EDUCATION RECIPROCITY: AUSTRALIAN UNIVERSITY EXPERIENCES IN VIET NAM

What the Australian Higher Education sector can learn from Australian universities engaging and operating in Viet Nam

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Thirty years of Australian education in Viet Nam have resulted in universities having a diverse range of business approaches, as the two countries look for closer complementarities.

**KEY TAKEAWAYS**

1. **Different models**: Universities have already charted many paths
2. **Reciprocity and regions**: Don’t overlook Viet Nam’s own education ambitions
3. **Industry links**: Conglomerates have political clout and campuses
4. **Cooperation**: British Council lessons for ‘Team Australia’

**A NEW ECONOMIC RELATIONSHIP**

In the 2019-2020 period, Viet Nam ranked 14th amongst Australia’s two-way trading partners behind Indonesia and Taiwan with trade valued at $15.236 billion or just 1.7% of Australia’s total trade. The five-year annual growth rate in trade is 9.2% which ranks Viet Nam behind China and India. Australia also ranks about 14th amongst Vietnam’s trading partners alongside Austria, Malaysia and Cambodia and accounts for a similarly small proportion of Viet Nam’s trade at 1.6%.

In 2019 the Australian Bureau of Statistics (ABS) recorded $2.918 billion in cumulative Australian investment in Viet Nam and $2.633 billion in direct investment where an Australian parent owned more than 10% of the equity. The Viet Nam Ministry of Foreign Investment and Foreign Investment Agency reported on a different basis in 2020 that there were 500 Australian financed projects in Viet Nam with capital of more than US$2 billion. In 2019 the ABS reported the stock of Vietnamese investment in Australia was $793 million.

In 2019, the Prime Ministers of Australia and Viet Nam set a new target for enhanced economic cooperation: to double bilateral investment and become one of each other’s top ten trading partners.

This new cooperation was formalised by Prime Ministers Scott Morrison and Pham Minh Chinh on 1 November 2021 with the **Australia-Viet Nam Enhanced Economic Engagement Strategy** released on 21 December 2021.
ACHIEVING THE TARGETS

In early 2020 Asia Society Australia, in collaboration with the Australian APEC Study Centre at RMIT University and the Victorian government, published A Path to Viet Nam: Opportunities and Market Insights for Australian Business which examines opportunities for Australian business.

From June to December 2021, Asia Society Australia collaborated with DFAT to conduct three roundtables to support the new Enhanced Economic Engagement Strategy. They covered key issues for Australian businesses in Viet Nam, and the outlook for Australian education providers. DFAT also supported the publication of a follow up report to A Path to Viet Nam which focuses on opportunities for Vietnamese businesses in Australia, A Path to Australia: Opportunities and Market Insights for Vietnamese Business.

The NSW Government and Asia Society Australia also undertook a separate initiative on Viet Nam, which contributes to the achievements of the national target for increased economic cooperation between the two countries. Please read Working Paper Two in this series for those findings.

FINDING VALUE - MANY PATHS TO MARKET

Thirty years of Australian education engagement with Viet Nam have given universities a diverse range of models for new activities as the two countries look for closer economic complementarities. While participants in this roundtable shared their experiences, it quickly became clear that there were already various business approaches to the country in education than would be typically found in other sectors.

One participant said: “In Australia we have really good models of international engagement and it’s been my experience that our colleagues in Viet Nam really appreciate that and take advantage of it and look forward to the cooperation.”

These models range from the “bricks and mortar” fully-owned campuses of RMIT University through joint ventures like the one between Swinburne and Viet Nam IT services company FPT to the deep research partnerships such as the University of Sydney’s work in health which has evolved in a multi-disciplinary Sydney Viet Nam Centre. On the other hand the Western Sydney University focuses on providing a fully flexible offering with the Ho Chi Minh City University of Economics which allows students to vary how much they study in each country.

But participants tended to agree that most new models would be driven by still emerging educational technologies with one saying that Viet Nam offered a particular opportunity to “jointly develop our tertiary education systems and create a blueprint for life-changing hybrid and online systems.”

There were differences amongst the participants about just how fast decision-making had occurred in their Viet Nam education partnerships. As one put it: “Some of you that might be a little tired and worn out by elongated decision-making processes. If you have a bright idea and you’re talking to the right people in Viet Nam, things move very, very quickly.” But another said it was still important to take a long-term view because some of the best things his institution had done in the country had taken many years to achieve.

