

## **Opportunities for Education in Japan & South Korea**

### **Gubernatorial Trade Mission to Japan & South Korea, October 27- November 3**



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### **Opportunities for Maine**

Foreign students have much to contribute to Maine. International students bring money into the economy, along with diversity and intellectual power. Maine is home to a wide range of institutions of higher learning, which offer great opportunities for foreign students as well. The quality of an education in the United States is already well understood in the Asian market—particularly in Korea. Maine schools need to build on the perception of the quality of an American education and reach out to prospective students with the ways in which Maine-based educational programs offer unique opportunities not offered by the competition.

Table 1. Top-10 Countries of Nationality for Foreign Students and Exchange Visitors, 2005

Country of origin	F-1	F-2	F-3	M-1	M-2	Foreign students and their families	Country of origin	J-1	J-2	Exchange visitors and their families
<b>Korea, South</b>	86,680	10,100	-	405	57	97,242	<b>Germany</b>	28,368	1,253	29,621
<b>Japan</b>	72,203	2,994	-	1,091	17	76,305	<b>Russia</b>	21,895	530	22,425
<b>India</b>	52,793	1,668	-	261	28	54,750	<b>United Kingdom**</b>	20,570	949	21,519
<b>China*</b>	37,242	3,311	-	347	14	40,914	<b>Korea, South</b>	13,211	7,302	20,513
<b>Taiwan</b>	38,069	1,278	-	131	7	39,485	<b>Poland</b>	18,932	362	19,294
<b>Canada</b>	24,993	624	6	494	32	26,149	<b>France***</b>	16,241	1,156	17,397
<b>Mexico</b>	23,594	1,370	27	489	88	25,568	<b>Japan</b>	12,115	5,168	17,283
<b>United Kingdom**</b>	16,388	552	-	1,155	45	18,140	<b>Brazil</b>	14,464	956	15,420
<b>Turkey</b>	15,206	722	-	19	D	15,947	<b>China*</b>	10,702	2,958	13,660
<b>Germany</b>	14,020	341	-	457	13	14,831	<b>Ireland</b>	9,596	172	9,768
<b>Other countries</b>	239,990	10,796	6	3,529	306	254,627	<b>Other countries</b>	176,648	18,915	195,563
<b>Total</b>	621,178	33,756	39	8,378	607	663,958	<b>Total</b>	342,742	39,721	382,463

Source: Migration Information Source- Spotlight on Foreign Students and Exchange Visitor

## Challenges

United States higher education is facing many challenges in attracting foreign students into the country but is finding ways to handle these issues and remain successful. Higher education within the United States is the best in the world, but a growing number of other countries educational programs are becoming competitive with the United States. Following the attacks of September 11<sup>th</sup> there has also been a dip in enrollment due to the heightened security measures and more difficult procedures involved with obtaining visas. Despite the challenges educators in the United States face, higher education in the United States is still viewed as the best in the world and is the premier choice for international students.<sup>1</sup>

<sup>1</sup> MSNBC- Schools struggle to combat foreign student drop

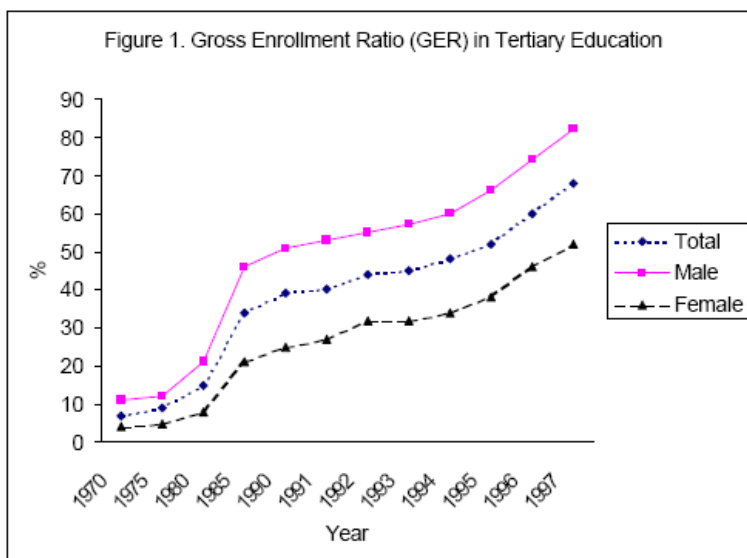
## Economic Overview-Korea

The Republic of Korea's economic growth over the past 30 years has been spectacular. Per capita GNP, only \$100 in 1963, exceeded \$16,000 in 2005. South Korea is now the United States seventh-largest trading partner and is the 11th-largest economy in the world. In recent years, Korea's economy moved away from the centrally planned, government-directed investment model toward a more market-oriented one. Korea bounced back from the 1997-98 Asian financial crisis with some International Monetary Fund (IMF) assistance, but based largely on extensive financial reforms that restored stability to markets. These economic reforms, pushed by President Kim Dae-jung, helped Korea maintain one of Asia's few expanding economies, with growth rates of 10% in 1999 and 9% in 2000. The slowing global economy and falling exports slowed growth to 3.3% in 2001, prompting consumer stimulus measures that led to 7.0% growth in 2002. Increasing consumer expenditures and rising household debt, along with external factors, slowed growth to near 3% again in 2003. Economic performance in 2004 improved to 4.6% due to an increase in exports, and remained at or above 4% in 2005 and into 2006.<sup>2</sup>

