

THE EFFECT OF CURRENCY VALUE FLUCTUATIONS  
IN THE U.S. AND ABROAD  
ON LL.M. PROGRAM TUITION

*Syracuse University*  
**COLLEGE OF LAW**



- OR -

THE “HOW” AND THE “WHY” LL.M. PROGRAMS ARE  
GETTING MORE EXPENSIVE

*(without raising tuition!)*

Syracuse University  
**COLLEGE OF LAW**



Syracuse University

College of Law

Office of International Programs

Andrew S. Horsfall is the Assistant Dean of International Programs at Syracuse University College of Law.

Andrew shepherds the College's Strategic Plan for Internationalization. He oversees the College's Office of International Programs and its portfolio encompassing the LL.M. program, the LondonEx summer externship program, the Visiting Scholars Program, semester exchange programs, short-term study abroad courses, new program development, institutional and market research, international alumni engagement, and other international initiatives and special projects.

Not an economist!

# The genesis of this study: 2014

The Buzz

## The U.S. dollar is super strong now

by Paul R. La Monica @lamonibuzz

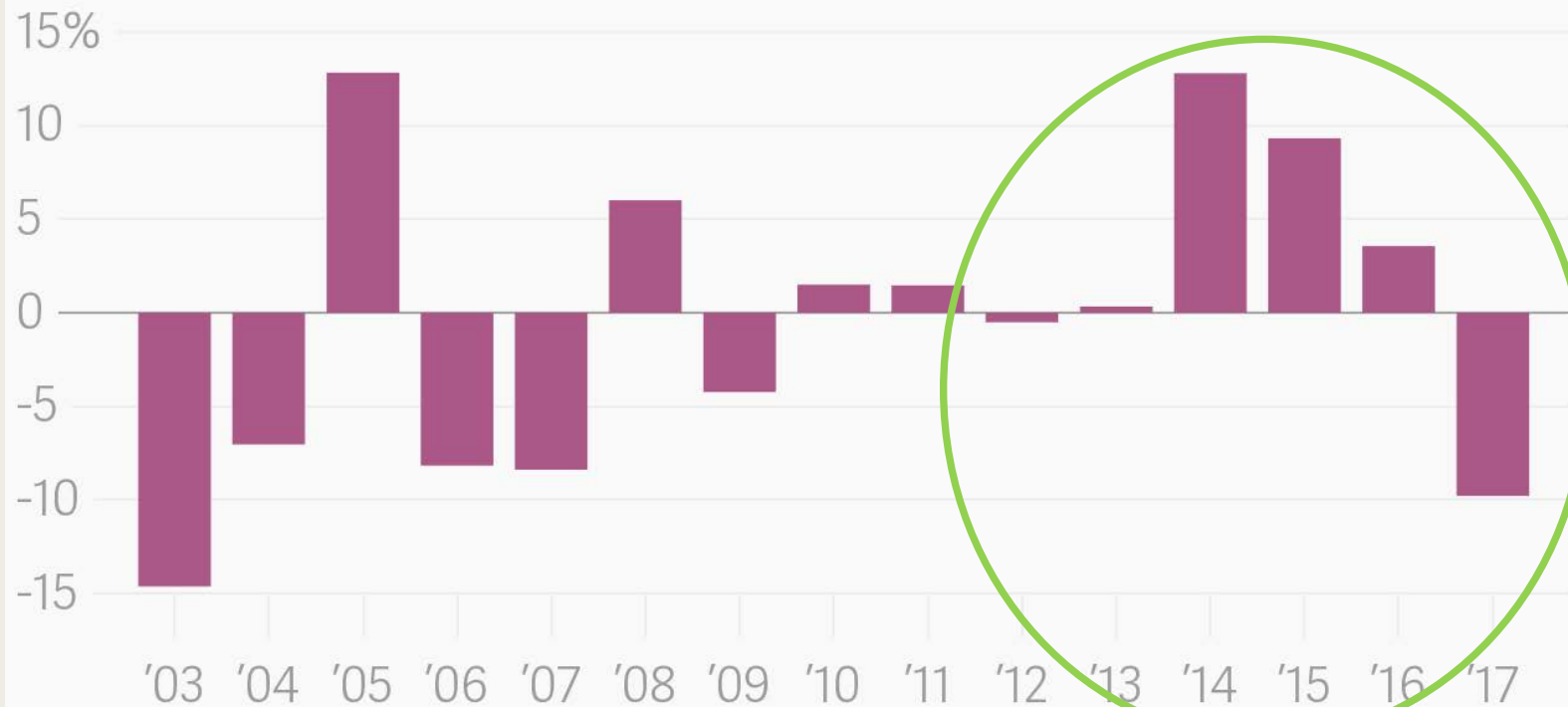
September 2, 2014: 1:48 PM ET

Recommend 798

## How A Strengthening U.S. Dollar Could Upset The U.S. Economy in 2015



Annual performance of the US dollar index



△ T L △ S | Data: FactSet

# Goals of the study:

- The study determines the effect of recent fluctuations in currency values in the United States and select foreign countries on the cost of tuition for the Master of Laws (LL.M.)
- Two important data outputs:
  - *Cost of the LL.M. program in a foreign currency*
  - *The change in that cost from the previous study*
- Most important: trends over time.

# Tools of the study:

- OANDA.com
- LL.M. Tuition
- Fixed dates/ranges (i.e. September 15)
- Calculator or spreadsheet to collect data

## Currency Converter

Currency Converter | Historical Exchange Rates | Live Exchange Rates | Transfer Money | [print](#)

Currency I Have:  USD ▼

Currency I Want:  CNY ▼

AMOUNT: I have this much to exchange

AMOUNT: I want to buy something at this price

Want to transfer money? [Try our Money Transfer service](#) INTERBANK +/-  ▼

DATE:  [HELP](#)

