Part 1:

SHO to SYST

THIS TWO-PART SERIES INVESTIGATES declining international enrollments. The first half examines the causes of the downward trend and its potential long-term effects, while the second, "Something Old, Something New" (page 24), explores strategies that can keep international students coming to U.S. institutions.

OCK the EM

By Mark Toner

IN A VIDEO THAT HELPED JUMP-START a national campaign intended to reassure international students considering U.S. institutions, three members of the Temple University community toss an inflatable globe into the air. “We are Temple. Philadelphia is our home, and you are welcome here!” they exclaim.

The #YouAreWelcomeHere campaign, which has spread to more than 300 colleges and universities nationwide, is a reaction to the so-called “Trump effect.” The current administration’s combination of rhetoric and realities has contributed to the well-publicized chill in international students opting to study in the United States. At the same time, the inflatable globe in the video serves as a reminder that U.S. politics represent only one piece of the much larger globalized puzzle.

“There’s an acknowledgement now that it’s more than just the Trump effect,” says Ian Wright, director of partnerships for World Education Services (WES). “That was the easy answer last winter.”

It is becoming increasingly clear that these shifts in student populations, which began before the 2016 U.S. presidential election, represent more than just the impact of domestic politics. A combination of evolving enrollment patterns in other countries, increased aspirations to create world-class institutions elsewhere in the world, and demographic and economic shifts have all contributed to a rapidly changing—and somewhat unpredictable—environment.

Role Reversal

The shifts in international enrollment have been dramatic. After rising steadily for more than a decade, the number of international students enrolled in U.S. institutions broke the million-student barrier in the 2015–16 academic year. The following year, however, the number of first-time international students fell 3.3 percent, according to data from the Institute of International Education (IIE) and the U.S. Department of State’s Bureau of Educational and Cultural Affairs—and the trend appears to be accelerating.

A survey conducted by IIE and other education associations in fall 2017 found an average decrease of 7 percent in the number of newly enrolled students for the current academic year. Overall numbers of enrolled students—which include those who have been in the country for two or more years—lag shorter-term trends and continue to flatten, according to IIE.

Even by late spring 2018, it was difficult for individual institutions to ascertain exactly how applications, admissions, and deposits would translate into fall enrollments for the 2018–19 academic year. However, early signs suggest that the results “will be similar to what was reported in 2017,” says WES’s Wright.

For individual U.S. institutions, the impact of these shifts has varied, with enrollment trends largely driven by their own ongoing efforts to diversify their international student populations.

At Temple University, for example, countries with significant growth in application activity and enrollment in recent years have included Brazil and India, places where the institution has recruited heavily.

"That's a direct result of individual efforts, not necessarily part of a general trend," says Jessica Sandberg, director of international admissions at Temple. "Outside of that, we see anomalies, but nothing really [permanent] at this point."

"A lot of people focus on the changes happening in the United States, but there are many factors creating that shift in the landscape."

— Salma Benhaida,
Kent State University

Regardless, common trends likely to shape international enrollment in the coming years are emerging.

"A lot of people focus on the changes happening in the United States, but there are many factors creating that shift in the landscape," says Salma Benhaida, director of international recruitment and admissions at Kent State University.

Intensifying Competition

The overall growth in U.S. international enrollment over the past decade has helped mask the strides other countries have made in attracting international students. Several countries, including Australia, Canada, and Germany, set ambitious goals for attracting additional students and then met them years ahead of schedule (see page 22).

"There are definitely a lot more countries actively and aggressively pursuing international students on campus, and they've had tremendous success even while the United States has continued growth in our numbers," says Wright.

In the short term, other English-speaking countries are taking advantage of the Trump effect. Canada, for example, can attribute some of its dramatic double-digit percentage growth in recent years to countries such as India, as well as to students who saw Canada as an "easy alternative" to the United States, according to Wright.

Non-Anglophone countries, particularly in Europe, are also accelerating the growth of programs taught in English, particularly at nongraduate levels. English-taught bachelor's (ETBs) degree programs now constitute 27 percent of all English-taught programs in Europe, according to a report from StudyPortals.

"What increasingly influences students is not just an increase in available seats, but an increase of quality seats," says John Wilkerson, director of international admissions at Indiana University-Bloomington. While applications have trended down, he says, "the students we are attracting are unquestionably the most academically prepared international cohort we have seen."

As the incoming population of international students levels out, institutions are increasingly targeting existing international students already in the United States—including the 17 percent of international undergraduates who attended community colleges in 2016–17, according to IIE statistics. That means that going forward, institutions will have to monitor what their counterparts in nearby states or regions are doing to attract these and other international students, such as offering discounted tuition or scholarship programs.

One of the longer-term trends to watch involves countries like China, which has aspirations of developing large numbers of globally ranked institutions and becoming a regional magnet for international students.

Safety Concerns

Even before the so-called Trump effect, adverse perceptions about safety were percolating. Wilkerson remembers a student event in London held several years before the 2016 elections during which prospective students were asked about their greatest concerns as part of an exercise to generate a word cloud. The results surprised everyone.