Representatives of universities which did not yet have deep partnerships in the country acknowledged they would likely need to find new opportunities rather than simply try to copy what had already been done. One clear possibility was to focus more intently on research cooperation and joint publication without a physical
presence although this was also a pathway to offering
joint post-graduate degrees. Viet Nam’s preference
for English language research publication made
joint research more attractive. And one participant
provided data from the Elsevier Scopus Database
showing that Vietnamese academics were already
more likely to publish with a foreign partner than
their Australia counterparts were.

One participant said that a key channel for developing
joint research was remaining in contact with
Australian-educated PhD students who had gone
on to academic roles in Vietnamese institutions
because they were “very willing collaborators”. It was
also noted that as Viet Nam developed, the research
problems it was facing would be more similar to
Australia (for example in climate change or in non-
communicable disease) and so this would make joint
research more attractive.

But the participant who had closely studied the
Elsevier Scopus trends in Vietnamese research
forecast that the country’s scholars would be
producing more research output than Australian
scholars in 15-20 years so that represented a deadline
for building long-term cooperative relationships in
research.

There was general agreement that any new
partnerships would require a more cooperative
approach than some institutions had pursued in the
past, particularly as Viet Nam sets out clear ambitions
for how it wants its education system to develop.

Indeed, some participants said the country has clearer
and better structured education development ideas
than many peer countries, which made it both a more
promising country for Australian institutions, but also
potentially more demanding in building relationships
and trust.

One said education was absolutely essential in Viet
Nam’s Confucian culture and, with 100 million (mostly
young) people and an already good education system,
it offered “huge potential” for both teaching and
research cooperation with Australia.

However, another said of the reciprocity challenge:
“We in turn have so much to gain, and that in many
ways is our greatest challenge: opening the eyes of
Australian enterprises of all types to the wealth of
social and economic value Viet Nam can also bring to
Australia.”

Another described the reform now underway with
new legislation as “profound” in terms of growing
research and internationalising it, internationalising
the curriculum and building classroom and industry
engagement on an international scale. This person
argued that while having reciprocal partnerships
was important, the real operational challenge for
Australian institutions was being able to demonstrate
genuine complementarity when the Vietnamese
system was modernising so fast.

For example, Viet Nam’s Project 89, which aims to
increase the number of people with PhDs, was a
source of students for Australian universities, but
those institutions would need to fit in with what Viet
Nam wanted to achieve. Project 89 was also seen as a
broader basis for more comprehensive partnerships.
The fact that some participants interpreted regionalism in different ways only served to highlight the range of expansion opportunities in the country beyond the two main urban areas of Hanoi and Ho Chi Minh City. Understanding the cultural and political differences between the north and south of the country was also critical to partnerships.

Some participants said Danang in central Viet Nam was a prime expansion location for an Australian university looking for new geographical locations because it had an outward looking orientation and a large tourism sector. By way of its partnership with FPT University, Swinburne is currently considering plans to open a Swinburne Viet Nam teaching site there.

But Australian state government offices could play a useful role in helping universities link up with other provinces wanting to attract industry with skilled local workforces and helping negotiate the “regulatory maze”.

Some participants also said it was important to understand that Viet Nam saw itself becoming a regional hub for education across the Mekong region and this was helping drive the internationalisation of its education system.

“It has a very outward-looking policy and in an increasingly contested region wants to support its near neighbours. I think when we think about the Viet Nam opportunity, it’s really important as universities that we think about those countries around Viet Nam as well.”, one person argued.

**INDUSTRY PARTNERSHIPS: A STEPPING STONE TO INDUSTRY 4.0**

With Viet Nam highly focussed on ensuring its education system delivers the skills needed to deliver Industry 4.0 manufacturing capability, there was wide-ranging discussion about what role Australian universities could play.

One option was to form a partnership with a Vietnamese university with strong private sector links, but another was to build links directly with business conglomerates, some of which operate large scale education functions within the group. The first option provides limited opportunities because there are only three private universities attached to big conglomerates – FPT, Vin Uni and Phenika – out of about 200 universities, and so it is competitive to partner with them.
One participant said that direct industry partnerships provided insights into what skills business needed but also connections to the government decision makers.

Another agreed: “Viet Nam is so driven by personal relationships. Domestic industry tends to operate in large conglomerates which do many things, and hence the leaders of those conglomerates tend to be very politically connected and able to get things done swiftly.”

One person said that running a university program in partnership with a business-owned university had provided enormous opportunities for expansion because of the close links to the skills needs of industry. Nevertheless, public universities are likely to be more active in public research funding. So different partnership strategies are needed for different purposes.

