BRITISH COUNCIL

5 TRENDS TO WATCH IN 2022

East Asia Edition

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This report surveys the landscape in 2022, spotlighting five major trends that are impacting international education in East Asia (and beyond). From a rise in geopolitical tensions, to a divergence in Covid-19 containment policies, East Asia's education markets are located at the forefront of some of the most important global shifts that are happening in 2022. Given that East Asia is also home to the world's largest student market, as well as some of its fastest growing ones, how these trends play out here will have ripple effects far beyond the region.

It is no surprise that the pandemic features prominently throughout this report, given the massive disruptions that Covid-19 has caused to international education. The long shadow of Covid-19 can still be seen, for example, in continued lower demand for UK education in East Asia. At the same time, the pandemic made possible new forms of connection and communication, leading to a surge in international research partnerships.

As the world slowly returns to normal in 2022, the challenge for UK institutions will lie in rebuilding what was lost while holding onto what has been gained. All while navigating increasing competition for students, ideas, and geopolitical influence. Interesting times lie ahead.

Trend #1

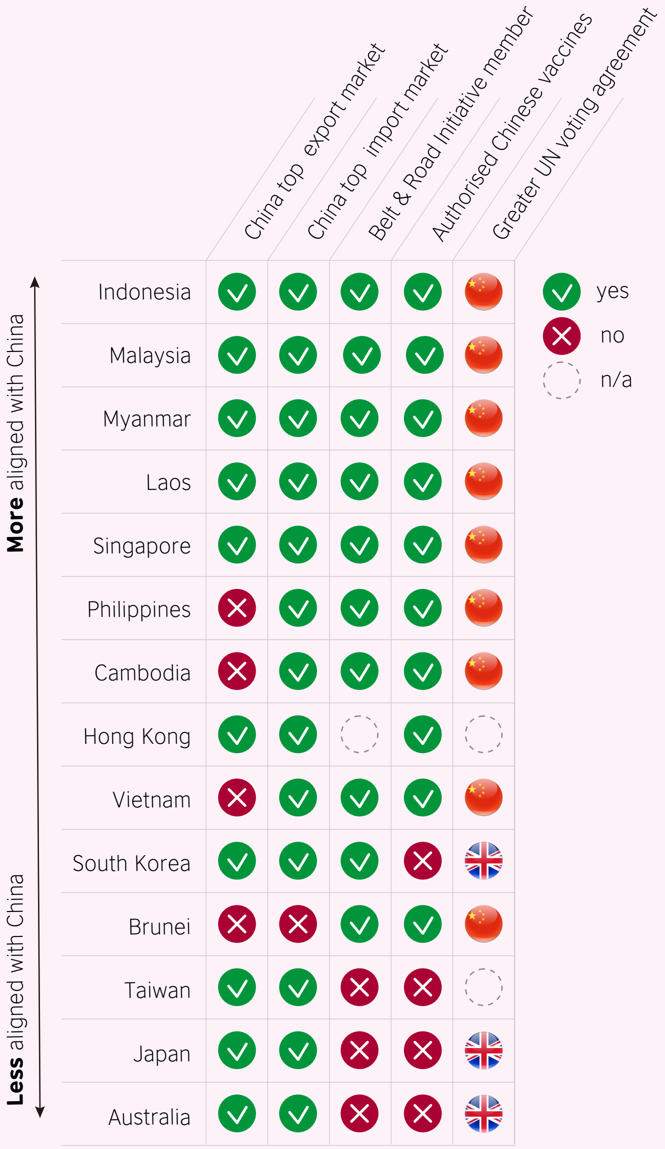
The geopoliticisation of everything

Geopolitical competition is on the rise globally, with the battle for influence increasingly competitive in East Asia. The tech we buy, the 5G services we use, the vaccines we take, even the infrastructure we fund – seemingly no aspect of our lives is untouched by geopolitics anymore. International education could be next (if it is not already). Students make decisions today about where (and whether) to study overseas based on what they think the future will look like tomorrow – and 30 years from now. Moreover, the East Asia region is indisputably moving into China's orbit, with some notable exceptions. In trade, tech, development, diplomacy, and public health, nearly all roads in East Asia now lead to Beijing (see right). Meanwhile, the UK is increasingly standing on the opposite side of the geopolitical divide. This means that UK institutions will need to remain astute to rising geopolitical competition, take a nuanced approach to navigating shifting regional sentiments, and fiercely protect UK education's role as a bridge across the geopolitical divide rather than another wedge.