"We expected financial aid and funding, but the number one word was guns—and it was huge," he says. "It dwarfed everything else." The global reach of news coverage has also amplified international students' perceptions of anti-immigration attitudes in the United States, according to Wright.

Safety matters, particularly for parents, says Dana Brolley, director of international enrollment at Seattle University and chair-elect of NAFSA's International Enrollment Management Knowledge Community. "The news and the reality of our culture is something they're very concerned about," she says.

Wilkerson believes that despite growing awareness at U.S. institutions, the field is still often "surprised by how perceptions of safety really have a significant impact on student selection."

Financial Needs and Disparities

Inflows of global students from emerging regions such as Africa and a broadening middle class in some sending countries are contributing to greater financial needs among the pool of international students.

"We've seen a higher number of applications of students with less financial support and higher financial need," says Nazanin Tork, associate director of admission at Agnes Scott College. "The golden ticket is the United States, but there's going to come a point where it may not be the best financial option for students." That projection rings true even today as the number of internationally focused institutions continue to grow in countries like China, providing lower-cost regional alternatives to many students seeking an international experience.

For many U.S. institutions facing a smaller—and at times, more financially strapped—pool of potential domestic students to draw from, this presents a double challenge. Schools offering more financial support to domestic students have less money to support international students, and the decrease in incoming tuition also means fewer resources for international students.

Kansas State University President for Student Life and Dean of Students Pat Bosco calls the combined financial pressures from domestic and international student pools "a perfect demographic storm" this past fall. Fewer high school students from Kansas are attending college, Bosco says, and while the institution saw increased numbers of graduate students last fall, international enrollments were down.

As U.S. higher education has become increasingly bifurcated between the elite, highly ranked institutions and those that do not fit that profile, the impact of that gap on international enrollment continues to grow, raising questions about sustainability.

The average decrease of 7 percent in newly enrolled international students across U.S. institutions in fall

Around the World at a Glance

Where Students Are Coming From

China. China remains the largest sending country and is expected to remain so through 2017. However, the rate of growth of outbound students has fallen steadily from nearly 20 percent in 2014–15 to just more than 12 percent in 2016–17. A recent trend showing that the number of students returning to China after completing their studies has grown by more than 130 percent since 2011 bears watching.

India. Projected to remain just behind China as the second leading sending country, India's growth in outbound students peaked in 2009–10 and has been under 10 percent since 2015–16. Immigration shifts in the United States and United Kingdom have led to significant enrollment growth of Indian students in Canada (40 percent between 2013 and 2015) and Australia (50 percent between 2013 and 2015).

Nepal. Following a sudden upturn in outbound students earlier this decade, enrollment in U.S. institutions surged 20 percent in 2017. One-quarter of the nation's population is between ages 15 and 24.

Bangladesh. This densely populated nation is even younger—34 percent are 15 years in age or younger. Students studying abroad tripled between 2010 and 2013, and the nation is looking at distance-learning initiatives to serve its growing college-age population.

Nigeria. With a rebounding economy following a currency shock and decline in oil prices, growth in globally mobile students is expected to lag behind only China, India, and Pakistan through 2027.

Brazil. In 2017, Brazil formally canceled a key scholarship program that was first suspended in late 2015. Scaled-back scholarship programs now focus on postgraduate students and research programs.

Saudi Arabia. As cuts in the nation's signature scholarship program continue, so do the number of first-time study abroad enrollments among Saudi students. The number of Saudis with U.S. student visas dropped by nearly 20 percent in 2016.

Where Students Are Going

Canada. Canada hosted a record 495,000 foreign students in 2017—a 41 percent increase from 2015 and surpassing its 2022 goal of 450,000 international students five years ahead of schedule. Canada offers a clearer path to citizenship than the United States in many cases and saw the greatest increase in student interest in a 2017 survey of international agents, according to ICEF's 2017 Agent Barometer survey.

Australia. The nation's coordinated strategy for international education, which was released in 2016, contributed to a 15 percent increase in October 2017.

Germany. Germany met its goal of hosting 350,000 international students by 2020 in 2017.

United Kingdom. The ultimate impact of Brexit, after a record 500,000 international students in 2015–16, remains unclear. Data for 2017 show declines in applications and acceptances within the European Union, but a 2.8 percent increase in applicants from outside the region, with even stronger non-EU growth (12 percent) in the initial cycle of 2018 applications.

China. Even as outbound growth continues, China is following through on its 2030 goal of establishing 16 globally ranked domestic institutions. By 2016, it was second only to the United States in the total number of top 500 ranked institutions, with 54 institutions to the United States's 137. International students increased 11.4 percent in 2016 to more than 440,000.

Sources: ICEF Monitor, IIE, British Council

2017 that IIE and other educational associations noted in a survey masks a sharp disparity between individual institutions. Forty-five percent of campuses, particularly less selective institutions and those in the Midwest, reported declines; but 31 percent reported increases, and 24 percent reported no change.

