

# The Economic Impact of International Students from a Cross-National Perspective

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**NAFSA 2009 Annual Conference**

**Fostering Global Engagement through International Education**

**May 24–29, 2009**

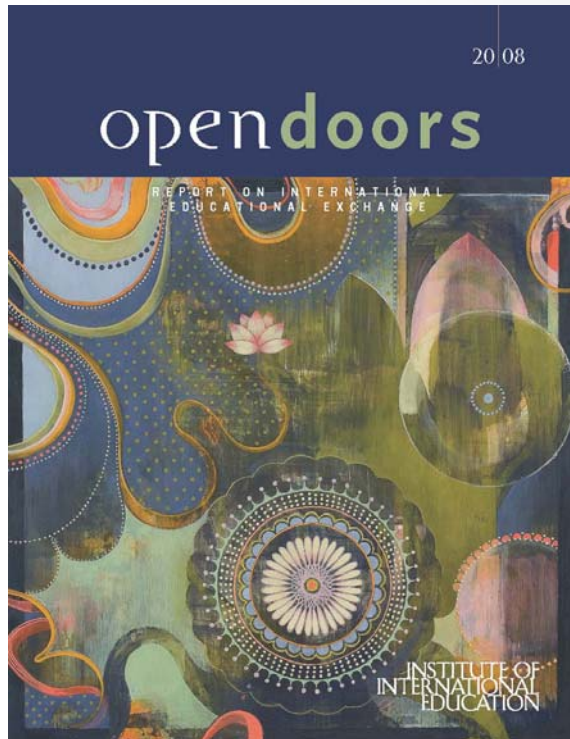
**Los Angeles, CA**

# Presentation Topics



- IIE *Open Doors* Data on U.S. International Educational Exchange
- Project Atlas: Global Student Mobility
- International Student Economic Impact in the U.S.
- Comparison of International Student Economic Impact in USA, Japan and Australia

# Open Doors 2008: Introduction



- The Institute of International Education (IIE) is one of the largest and most experienced higher education exchange agencies in the world
- *Open Doors* is an annual statistical survey conducted by IIE since 1948, with support from the U.S. Department of State since 1972
- 4 surveys: International Student Census; U.S. Study Abroad Survey; International Scholars Survey; and Intensive English Programs Survey

# *Open Doors* International Student Census

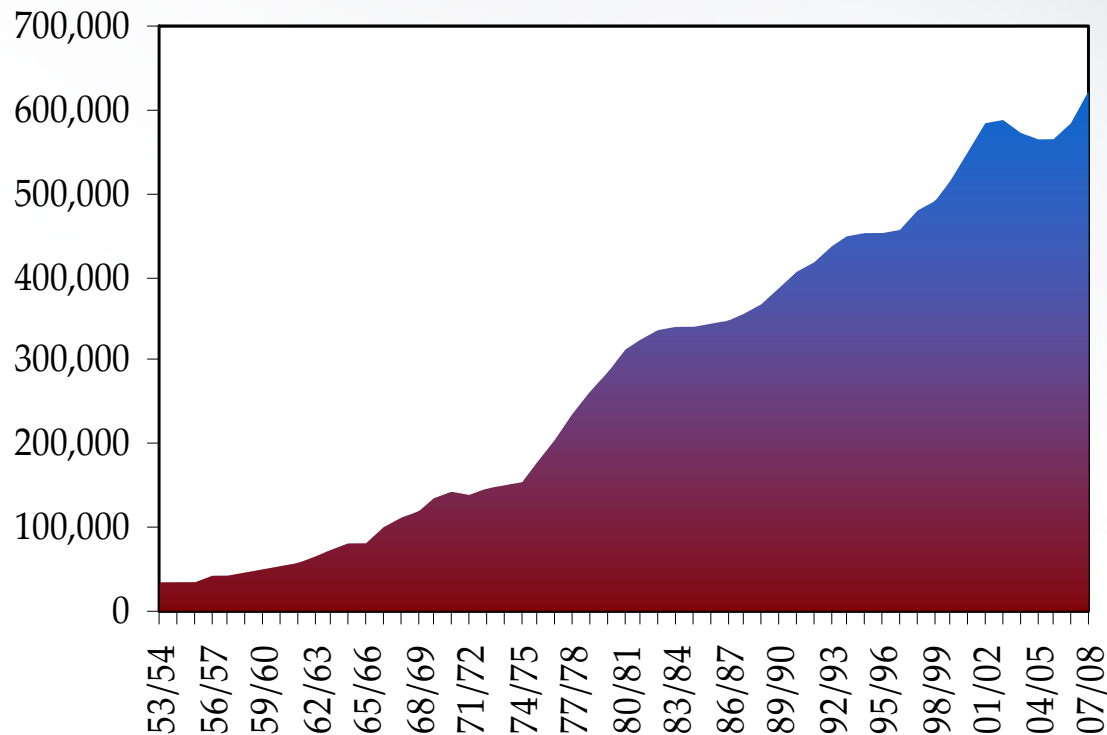


- Annual survey of international students at U.S. campuses
- Timeframe: 2007/08
- Respondents: Accredited U.S. higher education institutions
- Data elements:
  - Enrollment trends
  - Places of origins
  - Distribution across the U.S
  - Institutional type and top institutions
  - Fields of study
  - Other data elements

# Total International Student Enrollment Trends



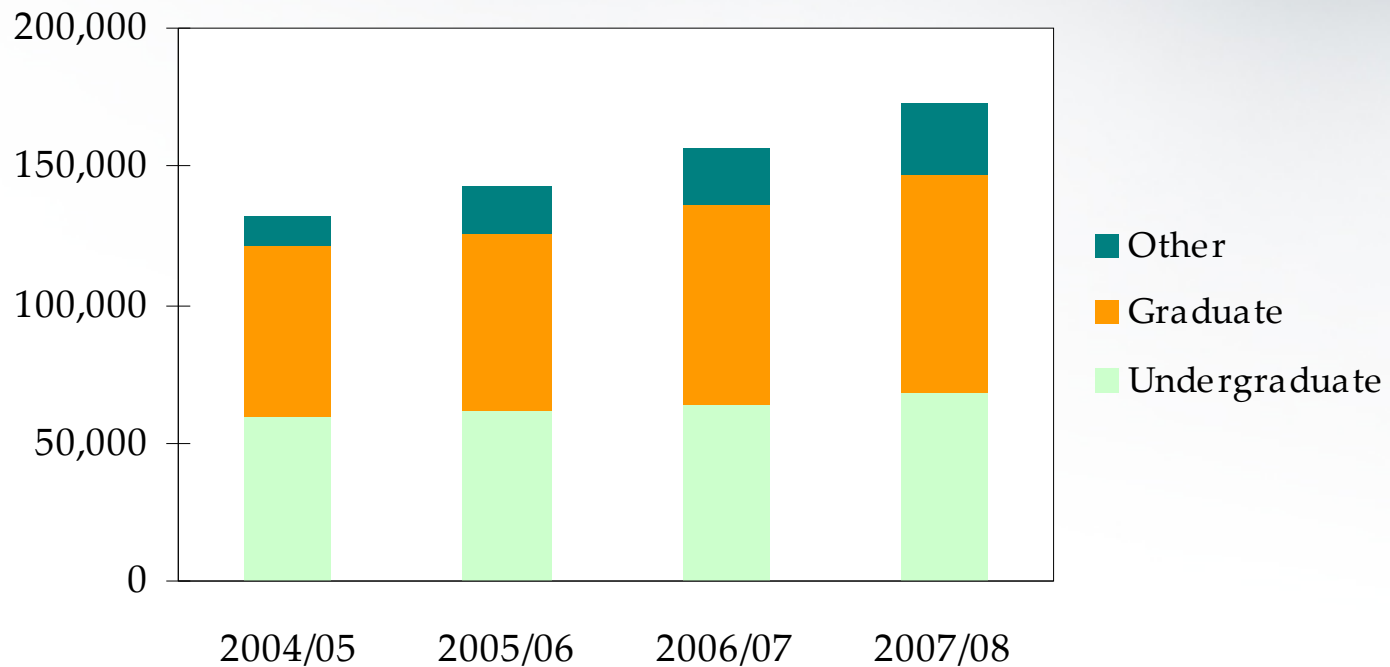
The number of international students in the U.S. increased 7% in 2007/08 to a record high of 623,805 international students.



