Utilizing the Australian case as an exemplar, we argue that a stable education export “industry” needs to be governed by a robust governance network. We tell of an international education model defined by the prioritization of profit and the belief that students are consumers whose entitlements are determined by the marketplace. The crisis this perspective induced led to the emergence of a more mature governance regime, but problematic aspects of the original model remain. We argue that to achieve stability, a governance network needs to be created, a network that is comprised of a range of stakeholders who have the capacity to counteract each other’s power and by so doing curtail practices that place international students and academic values at risk. We suggest the Australian case is an important exemplar of the difficulties that can be generated if the commercialization of international education is inadequately governed and that this exemplar should be accorded due heed by students, faculty, university managers and regulators.

We’re in something akin to the gold rush, a frontier-style environment where colleges and universities, like prospectors in the 1800s, realize that there is gold out there. While it’s the admissions offices butting up against the issues most right now, every department after them, every faculty member who comes into contact with international students, is going to have to recalibrate as institutions become more international. I see a cascading list of challenges —David Hawkins, Director of Public Policy, [U.S.] National Association for College Admission Counseling (cited in Lewin, 2012: 1).

The number of students who crossed national borders to gain an education rose from 0.6 million to over 4 million from 1975 to 2008, and UNESCO estimates the number will approach 8 million by 2025. The growth of this cohort and their evolving concerns is constantly monitored by education suppliers; national and multilateral agencies (NAFSA, 2012; OECD, 2012; UKCISA, 2012); and private firms that specialize in generating information that can assist universities and colleges competing in global education markets. Indicative of these firms is I-Graduate, a British company that produces an International Student Barometer that tracks “decision-making, expectations, perceptions and intentions of international students from application to graduation; providing global, regional and customized benchmarks” (I-Graduate, 2012). Collectively, the multiple agents who track the factors that
influence international students when they decide where to study have shown that while academic status is the primary influence, the ability of host communities to provide a secure and safe environment has become an issue of increasing importance (Findlay, Allan, King, Smith, Geddes, & Skeldon, 2012; Perkins & Neumayer, 2011). Indeed, a study by The British Council (2012: 5) that polled 160,000 students over a 6-year period in order to determine which factors influence the choice of study location, found that personal safety has risen sharply in importance from being 17th out of a possible 19 factors in 2007, to position 5 in 2012.

That student safety could become an issue of major significance to students and hence to education exporters was highlighted as early as 2004. China’s government issued a public alert warning that New Zealand education suppliers and regulators were failing to provide adequately for the security of international students because they wished to maximize the profit they gained by hosting these sojourners. Following the issuing of this warning, the number of Chinese students studying in New Zealand fell precipitously, and the loss was not made up for several years. A similar crisis unfolded in Australia in 2009, when thousands of international students took to the streets alleging their hosts were placing student safety at risk in order to maximize the profits gained from student revenue. This rebellion proved to be a spark that induced consequences that undermined Australia’s reputation as a safe place to study; provoked the introduction of reforms designed to curtail some of the dubious practices that had become characteristic of the education export sector; and caused a major decline in the number of foreign students studying in Australia. Focusing primarily on the Australian case, we argue that if communities are to build a stable, commercially oriented international education sector that has long-term stability, they need to underpin their efforts with a governance network that is multi-level, multidivisional, and that permits the exercise of negotiation and countervailing power.

THE COMMERCIALIZATION OF INTERNATIONAL EDUCATION

The commercialization of cross-border education has generated concern among a growing body of scholars. This unease was expressed in a joint statement issued by the American Association of University Professors and the Canadian Association of University Teachers (2009) which declared that “education should not be a commodity, bought and sold in the international marketplace and subject to the rules of competitive trade that govern a deregulated global economy.” Concern has also been expressed by researchers, who suspect the revenue that can be generated by participating in the international education market is motivating university administrators to engage in practices that are dubious and at odds with academic values that are worthy and that should be preserved. Thus Altbach (2012) warns:

A specter of corruption is haunting the global campaign towards higher education internationalization. An overseas degree is increasingly valuable, so it is not surprising that commercial ventures have found opportunities in the internationalization landscape. New private actors have entered the sector, with the sole goal of making money. Some of them are less than honorable. Some universities look at internationalization as a contribution to the financial “bottom line,” in an era of financial cutbacks.

University administrators have also voiced concern at what they perceive to be the costs associated with the commercialization of the internationalization process. Thus the assistant vice president for enrollment at the University of Washington has...
observed that the growing practice of paying commissions to private agents who recruit international students has been associated with an increase in admission agents faking application materials and by so doing "lowering the quality of education for all those involved" and "making the student an 'economic object'" (interview with Phillip Ballinger posted in East-Asia Pacific, March 21, 2012). Similarly, a former pro-vice chancellor at Warwick University has warned that British universities have systematically flaunted admission standards in order to increase their international student income, and has further alleged that state officials have colluded in this practice “because it has enabled them to continue to cut higher education funding” (Bassnett, 2012).

But while university and college administrators have been among those who have expressed concern at what they view to be the corrupting influence of the commodification of international education, a great many of their peers have played fast and loose with the rules in their pursuit of income or academic influence. That these twin drivers have encouraged the widespread adoption of dubious practices was highlighted in Britain in 2012 when the British universities minister instructed university managers to cease excluding eligible local applicants in order to enroll foreign students who have lower grades but are willing to pay higher fees. This warning was issued in response to an exposé by investigative journalists who approached recruiting agencies in China posing as prospective students. The journalists were informed low grades are not a barrier to gaining entry to British universities so long as students are willing to pay the required tuition fee. The magnitude of the differential in fees inducing university managers to engage in this malpractice was documented by a journalist who participated in the sting:

At present, tuition fees for British students are capped at £9,000 a year. But UCL in London, for example, charges international students £14,000 for most arts and humanities courses, rising to £16,250 for science courses. Medicine costs £27,500 a year (Watt, 2012).

