Hi, everybody...

Charlie has told me that all resolutions must have "a background section." As it turned out, I was already working on a summary for the resolution below (which now has 15 co-sponsors):

Proposed Resolution to the Faculty Senate on Joint or Dual Degree Programs Involving Other Academic Institutions

Whereas one of the primary responsibilities of the Faculty Senate under the University Bylaws (Article XIII, Section 2) is "to consider questions of educational policy which concern more than one college, school, or separate academic unit or are general in nature; and to recommend to the Board of Trustees, with the approval of the appropriate college or school faculty, the establishment, modification or discontinuance of degrees.";

Whereas the proposed dual degree program between the Hotel School and Peking University clearly falls under this provision of the University Bylaws;

<u>Resolved</u>, The Faculty Senate reaffirms its responsibility to consider and advise on all joint or dual degree programs involving other academic institutions, including those with other colleges and universities.

Please regard the following as "a background section" for both the above resolution and any other resolutions that may be offered on the proposed Hotel School/Peking University dual degree program.

Many thanks!

Richard Bensel Faculty Senator Department of Government

PS. I didn't think this summary would fit on the Faculty Senate website. I might have been wrong about that but, in any event, this is probably more accessible.

This is a summary of what we currently know about the involvement of Cornell University with academic programs in other countries. It is incomplete, in part because the central administration has often refused to provide information and in part because that is the nature of web searches.

Here is a short summary of the findings:

 Cornell's academic and commercial involvement in China has been much wider and deeper than in any other country. I suspect but cannot conclusively demonstrate that it is wider and deeper than any other major American university.

- Although the Provost and Vice-provost did not mention them in their presentations, the Hotel School is already involved in at least three joint or dual degree programs in other nations, including an already existing program in China. The College of Business, of which the Hotel School is a part, has yet another joint degree program in China.
- The Hotel School is also involved, in conjunction with the Marriott Corporation, in academic instruction in Saudi Arabia. This collaboration appears to involve Cornell "certificates" and may very well extend to many other countries as well. In addition, the Hotel School has used this collaboration to boost real estate investment in Saudi Arabia However, the central administration has been very reluctant to provide any information on any aspect of this collaboration.
- In the past, the Faculty Senate has been asked to review and endorse dual degree programs involving the Hotel School (see Section VI below). The central administration clearly intends to strip the Faculty Senate of that right and responsibility.

This is a lot of background material and you may very well wish to look at only portions of this information. For that reason, I have organized the memo in sections with Roman numerals:

<u>Section I</u>: "Cornell University Global Presence and Partnerships: Report & Recommendations of the Global Presence and Partnerships Task Force (June 24, 2015)."

<u>Section II</u>: "The Emerging Markets Multinationals Report," Johnson College of Business (copyright 2016).

Section III: Dual and Joint Degree Programs Involving Cornell University

<u>Section IV</u>: Hotel School Involvement, along with the Marriott Corporation, in a Program in Saudi Arabia

Section V: Transparency of the Central Administration of Cornell University.

<u>Section VI</u>: Faculty Senate Involvement in the Creation of the Joint Masters <u>Degree between the Hotel School and Nanyang Technological University</u>

Section VII: Conclusion

Section I: General Policy Statement of the Task Force on Cornell Involvement Abroad

The link will take you to the text of "Cornell University Global Presence and Partnerships: Report & Recommendations of the Global Presence and Partnerships Task Force (June 24, 2015)." This is a report to the Trustees on the general policy of the University with respect to involvement in

academic institutions in other countries. Perhaps the most important sections from our perspective would be:

- (a) page 2, in which the Task Force states that "high-level strategic international partnerships" include, among other things, "two or more Cornell University colleges or independent academic units," "the granting of a dual or joint Cornell University degree," and "the use of 'Cornell University' in its name or programs..." there appears to be no provision for consultation with the Faculty Senate in the report;
- (b) page 13, which displays the distribution of "Memoranda of Understanding" on a global map. As Wendy pointed out in the Faculty Senate meeting on March 17, "MoU's" and "MoA's" (memoranda of agreement) are a good proxy for the relative involvement of Cornell University in foreign programs;
- (c) and page 14, which reports the number of memoranda of understanding and project agreements by nation...you should note that while the title states that there were 354 of these, the table only lists 223...of those 65, more than a quarter of the total involved China.