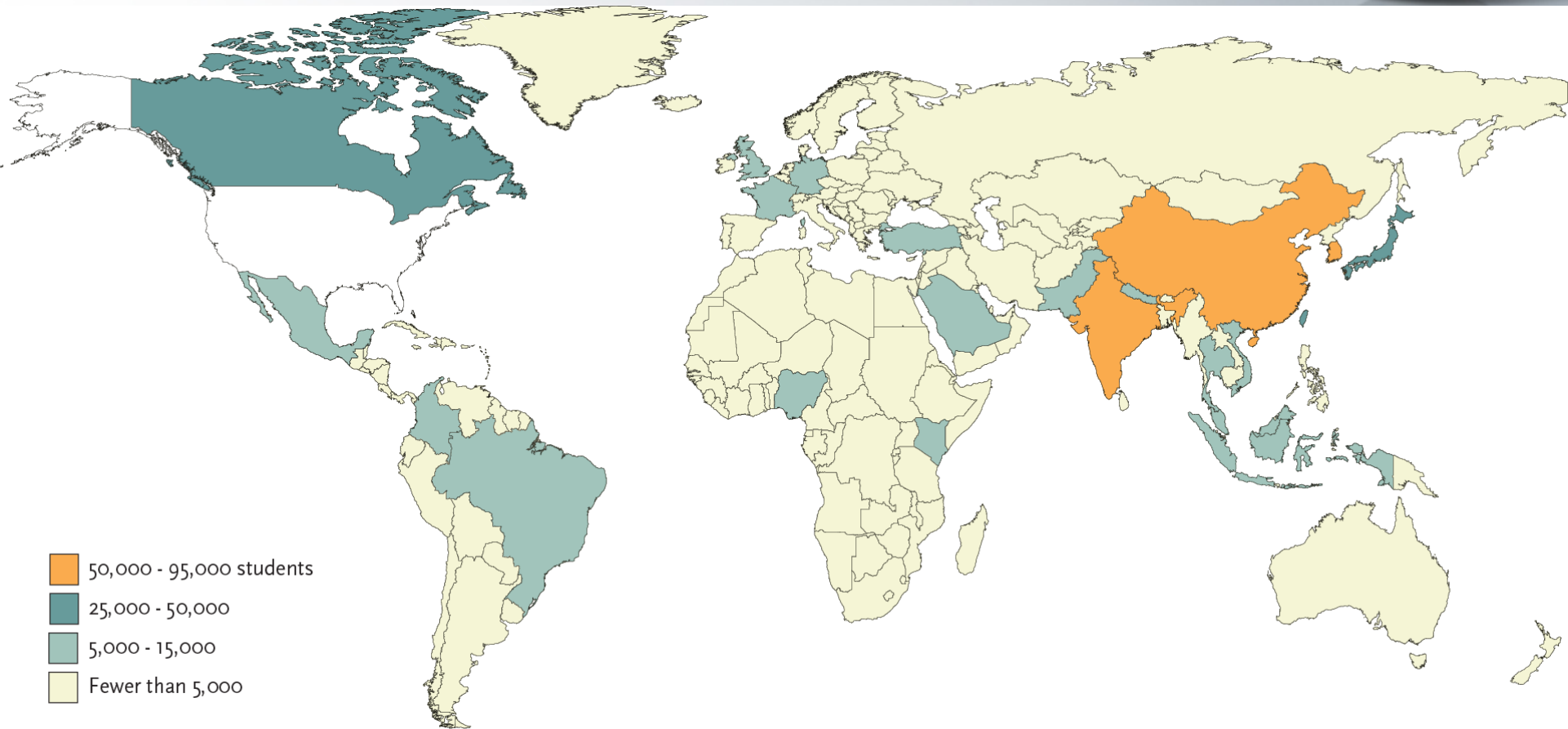
# *New International Student Enrollments*



New international student enrollment increased 10% to 173,122 in 2007/08.



