

Clearer path to foreign research transparency

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There's a way to achieve accountability with less bureaucracy

Australian universities have front-row seats to the high drama of Australia-China relations.

University linkages with China are at once a source of educational opportunities for legions of young Chinese, a key source of Australia's economic prosperity and dependence on China, and an international gateway that the Chinese Communist Party has sought to use to build influence and propagate its propaganda.

Combined with their role as incubators of innovation and research linkages with Chinese academics and institutions, some of which are connected with the People's Liberation Army, it is unsurprising that our universities are subject to intensifying scrutiny.

Given the growing suspicion in Australia of the Chinese state's goals and strategies, the rationale for transparency and accountability regarding the connections between Australian universities and China is sound.

But the current means of increasing transparency and accountability are undermining efforts to diversify education export destinations and creating onerous administrative burdens at precisely the moment Australian universities can least afford them.

A key element of the government's effort to achieve greater transparency and accountability in the university sector is the Foreign Relations Act 2020.

This act was designed to ensure consistency of Australia's foreign policy and to avoid states, territories and public universities from entering into international arrangements that are against the national interest. The Foreign Minister's veto of two Belt and Road agreements between Victoria and China last month demonstrates the government's willingness to use the act's powers.

Although the act is well-intentioned, it is potentially damaging. It empowers the Foreign Minister to review and veto arrangements with overseas universities that lack appropriate levels of "institutional autonomy". This presumably means the act applies to all universities in China. But beyond that, there is much confusion as to which arrangements will be subject to review and cancellation.

It is possible the act will be applied to few countries beyond China, despite many universities in our region operating with significantly less autonomy than Australian universities.

But even if that is how the act is eventually applied, current ambiguity is doing damage and the government should urgently clarify its application. Already there are industry reports that the act is hindering efforts by Australian universities to diversify, including into potential growth markets in Southeast and South Asia.

The act's reporting requirements increase the resources and bureaucratic processes required for universities to pursue new arrangements with universities with less autonomy. The marginal immediate benefits of these new arrangements mean they may not be entered into at all, despite their long-term benefits for Australian universities and the economy.

One university representative told us of a plan to sign a memorandum of understanding with a Vietnamese university for a small student exchange that could grow, but the bureaucratic burden of the act deterred them from progressing. University representatives raised similar concerns about arrangements with Malaysia and Singapore.

The act is also particularly onerous for the Department of Foreign Affairs and Trade, which likely will have to examine tens of thousands of international arrangements initially, followed by an ongoing oversight burden.

But there is a way to achieve the act's objectives of transparency and accountability without discouraging export diversification and with less bureaucratic burden for the government and universities. The government should establish an international research transparency scheme and exempt universities from the act. This scheme could be managed by the Department of Education, Skills and Employment and would collate active international research arrangements between Australian universities and their international counterparts.

Like the Foreign Influence Transparency Scheme, the register would be public to maximise transparency and accountability.

To ensure the regulatory burden on universities and DESE is proportionate, we suggest that the scheme would apply only to legally binding arrangements valued above a certain threshold, say \$200,000, measured in allocated personnel costs, revenue or research commercialisation.

Universities would need only to provide a one-off submission of key particulars (or material changes) once an agreement passed this threshold. And the scheme would not prevent intelligence and national security agencies flagging security risks associated with international arrangements below the threshold.

Given the current headwinds, neither Australian universities nor our economy can afford policies that risk holding back our universities from developing links in new and emerging markets.

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