## Education within Korea

Young people in South Korea's workforce are more likely to have achieved an upper secondary education than anywhere else in the developed world. An annual education report from the OECD shows they are also among the most likely to have university degrees. Korea has been pursuing a policy of strong education as a means to spur economic growth. Korea invests a significant amount of effort into ensuring their students receive a high quality secondary education. Korean students are among the highest performing in math proficiency worldwide. They also begin learning English in the third grade, which positions them well for working in a global economy, as well as providing opportunities for higher education abroad. The demands of Korean secondary schools on students are very rigorous, which prepares them well for a pursuit of further education.<sup>3</sup>

Such emphasis on strong educational programs in Korea has led to many Korean students choosing to pursue higher education. In the Korean culture there is much emphasis put on the university a student is accepted into and chooses to attend. Acceptance into a prestigious university is seen as a great source of accomplishment and pride for the individual and their family. Much of a student's future life can be determined by this, as the premium jobs go to graduates from the best universities.



Source: *Statistical Yearbook (UNESCO 1999)*

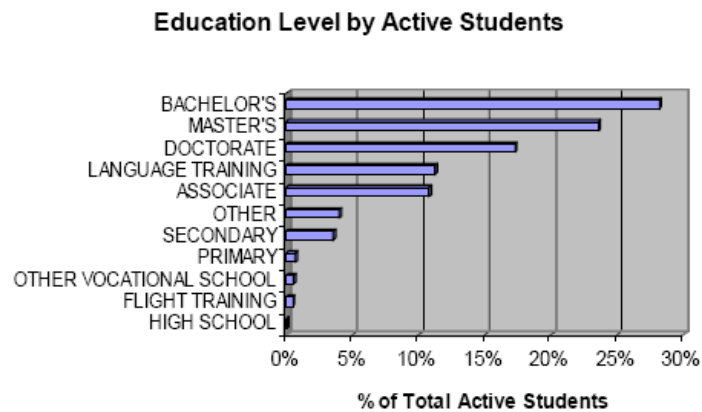
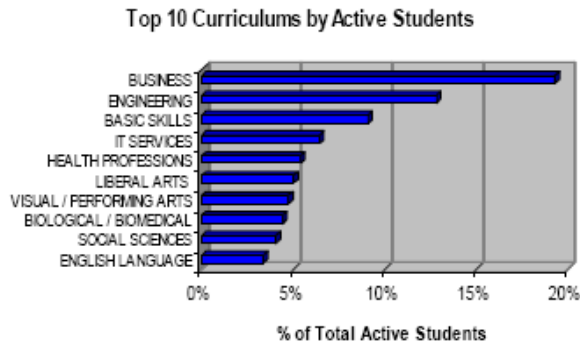
## Korean Study Abroad Students

Korean students are the largest group of foreign students who conduct their studies in the United States. A portion of Korean students also participate in

<sup>2</sup> U.S Department of State

<sup>3</sup> South Korea's Education Success, BBC News

foreign exchange programs in the United States. An education in the United States is considered to be of very high quality and is sought after because of the experience gained with the English language and western culture and the value of this in the global economy. The most popular major concentration for foreign students is business/management, followed by engineering.<sup>4</sup>



Source: Student and Exchange Visitor Information System: March 31, 2007

### Full Program Students

With over 97,000 South Korean students and their families coming to the United States in pursuit of an education in 2005—and more than 100,000 estimated in 2006—a sizable market exists to attract students from.<sup>5</sup> Educators who are interested in finding more Korean students for their programs must take an active approach. Universities can't rely on students finding them alone. Some of the best marketing can be done through word of mouth—by students returning to their home country and promoting their school. Universities should have a department dedicated to assisting and recruiting foreign students, as the process can be somewhat of a daunting task.<sup>6</sup>