# Places of Origin of International Students

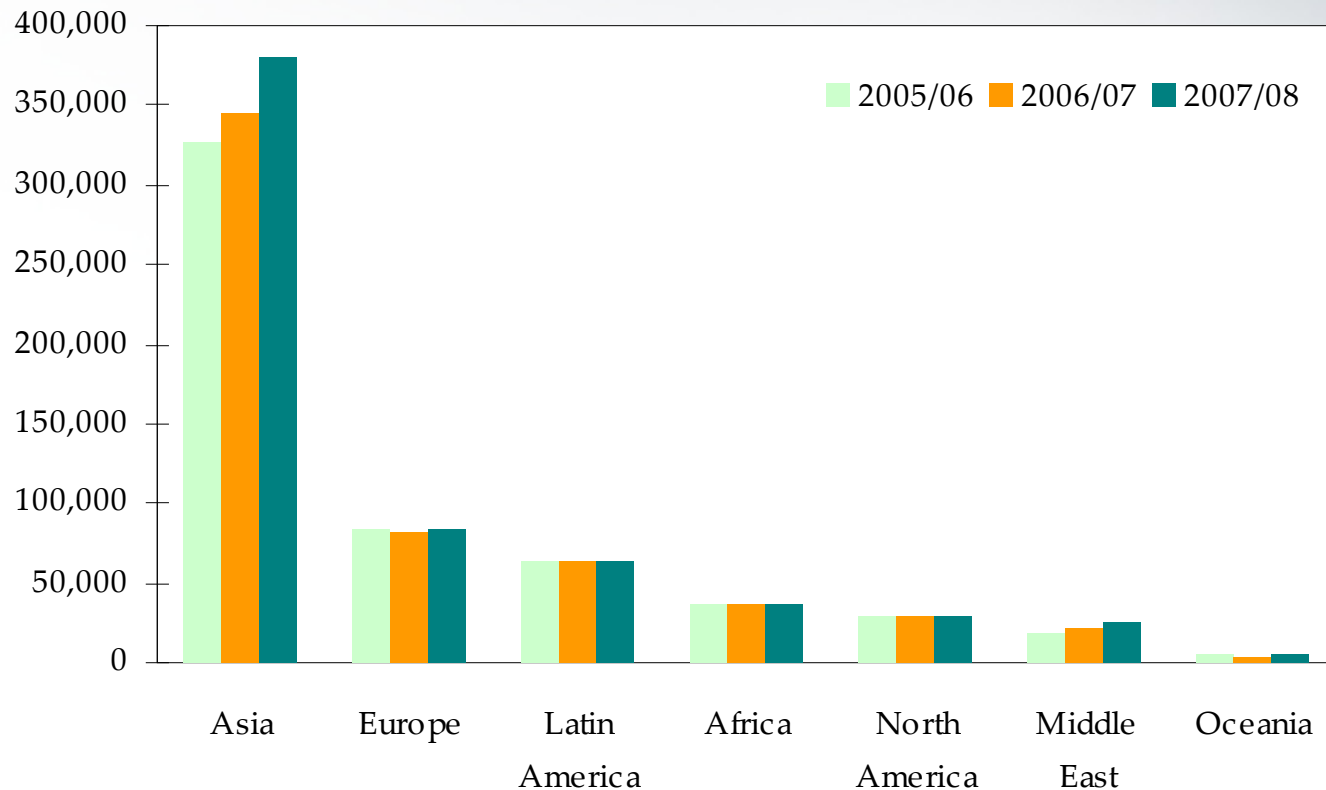




# Regions of Origin of International Students



Students from Asia account for 61% of all international students in the U.S.





# Top 10 Places of Origin of International Students



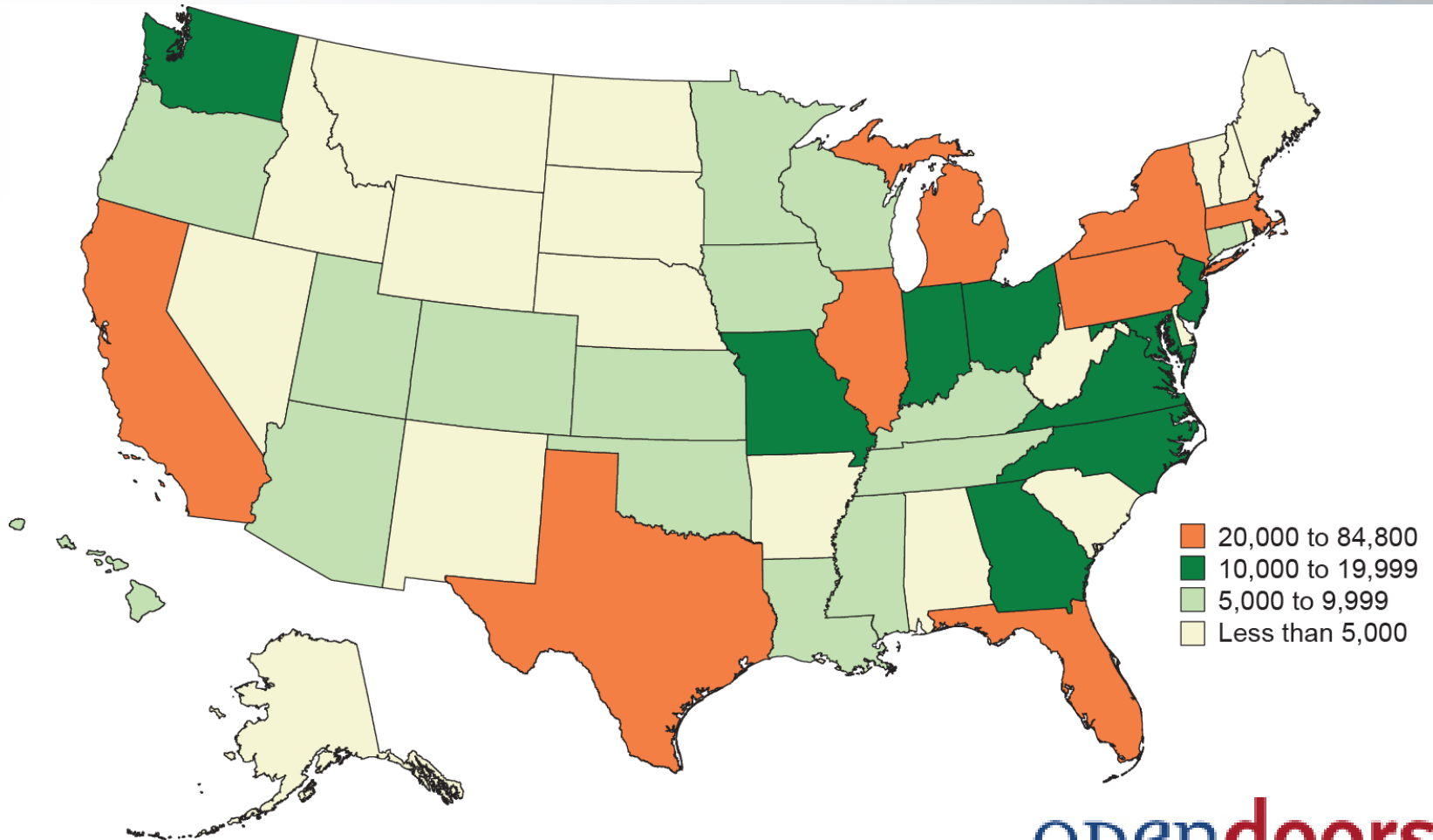
Students from the top 5 places comprise 49% of all international students in the U.S.

<u>Rank</u>	<u>Place of Origin</u>	<u>2006/07</u>	<u>2007/08</u>	<u>% of Total</u>	<u>% Change</u>
	<b>WORLD TOTAL</b>	<b>582,984</b>	<b>623,805</b>	<b>100.0</b>	<b>7.0</b>
1	India	83,833	94,563	15.2	12.8
2	China	67,723	81,127	13.0	19.8
3	South Korea	62,392	69,124	11.1	10.8
4	Japan	35,282	33,974	5.4	-3.7
5	Canada	28,280	29,051	4.7	2.7
6	Taiwan	29,094	29,001	4.6	-0.3
7	Mexico	13,826	14,837	2.4	7.3
8	Turkey	11,506	12,030	1.9	4.6
9	Saudi Arabia	7,886	9,873	1.6	25.2
10	Thailand	8,886	9,004	1.4	1.3