Key Questions

1. How can UK institutions **navigate rising geopolitical tensions** in East Asia?
2. How can UK institutions **maintain their value proposition** in East Asia given the increasing importance of countries closer to home?
3. How will rising geopolitical tensions **impact demand** in East Asia for UK education, research and partnerships?

Geopolitical alignment of each market in East Asia with China



	China top export market	China top import market	Belt & Road Initiative member	Authorised Chinese vaccines	Greater UN voting agreement
Indonesia	✓	✓	✓	✓	🇨🇳
Malaysia	✓	✓	✓	✓	🇨🇳
Myanmar	✓	✓	✓	✓	🇨🇳
Laos	✓	✓	✓	✓	🇨🇳
Singapore	✓	✓	✓	✓	🇨🇳
Philippines	✗	✓	✓	✓	🇨🇳
Cambodia	✗	✓	✓	✓	🇨🇳
Hong Kong	✓	✓	○	✓	○
Vietnam	✗	✓	✓	✓	🇨🇳
South Korea	✓	✓	✓	✗	🇬🇧
Brunei	✗	✗	✓	✓	🇨🇳
Taiwan	✓	✓	✗	✗	○
Japan	✓	✓	✗	✗	🇬🇧
Australia	✓	✓	✗	✗	🇬🇧

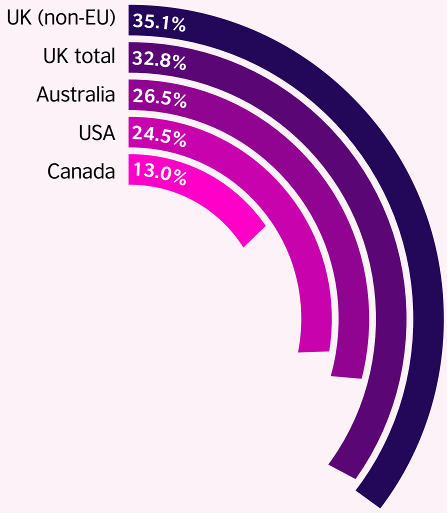
✓ yes
✗ no
○ n/a

Source
UN Comtrade, Council on Foreign Relations,
UK Home Office, UN General Assembly

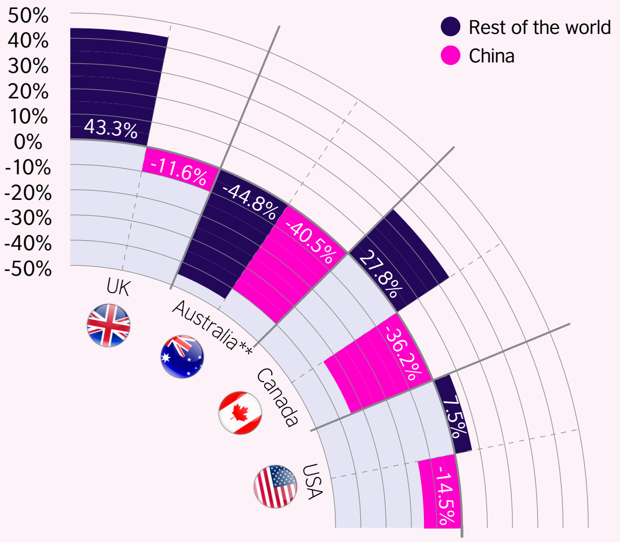
Trend #2

Covid-19 policy will depress mobility from (and to) the world's largest student market

