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A Study of the Possible Implications of Current Institutional Practices on the Future of International Higher Education and a Broader Higher Education Bubble

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Running head: INTERNATIONAL HIGHER EDUCATION BUBBLE

A STUDY OF THE POSSIBLE IMPLICATIONS OF CURRENT INSTITUTIONAL PRACTICES ON
THE FUTURE OF INTERNATIONAL HIGHER EDUCATION AND A BROADER HIGHER
EDUCATION BUBBLE

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PIM 72

A Capstone Paper submitted in partial fulfillment of the requirements for a Master of
International Education at SIT Graduate Institute in Brattleboro, Vermont, USA.

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Adviser: Sora Friedman, Ph.D.

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Abstract

The hypothesis of a higher education bubble in the United States is one that has been discussed in literature for a number of years, with parallels being drawn to the inflation and deflation of prices of commodities in industries such as housing and the stock market. This study examines the applicability of such a hypothesis to the international education sector of the higher education industry in the United States. The focus of this study is (a) the perceived impact of current institutional practices in the field of international education on the long term viability of the field overall and (b) the opinions of practitioners in the field on current trends and practices. Complicating factors include both (a) U.S.-based influences such as policies and attitudes at individual institutions and (b) external influences such as international completion and U.S. foreign policy. The health and outlook of international education in the United States is gauged through critical literature review and through the surveying of 84 practitioners in the field of international higher education. Several areas of potential action or improvement are identified by practitioners in the field. The study offers recommendations regarding the sustainability of international higher education in the United States such as the importance of reducing the dependence of academic programs or institutions on students from a singular source. Data collected from survey questionnaire participants provides additional clarity and perspective to existing research on the topic and confirms much of the concerns illustrated by the literature review. Immediate internal and external pressures on the field often override longer term concerns regarding slowing down growth for the sake of a more sustainable higher education environment. Despite the existence of actionable concerns, collected data points to general optimism about the future of the field of international higher education.

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Introduction

There is a hypothesis that in the United States the current state of higher education is unstable due to consumption of higher education as a product outpacing the demand for graduates from the fields of study being marketed by institutions and pursued by students. This hypothesis links this instability to the rising cost of higher education and the increasing amount of debt accrued by students seeking this education. In the 2012-2013 financial aid year, 34% of undergraduate students took out federal subsidized or unsubsidized loans versus 29% in the 2002-2003 year. The average amount borrowed per year also increased from \$5,911 to \$6,764 as adjusted for inflation (College Board, 2014, p. 1). This higher education bubble hypothesis considers the current growth and scope of higher education in the United States to be artificially inflated and at risk of a sudden collapse due to an unpredicted decrease in demand. A decrease in demand can be a result of any number of factors. These factors may include the availability of foreign educated workers, the rising cost of education, a reduced market for specific areas of study, or the availability of online education from abroad to the U.S. consumer.

Counter arguments suggest that the overall economic and social benefit of widespread participation in higher education negate the fear of a bubble and point to the popularity of so called *American education* on an international scale as a sign of health in the industry as well as a support mechanism for U.S.-based educational institutes. Additionally there is evidence that suggests that the economic benefits of higher education are increasing at a rate that is almost proportional to the increase in cost of tuition and fees (Simkovic, 2013).

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The phrase *international education* often means different things to different people. In the context of this paper international education is defined as educational activities that involve the dissemination of learning content to groups across U.S. national borders. This includes students coming to the United States to participate in the education system here and the export of U.S. instruction and academics to other nations in the form of traveling faculty, overseas branch campuses, and online content.

International higher education, being a subset of the broader higher education industry in the United States, is also affected by many of the same factors surrounding the bubble hypothesis as well as many other external and internal influences. As an international education administrator at a private, non-profit institute, the researcher is exposed to the strong economic and political influences that affect academic offerings, delivery of material, and student country of origin. As a result, this study was intended to examine how international higher education policy and practice may be affecting the future of the field in the United States. While the impact of government regulations on the field was difficult to ignore or exclude completely, this study attempted to focus on institutional practices, including practices that may be in response to government policies rather than the regulatory policies themselves. It was the hope of the researcher that by focusing on factors that can be most controlled by stakeholders working in the field of international higher education, the resulting recommendations and findings would be the ones most likely to have hope of implementation and have the greatest useful positive impact on the future and continuity of the field.

Literature Review

Higher Education Bubble Hypothesis

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The concept of a financial bubble is generally understood to refer to a hyper-inflated state of demand for a product with uncertain enduring or intrinsic value (Shiller, 2012). One of the earliest uses of the word *bubble* to describe this inflated state comes from the 1720 British South Sea bubble. A trading company's stock rose in value as it dealt in government debt without any actual trading taking place until its stock price collapsed to its original starting point (Dale, 2005). Today the concept and language surrounding bubble theory and hyperinflation have become mainstream to U.S. culture due to the dramatization of financial bubbles in popular media outlets (Housel, 2013).

Many sources in existing literature point towards two main categories of reasons behind the existence of hyper-inflated market places or bubbles. Economic reasons tend to focus on unbalanced liquidity in the commodity or service market, usually in the form of lax lending practices that allow greater access to the product (Wolfers & Zitzewitz, 2004). Social psychology is the other driving force in bubble theory. Social psychology seeks to explain the conditions leading up to hyper-inflation or bubbles as being caused by human behavior such as (a) herding, where consumers continue to consume in the same way they see others consume (Blodget, 2008) and (b) moral hazard, where part of the risk of the investment is removed from the consumer by a third party such as the government and thus leads to a more liberal attitude towards the risk (Summers, 2007). These theories and behavioral patterns, while financial or economic in nature, can be observed in action in the higher education industry in the United States and are an important part of understanding the current and potentially future states of international higher education.

