

An Analysis of the Welfare Effects of Local Internationalization Policies in Malaysian Higher Education

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ABSTRACT

Since the 1990s, Malaysia has upgraded the internationalization of higher education as a national strategy, and has successfully shifted from a "brain drain" bottleneck to an "education export" engine by positioning itself as a "regional hub of higher education excellence". At the same time, the concept of local internationalization of higher education has been put forward in a very innovative way. With the Higher Education Blueprint 2015-2025, the government has strengthened the three core strategies of internationalization of private universities, cross-border education cooperation and diversified international student recruitment, so that the scale of international students will steadily increase to reach 250,000 in 2025 and contribute more than tens of billions of ringgit in education export revenue, which will lead to tourism, healthcare, real estate and other related industries, thus realizing the concept of "education-economy-culture".

From a macro perspective, Malaysia's local internationalization model is highly consistent with the global trend of openness and inclusiveness of education. However, its sustainable development still faces three major structural contradictions: insufficient data transparency restricts policy optimization, lagging cultural integration exacerbates social tension, and unbalanced resource allocation affects educational equity. To this end, it is recommended to rely on the "Belt and Road" education cooperation framework and focus on building a two-way feedback mechanism - both to promote Malaysia's high-quality educational resources to "go out" and to promote the experience of countries along the route to "introduce". Only by establishing a dynamic evaluation system and a dialogue platform with stakeholders can we promote the paradigm shift of higher education from "one-way output" to "multi-dimensional win-win".

Keywords: Internationalization at Home, higher education, Malaysia, sustainability

INTRODUCTION

Since the 1990s, Malaysia has upgraded the internationalization of higher education as a national strategy, and has successfully shifted from a "brain drain" bottleneck to an "education export" engine by positioning itself as a "regional hub of higher education excellence". After a short development, the concept of Internationalization At Home (IAH) has been put forward by the government in a very innovative way. With the Higher Education Blueprint 2015-2025, the government has strengthened the three core strategies of internationalization of private universities, cross-border education cooperation and diversified international student recruitment, so that the scale of international students will steadily increase to reach 250,000 in 2025 and contribute more than tens of billions of ringgit in education export revenue, which will lead to tourism, healthcare, real estate and other related industries, thus realizing the concept of "education-economy-culture" three-dimensional linkage. In order to lower the threshold of study and protect the welfare of students, the government provides loans for tuition fees and living expenses through the National Higher Education Fund Corporation, and the first honors degree graduates are exempted from repayment of the loan in order to ease the financial burden. Meanwhile, the Malaysian Technical Cooperation Program and the Malaysia International Scholarship provide full funding for postgraduate students to promote high-level academic research and talent development. State governments and charitable foundations like the Yayasan Sarawak and Tunku Abdul Rahman Foundations have established

special scholarships and education loans for students in STEM and outstanding humanities fields to facilitate equal participation in higher education by students from different regions.

At the university level, most institutions also have self-financing education funds and scholarships, such as UNIMY's bursary of up to RM10 million and Nilai University's tuition fee waiver and monthly rent subsidy scheme, to further balance academic and living needs. Education Malaysia Global Service Center (EMGS) provides visa, health insurance and immigration support to ensure the safety and health of international students while studying in Malaysia.

Benefit for these multi-level and multi-channel education welfare policies, Malaysia has improved the internationalization level of higher education, achieved a balance between economic benefits and social responsibility, provided a copyable transformation model for developing countries, and provided important decision-making references for optimizing resource allocation and promoting social equity.

At the same time, there are still some problems at present. Some key issues in the process of internationalization of Malaysian education are still worth further discussion. For instance, what impact does the local internationalization policy have on the universality of educational opportunities for local students? We can't be sure whether there be significant differences in the distribution of educational benefits between different states. Secondly, to what extent has the policy alleviated the shortage of local higher education resources? Whether it will aggravate the gap in social education resources between private and public institutions. Finally, what are the two-way effects of the large-scale introduction of international students on the improvement of Malaysia's education quality and economic structure transformation.

LITERATURE REVIEW

Data Sources

The literature of this study was mainly sourced from academic databases such as Web of Science (SSCI/A&HCI), Scopus, CNKI (China Knowledge), Wanfang, and Wipro. The gray literature section includes the official website of the Malaysian Ministry of Education, the World Bank (World Bank), OECD education database, as well as relevant Malaysian government reports and industry journals and conference papers. The publication period is the literature published from 2000-2025 (focusing on the research results of the last 5 years).