We should also keep in mind that this report was completed almost six years ago and all of this has changed since it was filed.`

Cornell University Global Presence and Partnerships - Report & Recommendations 6-24-2015

From an earlier time when the commercialization of Cornell's international programs was much less advanced, you might take a look at "Cornell University Report from the Task Force on Internationalization, presented to President David J. Skorton, Provost Kent Fuchs, [and] Provost and Dean Laurie H. Glimcher...October 11, 2012." The report stresses the intellectual and academic quality of international involvement through the Mario Einaudi Center for International Studies. One of the recommendations (on page 26) is to: "Modify the current structure and functions of the Mario Einaudi Center for International Studies into an expanded Mario Einaudi Center for International Programs in order to act as a focal point for all international academic and engagement programs at Cornell University." On page 48, the joint degree program between the Hotel School and Nanyang Technological University in Singapore is briefly mentioned, along with a dual degree program in food science with Tamil Nadu Agricultural University (India).

TFI Report - Master Version Oct 11 FINAL (cornell.edu)

Section II: Johnson College of Business Report on How Cornell Should Respond to Emerging Markets

In 2016, the College of Business (of which the Hotel School is a part) published "The Emerging Markets Multinationals Report" (the link to that report is below). This report does <u>not</u> discuss the involvement of Cornell University in academic institutions in foreign countries but does describe the attitude of the College of Business toward, in particular, China (which

is the primary focus of attention). You will find no reference to political repression, human rights, or academic freedom in this report

Emerging Markets Multinationals Report 2016 (cornell.edu)

Section III: Dual and Joint Degree Programs Involving Cornell University

On March 5, I wrote the Dean of Faculty a message:

Hi, Charlie...I am consulting with other senators on how to frame the discussion for next Wednesday and some of them asked if we have a list of such arrangements (i.e. involving Cornell University and academic institutions in other countries). Do we have such a list? It might be necessary in order to frame the "general principles" that will be under discussion...

Many thanks!

Richard

Here was Charlie's response:

Hi Richard

I am aware of these:

Cornell Food Science + China Agriculture University (Ugrad level) Cornell JGSM + Tsinghua (Masters level) Cornell Tech + Technion (Masters level)

Take a look at the **MOA Registry** to see the full scope of what is out there.

Encourage your group to post their thoughts off of the meeting's <u>agenda page</u> so we don't have to start from ground zero!

Charlie

Although Charlie did not mention them, there are, in fact, at least three dual or joint degree programs involving the Hotel School and foreign academic institutions that are already in existence. One of those already involves China. Charlie did list the joint degree program (involving a MBA in Finance) between the College of Business and Tsinghua (China). I have included links to each of these:

- (a) China Europe International Business School (since 2015);
- (b) Nanyang Technological University (Singapore);

- (c) Kyoto (Japan);
- (d) Tsinghua (China).



<u>Cornell Launches Dual Degree with</u> <u>CEIBS : General Information - GMAT</u> Club Forum

Cornell University and the China Europe International Business School (CEIBS) have partnered to create a dual MBA and Master of Management in Hospitality (MMH) program launching in fall 2015. The dual degree will offer a well-rounded hospitality management education with courses in operations management, organizational behavior, corporate finance, marketing, properties development and planning ... gmatclub.com

Dual programs in China 2021 - 中国 (mba.today)

https://www.topmba.com/college/cornell-nanyang-institute-hospitality-management

Cornell-Nanyang Institute of Hospitality Management: Rankings, Fees & Courses Details | TopMBA.com

The Cornell-Nanyang Institute of Hospitality Management (CNI) is a partnership between Cornell University's School of Hotel Administration and Nanyang Technological University's Business School and offers a joint degree – Master of Management in Hospitality (MMH). www.topmba.com

<u>Cornell-Nanyang Institute of Hospitality Management : Rankings, Fees</u> <u>& Courses Details | TopMBA.com</u>

The Cornell-Nanyang Institute of Hospitality Management (CNI) is a partnership between Cornell University's School of Hotel Administrationt and Nanyang Technological University's Business School and offers a joint degree –Master of Management in Hospitality (MMH).