Wood (2011) examines some of the principles of the theory behind a higher education bubble environment in the United States, comparing the possibility of an actual

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burst event with that of other economic bubbles. The author compares the idea of a higher education bubble to the housing bubble, where consumer demand for expensive homes drove the price higher and higher with consumers justifying the investment based on the hope that prices will continue to rise and they would recoup their investment at a future date (Wood, 2011).

While college education is not a physical product, it is a product none the less, with buyers and sellers. One of the reasons many individuals pursue higher education is because they hope that they will recoup the cost of their investment over time in the form of increased career and income potential and an eventual higher quality of life. Indeed Wood (2011) states that the U.S. higher education industry has marketed itself to students precisely as a financial investment. Obtaining some level of higher education is sold as a prerequisite for career progression or even as a prerequisite to entry into specific careers. It is common knowledge that formal higher education is a prerequisite to entry into specific fields such as the legal or medical industries; however, that does not apply to all career paths occupied by U.S. graduates.

The main contrast drawn by Wood (2011) is the enduring value of a college degree compared to other material possessions. Wood (2011) states that a college education cannot be lost the way a home can be lost to foreclosure, though its value is subject to market forces. In this context the value of a degree or an education refers to its contribution to the consumer's (student's) earning or career fulfillment potential. Wood (2011) considers various incentives and disincentives to attend college along with exaggerations on either side of the argument. He makes a point that participation in higher education does not guarantee completion of a degree but it does mean either some amount

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of debt or financial loss. He briefly touches on the idea that not all college degrees offer the same return on investment from a monetary perspective.

Arum and Roksa (2011) point to the idea that the increasing cost of higher education in the United States has outpaced the actual demand for education. They say that the increase in tuition costs has also outpaced the rate of inflation and the increase in prices of other commodities. In order to sustain the industry of higher education, institutions have turned to other ways to attract students into their classrooms other than traditional educational pursuits. Arum and Roksa call this the substitution of *social engagement* for academic rigor. Arum and Roksa also point to the reprioritization in higher education towards ideals such as student diversity, holistic student development, and environmental sustainability, which again consumes resources that have in the past been directed towards a singular academic direction. In essence they point to a bi-directional reduction in the value of learning in higher education as a lesser proportion of career-specific content is consumed or learned at a higher total price.

The higher education bubble hypothesis is often linked to the financial aid system in the United States. Data clearly shows the slowly increasing dependence of students on federal financial aid. The chart below shows the percentage of first-time full-time undergraduate students at a 4-year university receiving financial aid increasing from 75% to 85%.

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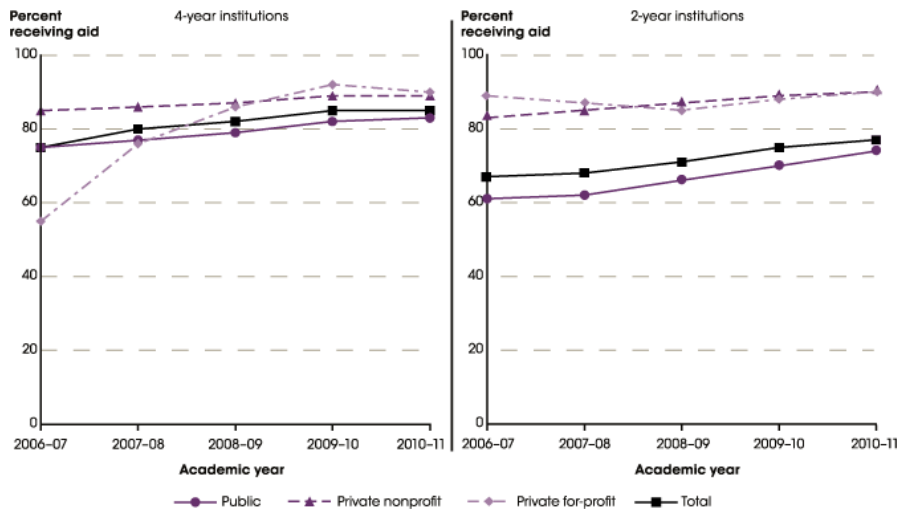


Figure 1. Percentage of first-time, full-time undergraduate students in degree-granting institutions receiving any financial aid, by level and control of institution: Academic years 2006-07 through 2010-11 (Reprinted with permission from the Institute of Education Sciences, 2012).

Cronin and Horton (2009) write about how changes in the federal loan market have had a direct effect on the availability of funds for many of the consumers of higher education in the United States. The authors say that increased availability of government funds may have led to higher tuition rates being charged by higher education institutes. This is because the availability of funds enlarged the segment of the population of the United States that has access to the product of higher education. They state that average college tuition and fees have risen by 440% over the past 25 years. Their article states that the supply and demand relationship here is unclear since political initiatives to make higher education more accessible may be injecting funds into the market before the demand creates the need for the funds (Cronin & Horton, 2009). There is great uncertainty regarding what percent of the current and future higher education consumer base would still be able to partake in higher education in the United States if the economic or political climate in the United States severely reduced the availability of financial aid dollars.