In the United States the fee differential between domestic and international students has also excited a marked response, with Lewin (2012) observing that 18% of the 2011 intake of freshmen entering Washington State University came from abroad, with each of these students paying $28,059, an amount approximately three times that paid by students from the state of Washington. As with Britain, Lewin (2012) observes that the recent rapid increase in the number of international students is due to the fact that, with “state financing slashed by more than half in the last three years, university officials decided to pull back on admissions offers to Washington residents, and increase them to students overseas.” The extent to which the need for income is driving the influx of international students into U.S. universities has also been commented upon by Gallagher and Garrett (2012), who observe:

The higher education trade winds blowing Chinese students into United States classrooms are approaching gale force. Chinese postgraduates have enrolled in US universities for decades, but now the big game has moved to undergraduate education. Last year, there was a 43% increase in new Chinese undergraduates on US campuses. The University of California 10-campus system doubled enrollments in a single year. Cash-strapped United States public universities have finally begun doing in earnest what Australian universities have done for two decades—make up for shortfalls in government funding by aggressively recruiting in Asia.

But while the pursuit of revenue is a fundamental factor generating malpractices on the part of university managers, it is not always the sole motivator. Watt (2012) has highlighted the efforts of elite universities that strive to win global influence when recruiting international students by citing the case of Bo Xilai, who was tipped as a future leader of China until dismissed from office in 2012. Bo’s son studied at Oxford and was compelled to undertake “penal” exams because his tutors refused to pass him when he failed to complete the

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required work successfully. To their credit, these academics stood their ground when representatives of the Chinese government pressured the university to pass the student, claiming that to do otherwise would embarrass his father. The student subsequently relocated from Oxford to Harvard.

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**Bo’s son studied at Oxford and was compelled to undertake “penal” exams because his tutors refused to pass him when he failed to complete the required work successfully. To their credit, these academics stood their ground when representatives of the Chinese government pressured the university to pass the student, claiming that to do otherwise would embarrass his father.**

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**THE AUSTRALIAN CASE**

In this section we explain the no-frills, profit-oriented strategy Australian education suppliers embraced in order to maximize the revenue they gained from participating in the international education market, and detail a number of factors that contributed to the 2009 international student backlash. An expanding literature has documented the nature and development of the Australian international education model (Brown & Jones, 2011; Dunn, Pelleri, & Maeder-Han, 2011; Forbes-Mewett & Nyland, 2012; Marginson S., Nyland, C., Sawir, E., & Forbes-Mewett, H. 2010; Nyland, Forbes-Mewett, & Marginson). In summary, these publications report that from 1985 Australia’s government redefined international education as a tradable service rather than as aid or a public good, coordinated the development of an “Australian brand” which it marketed across Asia, and introduced a set of incentives designed to stimulate Australia’s universities to embrace the profit motive. As part of the effort to commercialize the internationalization process, education institutions were permitted to provide full-fee places to as many international students as they desired and were allowed to charge whatever managers believed the market would bear. Aware that many academics were not attracted to the notion that international education should be a commercial activity, the government reduced public spending per student by 28% across the period 1995–2005, thus creating a situation in which universities and colleges lost money on domestic students, while internationals generated a surplus. At the same time the government rendered it relatively easy to market international student places by enabling graduates from Australian universities and colleges to attain permanent residency. Thus the trap was set. With increasing enthusiasm, education suppliers rose to the bait and began creating marketing arms, employing overseas recruitment agents who were paid on a per-student basis, and actively strove to build a culture within and across Australia’s education institutions that accepted the internationalization process as primarily a commercial exercise, the name of the game being the accumulation of profit. In this context, international student numbers increased from around 30,000 in all sectors of education in 1990 to 630,700 in 2009, by which time internationals were generating 18% of university income (Marginson, 2012a).

Given the rapid rate of growth in the international student cohort, Australia’s education suppliers felt that they did not need to invest heavily in the social and physical infrastructure required for the well-being of international students (Forbes-Mewett & Nyland, 2012). Similarly, with revenue flowing to education institutions from foreign students, the government saw no reason to sustain its former level of support for the sector. As a consequence, Australia became the only OECD country to reduce public investment in higher education through the decade 1995–2005, a period during which the student population increased by 31% (Marginson, 2007). Had the Australian model gone unnoticed by other countries, it would have been of marginal significance. However, this was not to be the case—Australia’s success drew increasing attention from cash-strapped governments and education administrators around the world. Thus, in 2008 the Danish Agency for International Education commissioned a comparative study of current trends in Norway, Germany, the Netherlands, and Sweden, which reported that in these nations Australia had come to be seen as a model to be emulated (Woodfield, 2009). A similar perspective was voiced in 2011 by the American Council on Education (ACE), which issued a report on international education prepared by a “Blue Ribbon Panel on Global Engagement,” consisting of university presidents from across the United States and, notably, Australian advisers. The panel was
had been of marginal significance. However, this was not to be the case—Australia’s success drew increasing attention from cash-strapped governments and education administrators around the world.

In proffering its advice, the ACE panel failed to mention that by 2011, Australia’s education export industry had been in crisis for 2 years, with the number of international students traveling to Australia falling precipitously. The development that sparked this setback was a backlash from international students, who had become convinced Australian education suppliers and regulators were not providing them with the learning and education experience they believed they had a right to expect. To provide an indication of the factors that generated this backlash the following section reports how our student interviewees perceived a number of the key issues that fueled their decision to take to the streets in 2009.

Our data were obtained from structured and detailed face-to-face interviews with a mix of 200 undergraduate and graduate international students (101 women and 99 men) from 35 countries undertaking a university degree in 1 of 9 Australian universities—Melbourne, Ballarat, Sydney, New South Wales, Deakin, Victoria, Swinburne, RMIT, and Central Queensland. The research was funded by the Australian Research Council, and university managers assisted with student recruitment and provided interview venues. Face-to-face interviews were thought most appropriate for a study which sought to understand and explore the students’ experiences, beliefs, and opinions. To allow the participants to elaborate on their experiences in response to the questions posed, conversation was encouraged. The advantage of this approach is that it offers a depth of insight seldom forthcoming with survey data. The duration of the interviews was between 30 and 50 min. They focused on student security and covered a range of areas including finances, accommodation, work, networks, and personal safety. While research of this kind does not constitute a statistically representative sample, 200 extended interviews yield a very substantial body of qualitative data (Marginson, 2012a: 504).

