

Presentation to Board of Governors' Educational Planning Committee

**Request for Authorization
to study the feasibility of an
NC State Campus in South Korea**

Presented by
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1. Seek authorization to receive a planning grant (approximately \$1 million) from South Korean government to study the feasibility of an NC State campus in South Korea.
2. Grant will pay all expenses to conduct the study over a 12-month period beginning after BOG approval.
3. Grant will permit detailed planning relating to all aspects of establishment of an NC State presence in South Korea, including
 - a. Determination of the need for this activity and opportunities provided on behalf of the state of North Carolina and its citizens
 - b. Determination of market demand for programming in South Korea
 - c. Development of a business plan that will allow the program to be self-supporting with no state appropriated funding
 - d. Analysis of most appropriate academic programs and planning for program content and organization
 - e. Creation of a strategy for offering short-term programs (i.e., weeks or months), medium-term programs (i.e., semester or year), and long-term programs (i.e., multiple years)
 - f. Determination of facilities needs to be provided by South Korea
 - g. Development of a staffing plan for faculty and non-faculty support staff
 - h. Assessment of needs for support services, facilities and personnel
 - i. Development of appropriate strategies for receiving all required permission and accreditation, if plans are favorable.
4. Several universities have been invited to participate along with NC State, and two would begin planning simultaneously
 - a. Stony Brook University has signed the agreement to receive funding and begin planning.
 - b. NC State is ready to begin, pending approval.
 - c. University of Southern California, University of Missouri, and Georgia Tech are approaching this stage.

NC State in South Korea

NC State's response to the *UNC Tomorrow Commission* and our previously established strategic plan both include expansion of our global programming. **Our strategic approach to global readiness includes establishing international centers at strategic locations throughout the world.** Our "Global Network" initiative under UNC-Tomorrow recommendation 4.1 (Global Readiness) commits us to create

"...international centers involving multiple academic units and [that] open up whole regions and continents by providing necessary infrastructure (staffing and administrative, teaching, and research space) so that faculty and students can concentrate on instruction, research, and engagement. They conserve limited resource by allowing NC State to focus resources on a limited number of sites. NC State's centers can be used to expand study abroad, recruit new international students, integrate international experience into academic programs, and develop new global academic curricula including dual and joint-degree programs."

Programming will vary in logistical form, depending on the opportunities, constraints and partnerships that emerge in each situation. For example, NC State rents and operates a facility in Prague (Czech Republic); has a strong presence on the campus of Zhejiang University (China); is growing a comprehensive partnership with the University of Surrey (England); and is the only U.S. member of AC21, an international consortium of 18 universities whose current president is Chancellor Oblinger. We are currently in various stages of development for creating international centers in Chile, Brazil, Mexico, France, and South Africa.

Asia is a high priority strategic location. Along with our relationship with Zhejiang University, we have growing programs with several other Chinese universities and Nagoya University (Japan), and are actively developing relationships in India (through TERI University, headed by Dr. Pachuri, our alumnus and Nobel Peace Laureate).

In South Korea, we have begun an extensive planning process with the South Korean government and prominent Korean universities to consider a comprehensive NC State presence in the Incheon Free Economic Zone.

The remainder of this paper explains

Why South Korea is a Strategic Priority for North Carolina and the US
Why South Korea is a Strategic Opportunity for NC State and UNC
How NC State proposes to conduct this planning activity

Why South Korea is a Strategic Priority

1. Korea is an economic development star on which we can capitalize
 - 11th largest economy in the world
 - 9th fastest growing economy in the world (growth rate 4-5% annually)
 - Strongly pro-American history, government, culture and business environment
 - U.S. signed free trade agreement with South Korea in 2008
 - South Korea abides by international conventions for protection of intellectual property
 - World's newest and 3rd busiest international airport
 - Within 2-hour flight of Tokyo, Beijing
 - Within 3-hour flight of 1 billion people
 - Business development focuses on STEM-related industries, especially biotechnology, information technology, communication technology
2. Korea is a priority for economic development by the State of North Carolina
 - NC exports over \$400 million annually to South Korea
 - South Korea is state's 9th largest trading partner
 - Major exports are food stuffs, machinery, precious metals and stones, and plastics
 - State of NC maintains an economic development office in Seoul (one of only six locations worldwide)
 - NC Department of Commerce's International Trade office has selected South Korea as their principal focus for 2008 and near future
3. Incheon Free Economic Zone (IFEZ) is national economic development project
 - IFEZ designed as next-generation Hong Kong, Singapore and Shanghai—and a next-generation RTP
 - \$200 billion development
 - Adjacent to Incheon International Airport
 - 30 minutes by high-speed subway to downtown Seoul
 - Designed as “a bilingual English-Korean city where foreigners can own land, run schools and hospitals and where companies can get relief from Korean taxes and bureaucracy” (New York Times, 9-24-04).
 - Songdo City is business and educational tract, with population to grow to 250,000 inhabitants
 - Business focus on biotechnology, information technology and advanced materials; hence natural partners for RTP