"There's always been differentiation between the haves and have-nots, but the numbers of have-nots have seemingly increased, and there may be some pretty drastic declines in that group," WES's Wright says, characterizing the shift to elite institutions with established reputations in their home countries as a "flight to safety." For some institutions, this may mean making difficult decisions about how they approach internationalization.

"Students are looking beyond rankings and location. They're starting to ask more informative questions about value and return on investment."

—Dana Brolley, *Seattle University*

Better Informed Students

While word of mouth still matters in recruiting international students—and may matter more now than ever—the past decade's growth in globally mobile students has translated into growing sophistication among current prospects.

"In many countries, the idea of having friends and family who have gone through a U.S. experience at university is no longer a new thing. That word of mouth is much more informed now," says Wilkerson.

Even in relatively new markets, such as Nigeria, students and parents are showing an advanced understanding of admissions and immigration requirements, as well as the importance of internships and other career-related opportunities. Students are asking sophisticated questions about the visa process, including the H-1B program that comes after completing their studies, says George Kacenga, director of international enrollment management and international affairs for the University of Colorado-Denver.

This advanced understanding, in turn, represents an opportunity and a challenge for U.S. institutions. Increasingly, "students are looking beyond rankings and location," says Brolley. "They're starting to ask more informative questions about value and return on investment." For instance, students are interested not just in their studies, but also career opportunities both in the United States and in their home countries, she says. "Parents and students are increasingly looking for that pathway to have work opportunities," she says.

That concept of return on investment (ROI), however, can be a double-edged sword.

"The United States still enjoys the reputation of having the highest quality, but families are looking at value and wanting to know what they're going to get for that," says Temple's Sandberg.

"Students from large sending countries are looking at their peers and asking if the cost difference between U.S. and non-U.S. institutions will ultimately return that investment in the form of work opportunities and competitiveness in the global workforce," Wilkerson adds.

That value proposition includes scholarships and financial support, but ROI also reflects career opportunities such as internships while studying and Optional Practical Training to attain work experience after graduation.

"It's no longer just education for the sake of education," says Brolley. For example, the growing number of Chinese students with plans to return are worrying more about the lost opportunities to make professional contacts after prolonged stays abroad, she says.

Transnational Education

As new cohorts of international students—older, with careers and families, or merely more cost-adverse—emerge in many countries, institutions elsewhere are moving more quickly to serve this emerging population through hybrid or fully online degree programs.

These students, says WES's Wright, are "willing to give up some of the so-called advantages of studying on campus if they can get a degree from another country without having to give up their jobs or abandon their families."

Even among students who are willing and able to study internationally, there's growing interest in tripartite education, whereby students attend institutions in three or more countries as part of their college experience. International institutions are increasingly focusing on creating customized short-term programs for their students, including ones that combine studies and internships, according to Eddie West, assistant dean and executive director of international programs at the University of California-Berkeley.

"With globally minded students, more and more are going to find [these programs] of interest to differentiate their own experiences," says West. "Practitioners have to think of the globe in more multidimensional ways than they have in the past."

What's Next

The longer-term trends in international enrollment represent a mixed bag. Global economic pressures—including increasing urbanization and automation driving the need for a higher-skilled workforce, among others—will lead to continued growth in postsecondary enrollment worldwide. And even with current concerns about immigration, the number of internationally mobile higher education students is projected to rise by more than 50 percent over the next decade and a half, according to UNESCO.

How many of those students will come to the United States and other traditional receiving countries, however, remains open for debate, particularly in light of efforts to create quality seats elsewhere in the world. The StudyPortals report projects 1 percent annual increases in international student enrollment across 15 high-income countries through 2030, resulting in 412,000 additional international students. A British Council report released in January projects 1.7 percent annual growth among all mobile international students between 2015 and 2027.

In both cases, numbers are projected to drop from the 5.7 percent annual growth seen between 2000 and 2015. While China and India will retain the lion's share of outbound students through 2027, new sending countries like Nigeria and Nepal are growing in importance (see facing page).

All told, 163 million more 25- to 34-year-olds will have a tertiary degree in 2030 than in 2013, according to StudyPortals—and that's a good thing for internationalization worldwide, experts say.

"The silver lining is that the world's economy will continue to improve, and international students coming into the middle class will continue to grow," WES's Wright says. "You may have a competitive marketplace, but if there are a lot more students, everyone benefits."

As a result, it is unlikely that the flow of international students to the United States will come to an end. But these trends suggest that institutions will have to employ highly differentiated strategies that play to their strengths, while some ultimately may have to explore other avenues to internationalization.

"Many highly ranked schools are going to weather these storms more easily than other institutions," says Kacenga.

"We need to anticipate the trends and be adaptable," adds Benhaida. "We can sit around and say this is what's happening around the world and it's out of our control, or we can come up with strategies." ■

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