The conversations were digitally recorded and subsequently transcribed. For our purposes here, analysis was conducted manually using thematic coding (Bryman & Burgess, 1994) to capture issues thought to be relevant to the student protests. As is often the case with qualitative research, information relating to the focus of this essay was found in a number of sections of the interview data.

In accordance with an agreement with university vice-chancellors (presidents) of our nine universities, the data were aggregated to provide a single pool that could not be used to compare the performance or services of each university against its competitors. This request was understandable in the context of a highly sensitive and competitive education market in which comparison between education exporters is likely to have commercial implications. As a consequence, the particular mix of services provided by each institution was not studied. Furthermore, comments made by the interviewees were not associated with particular universities. Nevertheless, the interactive nature of the qualitative method we employed provides a useful contribution to the development of a meaningful picture of the provision of international student services in Australia’s universities. Participants were allocated a number (e.g., P166), and basic demographic details are provided with the interview excerpts. Commencing with views on finances and healthcare, we then discuss issues concerning housing, safety and supportive infrastructure, and networks.

Finances and Healthcare

More than one third of international students studying in Australia experience financial difficulty. In 2009, Forbes-Mewett, Marginson, Nyland, Ramia, and Sawir argued that this was largely due
to inadequate monitoring of students’ ability to support themselves and Australian education marketers’ practice of understating the cost of living in order to lure students to Australia. According to Rosenthal, Russell, and Thomson (2006), international students studying in Australia are often burdened by serious financial difficulties, commonly experience anxiety and stress-related illnesses, and suffer difficulties in the classroom. This situation is often compounded by the need to undertake long hours of paid employment because these sojourners do not have the income needed to provide adequately for their well-being. Indeed, for some, even this option is unobtainable. Our research supports this argument with one of our interviewees commenting, “I had a very tough time finding a job firstly. The first two months I was unemployed. That was affecting my study a lot, because I didn’t want to take money from my parents” (P36 female, age 36, India). Another observed that her parents did not appreciate how difficult it is to provide for oneself when living in another country, and consequently, she struggled with inadequate resources: “I’m still really, really struggling. . . . my parents don’t want me to work, because I’m in my final year. And they say you’re there as a student, it says so in your visa . . . so that’s your job . . .” (P166 female, age 28, Singapore).

Rather than ask their parents or their education institution for financial help, some struggling students prefer to ask for help from within their community: “We don’t talk to someone if we got financial difficulties because we mainly talk to our friends in the community asking for money to pay back later” (P17, male, age 41, Indonesia). Others reported they would also approach the university but were well aware this option was of limited value. Thus one 21-year-old male student from Macau commented: “I can borrow money from the student council . . . but it’s only for about a couple of hundred dollars” (P30).

Less than 10% of our interviewees believed the Australian no-frills model enables them to turn to their university for financial assistance when in difficulty. This deficiency compounded employment and health issues experienced by international students, and as shown in the following section, frequently related to the need to access affordable housing given that Australian education suppliers provide very little on-campus accommodation (Forbes-Mewett et al., 2009).

Housing
The fact that Australian education suppliers provide little on-campus accommodation and that which is provided is expensive comes as a surprise to many international students:

[At home] when international students come with family they have housing provided on campus—the universities in America do the same at a much cheaper rate. When I came here I found out that the house provided by the university is actually more expensive than the private market (P199 male, age 40, Germany).

I got the accommodation myself—the university didn’t really help because the accommodation they provide is too expensive, especially the college. It’s really different with other countries where the college is the cheapest place to stay; here it is the highest,
the most expensive. Yes, that’s really, really weird (P124 female, age 21, Vietnam).

The interviews revealed many similar stories that show the no-frills approach to international education institutionalized in Australia commonly provides international students with little assistance to find suitable accommodation. Indeed, many students indicated they would have liked more help in finding suitable accommodation. For instance, a female student from Pakistan suggested:

It would be helpful if some specific service or areas are recommended to students which offer cheaper rates for accommodation for families as well as those which are closer to university. A little more guidance to help students arrange all their living...as far as I am concerned I had to search all the suburbs... (P111, age 37).

A Chinese student explained the accommodation issue succinctly: “It’s really expensive and it’s not suitable for me” (P28 male, age 25, Chinese). Others indicated it was difficult to secure affordable housing that was safe and convenient in terms of location. We would add these students did not experience difficulty because they were overly choosy. A female student from Botswana (P142, age 22) shared her accommodation with a friend. She commented that it was “just a bit” satisfactory. Her description of the accommodation, however, revealed that it was quite unsatisfactory when she observed “there are rats in the house. I don’t know where they come from. It’s really scary but we are waiting for people to kill them or whatever.”

By contrast, positive reports were given by those who managed to secure on-campus housing. For instance, a female student from India commented: “I stay on campus so I’m pretty safe. I am happy with the university’s security systems and things like that. For me it’s adequate because I don’t need to travel in the night and things like that” (P102, age 22). This view was reinforced by other students: “Being in a college environment, that is the safest accommodation you can get in the university...if you really meet with any danger there are 240 of us to help you” (P155 male, age 24, Malaysia).

Unfortunately, the on-campus housing option is available to few international students who study in Australia because no tradition of providing campus housing for large numbers of students exists, and education suppliers, with few exceptions, are unwilling to invest their own funds in this area. One institution, for example, although having over 10,000 international students and being ranked the 4th most internationalized university in the world, provides no university housing whatsoever. The direness of the situation is indicated by a press report of an incident in Melbourne, Victoria, where a local government official placed an unsafe premises notice on a 6-room property that was housing 48 Nepalese students in “appalling and squalid conditions.” They were using a nearby public toilet because the facilities in the house were simply insufficient to provide for the basic, physical needs of these students.