The excluded types of literature included non-academic literature, such as news reports and policy propaganda materials. The literature selection also excluded studies like some lacked clear IAH policy analysis, literature with missing data or methodological flaws and duplicate papers or papers with overlapping content.

The keywords searching focused on "internationalization At Home (IAH)", "Malaysian higher education policy", "education welfare effect" and "regional differences".

Literature Volume and Screening Process (PRISMA Framework)

Steps	Operation	Quantity	Remarks
1. Initial Search	Search for "Higher Education Internationalization at Home" in Web of Science, CNKI and other databases.	1790 articles	Including duplicates
2. De-duplication	Use EndNote to remove duplicates	505 articles	Retain unique documents
3. Full text screening	Excluding studies with out-of-date data and out-of-center research	209 articles	Quality assessment
4. Final inclusion	Literature meeting all criteria	35 articles	For systematic review

(PRISMA Framework)

Advances in theoretical foundations

"Internationalization at Home (IAH) was originally defined in The European Higher Education Area by Crowther et al. (2001) as "all internationally related activities other than outbound student and staff mobility". This definition emphasized that non-mobile students should also have access to internationalized education; as the research progressed, Beelen and Jones (2015) provided a more operational definition of IAH: "the purposeful integration of international and intercultural dimensions into the formal and informal curricula of all students in a domestic learning environment". This updated definition emphasizes international elements in curricula and instructional practices, as well as inclusiveness for all students, and is centered on the development of international and intercultural competence through curricula and campus environments rather than relying solely on outbound student exchanges. The concept emphasizes pedagogical reform combined with policy support as an important pathway to achieving the broader goal of internationalizing education.

Gu Siyi (2024) conducted a comparative analysis of the situation in China, Germany and the United States and found the key role of higher education in promoting economic growth. The analysis shows that there is a significant positive correlation between education level and GDP growth, it means higher education plays an important role in promoting economic growth, improving innovation and productivity. The internationalization of higher education also helps to drive the growth of local educational services, accommodation, consumption, tourism and other related industries. Under the education policies which conform to the needs of its own economy, higher education can enhance the social welfare of the country.

Beelen and Jones (2015) argue that in situ internationalization is effective in enhancing the global competence and intercultural communication skills of local students through the introduction of multilingual teaching, international collaborative courses and cross-cultural interactions. For developing countries, IAH can also mitigate the risk of "brain drain" and achieve the dual goals of "local training and international integration".

Marginson (2016) emphasizes that internationalization policies must take into account equity, so as to avoid over-concentration of international cooperation resources in elite universities or high-income students, which may lead to widening inequality of educational opportunities. In addition, it has also been pointed out that English-dominant internationalization tendencies may marginalize native languages and cultures (Altbach & Knight, 2007).

Zhang You (2022) conducted a survey of 194 Chinese college students and found that international education activities significantly improved the students' abilities cross different cultural. But there are still some differences of the benefits between different types of colleges and universities. Students from main universities are more likely to get international resources. This leads to systematic inequality in the benefits of international education.

Guo Feng (2023) believes that in the post-epidemic period, IAH is a sustainable strategic way for the internationalization of higher education, which has triple advantages of economic savings, environmental friendliness, and social inclusion. There are some challenges of regional differences and course quality, But international education is still expected to become an important force in promoting global educational equity and sustainable development through policy optimization, technological innovation, and cross-sectoral cooperation.

Falkenberg & Joyce (2023) argued that IAH is an educational model that breaks the limitations of traditional internationalization that relies only on student mobility, and enables more students (especially those who cannot afford to study abroad) to build a systematic understanding of global challenges, thus strengthening their sense of responsibility to participate in sustainable development. By reconfiguring the paradigm of education and embedding the concept of sustainable development into the whole process of talent cultivation, IAH is expected to become an important force to promote global education equity and sustainable development. By restructuring the educational paradigm and embedding the concept of sustainable development into the whole process of talent cultivation, IAH is not only an educational innovation to address global challenges, but also a concrete practice of social responsibility. Its core value lies in: using the local as the fulcrum to pry the global vision; using education as the lever to promote social equity and ecological justice.