Kyoto MBA & Master of Management in Hospitality (MMH) | Cornell SHA

Kyoto MBA & Master of Management in Hospitality (MMH) | Cornell SHA

The Kyoto-Cornell International dual degree opportunity allows students to pursue an MBA & Master fo Management in Hospitality (MMH). Learn more today. sha.cornell.edu



Section IV: Hotel School Involvement, along with the Marriott Corporation, in a Program in Saudi Arabia

The Hotel School is apparently involved in Saudi Arabia through the auspices of the Marriott Corporation. The details are unclear and the central administration has been less than cooperative when questions have been asked concerning this involvement (see Section V). Here is a quote from the Arab News (March 19, 2021: the story apparently first ran in September, 2018):

"Marriott International, the world's largest hotel chain, celebrated the graduation of its first intake of students for Tahseen, a hospitality leadership training program to develop local Saudi talent with the industry. Created in partnership with Cornell University, Tahseen is focused on fast-tracking the next generation of hospitality leaders from the Kingdom of Saudi Arabia.

"The company on Wednesday graduated its inaugural batch at a ceremony posted by Alex Kyriakidis, president and managing director of Marriott International Middle East and Africa in the presence of Dr. Bruce Tracey, Professor at Cornell University, and the graduating class.

"David Leman, the chief human resources officer, Middle East and Africa for Marriott International, said...`We see an opportunity to strategically develop this further and are delighted to have partnered with Cornell, the university with the best track record globally for hospitality education...'

"...participants [in this program] obtained first-hand experience through the Cornell e-learning platforms and a university-led development program tailored specifically for the Saudi nationals.

"During the graduation ceremony, all participants received their Tahseen diplomas as well as a certificate in hospitality management from Cornell University, along with their new employment contracts from their respective hotels." Marriott fetes first students trained under Tahseen | Arab News PK

This appears to be part of general partnership with the Marriott Corporation: Cornell University and Marriott To Launch Innovative Global Design Certificate Program (prnewswire.com)

On the founding of the program in Saudi Arabia: <u>Marriott International boosts career</u> opportunities for Saudi youth (arabnews.com)

On the current operation of the program (from the Arab News, March 15, 2020):

"On the question of Saudi manpower for all those new establishments, he pointed to the success of the Tahseen program developed in partnership between the Kingdom, the Marriott International hotel chain—which owns the Ritz-Carlton brand—and Cornell University of New York, which trains young Saudis in hospitality skills and is now entering its third year." INTERVIEW: Ritz-Carlton Riyadh's GM spells out two-fold challenge for Kingdom's hotel industry (arabnews.com)

On the prominence of Cornell University involvement in the marketing of Saudi real estate see this quote: "In 2016, Marriott International launched Tahseen, an 18-month hospitality program in conjunction with Cornell University." This was a passage in what appears to be a publication put out by the Cornell School of Hotel Administration boosting investment in Saudi real estate.

Rising Tourism in Saudi Arabia: Implications for Real Estate Investment (cornell.edu)

In all these ways, Cornell University, through the Hotel School, is helping to legitimate one of the most repressive regimes in the world.

......

Section V: Transparency of the Central Administration of Cornell University.

The following is a series of e-mail messages involving Wendy Wolford, Christine Potter, and Charlie Van Loan. As you will see, the central administration has provided lttle or no transparency with respect to Cornell's international involvement, either in general or in the instance involving Saudi Arabia.

E-mail exchange with Wendy Wolford, Christine Potter, and Charles Van Loan

Messages are in chronological order:

(1)

From: "Richard F. Bensel" < rfb2@cornell.edu> Date: Friday, March 19, 2021 at 10:35 AM

To: "Wendy W. Wolford" < www43@cornell.edu>

Subject: Hotel School participation in academic programs abroad...

Dear Wendy (if I may...we have met but you may very well not remember me):

We have formed a Working Group on the Proposed Hotel School/Peking University Dual Degree Program and have started to consider possible procedures and criteria for discussing and evaluating such programs. We very much appreciated your presentation and commitment to transparency.

While doing some preliminary research, I ran across this

Marriott fetes first students trained under Tahseen
Marriott International, the world's
largest hotel chain, celebrated the
graduation of its first intake of students
for Tahseen, a hospitality leadership
training program to develop local Saudi
talent within the industry. Created in
partnership with Cornell University,
Tahseen is focused on fast-tracking the
next generation of hospitality leaders
from the Kingdom of Saudi Arabia, by
providing them with operational
experience and a springboard to
accelerate in leadership roles within the
industry.
www.arabnews.com

base. Would you please let us know what the arrangements concerning this program might be? In addition, since the data base seems to be incomplete, would you please let us know what other arrangements between the Marriott Corporation, the Hotel School, and programs in other countries are up and running?