Safety and Supportive Infrastructure

Typically, students experiencing the Australian international education model are expected to be independent individuals exercising a level of agency similar to that of local students (Forbes-Mewett, 2012). However, from the international student perspective, there was an expectation of a much greater degree of support and security. Students’ perceptions of personal safety tended to be compared with circumstances at home, and while most students believed Australia provided a relatively safe environment, this perspective was not shared by all. The views of these latter students are captured in the following comments from a Japanese and a Singaporean student, respectively:

It’s really safe, if you walk from my station to my house...my dad would never say, “Would you like me to pick you up?”...whereas here in Australia, if you were to walk from [university] to a house about five min walking, my housemate would always say, “Would you like me to pick you up?”...Security is a big issue (P118 male, age 20, Japanese).

Singapore is a very special country whereas Australia I don’t view that it’s very safe to go out at night to even wander around the street. I was concerned a little bit because you are on your own here and that help is far away (P129 female, age 28).

Safety issues cited by our interviewees related primarily to off-campus living and the lack of support coming from hosts, as well as the deficiency of
support groups that often characterizes the experience of students who live away from home. The risk to student safety arising from this situation was captured by a student from Sri Lanka who commented:

I think almost every student [has] problems, but the thing is, if you want to overcome the problems you should have somebody to guide you . . . you should have friends around you. You shouldn’t live alone . . . if you have friends around you . . . you won’t feel lonely and you won’t feel unsafe. That’s all I can say (P29 male, age 25, Sri Lanka).

The foregoing difficulties and the many other factors that concerned international students were made worse by the failure of Australian education suppliers to accord due heed to the welfare and safety of these sojourners. This was exemplified when in 2008 the peak representative body of Australia’s universities investigated the finances of students studying in Australia’s universities without including the international student cohort in its inquiry—an omission that was subsequently rectified, but only after public criticism.

**The Backlash**

Over time, the perceived inadequacy of the resources made available to address the welfare and safety needs of international students studying in Australia drew increasing criticism from journalists, academics, and international students. The last group initially registered their concerns individually, but on receiving what they deemed to be an inadequate response from education suppliers and regulators, they began creating representative bodies (e.g., the Federation of Indian Students of Australia) which became increasingly political and militant. Scholars also tended to remain quiescent at first, but over time, a growing number became vocal in arguing that Australia’s profit-oriented approach to international education was a threat to academic standards, the integrity of university managers, the well-being of international students, and the long-term financial viability of the tertiary education sector (Marginson, Nyland, Sawir, & Forbes-Mewett, 2010). Management scholars helped build this critique not least because international student demand for business courses motivated universities to encourage the expansion of the business disciplines, which in Australia came to absorb a greater proportion of international students than all other fields of education, and to a greater extent than occurs in any other country (OECD, 2008: 372). The magnitude of this development was attested to by the national government’s primary education export agency, which in 2011 reported that in higher education the “top broad fields of education were management and commerce (57%), information technology (8%), society and culture (7%), engineering and related technologies (7%) and health (6%)” (Australian Education International, 2012).

The growth in the number of international students enrolled in business schools was initially welcomed by teaching staff, many of whom believed a large international student cohort improved the classroom environment. However, discontent began to rise as an increasing number of academics became convinced that the inadequacy of resources provided to support international students was diminishing the quality of the education and learning environment. Concern was particularly acute in relation to English-language competence, with staff becoming aware that many international students who did not have the skills required to address the demands of their courses were being enrolled because of the revenue gained by their institution.

Dissension also arose among business faculty due to a growing awareness that because business studies is a field more likely to be chosen by international students than other areas of study, university managers were turning business departments into “cash cows.” In short, concern arose from the fact that it became normal practice for Australian university managers to pressure business faculty deans to increase the number of international students in their schools, and then redirect the funds received to sectors of the university deemed more prestigious but which had only a marginal capacity to attract international students. This latter development has been discussed in detail by Forbes-Mewett and Nyland (2012) in a paper that examines why Australian research-oriented universities that earn a significant part of their income from international students underfund the education and welfare needs of these sojourners. These scholars argue that in the internal struggle for university and college resources, business schools tend to have relatively little bargaining power because their contribution to the research reputation of the institution is commonly
deemed less than that of the natural science, engineering, and humanities faculties.

Nevertheless, the concern these developments induced within Australian business schools remained muted, with staff seldom going public with the allegation that teaching standards had been sacrificed to attract income. This was not least because university managers became ever more inclined to favor the employment of casual, and hence vulnerable, faculty as insurance against volatility in international education markets. Open criticism was also contained in some institutions by letting staff know that public commentary that questioned the wisdom of promoting the unrestrained commercialization of international education was not welcome. Consequently, intellectual debate was not the primary cause of the crisis that struck the education export industry in 2009. Rather, the crisis unfolded when international students took to the streets, protesting against what they deemed to be inadequate provisioning for their safety and well-being.

The spark that ignited this prairie fire was a series of violent street attacks on international students, which many observers believed had racist overtones. That racism was involved was immediately and passionately denied by governments and education suppliers, who feared the damage to Australia’s recruitment markets should Australia come to be viewed as a nation characterized by racist violence. Panicked by this possibility, education suppliers often denied the attacks were race-based even before police had completed their investigations. Student leaders interviewed by the authors of this paper advised that this last practice was a serious error, because students believed it reflected their hosts’ willingness to prioritize profit over student welfare and safety. Incensed by this belief and convinced they were being treated as fools, thousands of international students protested in Melbourne, and solidarity demonstrations and occupations were held in numerous other cities.

The student revolt of 2009 proved a devastating experience for education exporters. This was not least because student leaders implemented strategies that reflected their awareness of the importance that Australian education exporters accord the revenue generated by the international education market. Sensitive to this situation, the student protesters consciously and systematically targeted Australia’s reputation as a safe study destination. This was done by lobbying political and media contacts in their home countries and by demanding their home governments insist that Australian education suppliers and regulators allot greater resources to student well-being. Notable among those who responded to these calls were officials from China’s consulates who, in public forums and private meetings with university managers and government officials, had previously made it clear they were dissatisfied with the quality of the services being provided to their citizens studying in Australia (Weilein 2008: 1).