Students from **China** as % of all new inbound international students (2021*)



Change in number of inbound international students from pre-Covid-19 levels (2021 YTD* compared to same period in 2019)



* Source

UK : Based on issuance of UK study visas for sponsored, main applicants from non EU/EEA countries only, data through September. 2021 (UK Home Office)
US : Based on issuance of F-1 student visas, data through September 2021 (U.S. Dept. Of State)
Canada : Based on number of student permit holders by year when permit went active, data through November 2021 (Immigration, Refugees and Citizenship Canada)
Australia : Based on new international enrolments at all study levels, data through October 2021 (Austrade); **note: Fully vaccinated international students have been permitted to enter Australia since December 15, 2021, but were previously required to seek travel exemptions to enter the country.

The flow of outbound students from China remains well below pre-pandemic levels to every major host destination market in 2021*, including the UK (through Q3). In the UK, US and Canada, inbound student mobility from the rest of the world was higher in 2021 than in 2019, yet inflows of Chinese students remained depressed. In some ways, this is part of a broader trend of lower demand for overseas education across East Asia (*see trend #3*). Whilst there is no restriction on Chinese students going abroad, concerns about health and safety will remain a top priority for many in China, as will concerns about how Covid-19 is managed in other countries. In addition, the uncertainty and availability of direct flights to and from China will make travel more complicated and costly. China's strict quarantine requirements on inbound travellers will also remain in place. This means fewer Chinese students will go overseas for the foreseeable future, and presumably far fewer international students will come to China to study. Considering that China still accounts for roughly three-quarters of all UK study visas issued in East Asia, and that Chinese students still made up nearly one-third of total global issuances of UK study visas in 2021, the UK sector is especially vulnerable to a prolonged slowdown from China.

Key Questions

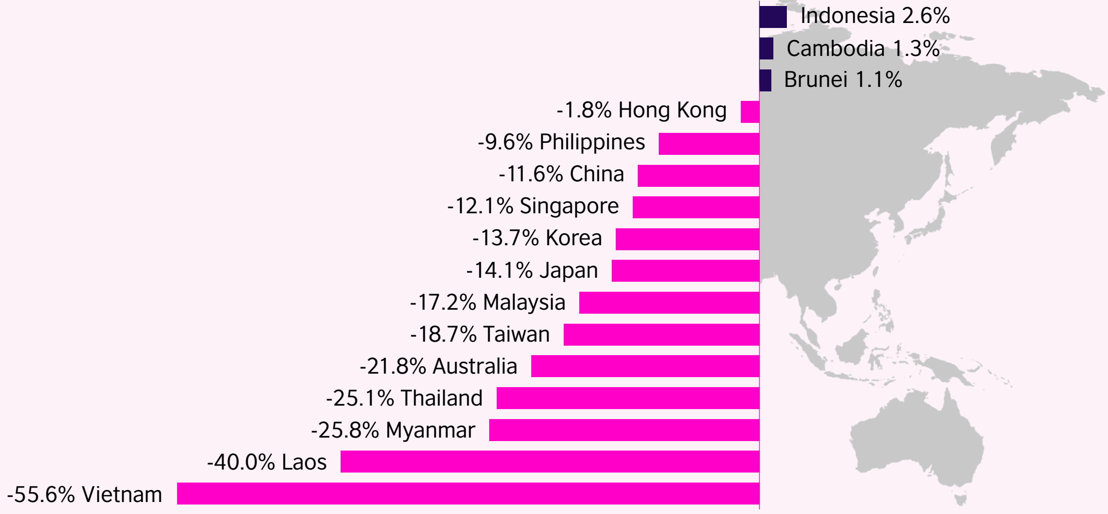
1. When if ever will outbound student mobility from China **return to pre-pandemic levels**?
2. In the meantime, what can individual UK institutions do to **maintain (or grow) recruitment levels** from China?
3. What long-term effect will China's downturn have on **regional mobility** and on a country that was becoming an important competitor for inbound students?