But another participant said it was also important to understand the needs of multinational companies in a country like Viet Nam where global companies are investing for both domestic and export sales. “We don’t confine ourselves to the industry and country. We actually look to the wider multinationals,” the person said about experience engaging with industry in Asia.

Other universities said they had developed links to business through their internship program for students.


It is really important, if Viet Nam and Australia establish closer links on this, that we do have a collective approach and that we talk to each other about what we’re doing.
While several Australian universities have made significant progress in building links to Viet Nam over the past two decades, the need for closer cooperation between the education sector and the government was a recurring theme.

The ‘Team Australia’ approach has been revived by both business groups and governments over the past year, but the education roundtable participants regularly cited the British Council as the standout agency for promoting education abroad.

One person with experience at a British university said the Council had supported them in overseas expansion and “pushed out” some of the potential competition that is seen in Australia.

Several participants said there was a need for something like the British Council to promote Australian education services abroad because government backing was important in countries like Viet Nam.

One said: “It is really important, if Viet Nam and Australia establish closer links on this, that we do have a collective approach, that we hold that collective approach and that we talk to each other about what we’re doing.”

Another said Austrade could and did play this role. But there was also discussion about what role an Australia-Viet Nam Policy Institute, which is being established at RMIT University with government and other support, could play in promoting Australian education models and expertise.

Pointing out that Australian universities had much deeper knowledge of operating in China than Viet Nam, one person said that Australian government work on transnational education models in India might be useful in any strategy for Viet Nam, although the regulatory environment in India is quite different to Viet Nam.

“There has been some great work that Australia has done in India looking at transnational education kinds of models and providing that sort of advice. And I think there’s space for something similar in Viet Nam to point us in the right direction,” one participant said.

Other participants called for more government support post-pandemic in designing hybrid education models for delivering education in Australia, offshore, in country and online. This would involve reviewing quality standards, more harmonised technology for delivery and collaboration on online. Viet Nam was seen as a country which would be receptive to being a pilot country for this sort of collaboration.

One speaker said the Australian government would need to play a role in facilitating reciprocal partnerships between Australian and Vietnamese institutions by reducing barriers to participation by Vietnamese institutions in the Australian system.

Another participant cited the side letter agreement between Australia and Viet Nam as part of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership on collaboration in online master’s programs as an example of how government could open doors in Viet Nam because it had a more progressive approach towards trade liberalisation than some other Asian countries.

Several participants also called on the government to better align post-study work opportunities and migration with education collaboration opportunities.
ROUND TABLE PARTICIPANTS

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A national CEO Roundtable on Viet Nam was convened by Asia Society Australia and hosted by RMIT University. It brought together The Hon Dan Tehan MP, Minister for Trade, Tourism & Investment with business, university and civil society leaders in Australia with experience and interest in the Vietnamese market to discuss practical ways where government, business and the university sector can work together in a “Team Australia” approach to strengthen the economic relationship.

The CEO Roundtable on Viet Nam series is designed to bring together senior business leaders with government, academia and civil society to advance bilateral trade and investment links between Australia and Viet Nam. These high level roundtables discuss practical ideas to pursue trade and investment opportunities, while developing business-to-business connections, and professional relations between leaders. Each roundtable results in working papers and video case studies to inform and support business outcomes in Viet Nam.

The Roundtable discussions build on the recent report *A Path to Viet Nam: Opportunities and Market Insights for Australian Business* developed by Asia Society Australia and the Australian APEC Study Centre at RMIT University.

Working Papers in this series:

- **One – Viet Nam Now: Strengthening Bilateral Engagement (June 2021)**
- **Two - Viet Nam Now: The Way Ahead for Australian Business: NSW Case Studies (June 2021)**
- **Three – Viet Nam Now: Operating on the Ground (November 2021)**
- **Four – Education Reciprocity: Australian University Experiences in Viet Nam (December 2021)**

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We work with international partners and other countries to tackle global challenges, increase trade and investment opportunities, protect international rules, keep our region stable and help Australians overseas.

In December 2021, the Department and the Vietnamese Ministry of Foreign Affairs jointly launched the Australia-Viet Nam Enhanced Economic Engagement Strategy (EEES) and its accompanying Implementation Plan. The Strategy and Plan set out visions for why – and how – Australia and Viet Nam can work together with the aim of becoming top ten trading partners and doubling two-way investment. The Strategy is focused on key sectors where Viet Nam and Australia have particular strength to build on the trade and investment relationship, as well as the greatest potential to assist both countries’ recovery from COVID-19 and to achieve the targets of this Strategy.

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