



By: The Editorial Board

Prestigious degree, local price – India becomes the new centre of British education



In July 2025, the **University of Southampton** opened a campus in Gurugram, a city in the capital Delhi region.

It is the first **British university** to take advantage of a 2023 regulatory change allowing foreign universities to operate in India without a local partner. The first enrolment cycle began with 120 students in accounting and finance programmes.

Southampton's decision is part of a wider trend. Of the 19 foreign universities granted permission to operate in India, nine are from Great Britain: Southampton, Queen's University Belfast, Coventry University, University of Surrey, University of Bristol, University of York, University of Liverpool, Lancaster University, and University of Aberdeen.

Most are planning campuses in Gujarat's GIFT City, a special economic zone designed as a financial hub for the Asian market, while others are targeting Bengaluru and Mumbai.

Economic pressure and political calculation

In January, the British government introduced a new **International Education Strategy** that signals a shift in priorities. The previous 2019 strategy had a clear objective: to attract 600,000 international students annually to British universities.

The new strategy does not mention this target. Instead of focusing on student numbers, the emphasis is now solely on income. The goal is to increase revenue from **education exports** from £32 billion per year to £40 billion by 2030.

The reason for this change is political. Net **migration** to the UK peaked at 944,000 in March 2023, triggering a political crisis. By June 2025, this figure had fallen to 204,000—a 78% **decrease** in just two years. Student visas account for a significant portion of this number.

The government responded with a series of restrictions. Most students on master's programmes can no longer bring family members with them.

Transnational education is becoming not only a more politically acceptable solution but also an economic necessity

The Graduate Route visa, which allows students to remain and work in Britain after their studies, will be reduced from 24 to 18 months from January 2027.

From August 2028, universities will pay a fee of £925 per year for each international student, with the first 220 students per institution exempt to protect smaller institutions.

The impact is already apparent. In the year ending in June 2025, Britain issued 431,725 **student visas**. The **Office for Students** estimates that around 45 per cent of English higher education institutions are in deficit in the current academic year 2025–26, with one in six universities having less than 30 days of liquidity, meaning they could run out of funds for salaries and core costs.

Financial pressure is forcing universities to seek alternatives. **Transnational education** – campuses outside Great Britain – is becoming not only a more politically acceptable solution but also an economic necessity.

Students pay fees, universities generate income, but students do not physically come to Britain. The political issue is circumvented.

India's market and demographic pressure

India currently has 43.3 million students. By 2035, this number is projected to rise to 70 million according to conservative estimates, or even 86 million according to the **Confederation of Indian Industry (CII)**.

This will require an increase in capacity of at least 62 per cent, and in more ambitious scenarios, almost a doubling. Building such capacity will require approximately 250 million square metres of new academic infrastructure on about 12,000 hectares of land.

According to India's real estate consultancy **ANAROCK Capital**, academic facilities alone require an investment of approximately \$100 billion, not including land and student housing infrastructure.

India cannot address this challenge alone. Foreign universities provide part of the solution, but they have their own economic logic.

Students in Britain pay between £19,000 and £34,000 per year. On India's campuses, the same degrees cost between £10,400 and £16,400 per year.

Instead of students travelling to universities, universities are now coming to students

The difference is not in quality – India's regulations require identical standards – but in price positioning. Universities must compete with domestic institutions and adapt to the purchasing power of India's middle class.

Financial analysts warn that campuses will initially operate at a loss due to large upfront investments. Long-term profitability depends on student numbers.

Southampton plans to expand to 5,500 students over the next decade. The University of Liverpool projects growth to 5,000 students in five years, with an ambition to reach 10,000 by 2036.

Only with these numbers does the model become sustainable. The paradigm is shifting. Instead of students travelling to universities, universities are now coming to students.

The model is becoming two-way – some students still come to Britain, but increasingly,

more stay at home and earn a British degree locally.

Geopolitical logic

Prime Minister **Keir Starmer** visited India in October 2025 with a delegation of 13 universities, marking the largest ever delegation from the education sector.

The visit coincided with negotiations on a free trade agreement between the United Kingdom and India. Starmer told reporters, "It is a fantastic opportunity for us to provide university education in India. There's no question of visas."