Many thanks and best wishes!					
Richard (Bensel)					
Faculty Senator					
Department of Government					
(2)					

From: Wendy W. Wolford <www43@cornell.edu>

Sent: Friday, March 19, 2021 3:09 PM To: Richard F. Bensel <rfb2@cornell.edu> Cc: Christine Potter <cmp58@cornell.edu>

Subject: Re: Hotel School participation in academic programs abroad...

Hi Richard,

I do remember meeting you – at the discussions in Government over the IOPGA, right?

Thanks for reaching out. I'm guessing that the article below refers to an executive education consulting contract rather than a broader memorandum of understanding between two organizations, but I don't know – I am cc'ing our Director of Global Operations to see if she has any insight.

I will say that there are external/executive education programs in JCB and ILR, and as of a year ago, we began tracking these contracts much more closely, in part because we realized that such contracts were not always being signed by the right people or overseen by the college.

All best,

Wendy

-

Wendy Wolford
Vice Provost for International Affairs
Robert A. and Ruth E. Polson Professor of Global Development
Global Cornell | Cornell University
160 Day Hall | +1.607.255.7993
vpia@cornell.edu

(3)

From: Richard F. Bensel

Sent: Friday, March 19, 2021 4:56 PM

To: Wendy W. Wolford < www43@cornell.edu>

Subject: RE: Hotel School participation in academic programs abroad...

Thanks, Wendy! Yes, that was the meeting...my hair was shorter then (haven't seen a barber since the pandemic set in)...

It would be good to have that information (the people in the picture do not appear to be executives but maybe they are just young ones). Are you aware of any other agreements involving the Hotel School that do not appear in the data base? One of the things we would like to do in the Working Group is to see how general criteria would apply in different situations.

Many thanks!

Richard

(4)

From: Christine Potter < cmp58@cornell.edu>
Sent: Sunday, March 21, 2021 4:54 PM
To: Richard F. Bensel < rfb2@cornell.edu>
Cc: Wendy W. Wolford < www43@cornell.edu>

Subject: RE: Hotel School participation in academic programs abroad...

Hi Richard,

The MOA database you referenced below displays active long-term academic collaborations (i.e., when Cornell collaborates on non-sponsored research, or faculty or student exchange with another university/institute), rather than commercial arrangements where a unit may be hired by a company for executive education and training.

Various offices do track commercial agreements to ensure they've been 1) reviewed by legal counsel and approved/signed by the authorized signatory (who is typically the dean); and 2) reported through Cornell's foreign gift and contract reporting system managed by DFA. There are many types of commercial activities at the university, and our office is responsible for tracking/reporting only a small sliver of them. Cornell's policy on foreign gifts and contracts (including the types of agreements a college might enter into) is outlined here, and the U.S. College Foreign Gift and Contract Report is available here (you can download the legacy database as well—their new database was only launched this year so it doesn't include all data).

For reporting purposes, eCornell currently reports their contracts directly to DFA. I mention this because eCornell took over executive education management for the College of Business last year, so for the program particulars on the Marriott project—or others SHA may have—I'd recommend connecting with Paul Krause. I don't remember who was responsible for the commercial endeavors of SHA back in 2018, but if Paul cannot answer your questions he should be able to refer you to the right person.

If you happen to notice any omissions in the MOA database, please let me know. Over the last five years we have done a lot of work to educate departments on the requirements of working through our unit, but there could be (rare) cases where a MOA was executed without our office's knowledge. We would want to add those to our database as well.

Please let me know if I can answer any other questions.

Enjoy the weather!

Christine

(5)

Note: Christine's response to my message was embedded in the following:

From: Richard F. Bensel <<u>rfb2@cornell.edu</u>>
Sent: Monday, March 22, 2021 12:17 PM
To: Christine Potter <<u>cmp58@cornell.edu</u>>
Cc: Wendy W. Wolford <<u>www43@cornell.edu</u>>

Subject: RE: Hotel School participation in academic programs abroad...

Thanks, Christine!

However, your message seems to raise many questions. Here are a few of them:

- 1. The arrangement in Saudi Arabia involving the Marriott Corporation and Cornell University does not seem to be in any data base (including the U.S. College Foreign Gift and Contract Report) maintained by Cornell University. Would you please convey the specific terms of that arrangement?
- 2. There may very well be similar arrangements involving the Marriott Corporation and Cornell University that are not currently known to your office. Would you please convey what information that you do have on such arrangements?
- 3. You indicate in your message that your office is aware that the data bases maintained by Cornell University are incomplete and, further, that academic units at Cornell do not always report their involvement abroad. Has your office requested that they do report all such involvement? If so, what steps has your office taken to ensure that they comply?

