

The Perils of Commercialism: Australia's Example

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More than two decades ago, the Australian government decided that international higher education should become an industry; since then it has become a major income producer for the nation. The higher education sector was motivated to make money from international education by government budget cuts—with revenue to be made up largely by entrepreneurial international activity. The result has been that, notwithstanding a further widespread and welcome internationalization of both student and staff profiles and important initiatives to internationalize programs, the prime goal of internationalization has become moneymaking (largely driven by government underfunding).

Government Pressure

Encouraged by government policies to marketize higher education and pushed to substitute fees from international students for declining state support, the higher education sector responded energetically with a wide range of initiatives.

International student enrollments at Australian universities ballooned, as did income derived from their high tuition fees. Universities also developed a variety of overseas strategies, including branch campuses (in Vietnam, South Africa, Singapore, and elsewhere), twinning arrangements with educational institutions and business enterprises of various kinds in Malaysia and elsewhere. The Royal Melbourne Institute of Technology's Vietnam campus aims to have 10,000 enrollments by 2012 and already has more than 120 international enrollments. Monash University's campus in Malaysia is already offering full medical degrees and has a current total enrollment of over 4,000, with 400 staff. Of the total growth in international student numbers, offshore enrollments have been the fastest-growing component.

The government cooperated by providing some funding for international outreach and, most significantly, by easing visa and other immigration regulations. Thus, this policy made it easy for international students to study in Australia and then remain in the country and work after completing their degrees and certificates.

Emerging Problems

From a financial perspective, the policy created huge success. Educational services became one of Australia's top exports, with official estimates of current total earnings from international education at around US\$15.5 billion (most of which is from higher education). But, from an academic viewpoint, problems soon entered the system. Overseas, questions were raised about the quality and ethics of Australian institutional transplants. South Africa wondered about its Monash campus, while the Vietnam and Malaysian initiatives, which had strong

support from their respective governments, were more successful. A few initiatives failed, such as the University of New South Wales in Singapore, costing the university many millions when it withdrew after failing to attract enough students.

Bottom-feeders entered the market, as usually happens when financial gain becomes the central motivator for international higher education. In the private sector, small vocational colleges in fields such as hairdressing and cooking attracted significant numbers of students from abroad, especially from South Asia, with promises of quick certificates and (sometimes spurious) jobs thereafter. Students with marginal qualifications began to stream in, some duped by exaggerated promises made by wily education agents in India. Outbreaks of anti-South Asian prejudice, in Melbourne and elsewhere, highlighting security problems of international students, created a firestorm of criticism in India, some of it sensationalized. While a recent survey of 1,600 international students from 10 universities showed that they still believed Australia to be the safest place to study—including alternative destinations such as the United States, United Kingdom, New Zealand, and Canada—the problem of attacks on international students was exacerbated by poor handling on the part of both police and politicians, each of whom attempted to label the attacks as opportunistic, rather than racist. The Australian Institute of Criminology has since announced a project to investigate the extent and forms of attacks on international students.

Additional problems arose. The Royal Melbourne Institute of Technology, one of the country's most active international universities, has just been accused of encouraging students to cheat on examinations. Press reports about international students being awarded degrees, despite showing up to exams

drunk, and to exam papers being leaked to international students are part of an as yet unreleased Ombudsman Report, to which the university will be allowed to respond, before being tabled in the State of Victoria parliament. Previous cases have included allegations of plagiarism, directed at international students enrolled at the University of New England, via a commercial provider.

Such breaches of academic standards are the predictable results of more than a decade of underfunding of higher education, as a university president recently outlined: “The investment by the federal government fell by about 30 percent (per) student in real terms between 1996 and 2004.” Indeed, while *Education at a Glance 2007* data reveal that on average public funding to higher education rose by 49 percent across the member countries of the Organization for Economic Cooperation and Development over the decade from 1995 to 2004, in Australia funding actually fell by 4 percent (the only member country where this occurred). Until funding is restored to previous levels—something the current federal government has promised to move toward—including a welcome promise to fund the real costs of research, institutions will continue to suffer and resort to internationalization as a budgetary strategy, rather than a cultural and learning strategy.

New Developments

Recent moves by the federal Department of Immigration to reduce the incentive for international students to enroll in short or poor-quality courses, with an eye on migration prospects, are having a welcome shakeout effect, with a number of weaker private vocational colleges that were too dependent upon international student fees having already collapsed. A revised list of occupations that accords

priority to the highly skilled who have a job offer will certainly reduce the proportion of international students who cited the prospect of migration as a reason for studying in Australia, a rate that had risen from 5 percent in 2005 to a startling 24 percent by 2009. Current estimates are that international student numbers in Australia may fall by 20 percent, albeit mainly in the vocational sector, with a concomitant decline in revenues. However, for some universities that had grown too dependent upon high proportions of international enrollments, the effects are likely to be significant. Hopefully, the recently announced reforms will to some extent restore Australia's enviable international academic image—its "brand," which has already been significantly damaged. All of this is a predictable outcome of commercialism shaping international education. Australia's example has important lessons for other countries. The United Kingdom, for example, has not merely been pursuing similar policies, but the recently announced major budget cuts to universities will only push institutions there to pursue international student income even more vigorously.