# Foreign Currency Values Over Time

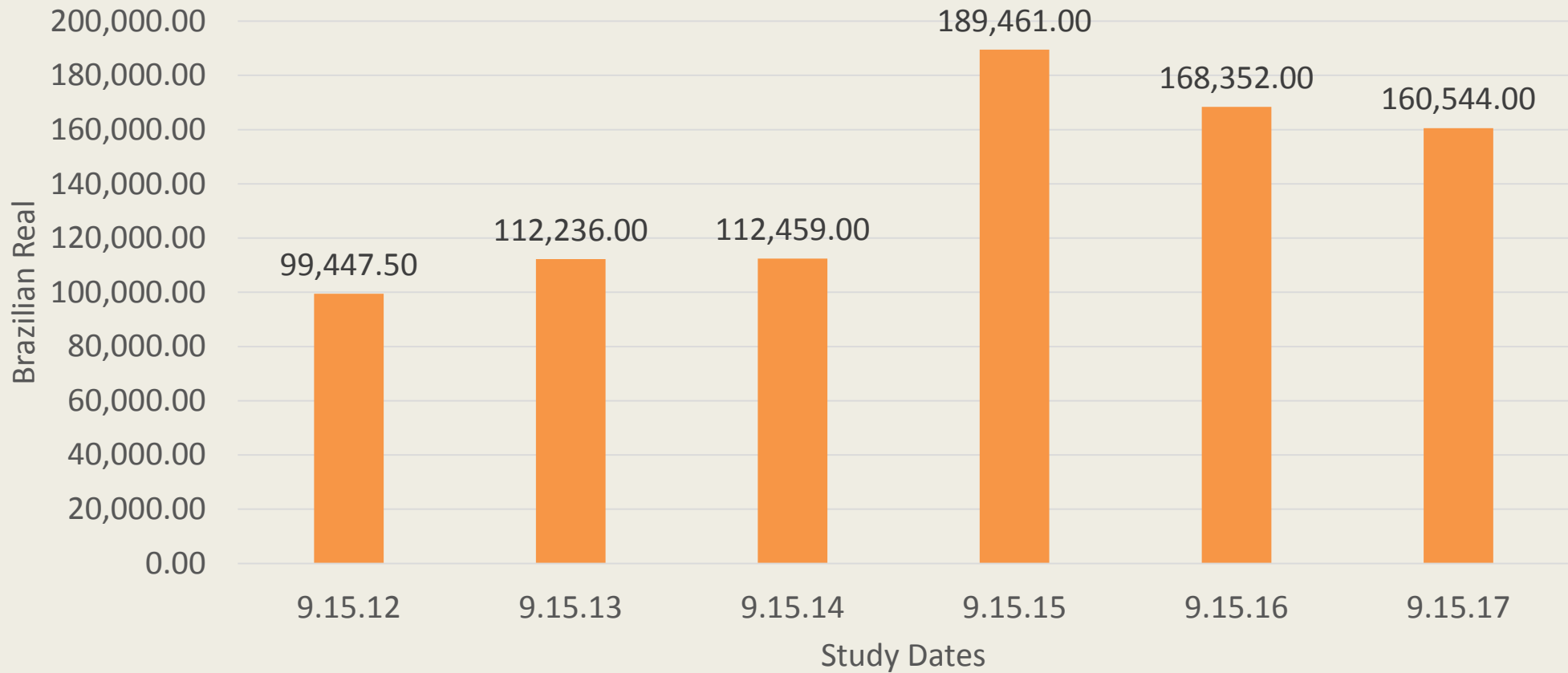
Syracuse LL.M.: **\$49,500**

**\$50.490**

**\$51,500**

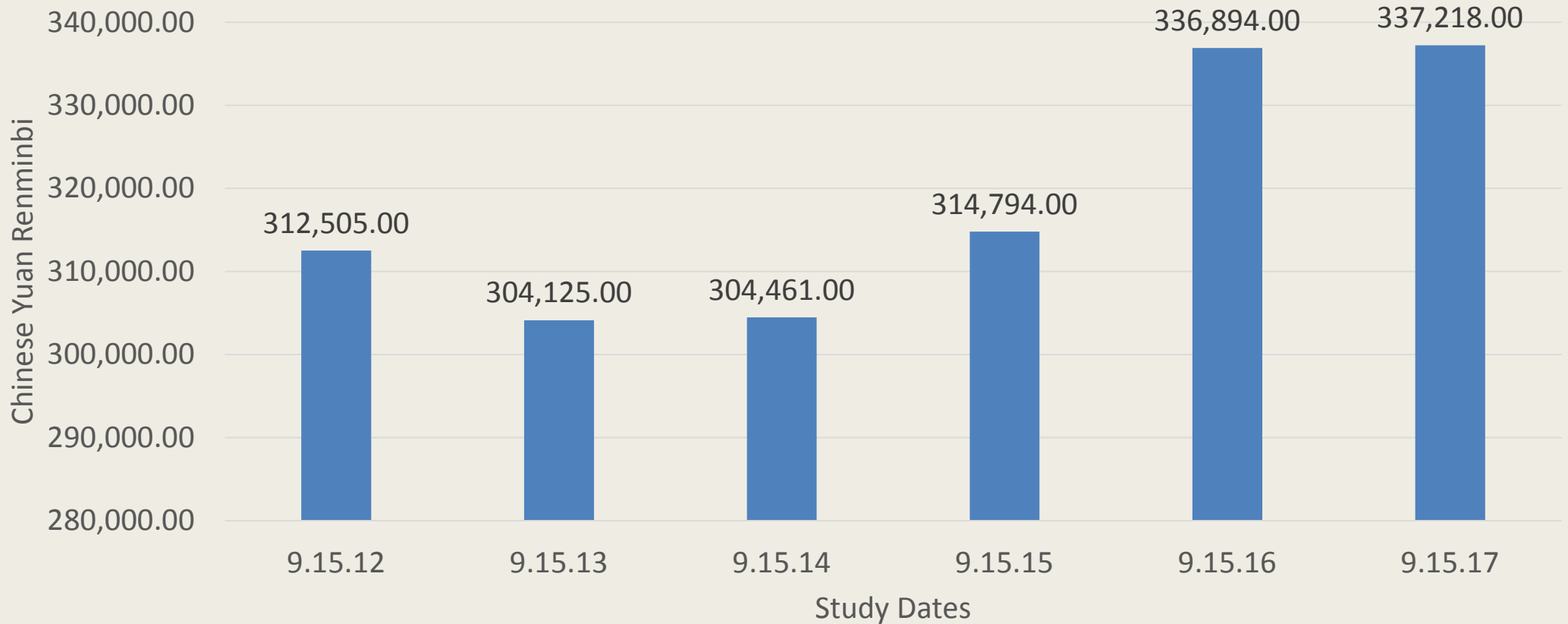
Foreign Currency	9.15.12	9.15.13	9.15.14	9.15.15	9.15.16	9.15.17
Argentina	228,292.00	281,822.00	414,185.00	463,092.00	758,723.00	874,482.00
Brazil	99,447.50	112,236.00	112,459.00	189,461.00	168,352.00	160,544.00
China	312,505.00	304,125.00	304,461.00	314,794.00	336,894.00	337,218.00
Euro	37,697.90	37,218.90	38,236.90	43,799.10	44,905.50	43,136.70
India	2,656,520.00	3,126,070.00	3,020,490.00	3,281,820.00	3,376,920.00	3,299,890.00
Japan	3,879,810.00	4,918,220.00	5,307,890.00	5,943,860.00	5,166,140.00	5,702,260.00
Mexico	629,100.00	645,929.00	655,677.00	828,145.00	974,129.00	909,965.00
Nigeria	7,666,160.00	8,063,550.00	7,984,700.00	9,834,120.00	15,816,800.00	18,297,000.00
Saudi Arabia	185,387.00	185,608.00	185,542.00	185,642.00	189,315.00	193,019.00
South Korea	54,890,100.00	52,464,100.00	50,805,800.00	58,448,600.00	56,826,000.00	58,263,700.00
Taiwan	1,441,770.00	1,467,190.00	1,489,230.00	1,608,410.00	1,599,840.00	1,547,720.00
United Kingdom	30,521.30	31,161.90	30,471.30	32,071.20	38,154.30	38,099.10