The international student demonstration and other forms of protest both in Australia and internationally burst the Australian education-export balloon. Economic modeling commissioned by Australia’s university presidents estimated “that in net present value terms the reduction in GDP over the 2010–2020 modeling period will be $37.8 billion [and] employment will fall by over 45,000 through to 2020 due to the direct and spillover effects from international student enrolments” (Deloitte Access Economics, 2011). Asked to explain the factors that had caused this decline, the commissioned researchers observed that reputation factors had a “considerable impact,” particularly in relation to student welfare and safety, as did the fact that Australia was being judged as unwelcoming of international students. The notion that the decline could be due to currency movements, as many in the education-export sector continue to assert, was dismissed by the economic modelers with the observation that “movements in the A (Australian dollar) don’t seem to have a very significant effect on higher education enrolments.”

Confronted by the calamity that began to unfold from 2009, the Australian government went into damage control. It introduced a program of regulatory reform that imposed new requirements on education exporters designed to curtail practices likely to undermine Australia’s reputation as a safe and secure education environment. These reforms included an increase in the quality of the welfare services that education institutions must provide students, an increase in the administrative and governance standards education institutions must sustain in order to retain registration as an exporter, and higher English-language requirements. In the process of introducing these reforms, the national government commissioned a report on the management of the international student visa system titled, Strategic Review of the Student Visa Program. This report provided 41 recommendations, all of which were accepted by the govern-
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new system is an opt-in scheme that allots a 

requirements international students wishing to en-

蚬oll in principle. Recommendations that govern-

ments and education suppliers in other destination 

countries might deem relevant to their needs in-

clude the following:

- Ensure student visa applicants are genuine 
  temporary entrants and genuine students;
- Subject non-degree courses to robust visa con-
  ditions to contain disreputable colleges;
- Permit graduates to work for a period and al-
  low universities to market this provision;
- Motivate education suppliers to bolster integ-
  rity and compliance;
- Mandate that education suppliers name their 
  recruiters of international students;
- Facilitate two-way communication between 
  stakeholders and government regulators; and
- Ensure education suppliers inform potential 
  students of the true cost of living.

Recognizing that the pursuit of revenue might mo-

tivate noncompliance with the new visa regula-

tions, the government has buttressed its reforms 

with a strengthened enforcement regime. This in-

cludes a “streamlined visa processing system,” 

which disciplines education exporters that en-

age in dubious marketing and teaching prac-

Area or fail to meet minimum welfare standards. 

The new system is an opt-in scheme that allots a 

“certificate of enrollment” to each institution that 

elects to participate. These certificates are of vary-

ing grades (1–5) and specify the rigor of the re-

quirements international students wishing to en-

roll in a particular institution will need to meet in 

order to gain a student visa. The lower an institu-

tion’s grade, the more difficult it will be for pro-

spective students to gain a visa, and it can be 

safely assumed that education exporters that 

do not participate will find their prospective stu-

dents have great difficulty gaining the required 

documentation. Some of Australia’s education in-

stitutions initially resisted these new require-

ments, but opposition dissipated once the govern-

ment made clear its determination to enforce the 

new regime. How successful these efforts will be 

remains to be seen.

In the following section, we discuss what 

nations commercializing their international-

education sectors might do to minimize the risk 

of repeating some of the errors discussed above. 

Before doing so, we stress that the cavalier ap-

proach to governance—a primary feature of the 

Australian international education industry until 

the government was forced to respond to the 

student rebellion—is not unique to Australia. 

Colorado legislators in the United States high-

lighted this in 2010, when they eased the state’s 

reign on cash-strapped public universities in or-

ter to permit them to recruit more international 

students. Previously, state laws required that 

Colorado universities limit the number of non-

resident students to one third of the student pop-

ulation, but the law now excludes international 

students, previously deemed nonresidents, from 

the cap (Anas, 2011). That Australia is not unique 

in failing to regulate adequately was also at-

tested to in Britain in 2012 when the govern-

ment’s broader political agenda compelled it to 

crack down on the fraudulent immigration prac-

tices that many universities and colleges were 

practicing to maximize their revenue.

WHAT MIGHT BE DONE?

As part of its response to the crisis induced by the 

student backlash of 2009, the Australian govern-

ment joined with education suppliers and relevant 

epistemic communities to determine what might 

be done to address the damage wrought on the 

reputation of Australia and its institutions. As 

well as initiating the regulatory reforms identified 

above, the government also sought to identify 

“best-practice” activities and policies, and gener-

ate recommendations that individual education 

suppliers might embrace. From this effort a set of 

principles was fabricated that it was envisaged 

would assist individual education suppliers, en-

rich the international student experience, and con-

tribute to rebuilding Australia’s reputation as a 

reputable study destination. The substance of this 

discussion is indicated by the following titles of 

the core documents generated by this microfo-

cused effort: (1) Examples of Good Practice in As-

sisting International Students to Integrate With 

American Students and the Wider Community; 

(2) Enhancing the International Student Experi-

ence, A Report on Seven Demonstration Projects; 

(3) Enhancing the Student Experience & Student 

Safety; (4) Principles of Good Practice for Enhanc-

ing International Student Experience Outside the 

Classroom. All these documents are available on-

line and provide exemplars and recommendations 

to education suppliers worldwide might consider 

when seeking to address the needs of international 

students. Document 4, which was produced by 

ISANA—the representative body for international 

education professionals in Australia and New Zea-

land who work in student services, advocacy, 

teaching, and policy development—is of particular
note. This is because the document identifies and justifies a comprehensive set of “good practice principles” that ISANA advises should guide the activities of individual universities and colleges that seek to provide a positive international student experience. These principles have value for education suppliers beyond Australia and include the following:

- Provide comprehensive information on key aspects of local student life;
- Monitor agents to ensure they provide sufficient and accurate advice to students;
- Use multiple channels to provide a range of options for students to access information;
- Ensure that newly arriving students are met at the airport if requested;
  - Provide orientation related to student life and educational culture;
  - Support international student participation in dedicated social activities and networks;
  - Facilitate engagement between international and domestic students and communities;
  - Support student access to multiple accommodation options, catering to different needs;
  - Provide support to students in finding employment and advice on legal requirements;
  - Prepare students for “reverse culture shock.”