# U.S. Geographical Distribution



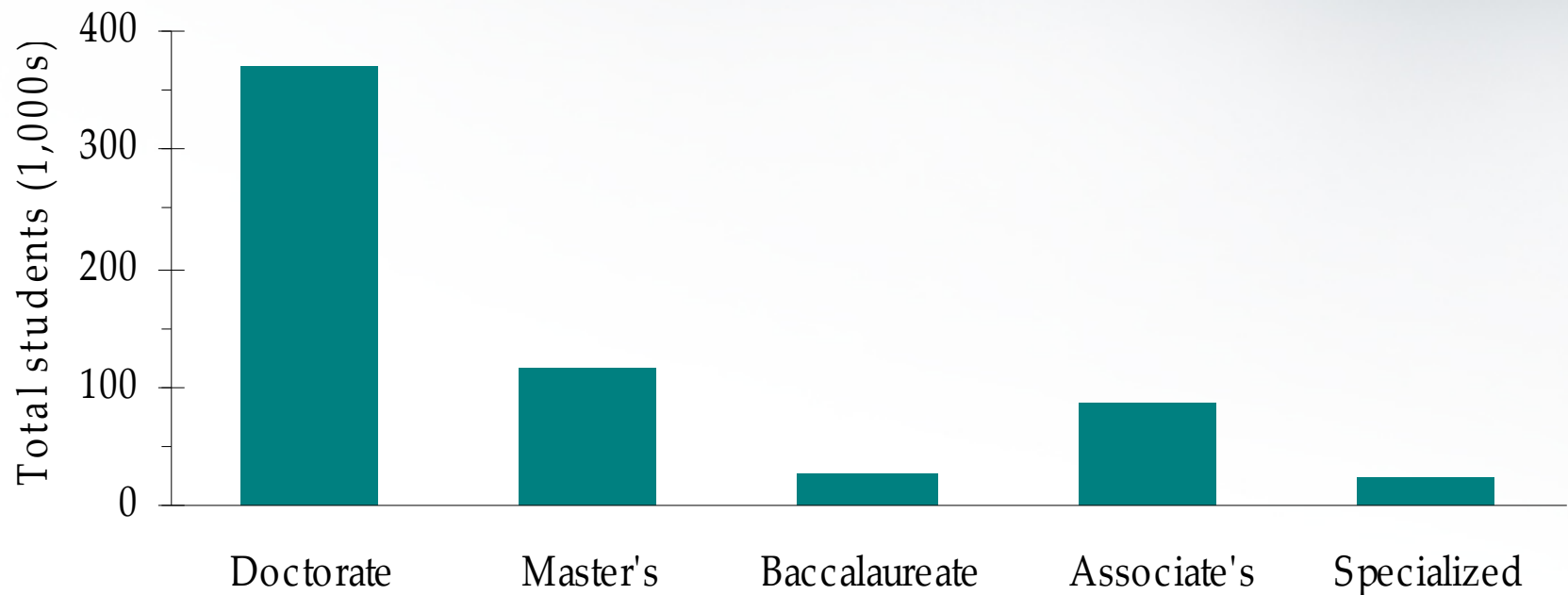
The top 5 host states (California, New York, Texas, Massachusetts and Illinois) hosted 43% of international students in 2007/08.



# *Institutional Type*



Doctorate institutions host the largest number of international students (60% of the total).



# Top 10 Institutions Enrolling International Students



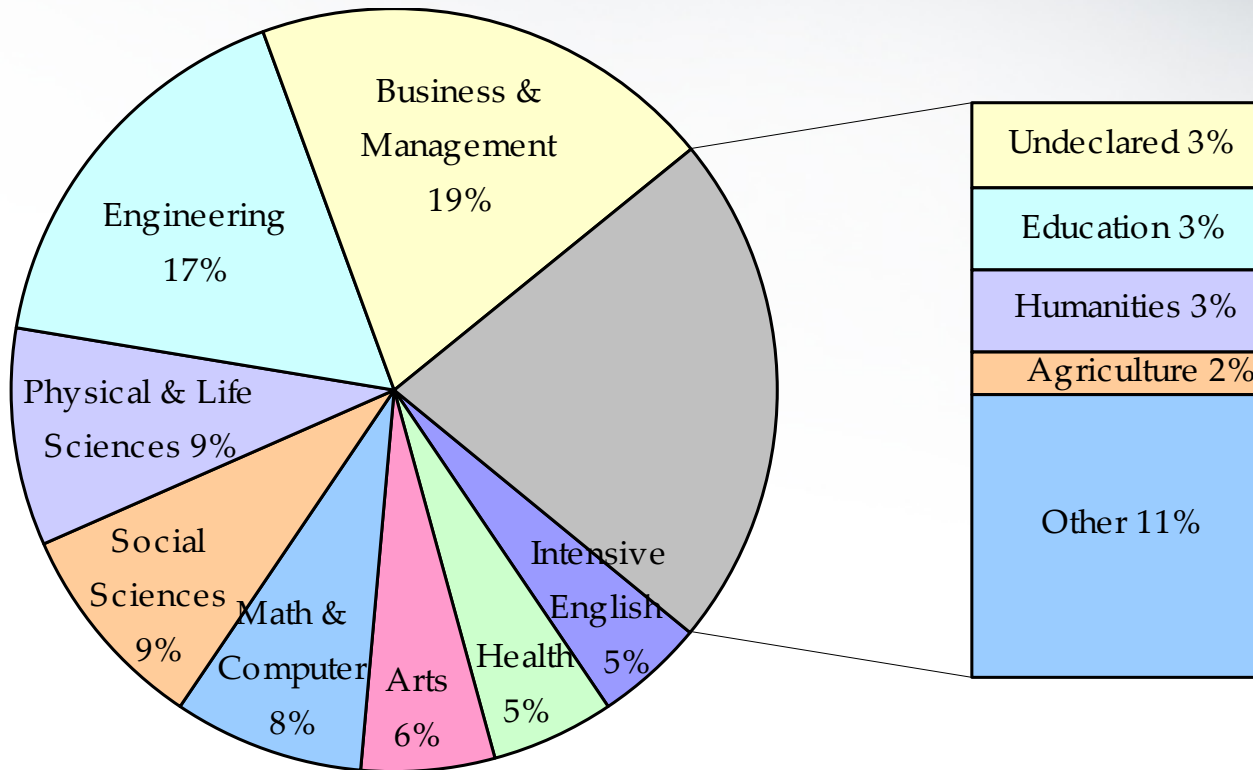
International students tend to be concentrated in a relatively small number of large research institutions

<u>Rank</u>	<u>Institution</u>	<u>State</u>	<u>Total</u>
1	University of Southern California	CA	7,189
2	New York University	NY	6,404
3	Columbia University	NY	6,297
4	University of Illinois at Urbana-Champaign	IL	5,933
5	Purdue University - Main Campus	IN	5,772
6	University of Michigan - Ann Arbor	MI	5,748
7	University of California - Los Angeles	CA	5,557
8	University of Texas - Austin	TX	5,550
9	Harvard University	MA	4,948
10	Boston University	MA	4,789
<b>TOP 10 TOTAL (9% of all int'l students)</b>			<b>58,187</b>

# *Fields of Study of International Students*



The top fields of study are Business/Management & Engineering. 33% of international students are studying these fields.





# <http://opendoors.iienetwork.org/>



**IIE NETWORK** Member Website of the **INSTITUTE OF INTERNATIONAL EDUCATION** IIENetwork.org

SITE SEARCH >

Members: [Please Log In](#) [Contact Us](#)

## opendoors online

### REPORT ON INTERNATIONAL EDUCATIONAL EXCHANGE

#### Open Doors Report 2008: Information and Data Tables

Open Doors 2008 data was released on November 17, 2008.

**Press Releases (Report Overview):**

- [OD 2008: International Students in the U.S.](#)
- [OD 2008: Americans Studying Abroad](#)
- [Fall 2008 Enrollment Survey](#)

**Statistics/Data Tables: Open Doors 2008:**

- [Open Doors 2008 Fast Facts](#)
- [Data Tables: International Students 2008](#)
- [Data Tables: International Scholars 2008](#)
- [Data Tables: Intensive English Programs 2008](#)
- [Data Tables: U.S. Study Abroad 2008](#)

[Open Doors Data: Previous Years >>](#)

#### Open Doors Fact Sheets

- **Country Fact Sheets 2008**  
Country Fact Sheets contain trend data on student mobility between the U.S. and leading sending countries.
- **World Region Fact Sheets 2008**  
World Region Fact Sheets contain trend data on student mobility between the U.S. and different world regions.
- **U.S. State Fact Sheets 2008**  
U.S. State Fact Sheets contain statistical information on international exchange in each U.S. state.