CMP [Christine's response]:

Apologies for any confusion--that's not quite what I was saying. I was responding to your initial email where you remarked that "since the data base seems to be incomplete." My point was only that if you noticed that the *MOA database* was incomplete, I'd ask that you'd let me know of any omissions. The searchable MOA database does not include revenue generating activities, only academic collaborations.

It might be helpful to better understand what you're including in 'international involvement." Depending on how you define it, I think it's safe to say that our office shares with several units the responsibility of tracking Cornell's international involvement. CTL, OSP and AAD all negotiate international agreements independently. Marriott, for example, could contract for services under a restricted gift, a sponsorship or through eCornell. The Division of Financial Affairs acts as the aggregator for State and Federal reporting purposes. As I mentioned, I'll do some digging and share what I learn on the Marriott front.

For the areas that are under our purview, here are a few of the steps we've taken vis-à-vis communication and compliance:

• In 2018/19 our office worked with the deans of each college/school to identify <u>dedicated</u> <u>contract administrators</u> who are the points of contact for certain types of international contracts. Those contract administrators received intensive training and are the only individuals who have permission to initiate those types of contracts on behalf of the college.

- We have several online resources to help faculty identify with whom to work with and how to initiate international collaborations: https://global.cornell.edu/operations/collaborations-and-agreements.
- We have monthly Global Operations "virtual brown bag lunches" which cover a variety of topics. Coincidentally, our March session specifically reviewed international contracts and collaborations. Please see: https://global.cornell.edu/global-operations/webinars-and-training.
- We periodically provide updates to guidelines here:
 https://global.cornell.edu/operations/faculty-guidelines-international-engagement. Links to these are included in emails sent to faculty by Wendy and Emmanuel.
- We meet regularly with College Business Officers and departments to discuss developments and/or compliance issues.
- With DFA and Counsel's Office we put in place a foreign gifts and contracting policy and there is a cross-college committee that meets regularly on related matters.

The Working Group on the Proposed Hotel School/Peking University Dual-degree Program may have more questions but these will get us started.

Many thanks!

Richard

(6)

From: Richard F. Bensel < rfb2@cornell.edu Sent: Monday, March 22, 2021 4:28 PM

To: Christine Potter <cmp58@cornell.edu>; Wendy W. Wolford <www43@cornell.edu>

Subject: Re: Hotel School participation in academic programs abroad...

Hi, Christine...I suspect that the Saudi program both was an academic collaboration and, also, generated revenue. But we will not know for certain unless we have the details. It is also possible that arrangements that run through corporate sponsors are not subject to MoA's. At any rate, I could not find one between a Cornell unit and the Marriott Corporation. Could you clarify that?

Many thanks!

Richard

(7)

From: Christine Potter < cmp58@cornell.edu>
Sent: Monday, March 22, 2021 4:57 PM

To: Richard F. Bensel < rfb2@cornell.edu>; Wendy W. Wolford < www43@cornell.edu>

Subject: RE: Hotel School participation in academic programs abroad...

Hi Richard,

Contractually speaking, there's a clear division between purely academic collaborations and commercial transactions where we may be providing a company with an academic service for a fee. Our MOA do not address commercial terms and conditions, so they are not suitable for activities that generate revenue. I can confirm that there are no Memoranda of Agreement with Marriott. Perhaps Charlie could help you with next steps?

Best, Christine

(8)

From: "Richard F. Bensel" < rfb2@cornell.edu>
Date: Monday, March 22, 2021 at 6:11 PM

To: Christine Potter < cornell.edu>, "Wendy W. Wolford" < www43@cornell.edu>

Subject: Re: Hotel School participation in academic programs abroad...

Dear Christine:

I am not sure what "next steps" you are referring to but Charlie has already referred the Working Group to Wendy and Wendy has referred these questions to you. I don't think Charlie will be able to help us for that reason. Let me pose the questions in a slightly different way:

- 1) What are the details of the Saudi program involving the Marriott Corporation and Cornell University? Should we regard this as a "commercial transaction" even though it probably involves academic instruction?
- 2) What are the other "commercial transactions" involving the Hotel School's participation in academic instruction in programs sponsored by the Marriott Corporation?