Why South Korea is a Strategic Opportunity for NC State and UNC

1. NC State has a long history of relationships with South Korea
 - 3rd largest source for international students (after China and India)
 - Most student interest in engineering, biotechnology—NC State strengths
 - NC State alumni club in South Korea has more than 350 members
 - NC State alumni are mostly doctorates and highly placed (e.g., half of senior executives at Samsung are NC State alumni)
 - Faculty at NC State have long-standing research relationships with colleagues at Seoul National University and other universities
 - We have unique dual doctoral degree in genomics with Seoul National
 - South Korea is funding joint research project on biotechnology, \$1 million annually for five years, between NC State and Seoul National University
2. South Korea is creating an “education neighborhood” at IFEZ
 - Five US universities invited to participate (NC State, Stony Brook University, University of Southern California, University of Missouri, Georgia Tech)
 - Renowned Korean universities also participating (Seoul National, Yonsei, Inha, Hanyang)
 - South Korea providing minimum of \$5 million each in planning and start-up funds (\$1 million annually for five years)
 - South Korea will build facilities, including classrooms, laboratories, research facilities, student housing, student-life facilities, and faculty housing, and provide rent free for 25 years
3. Exceptional doorway to Asia for NC State, UNC and North Carolina
 - NC State presence in South Korea can be central location for education, research and engagement activities throughout Asia
 - Our students will experience Asia—essential for their future success
 - Our faculty will have increased access to research opportunities
 - Central location can provide administrative and logistical base
 - Can serve as the gateway for UNC institutions throughout Asia
 - An ongoing presence reduces the administrative overhead for individual programs and institutions
 - NC State (and UNC) can collaborate productively with the State of North Carolina on economic development and other bi-lateral activities
 - As we have done historically through the Japan Center and currently through the Confucius Center, NC State can provide training and services for NC companies wishing to expand into the Korean economy

How NC State is conducting this planning activity

1. NC State is approaching this project in a step-wise fashion.
 - First programs will be study abroad, beginning summer 09-10
 - Second program is establishment of biotechnology research laboratory as the basis for continuing and expanding current research program.
 - Third programs will be extended study for NC State students in Korea (one-semester or one-year programs)
 - Eventual programs would include delivery of majority of curricula on site, via both on-line and face-to-face teaching
 - All academic programs would be offered by NC State faculty, either traveling for short terms from Raleigh or hired for long-term employment in South Korea
2. We are assembling a multi-functional planning team
 - Our experience with the Prague Institute provides a base for planning
 - Utilizing our extensive experience with large-scale planning (e.g., bond construction) to plan our approach
 - Core team of Larry Nielsen, Charlie Leffler, David Drooz (Associate General Counsel) and Bailian Li (Vice Provost for International Affairs)
 - Academic planning coordinated through Council of Deans and University Standing Committee on International Affairs
 - Logistics team composed of administrative functions (HR, IT, facilities planning, purchasing, registration/records, university planning and others)
 - Consulting with experienced universities with campuses abroad (Georgia Tech, Michigan State) and with potential partners at IFEZ
 - Working closely with Dr. Heeyon Song, President of the Asia Development Institute and primary educational development lead for IFEZ, and other leaders of IFEZ
 - Developing consulting relationship with experts in U.S./South Korean business community
 - Will perform a market study to determine potential for student interest both here and abroad
3. This opportunity provides a unique and low-risk entry into a programming situation with high future rewards.
 - No appropriated funds will be used for this planning process or for any subsequent programming
 - We will work with SACS, UNC GA, the General Assembly and any other appropriate individuals or groups to receive the required authorization for this project