#### 4th Annual IIE Best Practices Conference

IIE's 4th Annual Best Practices in International Education Conference will take place on March 19, 2008 in New York City.

[Click here for more information and to register.](#)

#### Background and Resources

- [Open Doors Press Room](#)
- [FAQs on Open Doors](#)
- [Press Clips: Open Doors in the News](#)
- [ECA Report on Secondary School Exchanges](#)
- [Reports and Article Archives](#)
- [Scholarships: Funding for US Study](#)
- [Scholarships: Study Abroad Funding](#)
- [IIE Study Abroad White Papers: Meeting America's Global Education Challenge](#)
- [New Publication: U.S.-China Educational Exchange: Perspectives on a Growing Partnership](#)

#### Atlas of Student Mobility

- [Project Atlas Homepage](#)
- [Global Destinations for International Students](#)
- [Places of Origin for International Students](#)
- [Promotional Activities and National Policies](#)
- [Publications on International Student Mobility](#)

#### Shop IIE Books

IIE's online Bookstore:

Data tables and other resources are available online

opendoors 2008

# Project Atlas: A Global Student Mobility Resource

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# The Atlas of Student Mobility: Introduction

- What is Atlas: a shared online resource of global student mobility data, contributed by partner organizations
- Began in 2003; a recognized need for better understanding of data in a cross-country context
- Updated on a rolling basis based on each country's collection cycle
- Data reported include: country of origin, total and international student enrollment population, leading destinations for outbound students
- Other resources, partner publications, *Global Education in the News* archives

The screenshot shows the homepage of the Atlas of Student Mobility website. The header features the title "ATLAS OF STUDENT MOBILITY" and the logo of the Institute of International Education (IIE). Below the header, there is a navigation menu with links for "Home", "About", "Data", "News and Events", "Partners", and "Contact Us". The main content area is divided into several sections: "Welcome to Project Atlas", "News and Events", "Higher Education on the Move: New Developments in Global Mobility", and "Events". The "News and Events" section includes a sub-section for "New Publications on Global Mobility" with a featured article titled "Higher Education on the Move: New Developments in Global Mobility". The "Events" section lists the "IIE at EDGE Conference 2009" and the "IIE at EDGE Conference 2008". On the right side of the page, there is a vertical column of logos for partner organizations, including the Institute of International Education, ANZIEP, Association of Indian Universities, British Council, DAAD, Campus France, and others. The footer contains contact information for the Institute of International Education, including the address: 635 United Nations Plaza, New York, NY 10017, USA, and the website URL: iie@iie.org.

# Worldwide: A Growing Pie

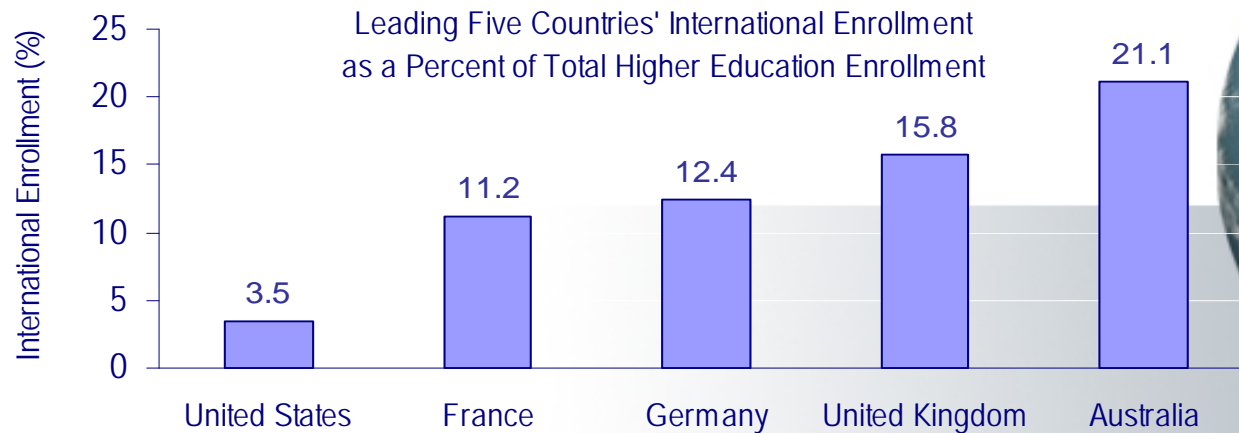
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- Worldwide, there were over 2.9 million international students in 2006, a 3% increase over the previous year.
- By 2025, almost 8 million students are projected to be studying outside their home country.



# Proportion of International Student to Total Higher Ed. Population

- The 623,805 international students in the U.S. comprise less than 4% of total U.S. higher education enrollment, with only 153 institutions hosting 55% of all international students in the U.S.



# Country Profile Page: CHINA

OF STUDENT MOBILITY

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INTERNATIONAL  
EDUCATION

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You are here: Atlas of International Student Mobility: Home > Destinations > China 2008

## CHINA, PEOPLE'S REPUBLIC (2008)



The People's Republic of China has grown into a major study destination with the numbers of international students and scholars rising steadily over the past decade. According to the China Scholarship Council, there were more than 195,00 international students in China in 2007-08.

### General Student Data

Most recent total for international student enrollment:  
**195,503 (2007-08)**

Types of institutions surveyed:  
**Public and private**

Number of students from country studying abroad:  
**144,000**

Percentage of institutions surveyed including international students:  
**23%**

Number of international students, by level of study:  
**Undergraduate: 57,367**  
**Graduate/post-graduate: 10,846**  
**Non-degree (all levels): 127,290**

### Top 10 Sending Places of Origin

Top 10 sending places of origin and percentage of total international student enrollment:

1. South Korea 33.0%
2. Japan 9.5%
3. United States 7.5%
4. Vietnam 5.0%
5. Thailand 3.7%
6. Russia 3.7%
7. India 3.7%
8. Indonesia 3.4%
9. France 2.4%
10. Pakistan 2.3%

### Top Fields of Study

Business and management: 17,391  
Engineering: 6,785  
Physical and life sciences: 16,902  
Social sciences: 4,700  
Math and computer sciences: 1,411  
Fine and applied arts: 2,508  
Health professions: 8,671  
Education: 1,878  
Humanities: 134,502  
Agriculture: 755

[2003 data >>](#)  
[2004 data >>](#)  
[2005 data >>](#)  
[2007 data >>](#)

### Top 10 Destinations

Top 10 destinations and number of students from given country studying abroad\*:

1. United States 93,672
2. Japan 86,378
3. United Kingdom 50,753
4. Australia 40,316 (2005)
5. Germany 27,129 (2005)
6. New Zealand 23,260 (2005)
7. Canada 17,913 (2005)
8. France 17,132
9. South Korea 15,288
10. Macao (China) 11,469





# Country Profile Page: INDIA

## INDIA (2007)

As its tertiary level education places expand, India is becoming a regional host country as well as a leading sending country. India has one of the world's largest higher education systems, comprising more than 350 universities and 16,000 colleges. The Indian government has enacted policies encouraging and helping more international students from developing countries to study in India.