Trend #3

Short-term student mobility outlook

Continued weakness in demand for UK study from East Asia

Change in issuance of UK study visas since 2019 to 2021*, by education market



Source
UK Home Office

*Through first three quarters of 2019 and 2021

Through the first three quarters of 2021, the UK issued 40,000 more study visas than in the same period in 2019. This figure does not include the 20,000 UK study visas that are now required by students from the EU/EEA. In other words, UK education is back. Yet demand for UK study visas remains depressed throughout most of East Asia; three-quarters of the education markets in the region received fewer UK study visas in 2021 than 2019 – bucking this global resurgence. This pattern may be explained by greater travel restrictions in East Asia due to Covid-19, or greater willingness in the region to defer overseas study plans until after the pandemic has subsided. In 2022, the challenge for UK institutions will be turning this trend around, or finding ways to enrol these would-be students in UK TNE programmes in East Asia instead.

Key Questions

1. What is driving the **continued drop-off in demand** for UK education in East Asia?
2. Can UK institutions **allay pandemic-related concerns of students** in the region or is the East Asia market in terminal decline?
3. Can **UK TNE programmes** in Malaysia, Singapore and elsewhere pick up the slack?

Trend #4

Long-term student mobility outlook

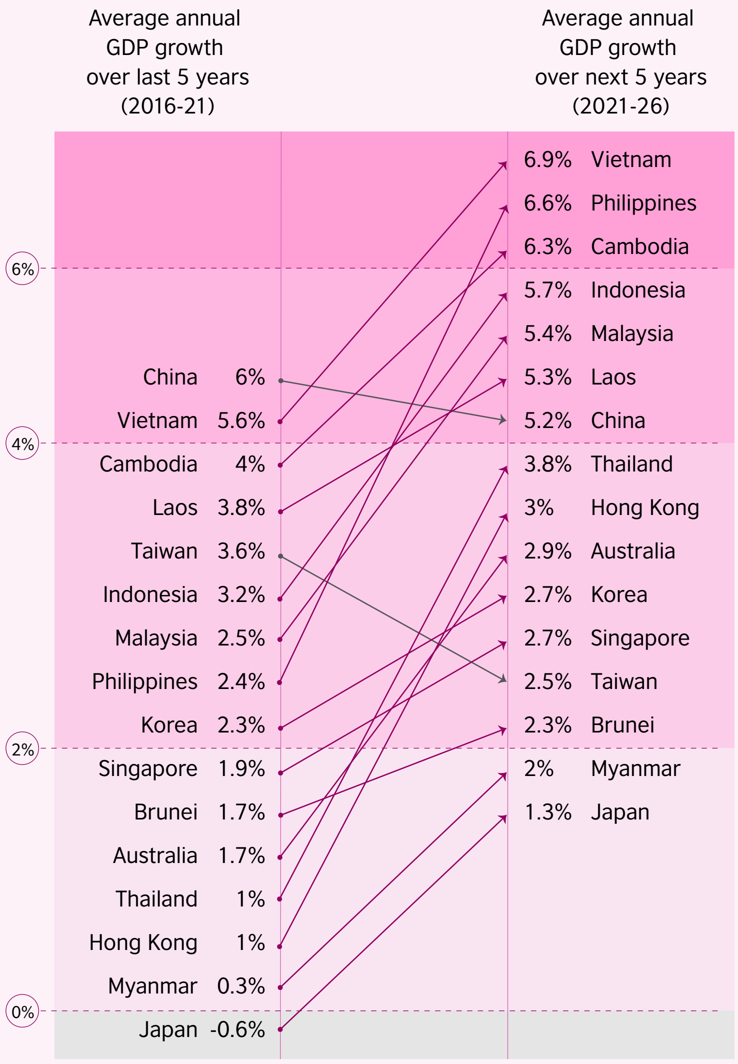
Economic recovery in East Asia will boost demand for overseas education

