

Slowdown in US market

There are fears that next year's international enrolment figures in the USA could show the first decline in international student numbers since 1971, as current statistics for the first full academic year since September 11 2001 reveal that enrolments grew by just 0.6 per cent in 2002/2003.

A total of 586,323 international university students studied in the USA during the 2002/2003 academic year, according to the *Open Doors 2003* report published by the Institute of International Education (IIE) in November last year. This figure is more than double the number who studied in the UK – the USA's closest competitor – in the 2001/2002 academic year, the latest for which statistics are available. However, with the US government continuing to introduce anti-terrorism security measures that are increasing the number of delays among student visa applications, some institutions fear that international student numbers in the USA could soon take a tumble.

"We had a drop in freshman enrolments in fall 2003," says Arlene Spencer at Fulton-Montgomery Community College in Johnstown, New York. "Luckily our second year class, who arrived last year, was big so overall

enrolments were stable, but I won't be surprised to see a drop for next year in the total enrolments."

The introduction of an interview requirement for all student visa applicants from August last year has led to lengthy delays in the visa application process in some countries (see *Education Travel Magazine*, October 2003, page 2). In an online survey of 276 universities, conducted by the IIE last autumn, 59 per cent of respondents attributed any decline in international student numbers to the new visa procedures. "We are seeing a large number of visa delays in many countries, which in effect end up decreasing enrolments because students either miss the entry date or give up in frustration," says Spencer.

Bob Wilms, from Menlo College in Atherton, CA, also reports instances of cancellation among committed students from Myanmar, Nigeria and China due to visa denials, despite an overall increase in international enrolments of 10 per cent at his institution. He says, "There is evidence of reluctance to apply for foreign studies as a result of the difficulties of obtaining an F-1 visa, as well as the fear of parents that international students will not be welcomed by the community of domestic students."

Students from India and China were among the few nationality groups to show an increase in numbers in 2002/2003, with India showing the healthiest growth of 11.6 per cent. However, according to Dave Fredrick

from Wartburg College in Waverly, IA, it is China that holds the key to future growth. "China's increasing middle class offers a great market for higher education in the USA," he says. "The question is, whether US visa policies will change to permit larger numbers of undergraduate Chinese to study in the USA. Our [current] undergraduate visa policy in China assumes that few or no Chinese will return home after their undergraduate degree is gained."

Other student markets that increased in numbers during the 2002/2003 academic year include Korea (up five per cent), Mexico (up 2.3 per cent), Hong Kong (up 4.1 per cent) and Kenya (up 10.8 per cent), while large decreases were experienced from Indonesia (down 10.2 per cent), Thailand (down 14 per cent), Brazil (down 6.5 per cent) and Malaysia (down 10.8 per cent).



Increased competition from other study destinations has also taken its toll. Australia has become a popular choice for many Asian students in recent years due to its geographical proximity, attractive prices and the launch of an aggressive branding campaign promoting the quality of education available in Australia (see *Education Travel Magazine*, April 2003, page 5).

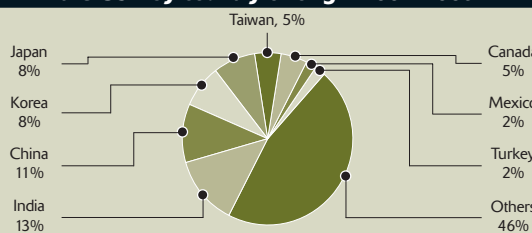
Fears that the introduction of a US\$100 Sevis fee, payable by all students applying to study in the USA, would have a negative effect on international enrolments have largely been sidelined in the face of more drastic visa changes faced by students. As Dawn Chamberlaine from Albany Law School in Albany, NY, comments, "We do not believe the US\$100 Sevis fee will effect the enrolment of international students at Albany Law School since these

students must have approximately US\$10,000 to cover their living expenses each year."

However, Chamberlaine adds, "We believe that the nine month period [permitted] for re-application of a denied visa is too short. Students should be allowed a one-year period to re-apply for visa approval without paying an additional fee."

From January this year, the USA has been collecting the fingerprints and photographs of all foreign visitors travelling on a visa in another security measure designed to combat terrorism (see page 49). It remains to be seen what effect the latest initiative in the USA's ongoing drive to secure its borders will have on international student enrolments in the USA, especially in the face of increasing opportunities worldwide.

International students attending colleges and universities in the USA by country of origin 2002-2003



Source: Institute of International Education

While difficulties in obtaining a student visa remain one of the biggest concerns for university admissions officers in the USA, Allan Goodman, President of the IIE, points out that a number of factors influenced final enrolment figures last year.

"These [Open Doors] figures reflect the impact of a number of factors – a weakened economic situation affecting many countries, student and family concerns about safety and possible delays associated with processing student visas, and an increase in competition for foreign students from other host countries," he states.

Menlo College markets heavily in a wide range of student markets and is well placed to witness variations within the international student marketplace. "Specifically, we are enrolling heavily in the Pacific Rim with Hong Kong, Taipei, Japan and Manila providing the largest markets," says Wilms. "In Europe, we have students from Italy, Germany, England, France, Sweden, Albania, Bulgaria, Uzbekistan, Russia and Greece. [Meanwhile], South American markets, specifically Argentina, are performing poorly as a result of slumping economies."

It is the bad performance of many traditional Asian markets that is causing the most concern for many other higher education institutions. Fredrick has noticed a "drying up" of the Indonesian and Malaysian market and puts this down to "educational development in Malaysia and the effects of international terrorism in Indonesia".