Research Status

As an evolving learning model, "internationalization at home" (IAH) transcends the dilemma of spatial limitations and identity background limitations common in early internationalization models. Its essence lies in a hybrid field that integrates global and local teaching elements to build a new local education ecosystem. This vision requires universities to design courses that integrate multiple disciplines and cultural perspectives. In practice, the "Localization of Global Issues" module of the University of Malaya integrates the United Nations Sustainable Development Goals (SDGs) into the social ethnicity context of Malaysia and achieves culturally responsive education through a well-structured curriculum framework. In addition, teacher development under IAH should break geographical boundaries. The Global Scholars Network (GSN) of the Universiti Teknologi Malaysia (UTM) is a good example. It has created a virtual teacher platform that connects scholars from 127 institutions on five continents, enabling Malaysian teachers to participate in global teaching innovations in real time.

Since 2007, Malaysia has announced its ambition to become a "global higher education hub" and has gradually introduced a number of international initiatives to achieve this goal. The Malaysian Education Blueprint (2015-2025) emphasizes the importance of international higher education, aiming to enhance the global competitiveness of local students while enhancing the international status of Malaysian higher education. According to statistics from the Ministry of Education in 2023, 38% of public university students participated in cross-border virtual exchange programs under the framework of international higher education. However, regional differences still exist: universities in Selangor have 14.7% international faculty, while Sarawak only has 5.2%, highlighting the imbalances and resistance that will be encountered in the implementation of policies.

While many empirical studies have explored the international collaboration of private universities in Malaysia and their ability to attract overseas students (Maringe & Sing, 2014), comprehensive assessments of the broader impact of IAH remain limited. In particular, comparative studies on how IAH can reshape national welfare systems, reduce regional inequalities, and promote educational equity at the systemic level are still lacking.

Policy Implementation Path and Key Mechanisms

Policy Evolution

In the early 1980s, Malaysia had only five public universities, and competition for degrees was extremely fierce. Taking the University of Malaya as an example, the admission rate for popular majors such as medicine and engineering was less than 5%, and some classes even had hundreds of students competing for one seat. In addition to the high score requirements, the English threshold of IELTS 6.0 further exacerbated the inequality of opportunities for urban and rural students - at that time, the distribution of English education resources in middle schools was unbalanced, and rural students were at a significant disadvantage. Although studying abroad provides an alternative path, the high cost is affordable for only a few families.

To ease the pressure, in 1983, the Malaysian government promoted private colleges to pilot the "credit transfer" model such as the "2+1" project: students first complete two years of study locally, and then go to the British and Australian partner universities for the final year to obtain an international degree at a lower cost. This policy significantly reduces the financial burden and difficulty of adaptation for studying abroad by diverting demand and integrating resources.

In 1996, the Malaysian government enacted the Private Higher Education Institutions Act 1996 (Act 555). It provides a formal legal framework for private college to offer complete foreign degree programs in the country through a cooperative model, thus giving rise to the "3+0" model. This allows students to obtain internationally recognized degrees without leaving Malaysia, marking a major shift in the internationalization of Malaysia's higher education.

In short, the Transfer Credit System (TCS) has laid the foundation for the transnational articulation mechanism of the 3+0 programme, and 3+0 is one of the most mature modes of "local internationalization". 3+0" is one of

the most mature modes of "local internationalization", and it is the key path of internationalization of Malaysian higher education from "going out" to "bringing in" and then to "local integration".

Since the early 2000s, Malaysia has actively attracted world-renowned universities to establish international branch campuses (IBCs) as part of its strategy to internationalize higher education and strengthen its position as a regional education center. For example, Xiamen University Malaysia (XMUM), which was approved to establish a campus in 2012 and began enrolling students in 2015. The campus is located in Sepang, Selangor, covers an area of 150 acres and was developed with an investment of approximately RM1.3 billion. From 2019 to 2024, XMUM has produced a total of 6,268 graduates. In 2024 one year, there are 1,419 students completed their studies, including 804 Malaysian students and 615 international students, including students from China. The school's growing international profile has also helped Malaysia gain wide recognition among its diverse student population, with more than 8,500 students currently enrolled at XMUM from 48 different countries and regions.

