

*Remarks by the Institute for International Education, Peggy Blumenthal; submitted by Allan Goodman:*

**International Student Enrollment Trends: The U.S. Scene within the Global Context  
by Peggy Blumenthal, Vice President for Educational Services,  
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**Summary:**

America's higher education community is joined by business leaders and the U.S. government in seeking ways to insure that America remains the destination of choice for talented students around the globe. The success with which America competes for global talent affects not only the careers of these students and the countries to which they return, but also America's own classrooms, research labs, and industrial competitiveness, as well as our long-term diplomatic, economic and cultural connections around the globe.

Other countries are developing proactive and coordinated steps to attract and retain international students, especially those in scientific and technical fields. Steps are also being taken by U.S. colleges and universities and by several U.S. government agencies, but in a decentralized approach that typifies America's higher education system and its relation to the federal government. It is too soon to assess the impact of these steps, and how students whose higher education options are expanding at home and abroad will perceive them. But we need to keep moving forward to address remaining problems, as our competitors continue to move ahead in recruiting efforts, if America is to retain its lead in the global search for academic talent.

**What the numbers show:**

In 2003/2004, the number of international students enrolled in U.S. higher education declined by 2.4%, the first dip in over thirty years. IIE's Open Doors annual census reported 572,509 students, down from 586,323 the prior year (See Chart A). Numbers from this year's Open Doors census are not yet available, but targeted Fall 2004 online surveys of several hundred institutions show that the problem continues. A Fall 2004 survey by the Council of Graduate Schools reported 6% fewer first-time international graduate students than in 2003, especially from countries such as China (-8%), India (-4%) and Korea (-12%), and in fields of study such as business (-12%) and engineering (-8%).

According to Open Doors data and anecdotal information from individual campuses, enrollment declines are quite unevenly spread, with undergraduate institutions hit harder across the board than graduate institutions. Many graduate schools also have seen steep declines, while others have held steady or even seen increases. According to Open Doors, international enrollments at the undergraduate level fell by 5% last year, with declining numbers from all of the top five sending countries: China, Japan, India, Canada and Korea (See Chart B). The steepest undergraduate declines were found in community colleges (10% declines) with 4-year baccalaureate institutions showing the smallest declines (1%). Undergraduate enrollments at research universities (which host the largest number of international students overall) fell by 5% (See Chart C).

At the graduate level, the number of international students actually rose slightly (2.4%) in academic year 2003-2004, mainly at institutions granting masters degrees or specialized institutions (e.g. law, medicine), with doctoral/research institutions reporting declines overall (See Chart D). Steepest declines were seen in math and computer science (See Chart E).

Recent survey findings from the Council of Graduate School show continued declines in the number of applications from international students (See Chart F), a cause for continuing concern. According to CGS's most recent Spring 2005 survey, application numbers continued to drop (-5%), albeit at a slower rate than last year's precipitous drop (-28%). The CGS survey found steepest application declines in students in China (-13%) and India (-9%), where home country capacity in graduate education is expanding dramatically. The two most popular fields of study for international students showed the largest application declines: business (-8%) and engineering (-7%).

**Factors behind the numbers:**

New and tightened *visa application policies* put in place after September 11, 2001 created a number of problems, both real and perceived, which negatively impacted enrollments and applications from abroad, including:

- Required face-to-face interviews of all student visa applicants,
- expansion of the “Technology Alert List” fields which require Visa Mantis clearances (fields of study in sciences and engineering where transfer of U.S. technology abroad is a concern),
- added scrutiny of students from countries on the Condor list (countries where the risk is seen as higher that applicants might include potential terrorists),
- inadequate staffing of consular positions in U.S. embassies,
- lack of computer interface among key agencies which review visa applications (so that all available information in U.S. databases on a specific applicant, including possible terrorist links or past illegal activities in the U.S., would be available through a single computer search, precluding the need for applications being forwarded from agency to agency for review),
- delays in data entry or correction of data in the SEVIS system, so that legitimate students might be denied a visa or stopped at ports of entry due to mistakes in data entry or lack of timely updating.

All these factors helped produce significant backlogs, denials and delays, especially in the spring and summer of 2002 and continuing to some degree through 2003-2004.

Recent and ongoing efforts by the Department of State and Department of Homeland Security to address these problems are proving fruitful; with Visa Mantis clearance times dramatically cut and visa approval rates apparently holding level. A recent GAO report noted that SEVIS problems have been largely resolved, although there is still ongoing concern at the campus level about lack of mechanisms for timely correction of data entries. Despite the many improvements, problems continue to be reported, especially in certain countries where delays remain substantial, and at some ports of entry as well.

While system changes can expedite the visa review process, it will be more challenging to change *student perceptions of America* as an inaccessible or unwelcoming host for international students, especially in countries where negative perceptions of the U.S. are fueled by local media or by other host countries competing for these students.

Government-supported efforts by *competing host countries*, including nationally coordinated campaigns by the U.K., Australia, Germany, France, Japan, and others with sophisticated marketing strategies and expedited visa policies, are proving very persuasive, especially to self-funded students from some of the largest sending countries such as China (See Chart G). Several of these countries, along with others in Asia and Europe, have allocated tens of millions of dollars to launch sophisticated marketing strategies over the past few years. The U.K.'s 5 million pound "Prime Minister's Initiative" was one of the earliest, launched in 1998 and recently updated in 2000 by "Education UK Brand", a focus point for marketing British institutions abroad that is available to any UK campus. These combined efforts helped attract roughly 75,000 additional international students to the UK in the past 5 years

The French Government created a new agency "EDUFrance" which has taken the lead in developing marketing materials and outreach campaigns in English, to reach beyond France's traditional international student base in francophone Africa and the Middle East. Most recently, New Zealand just announced a \$40 million package of new initiatives over the next four years, a five-fold increase in government spending on international education.