The foregoing principles are to be applauded, and where the finances are available, they should be supplemented with the construction of appropriate on-campus housing and the provision of counselors and enforcement officers who are trained and dedicated to providing for international student needs. Universities should also encourage their staff to join and actively participate in epistemic communities, such as ISANA, which bring together actors who have specialist knowledge of international student needs, in order to both share and learn. Social networking and participation in university governance by international students should also be encouraged. While such practices may expose problems that discomfit education suppliers, suppressing these concerns risks the type of devastating backlash that beset Australia’s education suppliers in 2009; whereas addressing these concerns may lead to solutions that can be highlighted in university recruitment drives. Universities and colleges should also consider one other suggestion arising from the Australian experience—the need to isolate the revenue generated by international students. Forbes-Mewett and Nyland (2012) have shown that the president of the university they examined, when seeking to explain the underfunding of international student services, chose to establish a separate company to receive and allocate the international student revenue. By so doing, the president was able to limit the extent to which these funds became part of the general pot of resources over which the multiple divisions of the university competed. This helped ensure international student services were adequately funded—a situation undermined once it was decided these funds would be treated as part of the common pool of resources. Last, and of great importance, individual universities and colleges that host, or intend to host, large numbers of international students need to consider how they will respond to the threat posed by institutions that are willing to reduce academic and language entry standards to sustain their revenue inflow from international students. In brief, education institutions need to decide if they will participate in what may prove a race to the bottom, or if they will engage in the regulatory scaffolding that needs to be undertaken to protect academic values at a time of contracting revenue.

In brief, education institutions need to decide if they will participate in what may prove a race to the bottom, or if they will engage in the regulatory scaffolding that needs to be undertaken to protect academic values at a time of contracting revenue.

Sadly, a number of Australia’s universities have been tempted to turn to the dark side in terms of standards (Schwartz, 2012), and others have openly resisted government reforms designed to curtail the undermining of standards. The state, however, has thus far stood firm as was evidenced by the government’s decision to create a national Overseas Student Ombudsman (OSO). This step is to be applauded, but the OSO has yet to show that it can operate as an effective regulator. Moreover, its legitimacy is unproven, even doubtful, given its public commentary on the Australian education export industry has been decidedly muted compared to that of the Ombudsman in the state of Victoria. This difference was manifest in reports provided respectively by the National Ombudsman and the Ombudsman for the state of Victoria in 2011. While
the latter official does not specialize in providing for the interests of international students, he can and did choose to investigate education exporters because of the many complaints his office had received from international students. Following his investigation he issued a report that contrasted markedly with the positive assessment issued by the OSO. Whereas the latter has been moderate in its criticisms of those whose activities it is charged with regulating, the Victorian Ombudsman (VO) was unrelenting in charging that universities had been corrupted by the financial rewards generated by the international education market. To the great ire of university presidents, the VO reported the profit orientation dominating the education-export sector had compromised entry requirements, induced corrupt teaching practices, and caused the welfare and safety needs of international students to be underfunded. In concluding his report, the VO advanced a number of recommendations, but his overall message was encapsulated in the following observation: “I consider that the universities need to shift their focus from recruiting students and boosting their revenue to ensuring their international students have the necessary skills to study successfully” (Victorian Ombudsman, 201: 8).

With the Australian government, education suppliers, and the national independent regulatory agency all suffering from a legitimacy deficit, a serious situation has been created. The situation is grave because an environment now prevails where a great many observers remain convinced that relevant actors cannot or will not adequately resource student well-being and safety. In such a situation even relatively minor scandals have the potential to activate a storm of criticism from actual and potential students and their governments. It is in such circumstances that regulation theorists have rightly advised that all who are stakeholders in relation to a given concern should seek to build a regime of networked governance. Huppé, Creech, and Knoblauch (2012: 2) explain what is meant by this term:

[Governance networks are composed of diverse participants from all scales (e.g., local, national, global) and sectors (e.g., business, government, civil society) of society, and do not merely aggregate resources, but are structured to take advantage of the fact that each participating sector brings different resources to the fore. Governance networks combine the voluntary energy and legitimacy of the civil society sector with the financial muscle and interest of businesses and the enforcement and rule-making power and coordination and capacity-building skills of states and international organizations. In contrast to state rule and competitive market regulation, governance networks involve a large number of interdependent actors who interact in order to produce public purpose.

Governance networks are distinguished from hierarchical rule by the state and competitive regulation by firms and the market, in that governance networks are “pluricentric”—they involve numerous independent actors including multilateral agencies, foreign governments, scholars, trade unions, ranking agencies, and so on. These agents interact with firms, government, and regulatory agencies in ways that contribute to policy formation and enforcement, the exercise of countervailing power, and the creation and maintenance of an environment in which decisions are made via collective negotiation and compliance is assured through a mix of trust, rules, norms, and checks and balances.

That the international-education sector requires such a regime will tend to be disputed by education suppliers and governments. Indeed, from the earliest days of the education-export sector, Australia’s government and education institutions have consistently resisted any infringement on their right to monopolize governance of the industry. Thus, when the education-export industry was pioneered, neither the government nor education institutions made any serious effort to have students or the home governments of students participate in determining how the sector should be governed. As a consequence, international students were provided with few consumer rights. But while monopolizing governance might be attractive to the state and industry actors, this is not always possible. This was a point driven home in Australia when a number of education suppliers went bankrupt, their student customers lost their fees, and students and parents across Asia effectively became participants in the governance process by demonstrating their anger outside Australian consulates and by calling on their own governments to intervene.