The last five years have not been particularly kind to the economies of East Asia. Owing partially to the pandemic, 14 of the 16 markets in the region grew by 4 per cent or less per annum from 2016-21. This includes some of the less economically developed countries in East Asia such as Thailand (1.0%), the Philippines (2.4%) and Indonesia (3.2%), which need to increase their growth rates to close the development gap with their wealthier neighbours. Fortunately, 14 of the 16 regional economies are also expected to grow faster over the next five years than they did over the last five years. Moreover, six of the seven economies in East Asia with GDP per capita levels below US$10,000 are projected to grow by 3.8% or more annually over the next five years, led by Vietnam (6.9%), the Philippines (6.6%) and Indonesia (5.7%). As income levels rise – and economic convergence accelerates – East Asia could see demand for UK education rebound in 2022 and beyond.

Key Questions

1. Will improving economic outlooks in East Asia translate to **greater demand for overseas education**?
2. Where is **demand likely to grow** fastest in East Asia?
3. Will outbound students opt to **study closer to home instead** (i.e. within East Asia)?

Average annual GDP % change, 5-year comparison



Source
IMF; projected growth based on IMF staff estimates

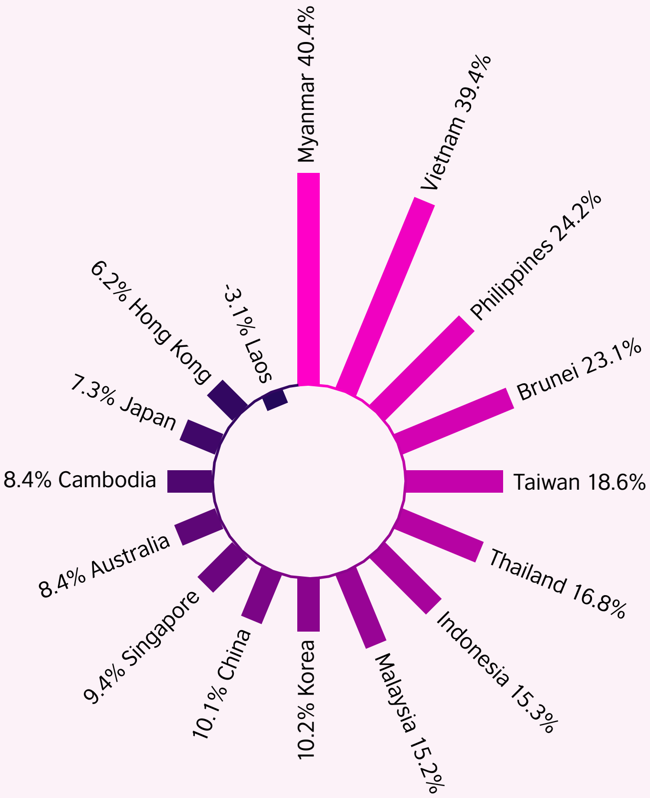
Trend #5

The upside of Covid-19

More research collaboration

If there is a silver lining to Covid-19 and the enormous social dislocations that it wrought, it is that it made the world a slightly smaller place. While education activities that required in-person teaching were severely curtailed during the pandemic, virtual forms of communication became more widely available and acceptable. Working from home allowed researchers to collaborate almost as easily with someone halfway across the world as with someone located down the street. During the first year of the pandemic, international research collaboration grew in nearly every market in East Asia. As the world gradually transitions back to more in-person research activities in 2022, it will remain important for UK researchers to continue to nurture these new forms of collaboration.

Change in number of research articles published with international co-authors from 2019 to 2020 (%)



Source
Elsevier via SciVal

Key Questions

1. How can UK institutions **keep up the momentum** in forming and fortifying research partnerships in East Asia?
2. How will the return to more in-person research **impact these nascent forms** of virtual collaboration?
3. How can the UK **remain a partner of choice** for research collaboration in East Asia?