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# No US or China higher education winners in trade wars

**Gerard Postiglione** 30 July 2019 University World News

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It would not be surprising if the United States-China trade war and the accompanying intellectual property debacle end up having long-term effects on academic talent flows, internationalisation, university-industry linkages and peer assessments – all indicators used in the global rankings of universities.

Who will win and who will lose is not the issue. The US-China trade war is becoming a new norm of neo-globalisation. It not only slows the world's economic development but is also likely to hobble the kind of academic and scientific interdependency that contributes to the global common good.

When the world's two largest economies faltered in reaching a long-term settlement, the US government raised the ante. Universities began to show changes in student application rates, educational exchanges, scholar visa approvals, revenue streams and international research cooperation.

## **Long-term impact**

Of greater concern has been a change in the atmosphere on university campuses with the development of a mood of suspicion and mistrust. In an increasingly unstable world order, universities in the two countries are at risk of having diminished capacity as institutions for peace, geopolitical stability and sustainable development.

If the new norm makes countries line up on one side or the other, we could see more of a binary world and a bifurcated academy.

A long-lasting trade war that slows economic growth will inevitably affect university budgets.

Already hemmed in by a lack of institutional autonomy, China's universities may see slimmer budgets to carry out national excellence initiatives. This includes China's 'Double World-Class' project which could be a victim. It aims to place 37 universities and 460 disciplines in the world's top tier by 2035.

American universities, including MIT, have already surrendered some autonomy to the US government by adhering to orders that they reject research funding from Huawei, China's premier technology company. The president of MIT has accused the US government of "creating a toxic atmosphere of unfounded suspicion and fear".

A further loss of autonomy – a key ingredient of US university dynamism – could adversely affect the rankings of American universities, which just had their worst performance in 17 years.

When the University of California at Berkeley suspended collaboration with Huawei, the vice-chancellor for research characterised the move as “a disservice to the technology companies in the US and Europe and to the researchers at universities that are in the forefront of new scientific and technical developments in the field”.

Cutting off opportunities for productive research by viewing university-industry collaboration as a chance to steal intellectual property is disingenuous and counter-productive. Research collaboration has always been mutually beneficial.

Rather than cutting off research cooperation and university-industry cooperation, these should be viewed as opportunities to intensify competition and make new scientific breakthroughs. US universities deserve more trust based on their know-how, experience and mechanisms for dealing with intellectual property.

## **Innovation**

Curtailing the flow of students and scientists between the two countries has other implications. Much of China’s technological rise has depended upon study and research that its students and scholars gained at US universities. Chinese students, scholars and scientists who studied at US universities over the past 40 years have also played a key role in China’s new intellectual awakening.

At the same time, billions of dollars in revenue flow into the US by virtue of Chinese students and scholars. According to William Kerr of Harvard, more than 10% of US inventions today are made by scientists of ethnic Chinese origin (up from 5% in 2005). FBI investigations are making ethnic Chinese academics feel uncomfortable even while the visa application process in both directions has become more complicated.

Some in China blame the toughened US stand on their own government’s exaggerated claim of rising technological superiority, symbolised by the Made in China 2025 initiative. The trade tariff issue metastasised to include China’s stealing of intellectual property.

During their economic take-offs, Japan and South Korea stole their share of technology, but both have since instituted stiff intellectual property controls. China has begun to work towards tougher intellectual property protection while developing its own high tech industries.

A 2018 US-China Business Council Member Survey of American companies doing business with China ranked protection of intellectual property as last on a list of 10 concerns. It dropped from second in 2014 to 10th in 2018 because China established specialised courts to handle cases of intellectual property infringement. In 2016 foreign plaintiffs brought 63

cases of infringement to Beijing courts and won every case.

Some argue that we need to look to the early 19th century. Then the US was pinching plans for textile weaving machinery from Britain, while China's Wu Bingjian, the world's richest businessman at the time, mentored John Murray Forbes, who went on to play a key role in the US industrial revolution while he managed Wu's American investments.

### **Taking sides**

A new binary structure of technology development would be in no-one's interest. Universities in both countries risk a loss of intellectual capital in a bifurcated global academy, with scientists and scholars forced to line up on one side or the other.

There will be no winners in such a race to the bottom in which academic staff, postdoctoral fellows and students feel scrutinised, stigmatised and on edge because of their ethnicity or nationality.

A restricted flow of information and unnecessary secrecy creates a campus culture that stifles creativity, handicaps innovation and short-changes the global common good.

As recently pointed out to the United Nations by a network representing 2,000 universities: "None of the United Nations' Sustainable Development Goals – the internationally agreed framework for tackling poverty, inequality, disease and climate change – can be achieved without the contribution of higher education through research, teaching and community engagement."

*Gerard A Postiglione is honorary professor and coordinator of the Consortium for Higher Education Research in Asia, University of Hong Kong. Email: gerry.hku@gmail.com.*