### General Student Data

Total count of all higher education students, both domestic and international:  
**11,612,505**

Most recent total for international student enrollment:  
**18,594**

Do these counts of international students reflect both public and private institutions?  
**Yes**

### Top 10 Sending Places of Origin

Top 10 sending places of origin and percentage of total international student enrollment:

1. Iran 11.7%
2. United Arab Emirates 10.1%
3. Nepal 9.3%
4. Ethiopia 5.6%
5. Saudi Arabia 4.1%
6. Kenya 3.3%
7. United States 3.3%
8. Oman 3.3%
9. Yemen 3.2%
10. Bhutan 2.9%

[2005 data >>](#)  
[2004 data >>](#)

### Top 10 Destinations

Top 10 destinations and number of students from given country studying abroad\*:

1. United States 79,219
2. Australia 22,039 (2005)
3. United Kingdom 19,204
4. Germany 4,339 (2005)
5. Canada 2,826 (2005)
6. New Zealand 1,563 (2005)
7. Malaysia 1,262 (2005)
8. Ukraine 1,170
9. Kazakhstan 968
10. Cyprus 793

### Methodology & Sources

The Association of Indian Universities (AIU) is responsible for collecting international student data. In collaboration with the University Grants Commission, AIU also sets national policies relating to data collection. The AIU is the main source for the student data listed above. Data have been collected on an annual basis up to the present year, 2005. For purposes of collection, an international student is defined as a student from another nationality apart from India. Further data are collected on: field of study; academic level; type of host institution attended; degree/qualification/credential awarded; and sources of student financial support.



# Economic impact (or, “money talks”)

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- **Australia**
  - International education activity contributed A\$15.5 billion in export income to the Australian economy in 2008, up 23.4 percent from the previous calendar year.

Source: Australian Bureau of Statistics. “Export Income to Australia from Education Services in 2008.” *International Trade in Services, by Country, by State and by Detailed Services Category, Calendar Year, 2008* from: [http://aei.gov.au/AEI/PublicationsAndResearch/Snapshots/50SS09\\_pdf.pdf](http://aei.gov.au/AEI/PublicationsAndResearch/Snapshots/50SS09_pdf.pdf)



# Economic impact (or, “money talks”)

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- **The UK**
  - According to British Council research, attracting international students to the UK is worth £8.5 billion to the nation.

Source: British Council, Annual Report 2007, p.6, from [http://www.britishcouncil.org/annual-report/PDF/AnnualReport\\_2007-08.pdf](http://www.britishcouncil.org/annual-report/PDF/AnnualReport_2007-08.pdf).





# Economic impact (or, “money talks”)

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- **Japan**

- Of incoming international students in Japan in 2007, 89.7 percent were privately financed international students, 8.5 percent were Japanese government sponsored students, and 1.8 percent were foreign government sponsored students. **Overall, 91.5 percent of incoming international students in 2007 brought funding from international sources to Japan.**
- The number of privately financed incoming international students in Japan has more than doubled from 41,390 in 1998 to 106,297 in 2007, while the number of foreign government sponsored incoming international students has steadily increased in the same period, from 1,585 in 1998 to 2,181 in 2007.



# Economic impact (or, “money talks”)

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- **New Zealand**

- The economic impact of export education in New Zealand excluding offshore education earnings is approximately 2.1 billion for 2007/08. This is an increase from earlier figures for estimating economic impact of export education that include offshore education earnings. These figures were 545 million in 1999 and 1.3 billion in 2001.

Source: The Economic Impact of Export Education, p. 1, from [http://www.educationcounts.govt.nz/\\_\\_data/assets/pdf\\_file/0007/35368/EconomicImpactReport08.pdf](http://www.educationcounts.govt.nz/__data/assets/pdf_file/0007/35368/EconomicImpactReport08.pdf))



# The Atlas of Student Mobility

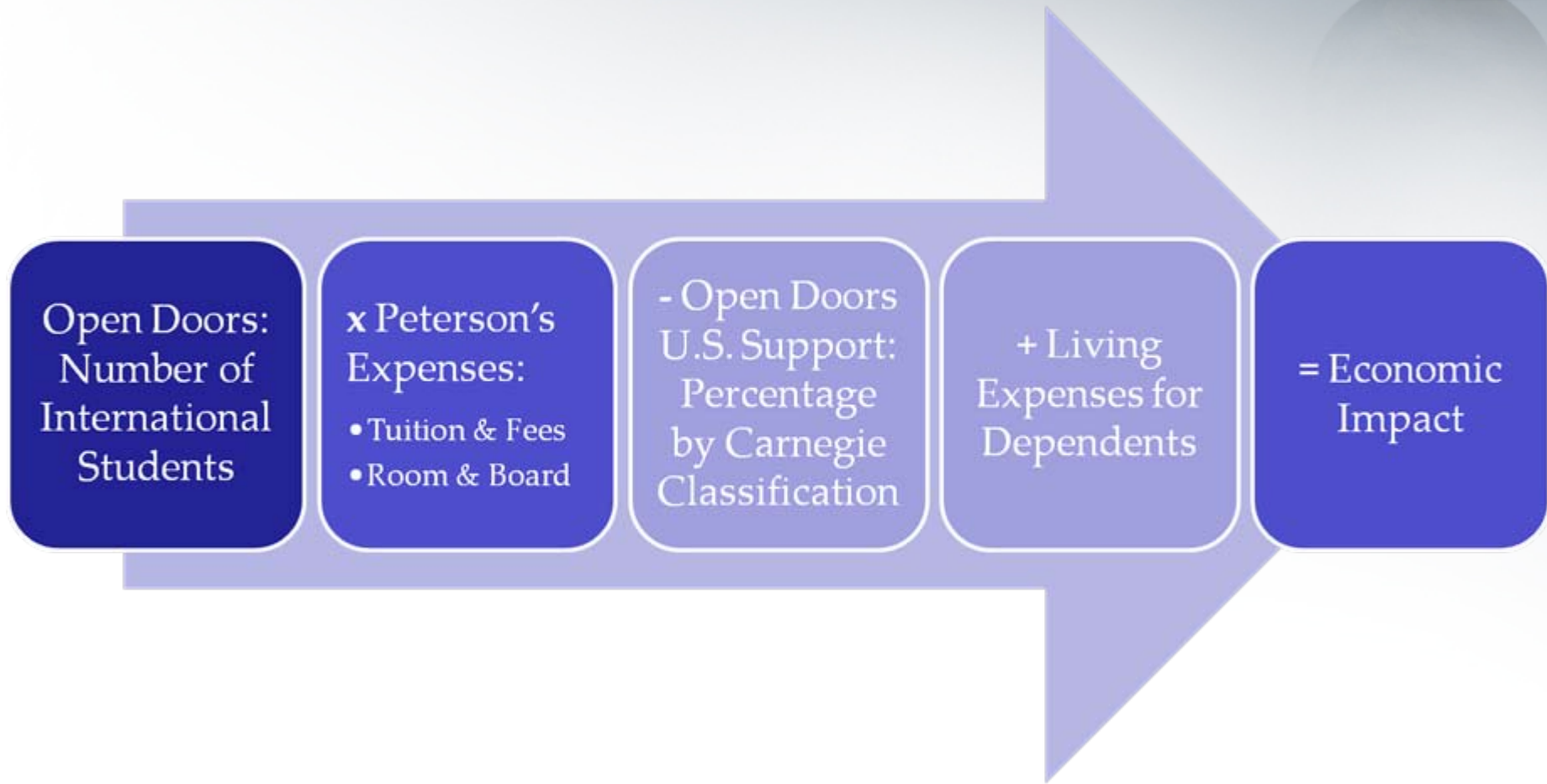
Visit us on the web at:  
[www.atlas.iienetwork.org](http://www.atlas.iienetwork.org)

THANK YOU!