Graduates of Xiamen University Malaysia (XMUM) have demonstrated outstanding competitive advantages and have been selected by global and regional well-known companies such as Intel, Huawei, Tencent, KPMG, Deloitte, Ernst & Young, Bank Negara Malaysia, CIMB, Allianz, Lazada, 3M, BYD and Genting Group. In addition, many graduates have chosen to continue their studies at world-renowned universities such as Oxford University, Cambridge University, Columbia University, National University of Singapore and Tsinghua University.

The achievements of Xiamen University Malaysia reflect the effectiveness of Malaysia's "internationalization at home" (IAH) strategy. More importantly, it highlights Malaysia's strategic positioning as a "platform country" in the global higher education ecosystem. It can not only promote cooperation with Western academic institutions, but also absorb high-quality educational resources from developing countries. Against the backdrop of deepening global educational integration, Xiamen University Malaysia embodies an emerging model that combines educational diplomacy with economic value creation, providing Malaysia with valuable successful experience in formulating the international education agenda.

IAH Core Implementation Mechanisms

Curriculum localization

In Malaysia, the main issue of international curriculum localization is how to achieve a balance between English and Malay in a multilingual environment, so as to achieve the purpose of global communication and protect the national identity contained in Malay. Many international cooperation projects use English as the main teaching language to keep consistent with the academic system of overseas partner institutions. So, in order to reflect language inclusiveness and maintain local cultural identity, Malaysia's higher education policy emphasizes that the use of teaching language must be easy to understand and based on local culture.

As stated in the Malaysian Education Blueprint (Higher Education) 2015-2025, international curriculum is encouraged under the principles of inclusive and autonomous language policy. This dual emphasis aims to ensure equal learning opportunities for students from different language backgrounds.

In practical terms, universities are encouraged to offer transitional bilingual courses such as English for Academic Purposes (EAP) to support students' academic preparation. In certain professions, such as education and law, institutions are also allowed to partially retain Malay as the medium of instruction while meeting international academic standards. This approach highlights the international at home (IAH) requires to match actual situation and ensure that IAH remains responsive to the realities and the social cultural composition of Malaysian society.

Resource Allocation

The key to the success of the internationalization of local education in Malaysia lies in the cooperation of multiple parties, sharing resources and responsibilities. The government is particularly important in this process. It sets the direction and builds a platform to link domestic private schools, overseas universities and

international education organizations for cooperation. Moreover, it does not directly copy foreign practices, but pays more attention to combining local realities and integrating global education resources into a "localized" way.

The Malaysian Higher Education Blueprint mentioned that the government supports the development of international higher education through a number of practical measures, such as simplifying the visa process for foreign teachers, introducing land and tax incentives, expanding PTPTN loan coverage to international learning programs, and actively promoting cross-cultural cooperation with international organizations such as the German Academic Exchange Service and the British Council. The combination of policies, institutional cooperation and international linkage has not only reduced the cost of running global projects in China, but also allowed more students to experience international education without going abroad.

In general, Malaysia's IAH model is not a simple copy of foreign courses, but a carefully designed system. It combines international quality standards with local language, culture, and socio-economic conditions. Through localized courses, multilingual teaching, and integration of resources from all parties, it not only ensures educational equity, but also accommodates multiculturalism. This "localization + internationalization" strategy has made Malaysia a unique and successful example of the internationalization of higher education in Southeast Asia.

Data Base

Indicators	Values and Description
Total number of higher education institutions (2023)	More than 430, of which about 70% are private higher education institutions
Number of institutions offering transnational education (TNE) programs	Over 120 (including 3+0 programs, dual programs and international campuses)
Percentage of universities covered by IAH	More than 50% of private universities with international co-op or IAH programs (MQA, 2022)
Number of international campuses	10 foreign university campuses as of 2024 (including UK, Australia, China, India, Ireland, etc.)

Policy Coverage

Year	Number of international students	Percentage of total tertiary students	Growth trend
2015	~130,000	~7.5%	--
2020	~117,000	6.5%	Brief decline due to epidemic
2023	~135,000	~8%	Significant rebound
Target (2025)	250,000	~15%	Upward trend

Number and Growth Rate of International Students

Indicators	Data (as of 2023-2024)
Number of 3+0 programs offered	Over 300 accredited programs (approved by MQA)
National financial expenditure on higher education as a ratio of GDP	Approx. 1.1%-1.3%, part of which is spent on internationalization programs
Percentage of international faculty at private universities	About 15%-25% on average, up to 40% at some international campuses
IAH programs taught in English	More than 80% of IAH courses are taught in English (especially at private and international campuses).

