

Abstract

Recently, the US Congress passed a law that inadvertently could have turned the use of agents for recruiting international students into an illegal activity. Many universities rely on agents and recruiters. This article discusses the “crisis” and argues that agents should in any case not be used.

Under Threat: The Use of Recruitment Agents in the United States

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Crisis! A segment of the US higher education community has been in a panic over text in legislation passed by Congress and incorporated into law on August 1. The law, dealing with veterans’ education and training benefits, has added confusion to the controversial use of agents and recruiters to increase international enrollment. The Training in High Demand Roles to Improve Veteran Employment Act, or THRIVE, sets new limits on institutions receiving federal funding, including, it seems, a restriction on “paying commissions or incentive payments for securing enrollments or financial aid.” The text creates considerable ambiguity about whether US universities that continue to make incentive payments to recruiters for the enrollment of international students would be disqualified from receiving funds from the American Rescue Plan Act of 2021.

While paying commissions is forbidden for the recruitment of domestic students, it has been accepted when applied to international students. The practice is a result of the commercialization of international study and the reliance on foreign student tuition fees to fill classrooms and ensure the financial survival of a growing number of US colleges and universities. International students have helped to mediate budget challenges resulting from declining domestic enrollments in many schools, a trend exacerbated by the COVID-19 crisis. It is all about the bottom line.

The Status Quo

Efforts are being made to correct this apparent legislative omission, led by the American Council on Education and supported by the entire higher education “establishment.” NAFA: Association of International Educators, the National Association for College Admission Counseling (NACAC), the American International Recruitment Council (an oversight group composed of the agents and the colleges that use them), and others are

lobbying Congress, claiming that the United States will be at a competitive disadvantage in recruiting international students, since other major English-speaking host countries, mainly Australia and the United Kingdom, make heavy use of agents. As a result, on October 8, 2021, two new bills were introduced to fix the problem.

It was just a few decades ago that NACAC's code of ethics barred member universities from using agents. In 2013, after a long debate, the organization approved the practice. EducationUSA and the State Department strongly opposed the use of agents until 2018, when the Trump Administration changed course as part of their hypercommercialization strategy for higher education. Now everyone seems fully on board. According to NAFSA, 49 percent of US colleges and universities use agents. Australian and British universities use agents heavily and have fully commercialized international student recruitment strategies directed by their respective governments to turn to the high fees charged to international students to make up for budget cuts. But their strong dependence on revenue from international students, mostly from China and India, has caused severe problems, not only due to the COVID-19 pandemic but also following Brexit and geopolitical tensions between China and Australia. As a result of these crises, IDP, the Australian-owned company that is one of the largest organizations in the world promoting agents, was partly sold by its university owners.

So What Is Wrong with Agents?

This change in the text of the proposed legislation should stimulate a rethink of the reliance on agents. As the American Council on Education noted in a letter to US government officials, agents and nonuniversity recruiters are rewarded for serving the needs of an institution. Agents are hired by colleges and universities to deliver tuition-paying students. The hiring institutions pay commissions for each warm body, typically a percentage of tuition and often amounting to thousands of dollars. Agents do not necessarily have the best interests of the students in mind—they are hired by the universities.

Agents help the students through the application process to the universities that contract them and this “help” sometimes includes writing application essays and letters of reference for them. There are numerous cases of fraud and other shenanigans, to the point of having several cases of application fraud prosecuted in India and China. Thus, dishonest practices are a risk of the “agent system” that is extremely difficult to monitor.

Much of the higher education establishment, in the United States and elsewhere, seems to operate on the basis that international students will not enroll unless directed by agents and taken through the admissions process held by the hand. This may indeed be necessary in some cases, but when commercial agents with a vested interest in sending students to specific institutions also advise these students, the result may not be the most appropriate for the student, his or her funding source (most often the student's family), or even the institution, if the student does not remain to complete the program.

Finally, there is no well-defined profile for individuals acting as recruitment agents, leaving a wide range of qualifications (or a lack of them) characterizing people assuming a major role in the university admissions process. Nor are there widely accepted criteria for evaluating or certifying their work.

Solutions

The sums paid by US universities to agents are significant. Without reporting requirements, it is impossible to know exactly how much. A British study noted that universities typically pay agents 15 percent of the first year tuition per enrolled student. This money could be better spent in direct services to international students—improving university websites and providing better information to prospective candidates and their families. Funds spent in commissions could be used to add campus-based or campus-supervised admissions personnel who could provide individualized attention to prospective applicants. Government agencies such as Education USA at the US Department of State and the Department of Commerce should allocate greater resources to provide unbiased information on American higher education locally, with better orientation to universities that may not appear in rankings but that offer excellent opportunities to international

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students. Some of the funds currently spent on agents should be reallocated to financial aid for needy international students.

If universities are going to persist in signing contracts with third-party recruiters, then it is imperative that the experiences of international students placed by agents receive greater supervision by impartial evaluators. This legislative “omission” could have led to needed reform in an admissions system that does not serve students well and, without better monitoring, continues to risk ethical lapses. But a coalition of higher education organizations is urging government not to go in that direction. ▲