# LL.M. Tuition in Brazilian Real

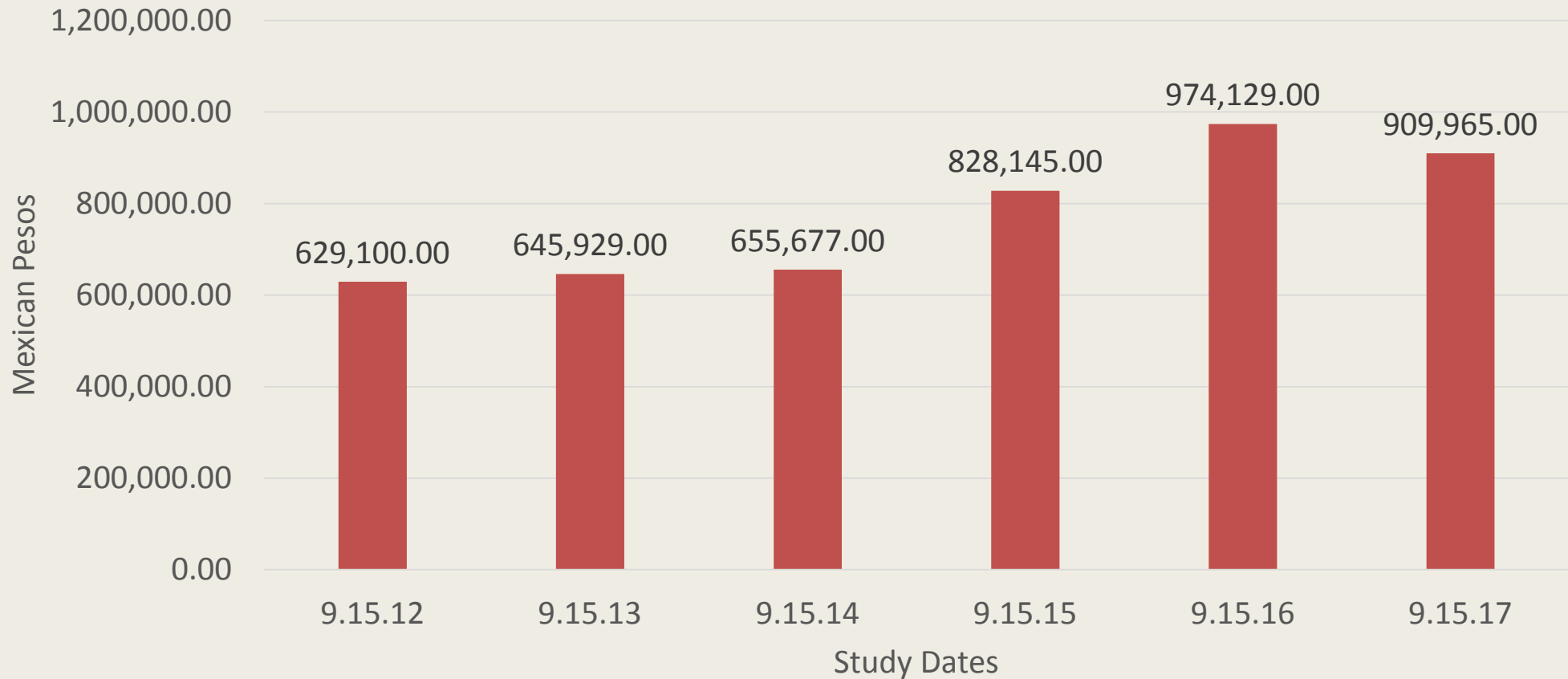




# LL.M. Tuition in Chinese Yuan Renminbi



# LL.M. Tuition in Mexican Peso



Looking *only* at foreign currency values - **at one point in time** - is only half the inquiry...

we also want to:

