

The Internationalization of Australian Higher Education

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Australia's involvement in international education has undergone several significant policy shifts since World War II. From 1950 onwards, Australia provided significant number of foreign aid-related scholarships to selected "sponsored" students from needy "developing countries" as part of the Colombo Plan.

In 1974, the federal Labor government simultaneously "took over" the total funding bill for higher education (relieving the states of their roughly 50 percent share) and abolished tuition fees. This free tuition also extended to foreign overseas students. The number of foreign students grew rapidly, and the federal higher education budget expanded in the 1970s. A decision was taken in 1979 to introduce a tuition fee for private (i.e., non-government-sponsored) overseas students—the Overseas Student Charge—constituting one-third of the actual costs. The roughly 10,000 foreign students in this category—mostly from Asia—were viewed as being "subsidized" by the foreign aid budget.

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As Australia's international trade balance seriously deteriorated in the early 1980s, the federal government's attitude hardened and like the United Kingdom, it introduced a full fee-paying overseas student policy—Australia had effectively shifted from a traditional "aid" to a "trade" perspective in relation to foreign students. The federal minister for education encouraged "cash-strapped" universities to charge a "profit margin" on foreign student tuition to generate revenue.

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eign students and their governments at this "comodification of education," most universities saw little option but to engage in the pursuit of revenue through competitive marketing and student recruitment programs in Asia. The result has been spectacular growth in international student enrollments.

Table 1
Australia's Full-Fee International Student Enrollment*
1987–1995

Year	Total Student Numbers
1987	7,131
1988	21,128
1989	32,198
1990	47,065
1991	47,882
1992	52,540
1993	63,013
1994	69,819
1995	80,722

*Includes all full-fee students (higher education, other postsecondary, secondary, and primary, ELICOS).

Source: International Students Branch, DEET, Canberra.

Table 2
Ranking of Traditional and Emerging Source Countries
1994–95

Rank	Country	Student Numbers 1995	% Change 1994 to 1995
1	Hong Kong	12,143	1.77
2	Malaysia	11,121	14.58
3	Singapore	9,475	22.43
4	Indonesia	8,585	31.73
5	Korea	6,055	29.80
6	Japan	4,711	21.20
7	Taiwan	3,924	21.56
8	Thailand	3,533	9.45
9	China	2,931	-35.36
10	India	1,800	55.44
11	USA	1,504	34.29
12	Papua New Guinea	1,105	11.06
13	Vietnam	881	90.28
14	Fiji	787	1.16
15	United Kingdom	754	75.35
16	Sri Lanka	728	10.64
17	Philippines	650	20.15
18	Iran	568	-14.7
19	Canada	543	123.46
20	Pakistan	404	5.20

*Includes all full-fee students (higher education, other postsecondary, secondary, and primary, ELICOS).

Source: International Division, DEET, (1993–1995), *Overseas Student Statistics*, Canberra.

Snapshot of Australia's International Students

The main source of international students for Australia is Asia. Asian students constitute almost 90 percent of the international enrollments in 1995. The top 10 source countries were Asian in both 1994 and 1995 (see Table 2). Hong Kong, Malaysia, Singapore and Indonesia have maintained their positions as the top four source countries since 1993. Indonesia, India and China are seen as sources of potentially explosive growth in the coming decade. Canada, UK and USA are rapidly growing sources of Study Abroad/Exchange students.

Internationalization Trends in the 1990s

In 1992, partly because of widespread domestic and international criticism of its excessively commercial orientation, the federal government signaled a major policy shift from "trade" to the genuine "internationalization of education."¹ The major thrust of the 1990s policy has been to foster stronger academic teaching and research linkages with universities in the Asian region and a greater emphasis on reciprocity and staff and student exchange. The federal government has committed modest sums to promote the University Mobility Abroad (exchange) Program and Targeted Institutional Links Program—which fosters research links.

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However, despite these and other similar programs based on more traditional academic values, much of the rapid interpenetration of the Asian region (and the bewildering array of Australian university forays into the United States, Europe, India, and elsewhere) is still strongly motivated by revenue generation. In this respect, Australian universities have been given much stronger financial incentives (including state and federal government export development grants) to recruit more aggressively than U.S. institutions—whose state legislators are inclined to view foreign students in the same negative light as they view out-of-state students.² Indeed in recent years, Australians have been constantly reminded in the press that education is our fastest growing "export industry" (average growth of 21 percent per annum over the past 10 years). The federal

minister for education recently announced (August 1996) that she expected education "export income" to increase from U.S.\$1.34 billion to U.S.\$3.56 billion by the year 2000. In this economic climate, it is hardly surprising that in recent years, there has been rapid growth of off-shore education delivery in Asia by such means as "twinning program," new stand-alone campuses, and distance learning.

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Not surprisingly, Australia has become something of a "pacesetter" in the development of sophisticated national marketing and information provision abroad. The "one-stop shop" Australian Education Centers and, more recently, Australian International Education Foundation Offices have rapidly proliferated in most major Asian capitals. These government-subsidized agencies have proven so successful that other countries including New Zealand and Canada have created similar bodies to boost their recruitment efforts.

There is much that we could say about the way in which this large and rapid inflow of students has impacted on Australian universities and how their teaching programs and service provision has adapted but this will need to be held over until a future article.

Notes

1. Don Smart and Grace Ang, "Exporting Education: From Aid to Trade to Internationalization?" *IPA Review* 46, no. 1 (1993): 31-33
2. Gary Rhoades and Don Smart, "The Political Economy of Entrepreneurial Culture in Higher Education: Policies Towards Foreign Students in Australia and the United States," in *The Social Role of Higher Education: Comparative Perspectives*, ed. Ken Kempner and William G. Tierney (New York: Garland, 1996).