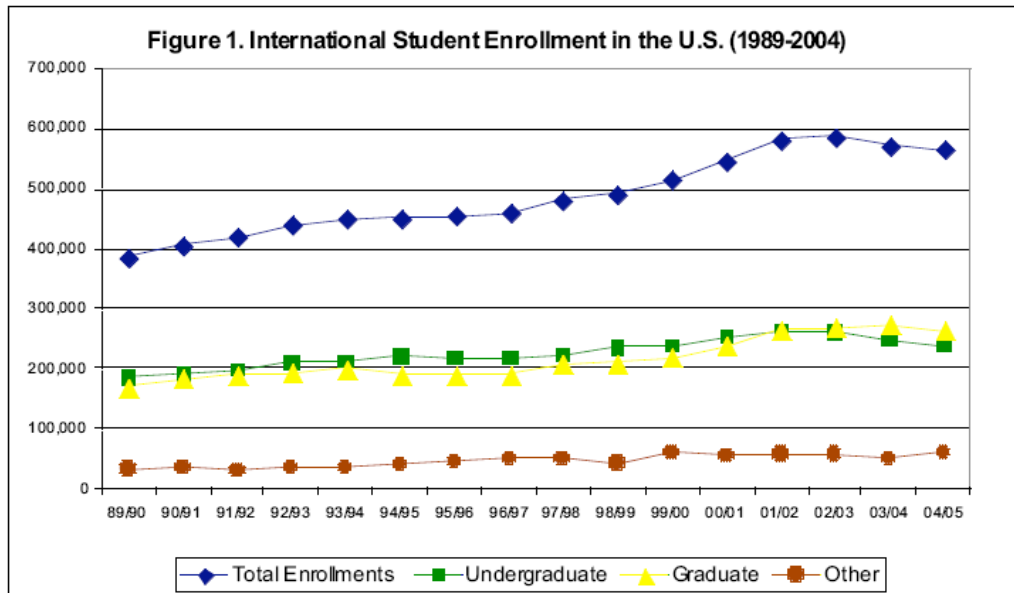
<sup>4</sup> Student and Exchange Visitor Information System

<sup>5</sup> Migration Information Source- Spotlight on Foreign Students and Exchange Visitor

<sup>6</sup> MSNBC- Schools struggle to combat foreign student drop

## Exchange Programs

Korea also has a considerable amount of exchange students traveling to the United States for study abroad programs. Korea ranks fourth worldwide in this category, with 20,513 students and their families coming to the United States in 2005.<sup>7</sup> Establishing a partnership for exchange programs and academic collaboration with a university in South Korea can develop a very rewarding relationship. This type of presence within Korea can increase students' knowledge regarding a university, by making it more accessible and building up a reputation in Korea.<sup>8</sup>



Source: American Council on Education

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## Trade Shows in South Korea

### Korea Student Fair

October 6-7, 2007

Seoul, South Korea

An event 25 years in the running for foreign schools to come recruit Korean students.

[http://www.yuhak2min.com/brusher/yu\\_e.pdf](http://www.yuhak2min.com/brusher/yu_e.pdf)

### Linden University Fair

October 15-17, 2007 – Seoul, South Korea

October 20-22, 2007 – Tokyo, Japan

[http://www.lindentours.com/univ\\_officials/tours/fall\\_07/asia\\_fall\\_07.shtml](http://www.lindentours.com/univ_officials/tours/fall_07/asia_fall_07.shtml)

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<sup>7</sup> Migration Information Source- Spotlight on Foreign Students and Exchange Visitor

<sup>8</sup> MSNBC- Schools struggle to combat foreign student drop

## Economic overview -Japan

### Japan :

Gross Domestic Product (GDP) in U.S. dollars:	4.9 trillion (2006)
GDP per capita in U.S. dollars:	33,100
Real GDP growth rate:	2.8%
Inflation:	0.4%
Unemployment:	4.1%

In 2006, Japan's balance-of-trade surplus was \$69.6 billion compared to \$72.6 billion in 2005. The Japanese Finance Ministry reported that the decline was due mainly to the high cost of oil as energy imports offset exports of cars and semiconductors. With GDP growth rates of 2.75% in 2005 and 2.8% in 2006, Japan has essentially completed its post-bubble adjustment, allowing for stable and consistent future growth.<sup>9</sup>

Japan is a vibrant, prosperous country, with the world's second largest economy. Japanese consumers spend hundreds of billions of dollars on food, clothing, travel, entertainment and a wide variety of other consumer goods and services. The top Japanese firms are among the most efficient and best-run firms in the world. Unemployment, while high by historic Japanese standards, is around 4.1% lower than in most developed countries. The average Japanese household has over \$100,000 in savings, and disposable income of about \$4,000 per month. Japan is one of the largest overseas markets for U.S. exporters, with imports from the U.S. totaling over \$59 billion in 2006.<sup>10</sup>

### Market Opportunities in Education

Japan is an important market for U.S. schools that would like to recruit more international students. Japanese students learn about opportunities to study abroad through Study USA fairs, the Internet and media, and study abroad agents. The US Commercial Service offers the following figures on the total market size and number of Japanese students in the United States:

<i>(millions of US\$ except where otherwise noted)</i>	<b>2004/2005</b>	<b>2005/2006</b>	<b>2006/2007 est.</b>
Total Market Size of Japanese students	994	925	n.a.
Foreign Students in U.S. (no. of individuals)	565,039	564,766	n.a.
Japanese Students in U.S. (no. of individuals)	42,215	38,712	39,000

(Note: Market size figures are unofficial estimates.)