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There is literature to suggest that certain symptoms of the higher education bubble hypothesis may also be observed outside the United States. Within the United States, Mangu-Ward (2011) looked at data from 1992 to 2008 to draw correlations between an increased college graduation rate and an increase of college-degree-holding people working in non-college-level jobs. The concept of an over-educated workforce may be repeating itself outside the United States, as Lane (2013) seems to suggest. He cites various sources that point out that the labor market is not keeping up with the expansion of educated graduates in Australia (Lane, 2013). Lane paints a picture that show inconsistent return on investment for college graduates in Australia with 50% of college graduates working in positions that do not require their qualification. He observes that what he describes as over-education is most likely to be found in graduates of four fields: natural and physical sciences, agriculture and environment, society and culture, and creative arts (Lane, 2013). The same trends are noted by Caroleo and Pastore (2013) in their analysis of post-graduate employment in Italy. They stress the need for increased quality versus quantity of education (Carleo & Pastore, 2013).

International Education and the Bubble Hypothesis

The link between international education and the higher education bubble hypothesis stems from several connections. International education is a subset of the larger field of higher education in the United States. Lane and Kinser (2013) point to the idea that higher education as an industry often leans on international education as a support mechanism and stop gap measure. At the same time, it is the promise of a so-called American education and successful domestic programs that attracts international students to the United States to begin with.

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International students studying in the United States do not directly have access to student financial aid. Additionally, prior to admission into the United States they are legally required to provide proof of funding for tuition and living expenses for their first year of study. An article in the Nelson A. Rockefeller Institute of Government speaks to the idea that “Colleges and universities in the United States have become increasingly reliant on international students to fill Science, Technology, Engineering, and Mathematics (STEM) related graduate programs and support their STEM-related research agendas and patent generation” (Lane & Kinser, 2013). Lane and Kinser (2013) talk about how these international students provide a wide variety of benefits, including a source of tuition dollars that is not dependent on domestic government subsidies. It is suggested that international students are presenting a solution to the lagging interest of domestic students in STEM fields and that without international students, entire academic programs would collapse in many universities.

The danger in leaning too hard on international students is further accentuated by the details of this dependency. The Institute of International Education’s *Open Doors* report for the 2012-2013 year shows that 28.7% of international students in the United States come from China. The next three source nations are India, South Korea, and Saudi Arabia, coming in at 11.8%, 8.6%, and 5.4% respectively. China and India alone account for over 40% of all international students in the United States (Institute of International Education, 2013). In a time when higher education institutions in the United States offer a wide variety of degree options and program offerings, which helps hedge against changing consumer (student) interests, perhaps effort could be made to attract international students from a more diverse host of nations.

Threats to International Education in the United States

In “The Great Brain Race: How Global Universities Are Reshaping the World,” Wildavsky (2010) speaks in length of the increasing amount of competition for traveling students from overseas, with competition coming mainly from countries like Australia, Canada, and the European Union, which are attracting international students to their own programs, as well as newer players in the field such as Singapore and Malaysia. Wildavsky (2010) also reviews the increasingly widespread phenomena of branch campuses that U.S.-based institutions create overseas as they try to get ahead of their competition and capture international students before they even think about leaving their home nations for education. Institutions hope to realize many other benefits from their branch campuses such as creating marketing and name recognition for the U.S.-based location as well as gaining a measure of prestige. Wildavsky considers all of this to be movement in a positive direction for the sake of global human development; however, he acknowledges that many in the field of international higher education in the United States feel threatened by the now externalized competition.

Research completed by Li (2014) shows that global competition for international students goes beyond just competition for tuition dollars. Universities around the world are specifically targeting students to participate in programs in the STEM fields. Most western nations have a high level of demand for highly skilled workers in these fields; thus, recruiting and retaining these students is the first step towards fulfilling that demand (Li, 2014). Some nations, including Canada, have government initiatives to encourage international students graduating from these fields to remain in Canada for a limited period of employment, mirroring similar government initiatives in the United States.

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U.S. domestic policies are another area that have been recognized as an obstacle for international students interested in enrolling in institutions inside the United States. Urias and Yeakey (2005) write that the strict and ever-increasing amount of regulation is preventing students from studying in the United States from every possible direction. The embassy officials evaluate each individual based on the assumption of guilt or intent of wrong doing, resulting in the denial of the majority of applicants from certain countries. Urias and Yeakey write about the multitude of regulatory requirements that institutions have to follow in order to be eligible to admit international students. Bowen and Foley (2002) write about the Student and Exchange Visitor Information System (SEVIS) system, which is the record keeping database the international office staff members need to maintain. These authors predict poor implementation and that it will be a resource drain on institutions that host international students (Bowen & Foley, 2002).

The mobility of students seeking education beyond their national borders is constantly shifting directions as new players enter the market of international education (Perkins & Neumayer, 2013). Perkins and Neumayer (2013) found that rapidly industrializing countries such as South Korea, Malaysia, and South Africa are taking advantage of their competitive standing in terms of cost of education and ease of regulation and are luring international students away from the traditional big players in the field such as the United States, Australia, and the United Kingdom. Additionally and perhaps counter intuitively, Perkins and Neumayer found that the quality of education at the destination nation has less influence over student based migration patterns compared to other factors like per capita income and gross domestic product at the destination country and ease of mobility (Perkins & Neumayer, 2013).

