

U.S. colleges' appeal fading for foreign students

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By Mary Beth Marklein, USA TODAY

JAKARTA, Indonesia — The bang of a ceremonial gong opens festivities in a cavernous downtown office building here, where representatives from 56 U.S. colleges stand ready to peddle their wares.



Tony Hartawan, for USA TODAYMore than 50 U.S. colleges and universities participated in a higher education fair in Jakarta, Indonesia, to

recruit students to U.S. colleges. Enlarge

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More than 50 U.S. colleges and universities participated in a higher education fair in Jakarta, Indonesia, to recruit students to U.S. colleges.

The University of Cincinnati passes out pennants. At a booth for Indiana University-Purdue University Indianapolis, three young Indonesians talk up their alma mater. And U. S. Embassy officials tout the 95% approval rate in Indonesia for student visas.

"I'm literally almost out on the streets, grabbing people as they walk by, saying, 'Hey, we'll give you a visa if you go study in America,'" Scot Marciel, the U.S. ambassador to Indonesia, says at a news conference promoting this college fair. The event is the first major effort by the government toward achieving a goal set last year by President Obama and Indonesian officials to double the number of Indonesians studying at U.S. institutions.

The United States used to be the destination of choice for young Indonesians and other foreign students seeking a college degree outside their home country.

During the past decade, however, the USA has become a harder sell.

Cost, distance and lingering fears about visa denials in the post-9/11 era have helped make the USA less attractive to foreign students, threatening a lucrative market that is a source of brain power and diversity for U.S. colleges.

Where they go



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The number of Indonesian students enrolled in a U.S. college for at least a year has dropped from a high of 13,282 in 1997-98 to 6,943 in 2009-10, local organizers say, citing data from the New York-based Institute of International Education.

U.S. colleges are facing increasing competition from other countries — among them, Australia, which attracted more than 10,000 full-time Indonesian students studying abroad in 2008, about one-third of the total.

Indonesia, the world's fourth most populous country and third-largest democracy, is an extreme case.

U.S. higher education has climbed out of its post-9/11 international enrollment dip and attracts more foreign students than any other country — a record 691,000 in 2010, up from 475,000 in 2000, with the increase driven by an upsurge in Chinese undergraduates.



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Cost, distance and fears about visa denials in the post-9/11 era have helped make U.S. colleges less attractive to foreign students.

But as more countries seek to cash in on the growing market for international students,

the USA is losing ground. From 2000 to 2008, the number of students enrolled in a college outside their home country soared 85% to 3.3 million. During that time the U.S. share shrank, from 24% to 19%, according to the Organization for Economic Co-operative Development.

"We have a great product. Our offering is still the best in the world. But we don't want to rest on our laurels," says U.S. Commerce Undersecretary Francisco Sánchez, who hosted the Jakarta event, the agency's largest-ever higher education trade mission overseas.

The State Department has primary responsibility for promoting U.S. higher education abroad as part of its mission to s trengthen international ties and mutual understanding. While highly selective U.S. colleges vie with top colleges in other countries for the best and brightest students, many less selective colleges are trying to build an international reputation as a way to increase diversity on their campuses — and boost revenue. Foreign students typically pay a higher non-resident



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tuition at public universities.

The Commerce Department's embrace is a reminder that foreign students bring more than talent and diverse perspectives to U.S. campuses.

Between tuition and living expenses, they contributed \$20 billion to the U.S. economy last year, making higher education among the nation's top service exports. Those who return home after graduating help build a better business environment for U.S. companies, says Sánchez, whose office also has organized recent international missions for the aerospace, water technology and beauty and cosmetics industries.

Complaints about agents who 'double-dip'

By day's end, more than 6,000 students, many with parents in tow, have braved Jakarta's urban traffic to get to the downtown exhibition hall, which has taken on a carnival-like air.

The event, co-hosted by a Jakarta-based non-profit Access Education Beyond, looks like most college fairs. There's an essay-writing workshop for students, tours to local high schools for U.S. colleges and opportunities for networking.

But the Commerce Department's presence signals a distinction — barely perceptible — that underscores a philosophical divide about how U.S. colleges should go about recruiting foreign students in an increasingly competitive environment.

At issue is a controversial but growing practice overseas in which U.S. colleges pay local recruiters based on how many students they bring to a campus. Typically, the

recruiters, often called commercial agents, are paid a commission or bonus and offer the service free to students and families.