Content of instruction

Malaysia's "internationalization at home" (IAH) strategy is not just a policy or conceptual advocacy, but is also based on reliable data and quantifiable indicators. The government continuously evaluates and optimizes the

implementation of IAH policies by monitoring key indicators such as the growth trend of international students, program accessibility, and the proportion of local students participating. At present, most international students come from China, Indonesia, Bangladesh, Nigeria, Iran, Kazakhstan and countries in the Middle East. Private higher education institutions and international branches play a core role in the recruitment of international students, among which transnational education (TNE) programs and "3+0" cooperative courses are particularly popular among non-local students.

According to data from the Malaysian Qualifications Agency (MQA) and related private universities, more than 100,000 local students participate in transnational education or IAH-related courses each year, of which about 30% come from low- and middle-income families and mainly rely on the National Higher Education Fund (PTPTN) loan program to ease the financial burden. These students usually choose 3+0 or dual degree programs because of their relatively low cost, internationally recognized degrees, and the ability to complete their studies without going abroad, which reflects the practical feasibility of "localization" of international education.

To further improve the accessibility of education, the Malaysian government has extended the scope of application of the National Higher Education Fund loans to the "3+0" international cooperation projects, effectively lowering the economic threshold faced by students from low-income families in receiving international higher education. At the same time, many private universities such as INTI University, Taylor's University and Asia Pacific University of Science, Technology and Innovation have also established a variety of scholarship programs to expand the opportunities for local students to participate in international academic projects and promote educational equity and equal opportunities.

Empirical Analysis of Welfare Effects

Enhancement of Educational Opportunities for Local Students

The advancement of Malaysia's "internationalization at home" (IAH) strategy has significantly broadened the access to higher education for local students, especially those from the middle and low-income groups. More and more students are exposed to international academic courses through private higher education institutions. According to data from the Ministry of Higher Education (MOHE) of Malaysia, since the promulgation of the Private Higher Education Institutions Act in 1996, the number of local students enrolled in private universities has grown rapidly: from less than 60,000 in 1995 to more than 300,000 in 2023. During the same period, the gross enrollment rate (GER) of higher education increased from 11.2% to 43.0% (MOHE, 2023), which fully reflects that the function of private institutions as an important supplement to the public education system is continuing to strengthen.

In addition, dual-degree programs play a key role in reducing the economic cost of obtaining international academic qualifications. Taking the "2+1" cooperation project between INTI International University and the University of Hertfordshire in the UK as an example, students complete the basic courses in Malaysia in the first two years and go to the UK to complete the remaining studies in the last year, which can save about 50% of the cost compared with studying abroad throughout the whole process. This model not only improves the affordability and coverage of international education, but also fits in with the development concept of "democratization of international education" proposed by (Knight 2008).

Economic contribution of international students

Malaysia's "internationalization at home" (IAH) strategy has not only significantly broadened the channels for local students to enter higher education, but also injected momentum into the national economy through direct and indirect channels. According to data from Malaysia Education Global Services, by 2023, Malaysia will absorb more than 135,000 international students, with an estimated annual economic contribution of 780 million Malaysian ringgit. This income mainly comes from tuition fees and living expenses of international students. It is estimated that each student spends about 28,000 Malaysian ringgit per year on housing, transportation, medical and educational services.

In addition to economic benefits, the international student group has also become an important force to fill the gap in the domestic labor market. About 18% of international graduates choose to intern or work in Malaysia, focusing on talent shortage fields such as engineering, information technology and business administration. In response, the Malaysian government has launched policy tools such as the "TalentCorp" program and the "Stay and Work Pass" to strengthen the effectiveness of talent retention. This trend shows that the IAH strategy is deeply coordinated with the macro goal of optimizing and upgrading the national economic structure.

Cultural and Social Welfare Impact

At the cultural level, the Internationalization at Home (IAH) project has promoted multicultural interaction on Malaysian university campuses to a certain extent, but its actual effectiveness still varies. Wan (2019) found in a survey of 400 students from five private universities that 71% of international students only achieved "partial integration", while 63% of local students reported "limited" cultural exchanges. The main reasons for this phenomenon include language barriers, differences in social preferences, and the lack of systematic cross-cultural curriculum design. Although some universities have tried to improve this situation through initiatives such as "Buddy Programs" and "Intercultural Competence Courses", their effectiveness is still limited due to the shortage of teaching resources and insufficient institutional support.