Many thanks and sorry for the bother!

Richard Bensel
Faculty Senator
Department of Government

(9)

From: Wendy W. Wolford <www43@cornell.edu>

Sent: Monday, March 22, 2021 6:35 PM

To: Richard F. Bensel < rfb2@cornell.edu>; Christine Potter < cmp58@cornell.edu>

Cc: Charles Francis Van Loan < cfv3@cornell.edu>

Subject: Re: Hotel School participation in academic programs abroad...

Hi Richard,

Unfortunately, I think you'd need to reach out to the Hotel School for some of the information you seek. I'm looping Charlie back in so he can be the point of contact for your working group going forward.

All best,

Wendy

(10)

From: Richard F. Bensel <rfb2@cornell.edu> Sent: Monday, March 22, 2021 6:43 PM

To: Wendy W. Wolford <www43@cornell.edu>; Christine Potter <cmp58@cornell.edu>

Cc: Charles Francis Van Loan <cfv3@cornell.edu>

Subject: Re: Hotel School participation in academic programs abroad...

Hi, Wendy...

This does seem to be a puzzle! But I am willing to redirect my questions to the Hotel School. But I will need a name of the person who is in charge of these things. Might you help with that?

Many thanks!

Richard

(11)

There was no reply to that last message from either Wendy or Charlie.

<u>Section VI</u>: Faculty Senate Involvement in the Creation of the Joint Masters Degree between the Hotel School and Nanyang Technological University

In the past, the Faculty Senate has been asked to review and endorse dual degree programs involving the Hotel School (see the text below). The central administration clearly intends to strip the Faculty Senate of that right and responsibility.

Memorandum

To: Senators, Cornell University Faculty Senate

From: David W. Butler, Dean School of Hotel administration

Date: September 29, 2004

Re: Masters of Management in Hospitality Degree (MMH) Masters of Management in Hospitality Degree (MMH) A Proposed Graduate Joint Masters Degree to be offered by Cornell University's School of Hotel Administration and Nanyang Technological University's School of Business in Singapore Purpose

The School of Hotel Administration requests review and endorsement of this proposal by the Faculty Senate. The Dean of the Hotel School, David W. Butler, will be available at the Senate meeting to answer questions. Introduction Cornell University's (CU) School of Hotel Administration (SHA) and Nanyang Technological University's School of Business (NTU) have agreed to create the Cornell-Nanyang Institute of Hospitality Management (CNI) at the Nanyang Business School in Singapore which will offer a joint (Cornell-Nanyang) Masters of Management in Hospitality (MMH) degree, the same graduate professional degree offered in Ithaca. The primary goal of this graduate degree program is to educate future hospitality leaders for Southeast Asia, primarily China, and India. The key elements of the agreement are briefly explained below to assure appropriate CU/SHA protection of Cornell's reputation, academic quality through SHA faculty approval of curriculum and pedagogy; the requirement of students to spend half of their time at Cornell in Ithaca; Cornell faculty annually teaching several courses in Singapore and all courses in Ithaca; and, through administrative control of the program by the appointment of a tenured Cornell faculty member as Dean of the Institute, based in Singapore. Why Singapore and NTU? In response to unmet market need in a region of the world where the hospitality industry is becoming a major industry, this program will attract students who want to develop successful management careers in hotels, restaurants, and travel and tourism-related businesses. Developing this joint degree program in partnership with the Nanyang School of Business, which is consistently ranked in the top ten of Asian business schools, is a particularly attractive option for the Hotel School in its international outreach strategy, due to: Nanyang's geographic location, which provides the perfect platform to strengthen the reputation of Cornell and its Hotel School in Asia, including the important countries of China and India; the complementary quality of NTU Business School faculty with that of Cornell's Hotel School; the opportunity for collaborative research through the establishment of a \$1 million (USD) start-up fund; and the active financial support and expertise of the Singapore Economic Development Board (EDB), the Singapore Tourism Board (STB) and major owners of hospitality businesses in Asia for the venture. Furthermore, the proposed program will allow the Hotel School to develop expertise in Asian hospitality management through collaborative research projects and interaction with leaders in the industry. The new program fits with the strategy of increasing the presence and reputation of Cornell and the Hotel School in Asia. It also advances Singapore's interest in establishing the country as a world-class education hub, internationally renowned for its intellectual capital and creative energy. In 1998, the Singapore Economic Development Board launched the "World Class University" program to attract a dozen world-class foreign universities to set up a significant presence in Singapore in specialized fields and strengthen its foundation for a knowledge economy. The selected institutions, which include MIT, Johns Hopkins, Georgia Tech, and Stanford (among others), represent the best in their respective fields. Singaporean academic, government and industry leaders view this prospective alliance with Cornell and the Hotel School as an important part of this strategic vision. While the proposed