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The term *glocal* has come to represent a new category of international students who want the experience of global education but turn instead to branch campuses or online classes (Choudaha, 2012). The export of some form of U.S. education may be a way to compete with improving offerings in local communities abroad, but by doing so, some students who may otherwise come to the United States are instead being removed from the market as traditional international students (Kinser & Lane, 2012). Additionally the quality of the education delivered by forms of so-called education franchising may be suffering, which could hurt the reputation of the main institution or even the reputation of education from an entire region (Altbach, 2012).

Helms (2005) cautions against lax institutional policies and practices when it comes to global education. He writes about the importance of increased oversight of institutions or putting in place measures to prevent issues such as fraud, plagiarism, or other problematic behaviors that drove students to seek the quality of western education to begin with. He suggests a variety of ways to create and enforce a culture of ethical behavior, not limited to the revocation of degrees for students and termination of faculty or employees (Helms, 2005).

Research Design

In order to encapsulate current events and developments in the field, a survey questionnaire was created. This survey questionnaire was designed to be completely anonymous, as it asked for no identifying questions from the participants. The survey questionnaire was then posted as a link on the NAFSA Network forum/listserv International Student Advising. This particular NAFSA network was chosen because it is the most active NAFSA online community and because the researcher has an established

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presence there and hoped that viewers would be encouraged to participate in the survey questionnaire.

Additionally the researcher shared the link and information about the survey with members of the Central Ohio Professionals in the International Education (COPIE) group through their listserv to capture views of some individuals who do not regularly access NAFSA forums or listservs. Viewers in the NAFSA and COPIE listservs come from a wide variety of institutions of various sizes from across the United States, and it was the expectation of the researcher that this would include staff members at all levels and in a variety of positions at their institutions.

Results

Eighty-five individuals participated in the survey. It is important to note that none of the questions were compulsory, allowing participants the freedom to answer only where they felt comfortable and secure, given the sensitive nature of some of the questions asked.

Participants were asked about the type of institution where they work. Responses are summarized in Figure 2 below. One participant indicated they work at a law school, while the rest indicated comprehensive type institutions.

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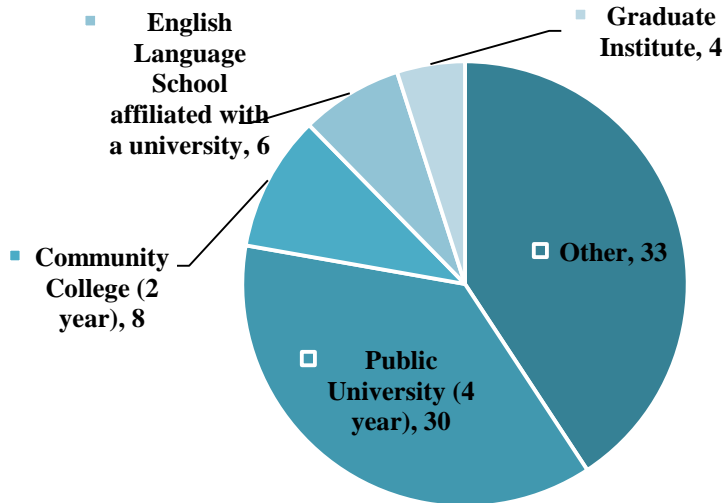


Figure 2. Type of institution where participants work.

Participants were asked about whether or not they believe that their institution has separate or integrated international mission statements. Twenty percent of participants mentioned that they have a specific international education mission or vision statement. Fifty-four percent said that their institution integrates international education in its overall mission or vision statement, and 22% said that their institution makes no specific mention of international education in any of its mission or vision statements.

Participants were asked to select the types of programs that their institution currently engages in (in relation to international education). Nearly all of the participants, 98%, worked for institutions that hosted F-1 international students, which is the most common classification of international student in the United States. Eighty-two percent participated in study abroad programs. Sixty-seven percent of respondents participate in J programs, which can include international students but more frequently are programs that

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allow international instructors, field practitioners, and scholars to enter the United States.

Additional responses are summarized in Figure 3.

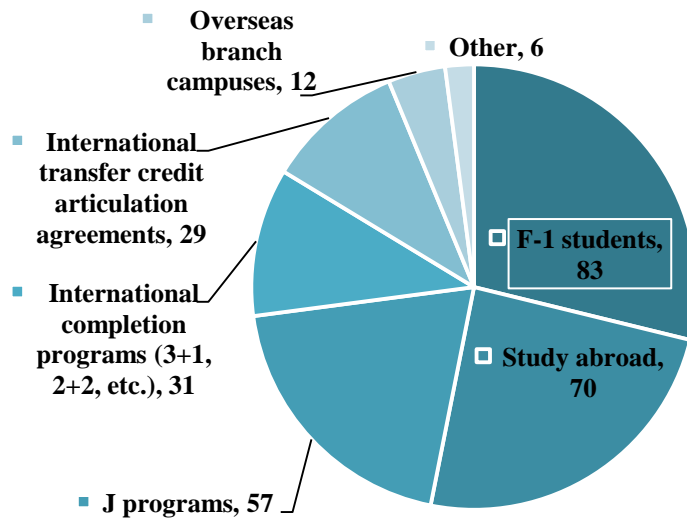


Figure 3. Types of programs that participant institutions currently engage in.