At the same time, the promotion of IAH has also sparked controversy about the quality of education and the fairness of resource allocation. Some critics point out that some private higher education institutions have over-tilted resources to international courses, resulting in the marginalization of local courses, especially Malay and local culture-related subjects (UNESCO, 2017). In this regard, the Malaysian Qualifications Agency (MQA) has clearly required in its Curriculum Standards and Assessment Framework (COPPA) that international courses must incorporate local cultural elements to achieve the dual goals of education quality and cultural sovereignty.

Overall, the IAH strategy has produced multi-dimensional positive benefits in Malaysia: it has improved the opportunities for local students to receive international education, brought stable economic benefits to international students, and gradually created a multicultural atmosphere on campus. However, the cross-cultural integration mechanism and the fairness of educational resource allocation are still key issues that need to be improved. The future development path needs to achieve a dynamic balance between obtaining global academic resources and maintaining local social and cultural identity in order to build a more inclusive and sustainable international higher education system.

Challenges and Innovative Paths

Structural Difficulties in Policy Implementation

Although Malaysia's "internationalization at home" (IAH) strategy has made significant progress in the past two decades, its deepening implementation still faces multiple structural challenges. The primary problem is the lack of data transparency and evaluation system: the current statistics released by the Ministry of Education and Education Malaysia Global Services (EMGS) mainly focus on the macro-level enrollment scale, but fail to present key dimensions such as student racial composition, academic performance and graduation development path. More importantly, core information such as racial quotas, especially preferential policies for indigenous students, has not been made public, which seriously restricts the ability of independent research institutions to judge the fairness of policies and their group differential effects (Lim, 2020).

Another severe challenge stems from the deep conflict between cultural values and ideology. As a multi-ethnic country with Muslims as the majority, Malaysia has obvious tension between language policy and curriculum internationalization. On the one hand, many international courses are taught in English and introduce Western discourse systems; on the other hand, the Islamic education system forms a strong hedge with traditional Malay social and cultural norms (Wan, 2019). This contradiction is particularly prominent in teaching practice. International students and non-Malay students may have a certain resistance to the compulsory Malay language course, reflecting the obvious lack of cultural adaptability in the curriculum design. It is urgent to build a more inclusive teaching framework.

Suggestions for Innovative Pathways and Policy Optimization

Optimization of China-Malaysia Cooperation Mechanisms under the Background of "Belt and Road"

As a key country for the "Belt and Road" education cooperation, Malaysia has attracted many Chinese universities, including Xiamen University and Beijing Jiaotong University, to set up overseas branches in its territory. However, the current cooperation model is still mainly focused on degree awarding and brand output, and has not yet made substantial breakthroughs in deep-level mechanisms such as course sharing, credit recognition and teacher exchange. In order to promote a higher level of internationalization of education, it is recommended to establish a "two-way academic mobility" mechanism to encourage Malaysian university teachers to go to Chinese universities for academic exchanges and visiting studies, and moderately open up high-quality course resources of Chinese universities to enrich local teaching content and truly realize the internationalized school-running model of "cooperation, co-construction, mutual benefit and win-win".

It is worth noting that Xiamen University Malaysia has begun to explore course selection and joint scientific research projects with the University of Malaya and Universiti Putra Malaysia, aiming to build a cross-institutional and cross-border regional higher education ecosystem. This attempt provides a replicable and popularizable practice paradigm for future China-Malaysia education cooperation.

Establishment of Economic Income Feedback Mechanisms for International Students

Although the international student group has made significant contributions to Malaysia's economy, there is currently a lack of a structural distribution mechanism to feed back this part of the benefits to the local disadvantaged groups. In response to this, the academic community has proposed the idea of establishing an "International Education Equity Development Fund" - the Ministry of Higher Education and private universities will jointly inject funds, and the tuition fees of international students will be included in the fund pool in proportion. The fund can promote educational equity through three core functions: first, provide international course scholarships and overseas exchange funding for students from low-income families; second, fund universities to develop bilingual courses and cross-cultural adaptation projects to alleviate campus cultural barriers; third, support research related to educational equity. This innovative institutional design transforms market returns into social investment, giving the fund the dual attributes of economic efficiency and social justice.