program will initially be small (approximately 50 students per year by year five) and focus on Singapore and the region, it has the potential to have further substantial impact in the future through research, the development of executive education and distance learning programs, and an Executive MMH program. This relationship and its long-term potential is one of the Hotel School's key international strategies for the next ten years. However, these additional educational offerings are not part of the endorsement of the joint graduate degree proposal being requested and will be brought forward for review and approval as appropriate. The SHA's mission of "Shaping the global knowledge base in hospitality management" is indicative of its commitment to creating educational and research opportunities for students and faculty that have a global impact on the hospitality industry. Within the last decade, the Asian economy and specifically the hospitality industry have grown exponentially. This has been recognized by the Hotel School's competitors (both hospitality management schools and business schools) who are moving rapidly to develop joint relationships or stand-alone institutions to exploit this educational opportunity. The School of Hotel Administration has meticulously explored partnership possibilities throughout Asia for the past several years. We believe that this relationship with Singapore will keep the School of Hotel Administration ahead of the growing Asian competition. Why has Cornell chosen the NTU Business School as a partner? For several years, the Hotel School spent significant resources investigating various opportunities and potential partners in Asia. Singapore was chosen for the reasons noted above and in the belief that the Nanyang Business School was the right partner as it complemented the Hotel School in a number of important dimensions. NTU is a very good business school that wishes to become a premier business school in the region and eventually the world. The key for NTU is focused, specialized programs, investment in quality faculty and facilities, and research. NTU realizes that its goals will only be achieved through a long-term commitment of resources and attention to quality in all of its efforts and activities. NTU is a school that recognizes the opportunity presented by the growing Asian hospitality industry and is excited by the opportunity to partner with the Cornell Hotel School. Previously, NTU tried to develop a hospitality management school in the early 1990s and closed it after several years due to its inability to increase academic quality. Thus, NTU recognizes the difficulty of developing a quality educational program in a specialized field and the value of Cornell as a partner. Overall, the faculty is comparable (in educational credentials and research capability) to that of the Hotel School's faculty. They hire well-trained Ph.D.s from the best business schools in the United States; they emphasize research and publishing in the better academic journals; and they espouse the same values as the Hotel School: Innovation, quality, rigor and relevance in teaching and research and service with impact. For all these reasons we believe they are the right long-term Asian partner for us. Program Quality and Operational Commitment Key Operational Considerations. The MMH program will be a three-semester, 45-credit program taught over 12 months. Students will spend half the time at Nanyang Business School in Singapore and half the time at Cornell in Ithaca. NTU will provide the facilities for the Singapore site which are relatively new. The program will commence in June where the students will spend approximately the first six weeks in Singapore. Students will then spend the next seven months in Ithaca where they will complete an intensive, full-semester summer session and the normal Cornell fall semester. They will return to Singapore for the final semester and graduation (five months). There may be some adjustments to ensure that students complete two full residence units (RU's) in Ithaca necessary to earn the MMH degree. Once the program is stabilized (approximately year three) MMH students entering via Cornell will also have the same educational opportunities as those entering via Singapore; to wit,