While the United States student visa policy is based on the premise that students will return home after the study period (Section 214B of Immigration Nationality Act), other countries are creating/expanding *policies which encourage international graduates to enter the workforce of the host country*, especially in scientific and technical fields. Scotland has announced a "Fresh Talent Initiative" aimed at attracting 8,000 foreign professionals a year from now until 2009, by allowing international students who graduate from a Scottish university to remain for two years of employment after graduation. Canada has also expanded and refined its "Skilled Migration" approach, attracting students in strategic disciplines and letting them stay on for employment upon graduation. Supplementing efforts by individual host countries in Europe, the European Union has also launched initiatives to recruit S&T researchers from around the world, in an attempt to compete with America's well-funded research universities and labs in attracting the world's best and brightest S&T talent.

*Home country higher education capacity* is also expanding in key countries that formerly sent their brightest graduate students abroad for training. In China, India, Korea, and many other countries, the number of higher education seats at home has grown dramatically (with key Chinese and Indian universities being instructed to double their enrollments, ) as national and provincial/state governments increase their investments in public education. The private higher education sector is also dramatically expanding internationally to meet growing demand. Growth in other forms of "international education", such as distance learning, joint degrees, and "sandwich" programs involving

short-term study abroad, create other cost-effective options for those seeking “international” study.

**Future challenges and opportunities:**

There remains, however, an enormous unmet and growing demand for international education, and a huge capacity in the U.S. higher education system to absorb more international students. Currently, an estimated 2 million students study outside their home country, according to UNESCO data, and about ¼ of those students are studying in the U.S. (572,509). Among leading host countries, America’s share is 40%, more than double the number hosted by any of the other leading host countries. (See Chart H). Projections by various researchers, including IDP Education in Australia, suggest dramatically expanding demand for international education, doubling over the next ten years and then perhaps doubling again, with perhaps as many as 7 million students studying outside their home country in the year 2025.

Unlike most leading host countries, America’s international enrollments remain a tiny fraction (4%) of our overall higher education enrollments (See chart I), with several thousand higher education institutions through which to accommodate increased demand. Also, despite the erosion of America’s share of international students, we continue to hold by far the largest share (60%) of enrollments in Anglophone countries (See Chart J).

Limiting access to U.S. research by foreign students has potentially serious consequences for America’s innovation workforce. According to a report from the Council on Competitiveness, “over one-third of scientists and engineers in American industry were born elsewhere, with this number exceeding 50 percent in engineering and computer science\*. Even as demand for scientists and engineers is growing, the domestic pool of students entering science and engineering is shrinking. Reversing that trend, through cultural shifts and by improvements in our own K-12 system, will take a long time. ... The scientific enterprise that underpins America's technological leadership depends upon open and iterative discussions of findings and discoveries. As [MIT President] Dr. Charles Vest noted: "Science thrives in openness and suffers in isolation." Equally important, the number of nations capable of conducting world-class science has increased along with the diffusion of innovation capabilities globally. A balance must be created between the need for controls on sensitive information and the cost to competitiveness and the potential to drive high-value investments and cutting-edge talent abroad.

\*--Vest, Charles M., *Response and Responsibility: Balancing Security and Openness in Research and Education*, Report of the President for the Academic Year 2001-2002, Massachusetts Institute of Technology, October 2002. “

The full text of Council’s report is available at <http://www.compete.org/c>

### **Steps Being Taken – and Still Needed**

U.S. colleges and universities are taking a number of steps to meet the growing challenge, including the following:

- Increasing outreach using in-country alumni and US campus recruitment abroad;
- Revising websites and mailings to international applicants to communicate strong welcoming message and advice on timely applications for admission and visas;
- Expediting the admissions process, with early notification and frequent email follow-up;
- Developing linkage programs with universities abroad to facilitate exchanges of students and scholars, stimulating future applications abroad for degree study;
- Creating joint degree/distance learning mechanisms through which to engage with international students and scholars who remain outside the U.S.;
- Sharing techniques and strategies through higher education associations such as AAU, ACE, CGS, IIE, NAFSA, and NASULGC, which disseminate “best practices” among member institutions.

The U.S. Government is also taking steps, including the following:

- Congressional hearings are highlighting areas of concern and stimulating action by relevant departments and agencies;
- The Department of State and Department of Homeland Security are working to fine-tune security related changes in visa policy and speed approval procedures;
- Computerized tracking of cases under review facilitates timely review;
- U.S. negotiations continue to press other governments, especially China and Russia, to grant reciprocity for visas to be valid for the length of the degree;
- Strong public statements at the highest levels of the U.S. government stressing the importance of international students, combined with expanded investment in public diplomacy, reinforce the welcome message;
- At the U.S. Embassies abroad, more staff in consular positions and higher priority for student/scholar applications is reducing wait times;

### **What’s Still Needed?**

- Continued efforts to link USG agency databases so that cases proceed more swiftly through interagency review;
- Continued training for consular officers and border control personnel so that the experience of international students and scholars on the visa line and at ports of entry is a positive and welcoming one;
- Coordinated Embassy outreach from Ambassador through Public Affairs and Information Officers to insure that improved procedures and welcome messages are well-publicized to students.

- Enhanced support to educational advising offices abroad, through the Department of State and Embassies abroad, to promote U.S. higher education and communicate directly to students the positive changes in U.S. visa policies and procedures;
- Review of longstanding policies and regulations to control immigration status of international students (214B and H-1 caps) to assess how well they address current manpower needs and allow America to compete most effectively for global talent, especially in S&T fields;
- Bold new initiatives, funded federally and on the state level, to attract international talent to U.S. campuses through tuition incentives, research collaboration, and media outreach campaigns in leading sending countries.