Australia’s government responded to this early crisis by introducing regulations that required education suppliers to purchase insurance that would fund the placement of students in other in-
stitutions should a supplier become insolvent. However, this concession was ceded begrudgingly, and regulatory vigilance on the part of government and universities and colleges faded once the flow of revenue was restored and the growth of the industry began to accelerate. This response and the latest burst of regulatory reform reveal that the boom-bust-boom-bust cycle has become a feature of the Australian education-export model. As Braithwaite (2008) has argued, this is a normal part of the regulatory process precisely because the shock of scandal tends to fade with time. This suggests that unless the new regime of governance that is introduced to address a scandal proves unusually effective, or unless the opportunity to reap substantial rewards from malpractice is lost, variants of the practices that induced the crisis will tend to be repeated with the passage of time. Marginson (2012b) has addressed this likelihood by calling on nation-states to forge bilateral and multilateral agreements that will build a regulatory floor below which the free market will not be allowed to determine the level of resources provided to international students. While we sympathize with this strategy, we believe the boom-and-bust history of regulation suggests these proposals are likely to have a better chance of assuring the well-being of students and the stability of the education-export sector if they are part of a regime of networked governance. To reiterate, governments and education suppliers will no doubt find this notion unattractive, as it challenges their right to monopolize the governance process. However, this is required if the errors that led to the revolt of international students in 2009 are not to be repeated both in Australia and elsewhere. Accordingly, in the closing section, we identify the actors who might contribute to the regime of networked governance that is required to safeguard the well-being of international students and protect core academic values from the threats posed by the commercialization of international education.

Building an effective governance network will be difficult, but that it may be done is lent hope by the fact that this process has already begun. In 2005, UNESCO and the OECD issued a joint set of Guidelines for Quality Provision in Cross-Border Higher Education which sought to:

[S]upport and encourage international cooperation and understanding of the importance of quality provision in cross-border higher education . . . to protect students and other stakeholders from low-quality provision and disreputable providers [and] to encourage the development of quality cross-border higher education that meets human, social, economic and cultural needs (UNESCO & OECD, 2005: 4).

Similarly, the World Trade Organization (WTO) has sustained an ongoing debate on how international trade in education services can be facilitated by trade liberalization. This debate has foregrounded the preservation of education quality as an undertaking inextricably linked to the successful execution of such an approach. The contributions of these multilateral agencies can be truly significant, although as Siqueira (2012) observes, these interventions may not always be beneficial. She notes the free trade policies promoted by the WTO, for example, may place national education regulatory frameworks and even the offer of public education under threat. Siqueira (2012) underscores why international education networks need to be multileveled and structured in ways that can realize the benefits made possible by regimes of governance while concomitantly containing less desirable elements by institutionalizing the checks and balances that can be generated by pluralistic negotiation and countervailing power.

As part of the mounting networking effort and with this latter objective in mind, in 2012, the International Association of Universities (IAU) issued a declaration titled, Affirming Academic Values in Internationalization of Higher Education: A Call for Action. The IAU’s statement insisted that it is “incumbent on institutions of higher education everywhere to make every effort to avoid or at least mitigate” the prioritizing of commercial interests over academic values (IAU, 2012). Similarly, in 2012, the European Association for International Education (EAIE, 2012; published an International Student Mobility Charter, the overarching aim of which is to keep:

. . . students safe and protected during their study abroad periods [and] cover concerns such as equity of treatment, integration of international students, portability and continuity of funding, visas and formal requirements, quality assurance of institutions, and other important issues affecting mobile students. Developed by a working group of international higher education bodies the charter
aims to foster greater endorsement from key stakeholders in international education.

When issuing their statement and charter, both the IAU and EAIE acknowledged that pursuit of revenue can challenge academic values and student well-being, and that this is an important development at a time when many in the higher education community continue to “lobby aggressively to legitimize dubious practices” (Altbach, 2012: 21). Recognizing that it would be excessively optimistic to expect these forces to “do the right thing,” the OECD-UNESCO, the IAU and the EAIE make it clear they hope their efforts will help forge the network of stakeholders required to sustain the ongoing effort required to prevent conscious or inadvertent malpractice. They also recognize that the goals they advocate will only be achieved if their efforts are bolstered by structures that only nation-states and nongovernmental organizations (NGOs) can construct and sustain. At the level of the nation-state, this requires that governments accept the need for a level playing field and the constant reiteration of their support for the protection of academic principles from the dark side of commercialization, as well as the need to underpin this support with a robust and legally enforceable quality assurance and welfare framework. The June 2012 edition of the Canada Gazette indicates what this may entail on the part of host countries. In seeking to learn from Australia’s experience, the Gazette reports that the Canadian government is introducing regulations that will require international students to attend classes or leave the country, and will discipline education suppliers who fail to provide their international students with a high-quality learning and education experience. The new provisions will set minimum standards of governance that education suppliers must meet and will create instruments to ensure compliance.

The emphasis in the literature that discusses the responsibilities of nation states currently tends to focus on what is to be expected of host governments. But as has been shown here, home governments can make a significant contribution to the governance network that is required full time. This point was driven home by China’s interventions in New Zealand and Australia when Beijing concluded their citizens studying in these two countries were not receiving the level of care that is their right.

NGOs can also make a major contribution to the required network of governance. NGO actors likely to have the greatest potential to contribute include student representative bodies, accreditation agencies, industry associations, licensing bodies, employer and employee organizations, and epistemic or professional communities. As Altbach and Knight (2007: 301) have observed, professional accreditation agencies such as the European Quality Improvement System (EQIS) include internationalization in the range of issues they consider when deciding whether to grant accreditation. We suggest such bodies need to recognize that the quality of education can be placed at risk by the commercialization of international education and should strive to contain this risk by designating student welfare a key feature of their assessments. A similar contribution can, and should, be made by the education industry associations, though the Australian experience suggests the latter may be “captured” and become lobbying agencies that promote policies designed to maximize the income of education exporters rather than advocates for the preservation of student welfare. At the very least, these actors should consider whether such policies are advisable given the threat they can pose for the reputation of their members.

Employers of graduates and professional and licensing agencies can also make a primary contribution to the required network. The likelihood that these actors can be recruited to the common effort is evidenced by recent development in Australia where the Business Council of Australia (BCA) has expressed concern that many international students are graduating with the requisite technical skills to enter the professions, but are unemployable because their English-language proficiency and broad cultural and social skills are judged to be inadequate by employers. The BCA notes this situation is reflected in the labor market, where international student graduates experience far greater difficulty gaining employment in the professions than do local graduates and immigrants who have been trained in other OECD nations.