Robert Gutierrez  
rgutierrez@iie.org

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# NAFSA International Student Economic Impact: The Algorithm



# NAFSA International Student Economic Impact: Enrollment Data



- Compute economic impact only for students reported in IIE Open Doors. Institutions that do not provide information are not represented.
- Conduct separate analysis for the undergraduates and graduates, and then consolidate the result set in the final report.
- Students on optional practical training (OPT) are counted in Open Doors, and included in the enrollment counts on the reports, but they are exempted from the analysis.
- Note: Enrollment reports represent peak enrollment, and not necessarily enrollment levels throughout the year.



# NAFSA International Student Economic Impact: Expense & Funding Data



- Tuition & fees and living expenses are derived from Peterson's (formerly from College Board) data collected on surveys completed by institutions every year.
- Students at institutions reporting extremely low values or zero values for expenses are estimated to have expenses based on a weighted average for the institution's state location and Carnegie type.
- Percentage of U.S. funding for a student is based on Open Doors primary source of funding with the following filters:
  - (1) whether a student is an undergraduate or graduate
  - (2) the institution type based on Carnegie codes.

# NAFSA International Student Economic Impact: Dependent Data



- Percentage of married students separately for undergraduates and graduates based on IIE Open Doors and a 85% probability they are in the United States.
- A 60% probability of a child per couple.
- A spouse increases the living expenses by 25% and a child by an additional 20%.
- Dependents living expenses total \$413 for 2006-07 and account for 2.7% of the overall economic impact.