they will be able to receive half their education at Nanyang. Our goal is that all students in the MMH program will be required to spend time on both continents. The initial term of the agreement will be ten years and automatically renew every five years thereafter. There is an early exit provision for "cause" or "emergency." Termination for convenience cannot take place for the first ten years and requires a two-year notice. The damages for material breach by Cornell are capped and very favorable. Thus, we have a clear exit strategy if the relationship fails. NTU funds termination costs. Cornell will control the curriculum. All courses and sequencing must be approved by the Hotel School Graduate Faculty. The Dean of the program will always be a CU employee chosen by CU and will also hold a joint appointment at NTU. Our goal is that the Dean will always be a senior tenured Cornell faculty member selected from the ranks of the Hotel School faculty. Instruction in Singapore will be by both NTU faculty and by Cornell faculty. The Dean will also do limited teaching. Part of the agreement includes two endowed chairs at Cornell (\$6 million USD) which will require the chair holders to spend significant time teaching and doing research in Singapore. Also included is a significant gift (\$4 million (USD) which will be used for Cornell faculty to be in Singapore for short teaching appointments and to conduct collaborative research. The agreement also requires Cornell to train six Ph.D. students, completely funded by the Singapore government under a bond arrangement, who may become program faculty in Singapore. Oversight of the program will be through a joint academic committee (controlled by Cornell) and a joint advisory board reporting to the Deans of the two schools. Provisions have been made for an independent audit of the academic quality and overall operation of the program in year three and thereafter as necessary. Key Financial Terms. There will be no financial risk in this program either to Cornell or the Hotel School. Besides the \$10 million USD gift mentioned earlier for the endowed chairs and related educational initiatives, Singapore will pay for all expenses except those incurred in Ithaca. Singapore has agreed to provide financial security for the program via letters of credit, comprehensive insurance and reciprocal indemnification. Ithaca instruction will be at full Cornell tuition. Present fees at Nanyang Business School are substantially below Cornell's, but they will be comparable within five to seven years. Legal Safeguards for the Protection of Cornell. The principles of nondiscrimination and academic freedom are clearly spelled out in the contract. As mentioned earlier, oversight is through the two committees to the Deans of the respective institutions. If an issue cannot be resolved, there is a provision for resolution through international arbitration. New York State law will apply in all legal proceedings. Nanyang University and their Business School have a variety of educational initiatives with other American universities. Cornell's counsel's office has engaged in due diligence with MIT, Carnegie-Mellon, and Duke to assess their satisfaction with Nanyang. All information received was positive. Timeline and Contracts. Since the original presentation to the General Committee of the Graduate School and the CAPP Committee and the approval from both committees, a dispute arose between Cornell and Singapore regarding the translation of the term sheet, agreed to by both parties at the conclusion of the original negotiations in Singapore in July 2003, into contract language and interpretation of several items. We met in New York this summer and through intensive discussions over several days resolved all issues in the contract. In fact, the resolution is even more favorable to Cornell than the original term sheet. Since that meeting both parties have reviewed the contract and accepted all items and wording. The deal is done. All Singapore authorities have agreed to the written contract. Thus, we seek the necessary approvals from the University Senate in order to present this contract to the Board of Trustees for discussion and approval. Conclusion The Asian markets have the potential to contribute to the overall stability of the world economy,

especially through the projected growth of the hospitality and tourism industry. Singapore and NTU clearly understand that for this type of market growth to be positive, there must be an educated and trained managerial and executive workforce to support it. The Hotel School sees little risk in development and implementation of this joint MMH degree program and looks forward to increasing our global reach through a partnership with NTU in Singapore.

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Section VII: Conclusion

Here are what I see should be concluded from all of the above:

- 1) The Faculty Senate clearly has both a right and a responsibility to review joint degree programs between a Cornell unit and an academic institution in another country (see Section VI). The central administration now intends to strip the Faculty Senate of that right and responsibility.
- 2) Cornell University is already heavily involved in China and may very well be more heavily involved than any other major American university. As we have discussed in the Faculty Senate, the atrocities now being committed in Xinjiang and the absence of any meaningful degree of academic freedom make this involvement highly problematic. You have seen this link before but revisiting it now might be useful: The Uyghur Genocide: An Examination of China's Breaches of the 1948 Genocide Convention Newlines Institute
- 3) The School of Hotel Administration appears to be providing extensive course instruction through the Marriott Corporation that has not been monitored or effectively overseen by the central administration. Some of that collaboration has involved Saudi Arabia, one of the most repressive regimes in the world. In at least one instance, the School of Hotel Administration has used that collaboration in order to boost real estate investment in the kingdom. In addition, the articles in the Arab News demonstrate the legitimating effect that Cornell University's involvement has had on a regime that, for one thing, dismembered a dissident in one of its consulates.
- 4) There has been a steady and dramatic change in the central administration's attitude toward involvement in degree programs and course instruction in foreign countries. In the past, the emphasis was on academic quality, intellectual exchange, and research collaboration. However, the central administration now stresses, both in theory and in practice, the commercial advantages of such involvement, particularly with respect to involvement with some of the most repressive regimes in the world.

We may very well doubt that the Cornell community, including the Faculty Senate, can make a difference in the policies pursued by the central administration. We can only try. Whether we will succeed is a question that, as an American poet once wrote, "is blowing in the wind."