Trade Minister Chris Bryant described the export of education as "a great British success story". More than 50 current world leaders graduated from British universities.

Bringing prestigious foreign universities to India's soil reduces brain drain and foreign exchange outflow

The **India-UK Vision 2035** strategy, adopted in July 2025 during Modi's visit to London, positions education as one of the key pillars of future cooperation between the two countries.

For India, this comes at an opportune time. **American universities**, which have traditionally attracted the largest number of India's students, now face their own immigration restrictions.

Canada has announced a 50 per cent cut in international enrolment. Australia has tightened visa requirements.

Bringing prestigious foreign universities to India's soil reduces brain drain and foreign exchange outflow, while also raising the standard of domestic education through competition.

Tensions and unresolved issues

There is resistance within university communities. Academic unions express concern that the pressure for profitability will threaten the quality of education.

They fear the diversion of institutional resources to lucrative international projects at the expense of domestic research and teaching.

New campuses require huge initial investment, but British universities have little choice – they must diversify income and reduce dependence on three unstable sources: frozen domestic tuition fees, reduced research budgets, and international students coming to Britain.

Awareness of this change is growing among India's students already studying in the UK. Many of their peers who were previously interested in going to Britain are now seriously considering staying in India.

The logic is clear: if they can study at an internationally renowned British university without leaving their own country, why would they go abroad?

The key question becomes: what is lost in that transformation, and what essential elements remain?

That shift in thinking reveals a fundamental paradox. For decades, British universities have built their value on the experience of living in Britain – a mix of cultures, networking with the global elite, and an academic community that extends far beyond the classroom.

Now, as that experience is relocated to India, the key question becomes: what is lost in that transformation, and what essential elements remain?

In the long term, local campuses pose a serious risk to Britain's academic reputation. If India's campuses offer education of the same quality as their home universities in Britain, students have no reason to spend twice as

much and move to another country – they can obtain the same degree at home.

On the other hand, if India's campuses offer a lower quality of education, the question arises as to why prestigious British universities would attach their name to such an offer and risk their brand being associated with lower standards.

Transformation of global education

The traditional model of the twentieth century worked clearly. Students from the Global South migrated to the North for education. Many remained as a highly skilled workforce, while those who returned became ambassadors for the culture of the country where they studied. Education combined economic benefits with geopolitical influence.

This model now faces serious obstacles. In Britain, the government is reducing the number of visas for foreign students because citizens want fewer immigrants, and these students are the main source of income for universities. Meanwhile, India and China are increasingly keen to retain their talent rather than send it to the West.



British universities are changing their strategy. Instead of waiting for students to come to Britain, they are now opening campuses where the students are. India is just the beginning

An emerging solution – the delivery of education where demand exists – attempts to resolve this contradiction. However, it is not a

simple substitution.

Transnational education can generate income, but it cannot reproduce all the economic effects of students' physical presence. Students on India's campuses do not pay rent in British cities, do not spend in British cafés, and do not contribute to British tax revenues through consumption.

The British government explicitly supports this expansion, seeing it as a way to control immigration while increasing the economic value of the education sector.

India's government sees an opportunity to increase capacity and retain talent. Universities see income diversification and access to a vast market. For now, enthusiasm outweighs scepticism.

Success depends on several factors. British universities must maintain the same quality of teaching in India as in Britain – if they lower standards, they lose credibility.

India's government must create regulations that protect students without hindering development.

Ultimately, students must decide what is more important: a lower price, staying at home, or going to Britain, where independence awaits far from family, studying with peers from all continents, access to professors who teach on home campuses, networking, the nightlife of British university cities, and access to the European labour market – and all that makes studying abroad a unique, irreplaceable experience.

As noted at the beginning, British universities are changing their strategy. Instead of waiting for students to come to Britain, they are now opening campuses where the students are. India is just the beginning.

If this model becomes widespread, the consequences will be enormous. Millions of students will be able to obtain a UK degree without moving.

This will change who has access to a prestigious education – but also how much that degree is really worth. When everyone can obtain an Oxford or Cambridge degree in their own country, what happens to the value of that brand?