1. Understand these fluctuations in relation to USD.
2. Examine the trend over time.

# What does this look like in relation to the USD?

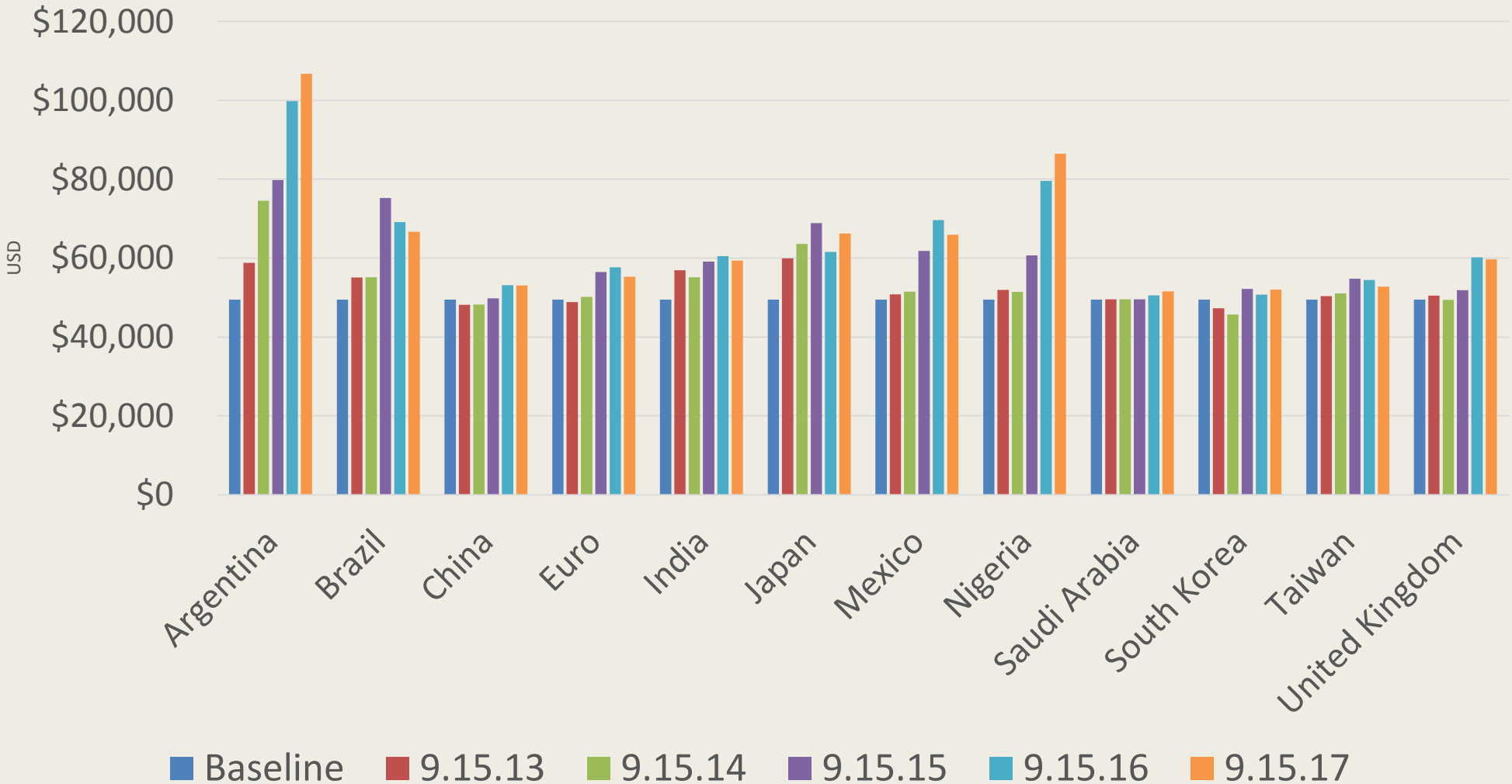
Syracuse LL.M.: \$49,500

\$50.490

\$51,500

USD	Baseline	9.15.13	9.15.14	9.15.15	9.15.16	9.15.17
Argentina	\$49,500	58,812.74	74,535.54	79,758.70	99,799.61	106,754.76
Brazil	\$49,500	55,086.99	55,182.12	75,262.12	69,140.45	66,673.94
China	\$49,500	48,139.38	48,193.97	49,814.07	53,153.21	53,104.68
Euro	\$49,500	48,863.32	50,181.04	56,466.10	57,699.13	55,250.63
India	\$49,500	56,899.97	55,173.53	59,105.89	60,520.43	59,344.72
Japan	\$49,500	59,947.70	63,581.19	68,876.70	61,595.30	66,249.87
Mexico	\$49,500	50,789.71	51,525.20	61,827.80	69,621.59	65,918.85
Nigeria	\$49,500	51,932.01	51,452.15	60,717.46	79,576.02	86,447.45
Saudi Arabia	\$49,500	49,558.91	49,541.32	49,567.97	50,546.81	51,533.87
South Korea	\$49,500	47,304.47	45,718.48	52,180.48	50,718.25	51,978.70
Taiwan	\$49,500	50,352.74	51,084.25	54,748.53	54,460.99	52,764.53
United Kingdom	\$49,500	50,519.98	49,397.61	51,866.70	60,185.16	59,685.29

