



STUDY ABROAD

Is There Life After Government Funding?

by Nana Rinehart

International education faces a paradoxical situation. Rhetoric about the need to prepare students for a "global" future abounds, and many university mission statements list "internationalization" as a priority. At the same time, federal funding for educational exchange has been cut while, at the institutional level, "restructuring" and "downsizing" have left many campus international and study-abroad offices with fewer resources to carry out their mandate.

The loss of resources is usually seen as a sign of increased isolationism, but the cuts may also be part of broader social, political and economic changes. These changes include (1) cuts in public spending exemplified by "downsizing" of government and privatization—a general trend not limited to the US; (2) a transformation of the private sector as a result of new technology, globalization of production, acceleration of new product development, and increasingly demanding and discriminating consumers.

Both of these tendencies affect the non-profit sector as well. Not only is public funding drying up, but clients are becoming more diverse and demanding a higher level and broader range of services at lower cost. Further, the promises and demands of new communication technologies have created opportunities, pressures and increased risks.

If the decline in resources allocated to international education is seen as a part of this general phenomenon, the problem becomes much broader than if it is seen as a result of isolationism—and much less likely to disappear if and when attitudes change.

The history and recent experience of the International Student Exchange Program (ISEP) offers one example of the impact of these changes. ISEP was established in 1979 at Georgetown University in Washington D.C. to facilitate exchanges between member institutions in the United States and in other countries.

At present, the ISEP network consists of more than 200 colleges and universities in over 35 countries, includ-

ing the United States. Each member institution recruits and nominates participants, who pay the cost of tuition, room and board to their home institution and take up places at institutions abroad provided by departing students there. The home institution hosts a student from another country (not necessarily the same as the one to which its students are going) in the place of each student sent abroad. Thus, while ISEP participants exchange places and benefits, there is no transfer of funds between institutions. Exchanges are open to students in all disciplines and at all academic levels. Information about programs is provided by ISEP staff in Washington, who also match the qualifications and site preferences of nominees with available openings and monitor the implementation of exchanges.

Participants matriculate directly into the host institution (while maintaining their registration at home) and take courses with native students unless the language at the host institution is one which American students do not normally study, e.g. Dutch, Finnish or Korean. In that case, students take classes in English with other international students and students from the host country who are working to improve their English proficiency.

During its first four years of operation, ISEP was fully funded by the United States Information Agency. Subsequently, the grant amount was reduced and member and participant fees introduced. The annual grant averaged about 35-40% of total operating expenses until, in 1995-96, the amount was cut by 30% compared with the previous year. That reduction underscored the general message sent by Congress after the 1994 elections that federal funding for international educational exchange would be reduced. In the spring of 1995, when ISEP was preparing to bid for the following year's grant, the USIA advised planning for a future without funding. So it came as no surprise when we were notified that no grant would be awarded for 1996-97.

Facing tough decisions about how to spend the reduced funds appropriated by Congress, the USIA chose to focus on core programs and on preserving infrastructure which could only be maintained with federal money. The non-renewal of ISEP's grant was based on the assumption that the program would be able to sustain itself by drawing on resources within and outside the net-

Nana Rinehart PhD, is Associate Director of ISEP. She can be reached at 3222 N Street NW, Suite 400, Washington, DC 20007-2849 Tel: 202-965-0550 Fax: 202-965-0405 <http://www.isep.org>

work. ISEP continues to enjoy a cordial and beneficial relationship with the Agency while moving into independence.

Anticipating the possibility that funding might be lost, the ISEP Advisory Board had begun a strategic planning process in early 1995, reviewing mission and membership standards and setting goals and priorities. At the same time, staff in the Washington office began the process of restructuring in order to mobilize internal resources for the anticipated changes.

Management guru Peter Drucker emphasizes that a successful mission statement for a non-profit organization begins with three "musts": 1. "Look at strength and performance. Do better what you already do well—if it's the right thing to do"; 2. "Look outside at the opportunities, the needs. Where can we really make a difference?" 3. "Look at what we really believe in." (*Managing the Non-profit Organization*, 1990).

For ISEP, Drucker's first and second "musts" neatly converged. Over a period of 17 years, ISEP has developed structures which enable a student to matriculate into a very different academic system abroad, become immersed in the local culture, bring back credits from the foreign institution which count towards the degree at home, and pay for this experience at a rate which matches the cost of a year of study at home.

Because ISEP continues to believe in international exchange as an integral component of higher education, accessible to all students, reciprocal exchange will remain its core activity. Following Drucker's second injunction—to look at opportunities and needs—prompted some interesting reflections on what ISEP is and can become without the benefits and restrictions of government funding. Drucker advises looking "outside," but ISEP planners in fact focused on opportunities and needs *within* the network.

ISEP is a unique kind of member organization whose purpose is to enable members to serve each other. Every nomination of a student for exchange creates a need for a place at another institution and an opportunity for a foreign student to attend the nominating university. In order for reciprocity to be maintained, needs and opportunities must balance each other perfectly, but this balance does not come about without some effort. The ISEP central office plays an important role in educating potential participants about where the opportunities are, e.g. by guiding international students towards US universities *not* located on the East (or West) Coast and making US students aware that there are other countries besides the UK where it is possible to study in English.

The assessment of needs and opportunities—and the effort to match them—will continue indefinitely. It is in the nature of restructuring that the process is never complete, and responding to changing student interests and demographic/economic conditions in more than 35 coun-

tries will require constant attention and creativity.

Replacing the funds received from the USIA will require increased reliance on the membership as well as diversification. Partial use of financial reserves will allow ISEP to support programs during a three-year transition period while additional funding sources are being developed and keep fee increases relatively low.

There are, however, positive sides to the loss of government funding. Submitting proposals for grants and reports to the USIA was labor intensive, especially in recent years when the bidding process was competitive, and USIA and ISEP member priorities did not always coincide. Grants were awarded on condition that ISEP develop exchanges with areas where few other options were available. But, in many of these areas, there were good reasons for the lack of exchange options including inadequate infrastructure, conditions perceived as risky, and a very limited demand on the part of US students.

ISEP has built a strong network in Latin America and is committed to maintaining exchanges with countries in Africa and East/Central Europe, where programs began during the years of USIA funding. US member institutions rely on ISEP to provide access to non-traditional sites. The highest demand for exchanges, however, will continue to be for and from West-

ern Europe although, in response to the needs of an increasingly diverse US student population (and a decline in language study in the US), more English language courses and intensive language training are emerging as alternatives or supplements to traditional total immersion programs.

One new initiative, which would not have been possible while ISEP was still publicly funded, is the development of a multilateral exchange pilot project, involving exchanges between non-US member institutions. Because universities in Australia, Canada, Europe, and Latin America share a common experience of exchanges through ISEP and trust each other as member institutions, they have found the network a means of broadening their students' study opportunities beyond the United States. The fact that an organization in Washington, DC, is making it possible for a Dutch anthropologist to study in Colombia, Mexican architects in Finland, and a Canadian law student in Australia suggests the globalization of educational exchange.

None of these activities would be possible if it were not for electronic communication and the availability of course catalogs on the Worldwide Web. The new technology opens up tremendous opportunities, but it also creates demands for a level of service and information which was not possible just a few years ago. Continuous improvement in the quality and accessibility of academic information is high on ISEP's list of priorities.