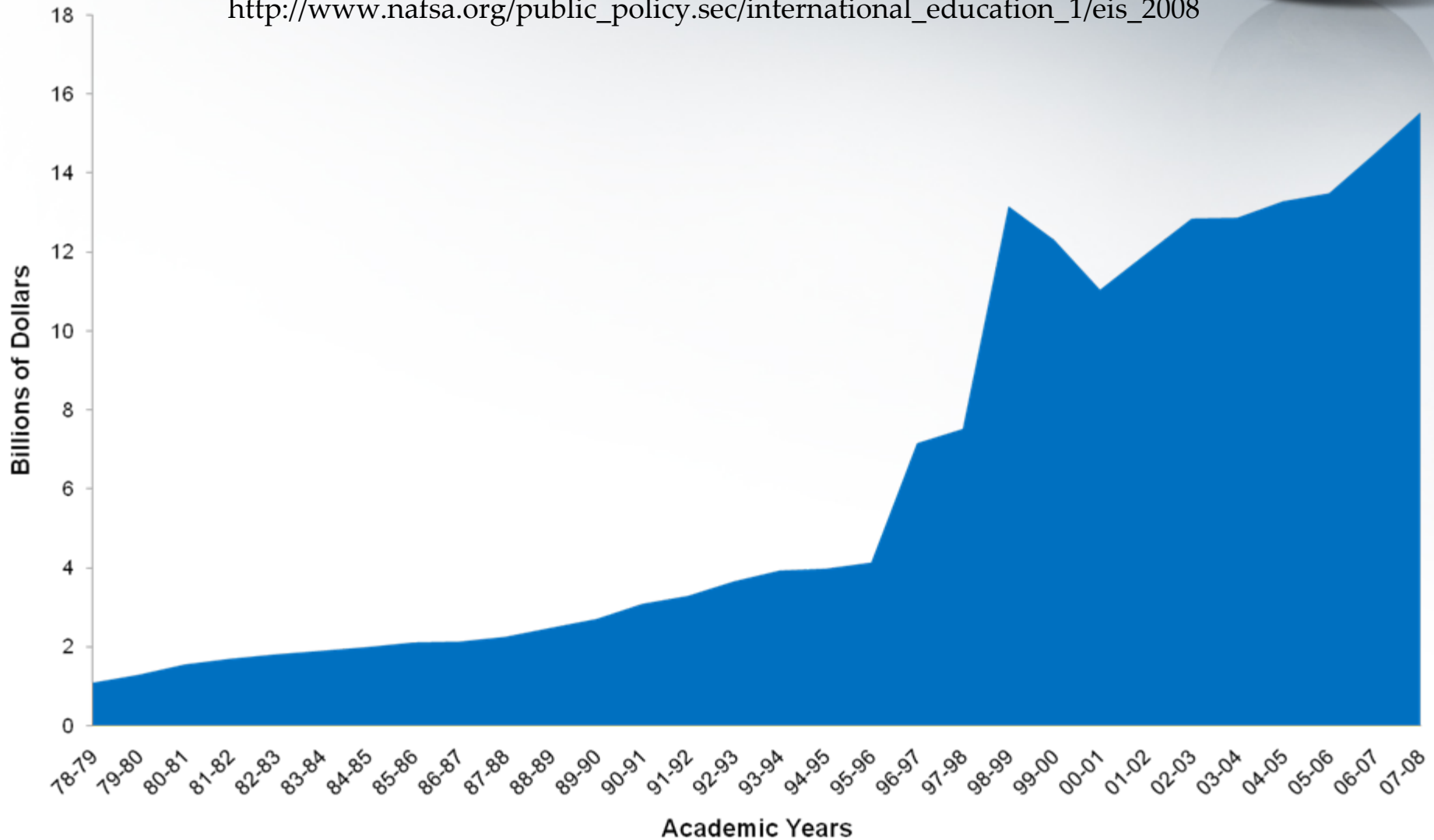


# NAFSA International Student Economic Impact for 2007-08: \$15.5 Billion



## Economic Impact from International Students

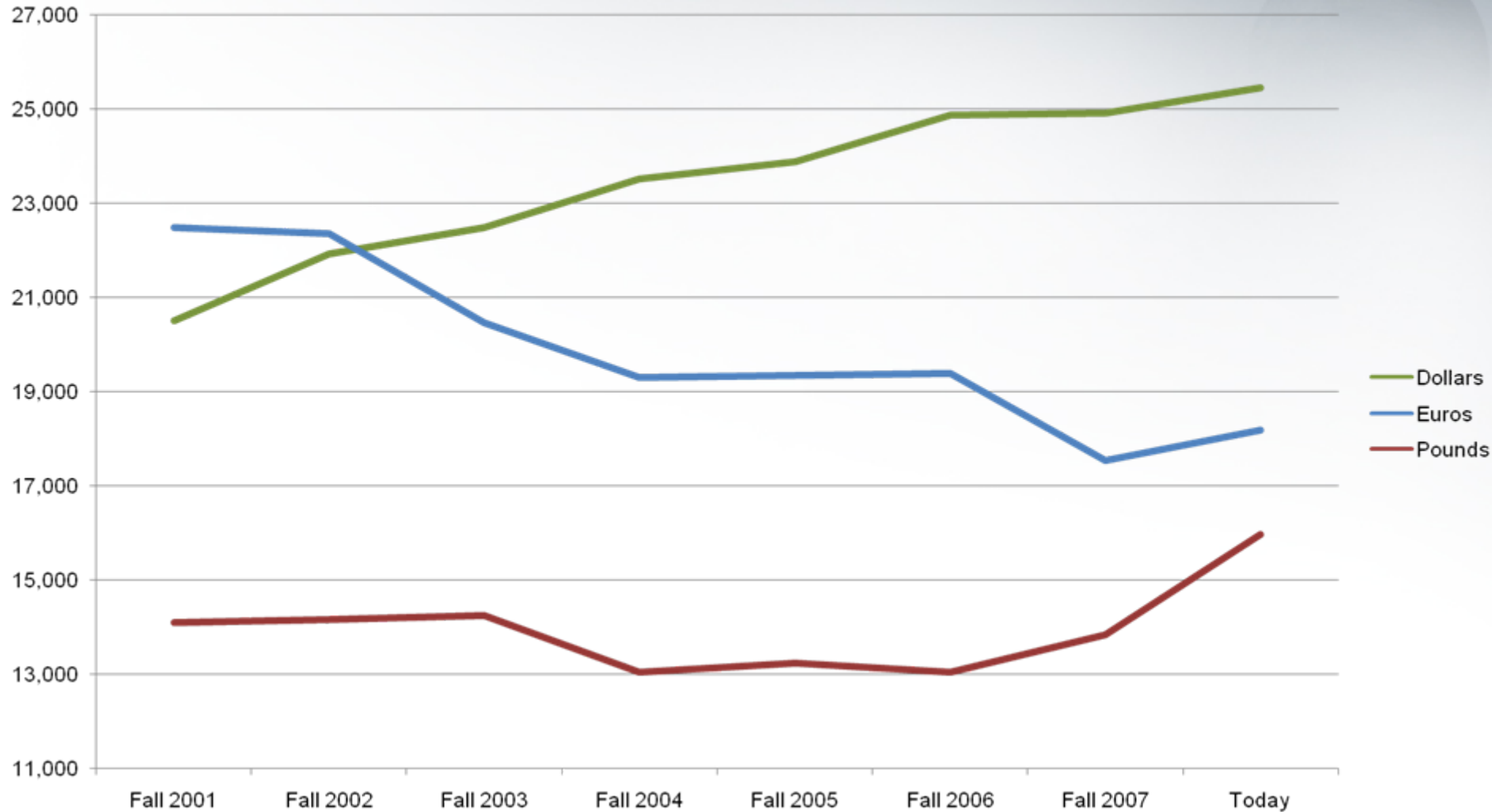
[http://www.nafsa.org/public\\_policy.sec/international\\_education\\_1/eis\\_2008](http://www.nafsa.org/public_policy.sec/international_education_1/eis_2008)



# NAFSA International Student Economic Impact: Currency Comparison



## Per Student Economic Impact & Currency Comparison



# NAFSA International Student Economic Impact: Impact of Currency



According to this analysis the average international student would need to spend less than 18,000 Euros (E.U.) or less than 16,000 Pounds (U.K) in order to pay less than the \$25,000 impact they bring to the U.S.

The impact of the global financial crisis has resulted in a strengthened U.S. dollar and a reversal of recent currency trends.

# NAFSA International Student Economic Impact: Impact of Currency



## Questions to consider:

- Will the U.S. dollar continue to strengthen against other currencies or go back down as the global economic conditions improve?
- What impact will currency play in the future trends of international student enrollments?
- How might it change U.S. students decisions about study abroad?
- How will the projected increase of U.S. students entering college further increase the competitiveness of programs in the U.S. while the currency markets find a new baseline as the global economy stabilizes?

# Definition of International Students in Higher Education in USA, Japan, Australia



	USA	Japan	Australia
Universities and Colleges	included	included	included
Vocational Edu. above Diploma level	excluded	included	included
English/Japanese Education before entering universities	partly included	partly included	included

Source: JASSO (2008) "Survey on the privately financed international Students in 2007", Data from JASSO, MEXT, IIE, NAFSA, ABS, AEI

Exchange rate: 1US\$=100Yen=1.43 AU\$ as of April 2009



# International Students counted for economic impact in USA, Japan & Australia in 2007

	USA	Japan*	Australia
Bachelor's Graduates	177982	57790	} 177,760
Non- Degreee	276842	23,508	
Associate's or Junior College & Collae of Technoloav	22369		
	65378	2,331	
Intensive language at universities & collages	24468	2,348	} 101,824
Language at private schools	30019	31,663	
Vocational above Diploma level	9221	22,160	94663
Optional Practical Training	56766		
<b>total</b>	<b>567039</b>	<b>108,137</b>	<b>374,247</b>

\* Japan's figure excludes the Japanese government scholarship students 10,020 and grant aid & JICA students 341 from the total of 118,498

# Contribution from Tuition and Fees



(US million \$)

	USA	Japan	Australia
Bachelor's Graduates	10,639	518	1,973
Non-Degree		145	
Associate's or Junior College & College of Technology		21	
Intensive language at universities & colleges		18	268
Language at private schools		225	
Vocational above Diploma level		277	509
Optional Practical Training			
<b>total tuition and fees</b>	<b>10,639</b>	<b>979</b>	<b>2,750</b>
<b>Per (self-funded) student</b>	<b>0.019</b>	<b>0.009</b>	<b>0.007</b>



# Contribution from Living Expenses



(US million \$)

	USA	Japan	Australia
Bachelor's Graduates	10,979	898	3,406
Non-Degree Associate's or Junior College & College of Technology			
Intensive language at universities & colleges			286
Language at private schools			
Vocational above Diploma level		231	731
Optional Practical Training			
sub total	10979	1129	4,422
Dependants'	413		
total living expenses	11392	1,129	4,422
Per (self-funded) student	0.020	0.010	0.012

# Host country's support



(US million \$)	USA	Japan	Australia
Total Support from host country	6,488	715	115
Budget for government's scholarship students		228	115
Support excluding government scholarship part	6,488	487	0
Support for self funded students per (self funded) student	0.011	0.005	0.000

## Breakdown of Japan's support for Self funded students

Government:	37%
Universities:	31% (20% is exemption of tuition fees at private universities)
Non-government:	17%
Local government:	2%
Other sources:	13%

# Economic contribution per self-funded student



(US million \$)	USA	Japan	Australia
Net contribution	15,543	1,621	7,058
Per (self funded) student (T+L - S)	0.027	0.015	0.019
Tuition and fees (T)	0.019	0.009	0.007
Living expenses (L)	0.020	0.010	0.012
Host country's support (S)	0.011	0.005	0.000

# Guess at the Self-funded students in three countries



USA=**High tuition & fees**+ High living expenses  
-High support →rich and/or excellent students

Japan=Medium tuition & fees+ Medium living expenses - Medium support →less rich students supported by part time jobs

Australia=Medium tuition & fees+ Medium living expenses -**Minimum support** → less rich students supported by part time jobs and loans

# Future tasks



- Foreign students in Vocational and Language Education → unified international standard
- Government scholarship students and Self-funded students → should be analyzed separately
- Breakdown of Host country's support → reflect the host country's foreign student support policy and system
- More detailed survey about the self-funded students in three countries



# The Economic Impact of International Students from a Cross-National Perspective – Q & A | Conclusion

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