The latter situation is particularly dire for business graduates, and this has led researchers who have examined graduate employment to call on universities to increase the resources they direct to the provision of support services for international students (Arkoudis et al., 2009). It is a development that has also prompted the BCA to flag its intentions to actively contribute to the network of governance required to assure education quality. In so doing, the BCA has called on the national government to:
Develop a comprehensive strategy to enable Australia’s international education industry to grow sustainably through . . . providing increased incentives for international students to learn and develop English language proficiency (Business Council of Australia, 2011: 4).

Australian professional bodies are likewise seeking to become part of the regulatory network, with the Australian Institute of Chartered Accountants (ICA) appointing a representative to liaise with universities to ensure they deliver graduates with the qualities the profession needs. The ICA reports it is particularly concerned that many international students have knowledge of technique but not the language skills required to communicate effectively with clients. The extent to which such situations are problematic was highlighted in 2010 when 400 international nursing students who graduated with an Australian degree were confronted with deportation when the Nursing and Midwifery Board of Australia deemed they did not have the English-language skills required for registration. This action reflected the board’s conviction that universities were prioritizing the revenue they earn by enrolling students who have the English-language skills required to undertake their degrees, but not at the level required to interact effectively with patients. This intervention into the regulatory process went well beyond liaison and has imposed on Australia’s nursing schools the need to prioritize international students’ capacity to meet the requirements of their profession and not merely the financial needs of the university. We suggest other professional and licensing agencies heed these experiences, including the Academy of Management, which can make a significant contribution to the regulatory network by mobilizing its members in ways that concomitantly facilitate the internationalization of higher education and the defense of student welfare and academic standards, both within nation-states and across borders.

Universities and scholars can also make a significant contribution to the required regulatory network. Universities may do so in many ways. For example, they can lobby the bodies that represent their collective interests to establish codes of conduct that specify what constitutes the minimum and aspirational standards their members should meet or target. Indeed, universities may offer more than the minimum required by external regulators and competitor institutions and act as exemplars that others might choose to emulate. In so doing, they may enhance their position in the education market. They might also initiate and sustain a regime which monitors recruitment agencies, language entry standards, and student support, and thus, ensure respect for standards is not subordinated to the desire for revenue.

Academics can make a significant contribution to the regulatory network by undertaking critical analyses of the international education “industry,” the policies and practices embraced by governments and education suppliers, the lived experience of international students, their teachers, and support staff, the rights that belong to these individuals and the extent to which these rights are respected, and how international students can be educated to the reality of studying in a foreign country before and after they leave their homeland, and so on. That academics can, and should, take on this role has been stressed by Härtel (2010: 585) who observes that “academics and scholars . . . have a vital role to play in ensuring that student security, in all its forms, is kept at the forefront. We can do so through providing unbiased and rigorous investigations of the issues, identifying potential solutions, and then publicly voicing our findings to policy makers, the media, and our own institutions.”

Research and debate on these issues can, and should, be conducted in academic journals, but the contribution that can be made by faculty may also take other forms. Three examples of what is possible have been provided by British, U.S., and Australian scholars, respectively. In the United Kingdom, an exemplar that should be emulated is the manner in which scholars at Oxford University stood firm when representatives of the Chinese government sought to pressure them to pass the son of Bo Xilai even though he had not undertaken the work required to graduate. In the United States, the Boston College Center for Higher Education (BCCHE) has begun a Higher Education Corruption Monitor that publishes information on how the dubious practices associated with the internationalization of higher education are impacting on academic values. The BCCHE (2012) advises that in order to populate the Monitor with information useful to university administrators, state regulators and faculty, BCCHE staff would “continually monitor the internet for news, articles, videos, podcasts, and other sources on academic corruption [and they invite others] to post information on academic corruption to our website.” A third example of what may be done by scholars comes from Aus-
Australia, where business and education academics have reached beyond the university and are actively collaborating with the Australian Human Rights Commission (AHRC) in its efforts to promulgate a bill of rights for international students, which it hopes to disseminate through relevant United Nations agencies. The AHRC has made it clear that at the minimum the rights that must be recognized include “non-discrimination, equality of treatment, security of the person, access to justice, housing information, freedom of religion and culture, and labour rights” (Australian Human Rights Commission, 2012).

Last, and possibly most important, international students must also be active players in the network of governance. We have argued here that it was only when the students organized, took to the streets, and targeted the income so much desired by their hosts that a serious response was forthcoming from Australian officials. This is a lesson that should not be forgotten by international students or by those who have a responsibility to provide for their learning and education and for the sustainability of internationalization programs.

CONCLUSIONS

We have drawn attention to some of the issues associated with the commercialization of the international education market by tracing the journey of the Australian education-export sector. We have highlighted potential pitfalls that universities and governments attracted by the Australian model may encounter, as well as some of the measures that may be taken to diminish the likelihood that international students’ need for a high-quality learning and education experience will not be rendered subordinate to the drive for profit. By so doing, we have surfaced insights that may be of value to university managers and faculty who are committed to providing these students with a positive learning and education experience both within and beyond the class room.

We have underscored that education suppliers who participate in the international education market in order to derive revenue may be pressured by competitors to engage in practices that are at odds with student needs and academic values. This danger is particularly acute for business schools because a very large proportion of international students study business subjects. As a result, university managers may find it difficult to resist rendering these schools’ cash cows that can finance divisions less attractive to international students, but perceived by university officials as more prestigious in terms of research. We advise those who would embrace this practice to remain aware that a profit-oriented approach to the provision of international education services can induce discontent among international students and render education institutions vulnerable to a reputation and income-damaging backlash both from students and their home governments.

Last, we urge scholars to contribute to the theory building that will be required to forge an effective network—a task that is bound to be difficult given it must reconcile stakeholders who have very different and in some cases antagonistic goals. Although it may be difficult to construct the required governance network, it is a step that must be taken if the commercialization of international education is not to undermine academic values or the capacity of international students to access the learning and education experience that is their right.

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