Participants were asked to select which of the following factors they feel are major influences on their institution's ability to attract and retain international students and to select all the responses that apply to them. The responses are summarized in Figure 4.

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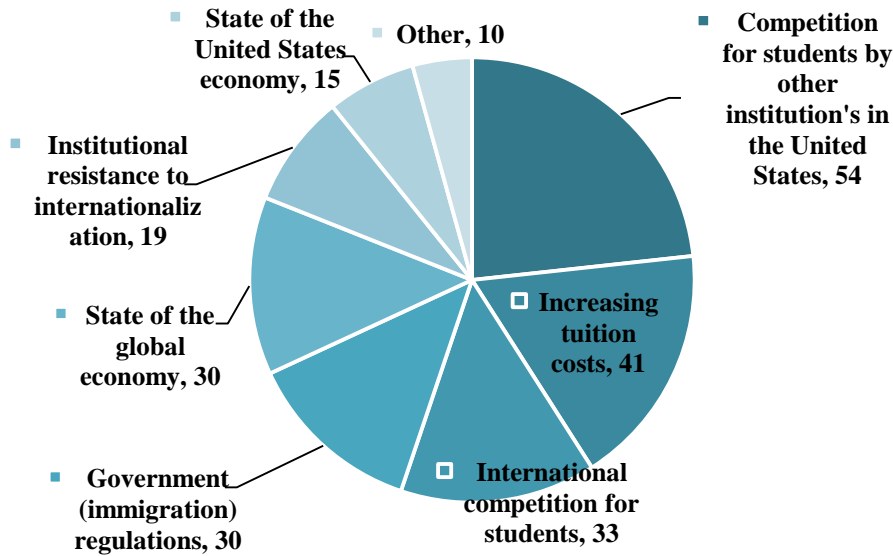


Figure 4. Influences on attracting and retaining international students.

Sixty-four percent of respondents indicated that internal competition by other institutions within the United States was the primary factor indicated to be affecting their institution's ability to attract and retain international students. Thirty-nine percent indicated international competition as their main concern. Thirty-six percent of respondents felt that immigration regulation and the global economy respectively were major influences. In the *other* category, comments by participants added the following as factors:

- Location of institution
- Tuition
- Lack of scholarships
- Unchanging mindsets [at the hosting institutions]
- Lack of understanding by higher administration
- Increased online classes

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- No investment in recruiting international students

The participants were split evenly in responding to the question of whether particular programs or academic areas in their institution rely heavily on international students for enrollment. Forty-nine percent of participants said *yes* and 49% said *no*. Participants were invited to specify the areas or programs that depend on international students. Grouped together into similar areas, responses are represented in Figure 5.

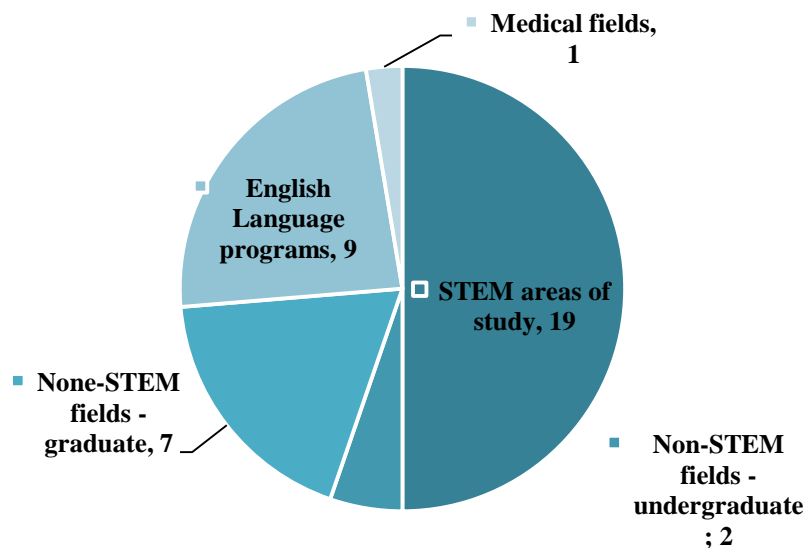


Figure 5. Number of participants with programs or academic areas dependent on international students.

Of the 42 that replied *yes*, 25 felt that these programs or academic areas are not sustainable without international students. Thus almost 30% of participants had programs or academic areas that are reliant on international students.

A short definition of what the researcher is calling the higher education bubble hypothesis was presented to the participants as follows:

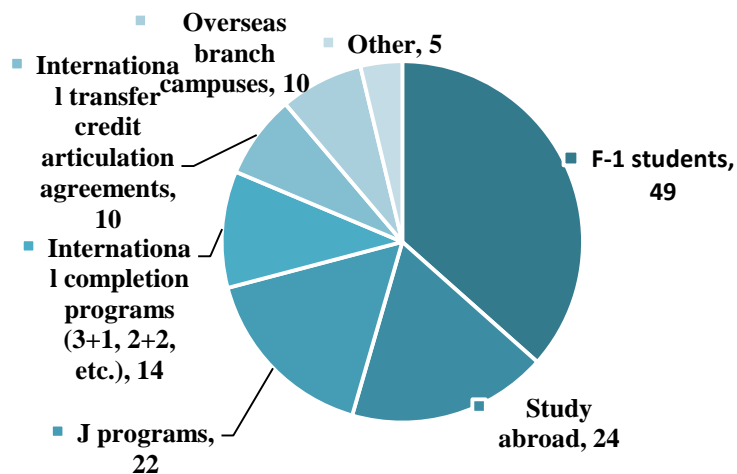
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The *higher education bubble* is a hypothesis that the current state of higher education in the United States is inflated in terms of enrollment and participation beyond the natural capacity of the marketplace and is at risk of a deflation that would have broad implications in the field and beyond.

