intake constrains the recruitment of domestic and foreign students. The scarcity of land in Hong Kong means student housing is also major headache for the expansion of overseas students' recruitment. However, these constraints may provide a good opportunity for Hong Kong institutions to partner with its mainland neighbours and those in Taiwan and Macau, to build a Greater China Education Area, as similar to the European Higher Education Area. This will facilitate a more comparable, compatible and coherent system of higher education in the Greater China Area, and promote more mobility and cooperation in order to overcome the physical and resource constraints.

⁸QS University Ranking: <http://www.topuniversities.com/university-rankings/asian-university-rankings/2012>

CONCLUSION – ERASMUS FOR ASIA?

The much-speculated about leadership race in Taiwan drew to an end on 14 January 2012, when the current ruling party Kuomintang (KMT) chairman, Mr. Ma Ying-jeou defeated Ms. Tsai Ing-wen, the candidate of Democratic Progressive Party (DPP). This year's election comes at a critical period of political and economic change for the Asia Pacific region. The ongoing financial and economic crisis has severely impacted upon the region's major economies, as exports start to shrink and simultaneously employment is rising rapidly. In addition to the economic uncertainties, Asia Pacific's regional stability is also further complicated by the anticipated leadership changes in the United States, China, South Korea, and, of course, the recent power transition in North Korea following the death of Kim Jong-il. Therefore, Ma's victory is not only significant for political ties across the strait, but also critical in stabilising the wider region.

Ma's re-election has been widely regarded as a relief and positive message of peace from Taiwan. As such it has consequently been welcomed by China, United States and the European Union. However, Ma has now to actually deliver his election promises, and make these cross-strait economic and social exchanges beneficial for both sides. So far, during Ma's first term in office, there were landmark deals such as opening direct transportation links in air travel and shipping. The Economic Cooperation Framework Agreement (ECFA), which was signed in summer 2010 by both sides, allowed Taiwanese fruit and other products to be exported to the Mainland without tariffs. Nevertheless, in order to sustain peace and stability across the Taiwan Strait, both sides must further intensify a 'people-to-people' exchange at the grassroots level. Nearly three million tourists from Shanghai, Beijing and other Chinese cities have the chance to visit Taiwan - unthinkable a mere four years ago. While both sides have normalised economic relations in these past few years, it is social ties among people which will contribute to the spread and enhancement of cross strait dialogue and understanding.

Comparing to Europe's education harmonisation process (Bologna process) towards a European Higher Education Area and its well-developed ERASMUS scheme, cross-strait educational exchange and academic cooperation is still at its early stage of development. Both the substance and size of exchange is relatively low, considering the total education sector. Furthermore, it is still a politically sensitive subject and consequently the governmental involvement is limited, especially in the case of Taiwan. While in the case of EU, ERASMUS is now highlighted as a key tool of European integration and strategically supported by European

institutions, which now has a new parallel initiative called Erasmus Mundus programme, aiming at globalizing European education and promoting cooperation with other countries.

However, it is also important to note that academic cooperation between Mainland China and Taiwan has already been upgraded as an important platform for cross-strait dialogue. Education has an important place in Chinese tradition and society, and the cooperation between Mainland China and Taiwan has a strong backing from education sector and civil society. Already in 1997, there have been demands from students in Taiwan for the authorities to recognise their degrees earned from Mainland universities and the voice is getting louder (Clough 2001). Therefore, the European model of student mobility could be a good reference for cross-strait cooperation. The future academic cooperation could follow the steps of Bologna process in providing more opportunities for students on both sides, and work on the full recognition of diplomas, standardising credit transfer, university degrees and quality assurance, making them more comparable and compatible between Mainland and Taiwan and possibly throughout the Greater China Area. EU's new joint master and doctoral programmes can also potentially be applied as well as providing funds for collaborative research projects.

As shown in the EU's ERASMUS programme, student mobility is not just limited to academic learning, it also provides indispensable opportunities for socializing among peer groups, as well as to develop sense of community and European identity. EU's success in using educational exchange in facilitating regional integration process has led others such as the ASEAN (Association of Southeast Asian Nations) to implement similar exchange scheme. The Government of Japan was also quoted in 2008 (The Japan Times) to reveal an Asian Erasmus with the hope to build mutual understanding and trust in Asia.

The mobility of peoples and such inter-personal and inter-cultural contacts are important factors in promoting dialogue and drawing us all closer to debate cultural values and differing worldviews. Such lively interactions among people from different backgrounds allows us to put aside stereotypes and overcome prejudices. With the current moderate political environment, while naturally politics and economics still remain the most powerful factors in bilateral relations between Mainland and Taiwan, intensifying education exchanges must be seen as a wise and realistic way of overcoming misconceptions, and will be an important step towards deepening dialogue and enhancing mutual trust. The success of the European ERASMUS experience illustrates how academic exchanges and cooperation, through the mobility of the newer generations of young people and students can lead to socialization and integration from

grass roots upwards. Therefore, if cross-strait educational exchanges can be efficiently coordinated by the authorities on both sides, they can potentially lead to the emergence of an 'Erasmus Generation' equivalent within the Greater China area, and play that forceful role in spreading goodwill and building a common identity. This month's voting results reaffirm the crucial importance of peace and prosperity in cross-strait relations. Let us hope leaders from both sides of the Greater China Region will undertake pragmatic steps in facilitating and encouraging people-to-people exchanges and forge much needed closer economic and social ties for a common future.

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