

US Internationalization Faces the Recession

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US higher education has been hard hit by the recession. Unemployment stands at more than 9 percent; states are experiencing severe budget shortfalls. At the same time, tuition costs have risen steadily over the past decade. The budget situation promises to be even worse in 2012, with the prospect of a deepening recession and the loss of funding provided in 2009 and 2010 by the American Recovery and Reinvestment Act of 2009 (“stimulus funding”). This legislation provided funding to states to meet their shortfalls in state and local revenue (\$107 billion in 2009 and \$89 billion in 2010).

CUTS IN FEDERAL FUNDING

The relatively modest federal support for international education is spread out through several federal departments, making it difficult to identify all cuts

enacted in 2011. The most visible programs are located in the Departments of State and Education. Department of State programs include faculty and student exchange programs, which were cut by about 5.5 percent—from \$635 million in 2010 to about \$600 million in 2011. Further cuts may be seen in 2012. The House Appropriations Subcommittee for State and Foreign Operations dropped 10 percent from the 2011 level.

The Department of Education sponsors small, but important, programs to support internationalization. Deep cuts (\$50 million or 40 percent) were made within Title VI programs and the Fulbright-Hays Program in the Department of Education for 2011, which had been funded at approximately \$125 million in 2010. The Fulbright-Hays Program primarily supports doctoral students to conduct research overseas; Title VI supports a variety of internationally focused academic centers. No new awards were made in several programs. Additionally, the Department of Education sponsors institutional collaborations with Brazil, the European Union, Russia, and the North American Mobility Program—all of which are to be phased out in 2012. The general competition for the Fund for the Improvement of Postsecondary Education, which provides funding for campus internationalization initiatives, was suspended for 2011.

Although externally funded programs have a significant impact on some campuses, most internationalization initiatives in the United States are funded from institutional resources.

RESPONSES BY HIGHER EDUCATION INSTITUTIONS

The report on which this article is based focused on public research universities; the findings are to a large extent applicable to other four-year institutions. It is

sometimes difficult to separate rhetoric from the reality, but interviewed campus internationalization leaders noted a positive and receptive climate on campus—with high student interest in education abroad, strong presidential leadership, and a willingness of the faculty to engage in internationalization. In spite of (or perhaps in reaction to) the economic downturn, many university leaders are increasingly emphasizing the importance of a coherent international strategy—to align international programs and activities with institutional priorities and to focus resources.

Another indication of the institutional support for internationalization is found in the international education professional association membership and attendance at their meetings, in the face of declining resources and restrictive university travel policies; a number of states limit out-of-state travel, as a cost-saving measure. Over the past few years, attendance has increased steadily at the annual meetings of the Forum on Study Abroad, the Association of International Education Administrators, and NAFSA: Association of International Educators. As more universities strive to professionalize their international education operations, one can surmise that they will see value in investing in the professional development of their international office staff.

INTENSIFIED RECRUITMENT OF INTERNATIONAL STUDENTS

Many US institutions now see recruiting more international students as one solution to their fiscal woes; some have set numerical targets. For example, in a departure from past policy, the University of California institutions have been given a mandate by the regents to increase the number of international students

Not surprisingly, many institutions are targeting Asian students, particularly Chinese. *Open Doors* reported that in the 2009/10 academic year, 18.5 percent of all international students in the United States came from China, and 36.4 percent came from five Asian countries.

Expanding international recruitment raises new issues and options. Many institutions have limited expertise in international student recruitment and little or no travel budget. Institutions may choose to do this work alone, collaborate with other institutions, hire agents, or partner with a private provider.

Beginning about 10 years ago, institutions within various states began to join forces to develop Web sites, to market to international students; nearly half of all US states now have them. It is unclear how successful these joint efforts are in recruiting international students, but they are cost-effective and seen by participants as valuable.

The drive to recruit more international students has pushed to center stage the US debate about using agents. Although the practice is well established in the United Kingdom, New Zealand, and Australia, US institutions have been opposed to using agents. A new organization, the American International Recruitment Council, was developed to set professional standards for agents, taking the position that agents are already an essential part of the higher education landscape.

Another approach for recruiting international students lies in private-sector partnerships: arrangements between universities and private companies, to recruit international students for pathway programs. INTO University Partnerships, Kaplan Career Institute, and Navitas are the three major providers, with rather different models. These companies enter into longer-term agreements

with the institutions, partnering with them to recruit students and provide prematriculation, academic-enrichment programs, often in collaboration with the faculty.

STAFFING, FUNDING, AND THE ROLE OF THE INTERNATIONAL OFFICER

The budgetary fate of the international office is tied to the overall financial health of the institution, and interviews with senior international officers revealed a wide range of budgetary situations and effects on international offices. Most offices experienced no greater hardship than other institutional units; others were somewhat protected. All campus interviewees expressed anxiety about further cuts in 2011/12.

Some universities are expecting the international office to expand existing sources of funding or to create new ones. For example, the severe cuts in the international office budget at one institution forced the office to rely more and more on income-generating activities, to balance the budget. Also, study abroad and visa fees for international students and scholars have been increased. Several senior international officers interviewed pointed to study-abroad fees and English-language programs, to provide flexible revenue for the office. Some institutions are reorganizing or reallocating funding.

As institutions become more deeply engaged in strategic internationalization, the role of the senior international officers seems to be developing into a more central position at a more senior level. The senior international officer is now more commonly a member of the faculty, or one with other senior-level experience, and is sometimes situated in the office of the president or with a dual reporting line to the president and the provost. He or

she is involved at the highest levels in integrating internationalization into the overall mission and strategic plan and developing partnerships and other connections that go beyond study abroad or exchanges.

MORE STRATEGIC INTERNATIONAL PARTNERSHIPS

National higher education meetings and interviews with senior international officers point to a trend toward fewer and more-strategic international partnerships. This development seems to be the result of greater experience in managing overseas partnerships in the academic community, declining resources, and perhaps lessons learned from some high-profile failures.

Institutions are reviewing and tightening their processes for vetting and approving agreements, seeking to ensure that they align with institutional priorities for internationalization and to aggregate resources into fewer initiatives with, most likely, a greater impact. Assuring that sufficient funding exists, to make the cooperation real, is a priority.

CONCLUSION

Institutions are coping with the economic downturn, by using a time-honored mix of revenue generation and cuts. In the next few years, it most likely will be revealed whether the current crisis is indeed another cycle or if US higher education is indeed in an era of a “new normal.” No matter how dire the funding situation, it is unlikely that US higher education institutions, especially research universities, will retreat from expanding their international focus.