Forty-nine participants (58%) indicated that they are not familiar with the hypothesis, while 32 participants (38%) indicated that they are. In response to a follow up question regarding whether or not they agree with the concept of the hypothesis, 53 participants (63%) indicated that they agree with the hypothesis with 31 participants (36%) disagreeing.

Most of the participants, 67 of them (80%), felt that international higher education helps stabilize the field of higher education in the United States. A similar number, 58 (70%) also felt that international higher education is subject to long term vulnerabilities based on current institutional policies or practices.

Participants were asked to indicate which areas they felt were made most vulnerable in the long term by current institutional policies or practices. The results are displayed in Figure 6.



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Figure 6. Areas made most vulnerable in the long term by current institutional policies or practices.

Participants were asked to rate their perception of the stability and sustainability of the current state of the field of higher education in the United States, 1 being the most stable and sustainable and 5 being the least stable and sustainable. The results are displayed in Figure 7. The average rating is 2.7, which leans slightly towards the more stable direction.

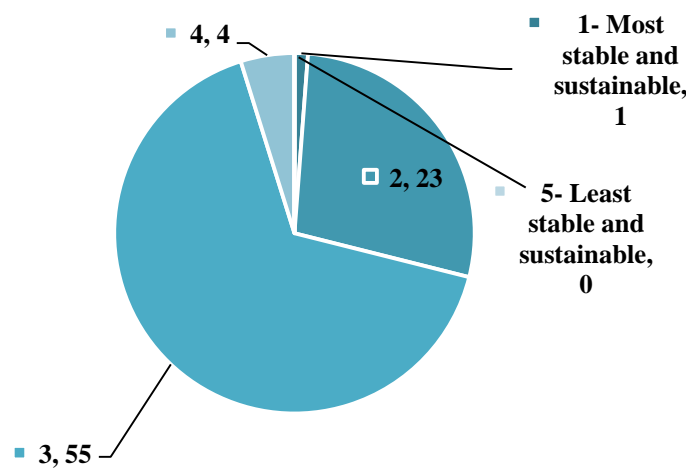


Figure 7. Perception of the stability and sustainability of the current state of the field of higher education in the United States.

Discussion

Most questionnaire participants came from institutions that engaged in a wide variety of activities. It is not surprising that 98% of participants have F-1 students at their institution, considering that the research methodology placed the survey in a listserv for professionals who work with F-1 students. Most participants work for schools that also engage in at least one other activity related to international education, such as J student and scholar programs or study abroad. It is interesting to see that approximately 35% of participants have either international transfer credit articulation agreements or

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completion programs. It has been thought that international credit articulation agreements and completion programs require extra care and attention, least variations in standards or oversight abroad cause a decline in the quality of the educational content (Altbach, 2012).

Competition for international students may be the most visible factor for many higher education professionals trying to attract and retain international students. The researcher found that 54 participants believed this to be true. Rising tuition cost was the second highest factor identified by participants. In some of the closing commentary by participants, rising tuition costs were linked not just to fears of falling international student enrollment, but as a risk factor for dropping domestic enrollment. This fits within the risk model suggested by the hypothesis of the higher education bubble (Simkovic, 2013). Participants made the following comments that directly address the fiscal health of institutions or the cost of education as a major concern. Here survey questionnaire participants primarily expressed concerns about both the increased interest in profit by institutions and the effect of that increase on tuition costs for students. Quotes include the following by various participants:

- In the next decades, the marginalized institutions (with no branding [making] it special) will fold, especially those attempting to enroll international students to save them.
- Provide more scholarships for international students and allow international students to pay in-state tuition.
- The expense today for a college education is ridiculous.
- All higher education and international higher education in particular have become more concerned with making money than providing the highest quality education possible. Evidence: the increasing use of agents in recruitment, a fundamentally unethical practice.

The researcher found that half of all participants in this study had programs or academic areas in their institutions that rely heavily on international students. While

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heavily is a subjective term that was not defined, 25 participants specifically responded in a follow-up question that they have programs that would not be sustainable at all without international students. Lane and Kinser's (2012) research on the dependency of institutions for international students to populate their STEM programs is reflected in the survey questionnaire; 19 participants specifically mentioned STEM areas of study as dependent on international students. The next highest area was English language programs, followed by non-STEM graduate studies. Lane and Kinser (2012) specifically talk about the increasing percentage of international student in graduate programs even outside the STEM fields.

While the majority of participants, 58%, were not familiar with the higher education bubble hypothesis, 64% of them indicated that they agree with the hypothesis after reading the short provided description of the hypothesis. Perhaps it is unawareness of the possible broad implications of policies and practices that contributes to the perpetuation of these policies and practices. It is the researchers' view that full awareness of risk may be an important part of overcoming obstacles surrounding the long term health of the field of international higher education. Understanding how decisions at the institutional or regional level can impact national or international policies and economies can help shift the focus from short term outcomes to longer term outlooks. Here are some participant comments that refer directly to the higher education bubble hypothesis as defined in the survey questionnaire:

Re: the *bubble* in my opinion, most of our domestic [students] attend H.E. because they feel they have to, without any purpose or goal, which differentiates [them] from our international students who are focused, and also, in majority [enrolled] in STEM.