From a macro perspective, Malaysia's local internationalization model is highly consistent with the global trend of openness and inclusiveness of education. However, its sustainable development still faces three major structural contradictions: insufficient data transparency restricts policy optimization, lagging cultural integration exacerbates social tension, and unbalanced resource allocation affects educational equity. To this end, it is recommended to rely on the "Belt and Road" education cooperation framework and focus on building a two-way feedback mechanism - both to promote Malaysia's high-quality educational resources to "go out" and to promote the experience of countries along the route to "introduce". Only by establishing a dynamic evaluation system and a dialogue platform with stakeholders can we promote the paradigm shift of higher education from "one-way output" to "multi-dimensional win-win".

CONCLUSIONS AND RECOMMENDATIONS

Key Findings of the Study

This study focuses on the implementation effect of Malaysia's "internationalization at home" (IAH) policy, and adopts an empirical method that combines policy text analysis, national education statistics and typical case studies to systematically examine the multi-dimensional impact mechanism of this policy on the education welfare system. The research findings present the following core conclusions:

1) The structure of educational opportunities has improved significantly, but the risk of fragmentation has increased.

Malaysia's "internationalization at home" (IAH) strategy has significantly increased the penetration rate of higher education through the large-scale promotion of private colleges and dual degree programs, opening up

new channels for students from low- and middle-income families to obtain internationally recognized academic qualifications. However, this expansion process has also led to dual structural contradictions: on the one hand, it has exacerbated the resource gap between public and private higher education institutions, leading to an imbalance in the distribution of educational opportunities; on the other hand, it has given rise to a market-oriented parallel academic hierarchy system, causing academic circles to worry about deep-seated problems such as excessive commercialization of education and alienation of academic values.

2) The economic benefits of international students are considerable, but the mechanism of talent transformation is still weak.

International students mainly generate income for Malaysia through short-term economic activities such as tuition fees and living expenses. However, due to the low employment integration and post-graduation retention rate, the long-term economic contribution of this group is still insufficient. More importantly, the country has not yet built a complete "international talent ecological circulation system" - it has not been able to effectively transform the advantages of international education services into local innovation momentum, nor has it formed a benign talent chain of "attract-cultivate-retain", which ultimately leads to a significant gap between the dividends of internationalization of education and the improvement of national innovation capabilities.

Policy Recommendations

1) Establish a cross-sectoral data sharing platform to enhance the transparency of policy evaluation.

It is recommended that the Malaysian Ministry of Education take the lead in integrating the resources of the European Center for Internationalization of Higher Education, the National Education Quality Assessment Agency and the National Bureau of Statistics to build a national "Dynamic Database on Internationalization of Higher Education". By establishing a cross-departmental data sharing mechanism and a standardized collection framework, the paradigm shift from experience-driven to evidence-based decision-making in policy evaluation can be achieved - it can not only provide accurate navigation for the allocation of educational internationalization resources, but also build a multi-dimensional performance monitoring system including enrollment rate, employment matching, salary premium, etc., and finally form a policy feedback loop that is both scientific and transparent.

2) Strengthen the embedding of local languages and cultures in international programs.

On the basis of the existing course certification system, it is necessary to formulate more operational guidelines, which clearly require that international academic courses should appropriately integrate Malay language teaching, Southeast Asian regional studies and Islamic cultural content. This move aims to promote the coordination and integration between global knowledge exchange and local cultural identity, and prevent the risk of cultural marginalization brought about by the "de-localization" trend. In addition, higher education institutions should be encouraged to explore bilingual or even multilingual teaching models, which will not only help improve the adaptability of international students to the local society, but also promote deeper cross-cultural understanding and interaction.

Research Limitations and Future Prospects

This study focuses on the impact of international education and cultural exchange policies in the context of Malaysia, but there are still some limitations. Some key data such as ethnic composition and graduate employment have not been fully disclosed, which limits the accuracy of the analysis. In addition, the research scope is mainly concentrated in Malaysia, lacking comparison with other Southeast Asian countries, which reduces regional applicability.

Future research can be expanded to countries such as Singapore, Thailand, and Indonesia to conduct cross-national comparisons to more comprehensively understand the operating mechanism of international education policies in different cultural and institutional contexts. At the same time, combining quantitative surveys with qualitative interviews will help to deeply analyze students' cross-cultural adaptation and development paths and enhance the humanistic perspective of IAH policy research.

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