The practice is common in Asian countries, along with the United Kingdom and Canada. One survey by an association of Indonesian agents estimates that 55% of Indonesians who study overseas use agents, who can help families navigate the sometimes complicated process of applying for visas and managing unfamiliar application procedures.

"It's really confusing," says Lina Sarmili of Jakarta, who is working with an agent for her son, Jonathan Wiliputra, who translates her remarks into English. "You have to do things step by step. They guide us."

For the Commerce Department, the concept makes sense. "When we're promoting a product, generally we match up a business with a potential buyer or a distributor — someone to represent them (the U.S. product) in a particular market," Sánchez says.



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One session here is set up to help U.S. colleges meet such agents. Because the profession is largely unregulated, organizers here urge colleges to vet them carefully.

Other U.S. agencies involved in recruiting foreign students aren't as sold on the agent system, a reflection of various complaints here about unscrupulous agents who steer students to certain schools or who "double-dip" — charging families for their services while also being paid by a college.

The State Department won't allow agents at its functions, which include 400 international college advising centers scattered across 170 countries.

Domestically, the Education Department bars colleges that accept federal assistance such as Pell grants and federal student loans, from paying commissions to recruiters.

Education officials recently closed a loophole that enabled for-profit colleges to do so. And the National Association for College Admission Counseling, whose members include 1,400 colleges, says it plans to more aggressively enforce its ban on the practice as overseas recruitment becomes more common.

Worries about scams

In Indonesia, a big concern among students considering foreign colleges is the potential for fraud and deceit among agents.

"Some agents are biased, probably because of the commission they get from the universities," says Davin William Marta, 17, who is here with his mom, Cherry Frederica Lioe. "They really push us to go to that school."

Marta, who has visited booths of eight schools this afternoon, says he prefers the fair because "I can contact the school directly" and "get a lot of choices."

Even so, agents have been embraced by more than 125 U.S. institutions, who have joined an association founded in 2008 that aims to discourage flim-flammers by setting standards for agents' conduct. Several of those colleges are at this fair.

Frank Merendino, senior admissions officer for the University of Cincinnati, says the market will take care of itself because colleges will stop using agents whose students ultimately aren't happy and drop out. "It's in their best interest to send students who make a good fit," he says.

Gregory Barattini of Foothill-De Anza Colleges in California, says that compared with international students who discover his institutions on their own, students who are referred by reputable agents "know far better what to expect, have a much greater support system in place, and altogether are better prepared to succeed. Period."



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Not all schools here buy that concept. The State University of New York-Buffalo prefers to deal with students directly, associate vice president Joseph Hindrawan says.

Indiana University-Purdue-University-Indianapolis won't pay agents but will enroll qualified students who work with agents. "I do recognize that it is very helpful to parents to have a person locally that they can turn to for information," says Patricia Biddinger, director of international recruitment.

And information may be what foreign students seek most about U.S. higher education. Indonesia native Ade Hastuti, an alum of the Indiana campus who greeted families on behalf of her alma mater, says tuition fees and living costs "are seen to be the biggest challenge," she says. That, along with "the long distance" and "the difficulty getting a visa."

During the news conference, a reporter asks whether Muslims, who make up the majority religion in Indonesia, face special restrictions. "The U.S. government welcomes all students," says Marciel, the ambassador.

A 2009 Commerce Department report notes that rising tuition costs "may harm U.S. competitiveness in the long run," which is one reason organizers here are looking for ways to make U.S. education more affordable, through local scholarships or partnerships with U.S. universities.

The U.S. Embassy says visa processing has become more efficient since 9/11 and that lingering concerns about visa problems are outdated. The average approval rate for all visas is nearing 90%.

Marciel, who says delivering Indonesian

students to U.S. colleges is his top priority, acknowledges the dueling philosophies within the U.S. government about overseas recruiting.

The State Department is stepping up recruitment efforts; its newest advising center is located in the Embassy's innovative new high-tech cultural center, which opened in a downtown shopping mall.

The center, which offers free advising that emphasizes the diversity of U.S. higher education, is "a great way around" concerns about unscrupulous recruiters, Marciel says.

But, he adds, "We're not out telling people don't use agents. We need to get back in the game in a big way, aggressively marketing the quality of U.S. education."

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