Sustainability is dependent upon competition and costs. Institutions abroad are expanding to keep more students at home. The rising costs of tuition and fees at U.S.

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institutions are also reaching a point that American and international students consider the cost/benefit of pursuing programs and will look at cost as the largest factor in the decision, regardless of quality of program, and match with professional goals.

The participants felt that F-1 students are made most vulnerable by current institutional policies or practices, with almost 60% of survey questionnaire participants indicating such. Considering that many of the participants are in positions of responsibility at their institutions, the question may be why they are not changing the self-diagnosis caused by problematic institutional policies or programs. The answer to that question is answered in some of the free text responses that label higher level administration decision-making as the culprit. The respondents do not see themselves as contributing to the problematic policies; they blame decisions made for the sake of short term financial gain rather than for long term viability. The following are a few participant reflections on how institutional practices are affecting their current campus environment, the future success of the institution, or student satisfaction.

Many institutions focus too much on recruitment and not enough on retention of international students. We still don't seem to have moved much beyond the concept of international students as the miracle cash cow that will solve funding issues; this is despite obvious indicators that increasing student populations requires a corresponding increase in support for these students.

Our international undergraduate numbers are miniscule because the university has no drive FROM THE TOP DOWN to add international undergraduates, so even the office responsible for international admissions has a very bad attitude that diminishes the possibilities. This in turn impacts our language program too. Institutional practices can make major differences, whether positive or negative. Here they are largely negative.

I believe deans need to be aware that they close their doors to international students by offering fewer classes in the face-to-face format.

Many institutions see international students as a solution to diminishing domestic enrollment, and in the case of public schools, an opportunity to bring in more out-of-state students. However in many cases the resources in both personnel and

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infrastructure are not appropriate to support this growing number and their unique needs. In addition there is little understanding about the complexities of the government regulations and the implications of a failure to meet them.

In summary, most of the participants who indicated that their institutions participated in international transfer credit articulations or international completion programs also indicated that these areas are vulnerable based on institutional policies or practices.

Participants were asked about their perception of the stability and sustainability of the current state of the field of higher education in the United States. Choosing a number between 1 and 5 where 1 is the most stable and sustainable and 5 is the least stable and sustainable, most participants, 65%, picked the middle option 3. This indicates that participants had no major compelling opinion in one direction or another. Twenty-seven percent of the participants indicated 2. Overall the responses here lean towards a more positive outlook on the field. That is an encouraging attitude to see, and the researcher believes that this may be an indication of the energy and passion of practitioners in the field. Two comments were made regarding specific regulatory standards that the participants believed impeded international education in the United States.

Visa regulations do not keep up with higher education practice (e.g., hybrid residency programs or online programs that require a once-a-year residency.

I wish the F1 students were allowed to count more online hours toward maintaining full-time status.

Another participant offered the following insightful narrative on the sustainability of high international student populations when the source of these students is a single country.

A number of institutions, mine included, have dramatically increased enrollments of Chinese undergraduate students for financial reasons. The result has been a huge increase in enrollments, but a decrease in the collegial and cross-cultural health of our campus environment. We have such a large community now that Chinese

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students never really have to leave China in order to obtain a U.S. degree. Tensions between Chinese and American students are high. It's a tough situation, and not all schools are being proactive to foster appropriate cross-cultural dialogue or to appropriately support the Chinese community. Some schools have added staff and convened a central committee of key stakeholders to coordinate support. Other schools (like mine) have not been so thoughtful and support is patchwork, piecemeal, and siloed. Also, with such a high reliance on Chinese students to close budget gaps, we are vulnerable to a burst in the Chinese bubble. What if the value of the Chinese Yuan were to tank against the dollar? Any appreciable drop in enrollment would be very difficult to manage at this point.

Conclusion

Higher education, once a privilege for a select few, has become a commodity in high demand by a rising middle class of consumers in the United States and abroad (Wood, 2011). Rising up to meet the increased demand are thousands of institutions from all around the world. Competition for students involves more than just individual institutions but rather entire nations. While healthy competition could drive costs lower and increase academic excellence, that is not always the case. It is up to the educators and practitioners in the field to work together to find common standards that can be adhered to for the benefit of everyone, perhaps as an extension to existing accreditation requirements. Several organizations such as NAFSA, the American International Recruitment Council (AIRC), and the Institute of International Education (IIE) already prepare and present best practices for various aspects of the field; however, that information does not always make it up to the appropriate level of decision makers. Participating in political advocacy days or opportunities may be one way that practitioners in the field may have a direct impact on national policies surrounding international education.

Limitation of the Study

The researcher acknowledges some limitations with the findings of the study. Several methodological limitations are inherent to the usage of a survey questionnaire to collect data. The sample size of participants is a small percentage of the practitioners in the field of international higher education. Additionally, the participants had the choice of whether or not to participate and were offered no reward for doing so. This may have lead the most engaged or emotionally affected practitioners to participate in the study. Practitioners who were exposed to the opportunity to participate in the study but chose not to may have a different collective attitude to the topic as presented and thus may have affected the aggregated results.