In 2005/2006 a total of 564,766 foreign students studied in the United States, of which 38,712 were Japanese students. This was a drop of 8.3% from the previous year. However, the United States has

<sup>9</sup> Excerpts from the U.S. Department of Commerce's Country Commercial Guide 2007

<sup>10</sup> Excerpts from the U.S. Department of Commerce's Country Commercial Guide 2007

been and still is the most popular destination for academic programs. In terms of the number of students studying in the United States, Japanese students ranked fourth after students from India, China and Korea. Foreign students' (and their spouses') spending in the United States (tuition & living expenses) was estimated to be about \$13.5 billion dollars in 2005/2006.

Sixty-four percent of Japanese students in the United States are enrolled in undergraduate programs, and twenty one percent in graduate. This is in sharp contrast to Chinese and Indian students, who mainly enroll in graduate programs. Among the Japanese students enrolled in higher education institutions, women account for about fifty six percent. In addition to the 38,712 students noted above, tens of thousands of Japanese go to the United States for short-term language studies.

### Best Prospects

Interest in two-year colleges is continuously growing, especially for schools with lower TOEFL requirements. Graduate studies in the United States are also becoming more attractive to Japanese students, with MBA programs being especially popular since Japan does not have equivalent programs. With the post-World War II "baby boomers" retiring in 2007-2009, expectations are that a good number of new retirees will enroll in two-week to one-year study programs abroad.

Source: <http://www.buyusa.gov/asianow/jeducation.html>

### Japan's "Silver" and E-learning Markets

Japanese society is aging quickly. One fourth of the population of 127.5 million will be 65 years or older in the year 2015, compounded by the shrinking birth rates of recent years (1.3 level). The retirement age in general is 60, and company employees and civil service personnel usually receive a lump sum retirement payment accrued over nearly 40 years of service. Under the current pension system, senior citizens, who are called "Silvers," have good disposable income. These senior citizens have time and money to spend to lead an enjoyable life ahead. The potential of the "Silver" market, has attracted a lot of attention as a big prospective market for home care products, nursing homes, and hospital products. Yet the needs of the senior citizens in good health who are looking for enjoyment of life have been attracting surprisingly little attention. Senior citizens in their 60s and 70s have a variety of interests, and many express interest in travel including overseas travel. Many are also interested in study abroad programs. There is major potential in the Japanese market for travel/study abroad programs aimed at the retired population.

The e-learning market is also growing rapidly and is expected to reach 1,000 billion yen (\$8 billion) in 2010. There are many opportunities for U.S. ventures in the emerging distance learning market. By jointly developing programs or by joint venture partnerships with appropriate Japanese companies US concerns can tap into this market. Additionally US educational concerns can participate in the market by preparing Japanese versions of existing internet products and selling them directly to the Japanese population.

Source: <http://www.buyusa.gov/japan/en/education.html>

## **Student Fairs in Japan**

### **Institute of International Education 2007 Nagoya, Japan October 20, 2007**

Nagoya International Center Building, 4F  
1-47-1 Nagono, Nakamura-ku, Nagoya, Aichi 450-0001  
Website: [http://www.nic-nagoya.or.jp/english/frame\\_e.htm](http://www.nic-nagoya.or.jp/english/frame_e.htm)

More than 300 visitors attended the Nagoya Fair in 2006. Visitors are self-sponsored potential undergraduate and graduate students, high school students, their parents, English teachers from Universities, and related agencies. In the previous Nagoya Fairs, the US exhibitors commented that each student spent a much longer time with the exhibitors for counseling, in comparison with the other fair sites, particularly Tokyo with its high attendance.

### **Institute of International Education 2007 Tokyo, Japan October 21, 2007**

Exhibition Hall  
World Import Mart Building (in Sunshine City)  
3-1-3 Higashi-Ikebukuro, Toshima-ku, Tokyo, 170-8630

About 1,300 visitors attended the Tokyo Fair in 2006. Most were self-sponsored potential undergraduate freshmen, transfers, and graduate students. Tokyo is the center of the world's second largest economy.

Last year's fair visitors were interested in:

- Associate degrees 21%
  - Bachelors degrees 45%
  - Masters degrees 41%
  - Doctoral degrees 12%
- (Total exceeds 100% as some visitors indicated more than one degree e.g. Associate and Bachelors)

Popular courses include:

- Business
- Social Science
- Humanities
- Arts and Music
- Science and Tech/Engineering