# Trends in September studies:



# The Formula: Brazil from September 2014 to 2015

1. Change in cost of LL.M. tuition (\$49,500) from Sept. 2014 to Sept. 2015

September 2014: R\$112,459.00

September 2015: R\$189,461.00

2. Change = Increase of R\$77,002.00

3. Convert that Change to USD = \$20,080

4. Add Change (USD) to the output from the previous year:

$$\$20,080.00 + \$55,182.12^* = \$75,262.12 \text{ USD}$$

# Let's unpack it a bit more...

4. Add Change (USD) to the output from the previous year:

$$\$20,080.00 + \$55,182.12^* = \$75,262.12 \text{ USD}$$

\*Recall this is a cumulative study – with new data building on previous data. The value of **\$55,182.12** represents the value in USD from when the same calculation was performed in September 2014. This figure builds from the baseline value of \$49,500, from when the study began in September 2012. **So we can also say...**

The change in cost of LL.M. tuition felt by a Brazilian from 2012 to 2015 is *comparable* to what we in America would experience if the cost changed from \$49,500 to \$75,262.12

# Mexico from September 2014 to 2015

1. Change in cost of LL.M. tuition (\$49,500) from Sept. 2014 to Sept. 2015

September 2014: \$828,145 MXN      September 2015: \$655,677 MXN

2. Change = Increase of \$172,468 MXN

3. Convert Change to USD = \$10,302

4. Add Change (USD) to the output from the previous year:

$$\text{\$10,302} + \text{\$51,525.20}^* = \text{\$61,827.80 USD}$$



# Let's unpack it a bit more...

4. Add Change (USD) to the output from the previous year:

$$\$10,302 + \$51,525.20^* = \$61,827.80 \text{ USD}$$

\*Recall this is a cumulative study – with new data building on previous data. The value of **\$51,525.20** represents the value in USD from when the study was performed in September 2014. This figure builds from the baseline value of \$49,500, from when the study began in September 2012. **So we can also say...**

The change in cost of LL.M. tuition felt by a Mexican from 2012 to 2015 is *comparable* to what we in America would experience if the cost changed from \$49,500 to \$61,827.80

## Other interesting trends from September 15, 2017 study:

- 4 countries encountered a “real cost” of LL.M. tuition at least \$20,000 USD above \$51,500: Russia, Turkey, Nigeria, Argentina
- Eurozone countries, the U.K., Canada, and Mexico saw the largest percentage change decrease in the “real cost” of LL.M. tuition as the dollar weakens:
  - *Eurozone* (↓-8.59%),
  - *the United Kingdom* (↓-6.93%),
  - *Canada* (↓-6.49%), and
  - *Mexico* (↓-6.24%)
- Saudi Arabia, South Korea, and Taiwan continue to keep currency values at a level stable enough for LL.M. tuition to fall slightly above the \$51,500 USD tuition:
  - *Saudi Arabia* (\$51,533.87)
  - *South Korea* (\$51,978.69)
  - *Taiwan* (\$52,764.53)

# Recommendations and Reactions:

- Reevaluate anticipated student mobility trends
- Encourage students to extend payments over time – or - encourage students to pay in full early
- Consider changes in messaging on value-ad among different regions
- Scholarships/institutional aid
- Targeted full scholarships
- Tuition freeze/partial tuition freeze by country or region
- Institute-wide tuition reduction
- Relax discount rate thresholds
- Establish an isolated discount rate for specific country(ies) or region(s)

What other trends or strategies have worked for your programs?

# Hope is on the horizon!?

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**"SOGGY DOLLAR"**

**The US dollar just had its worst year in more than a decade, and 2018 will bring more of the same**

Your Money, Your America

## Weak! The U.S. dollar has plunged on Trump's watch

by Matt Egan @MattEganCNN

🕒 August 3, 2017: 3:10 PM ET

 Recommend 1.7K



# Thank you!

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