The researcher also wishes to acknowledge that he himself is a practitioner in the field of international higher education with an opinion on the subject matter that was researched. In order to limit researcher bias, all collected data was presented without editing, no participant commentary was omitted, and the open-ended survey questions were designed to be as general as possible to allow for a wide variety of responses (see Appendix).

Recommendation for Future Research

Perkins and Neumayer's (2013) findings regarding the reduced importance of quality of education for students relative to other factors at the host nation came as a surprise to the researcher. The traditional attitude in higher education is to strive towards quality and the highest possible standards, so it is interesting to learn about how other socio economic factors influence the decision making process of traveling students. Attempts to find corroborating sources were unsuccessful, but the topic remains worth

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investigating. Practitioners in the field of international higher education would benefit from researching this phenomenon more. It may be important to know if the U.S. dominance in the field is primarily due to factors other than quality of education. The impact of *glocal* ventures by U.S.-based institutes into the native educational communities of other nations is also an area that could be explored further. Are local institutions energized when western institutions move in or do they suffer financially as students are attracted away from them? There is also the concern that they may suffer from a form of localized brain drain as the best and brightest scholars are attracted to teach at western institutions that can afford to pay more in salaries and benefits (Choudaha, 2012).

Finally, if *glocal* higher education is the way of the future, are graduates of branch campuses and distance learning degrees as academically well prepared as graduates from the home institution, or is *degree dilution* inevitably reducing the value of diplomas issued by the home institution, or perhaps even reducing the perceived value of education sourced from the home nation overall? It is the researcher's understanding that these issues cannot be separated from the main focus of this study, as the health and future of the field of international higher education is a summation of all its parts.

International higher education practitioners in the United States are not pessimistic about their work and the work of their institutions, but there is much evidence that change is necessary. Enough practitioners understand and are concerned about the idea of an international education bubble that being deliberate about future endeavors or trends in the field is important. Many of the issues that this study has identified as risk factors also affect other priorities of the educational process beside the competitive success in the field. These priorities include academic and career success of students, both international and

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domestic, diversity and enrichment on campus, and the development of self-supporting nations that can continue to benefit from high quality U.S. education. The researcher believes that changes in the decision making process in international higher education administration can both improve future profitability and maintain the quality and value of the educational process.

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Appendix: Survey Questionnaire

A study of potential effects of current institutional practices on the future of the field of international higher education in the United States.

Thank you for your interest in participating in this questionnaire. My name is Tamer Khadre, and I am a graduate student at SIT Graduate Institute. I am conducting a study on how current institutional practices may be affecting the future state of the field of international higher education in the United States. I hope to use my findings to develop recommendations that will benefit the long term outlook of the field of international higher education. This questionnaire is anonymous, your participation is optional, and you can exit this questionnaire to withdraw at any time. Choosing to complete the survey acknowledges your consent to participate. The estimated time burden of this questionnaire is 5 - 10 minutes. Please feel free to contact me at tamer.khadre@mail.sit.edu if you have any questions, comments, or concerns.

If you consent to participate in this research study and are at least 18 years of age, please select 'yes' *

Yes, I'll participate

No, I won't participate in this survey

Please select the option that best describes where you work.

English Language School

English Language School affiliated with a university

Private college (2 year)

Private university (4 year)

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Community college (2 year)

Public university (4 year)

Graduate Institute

Non-profit organization

Government organization

Other educational company not associated with a university

Other (please describe)

What is the approximate total student enrollment at your institution?

Which statement best applies to your institution

My institution has a specific international education mission or vision statement

My institution integrates international education in its overall mission or vision statement

My institution has no specific mention of international education in any of its mission or vision statements

Which of the following factors do you feel are a major influence on your institution's ability to attract and retain international students? (select all that apply)

Government (immigration)regulations

International competition for students

Competition for students by other institution's in the U.S.

institutional resistance to internationalization

State of the U.S. economy

State of the global economy

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Increasing tuition costs

Other (please specify)

Which of these types of international programs does your institute currently engage in? (select all that apply)

Study abroad

F-1 students

J Programs

Overseas Branch campuses

International transfer credit articulation agreements

International completion programs (3+1, 2+2, etc .)

Other (please specify)

Do particular programs or academic areas in your institution rely heavily on international students for enrollment ?

Yes

No

If you answered Yes to the question above please specify which areas:

If you answered YES above do you consider these programs or academic areas to be sustainable without international students?

Yes

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No

The *higher education bubble* is a hypothesis that the current state of higher education in the United States is inflated in terms of enrollment and participation beyond the natural capacity of the marketplace and is at risk of a deflation that would have broad implications in the field and beyond.

Are you familiar with the hypothesis of a higher education bubble?

Yes

No

Do you agree at least partially with the hypothesis of a higher education bubble?

Yes

No

Do you feel that international higher education helps stabilize the field of higher education in the United States?

Yes

No

Do you consider international higher education to be subject to long term vulnerabilities based on current institutional policies or practices?

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Yes

No

If you answered YES above which of the following areas do you feel are made most vulnerable in the long term by current institutional policies or practices? (Check all that apply)

Study abroad

F-1 students

J Programs

Overseas Branch campuses

International transfer credit articulation agreements

International completion programs (3+1, 2+2, etc.)

Other (please specify)

Please rate your perception of the stability and sustainability of the current state of the field of higher education in the United States, 1 being the most stable and sustainable and 5 being the least stable and sustainable.

Do you have any additional comments you would like to share on the topic of how current institutional practices might affect the future of the field of international higher education?

SUBMIT