

other aspect of the equity equation is that of brain drain and the loss of trained human capital. While many regions of the world that see large outbound ratios of their college-age population (such as Asia) have begun to see a shift toward “brain circulation,” with many of their foreign-educated citizens returning home, Africa continues to experience a significant loss of human capital through student mobility. This raises the issue of what obligations and responsibilities the international higher education sector and industry have toward balancing the needs of developing countries to retain their critical human capital, against the needs and aspirations of individuals to seek the best education possible regardless of where it is offered. This imbalance is addressed to some extent by scholarships in the form of development aid, awarded to students from developing countries by the governments of developed countries and monitored under Target 4.b of the SDGs. But according to a recent analysis of globally available scholarship data by IIE, the total number of such scholarships is small and serves only 1 percent of those from the developing world who seek a global education.

---

**National scholarship programs continue to drive growth in student mobility, but also raise important questions about the sustainability of investments in international education and exchanges.**

---

#### **AN ALTERED POLITICAL CLIMATE AND THE FUTURE OF MOBILITY**

One of the most significant developments over the past two years has been the rise of nationalism around the world, and what is perceived as a turning inward of many traditional host destinations that have typically attracted large numbers of students and scholars from around the world. The first such development was “Brexit” in the United Kingdom in 2016, which will likely have far-reaching consequences on student mobility into and out of the United Kingdom, and also on mobility between the United Kingdom and continental Europe. Similarly, political shifts in the United States and two travel bans against individuals from seven countries in January and March 2017 have raised many questions about whether the United States remains an attractive destination for international students.

While there is much speculation about this issue and

the scale of impact on student mobility to the United States, a recently released snapshot survey (March, 2017) conducted by AACRAO (the American Association of Collegiate Registrars and Admissions Officers) in partnership with IIE, the College Board, NAFSA, and NACAC (National Association for College Admissions Counseling, and international ACAC), indicates that 39 percent of 250 responding US campuses report declines in applications from international students, particularly from the Middle East. Declines were also reported from India and China at both the undergraduate and graduate levels. It should be noted that while this survey provides some much-needed information during a period of uncertainty, it is a snapshot based on a modest pool of responding institutions.

What is critical is that the current developments in the United States have mobilized the international education community—including higher education institutions and associations—to develop joint strategies and outreach to underscore the value of international education even further. US institutions have launched coordinated efforts to emphasize to international students that they are still welcome through the #YouAreWelcomeHere campaign and other similar initiatives.

DOI: <http://dx.doi.org/10.6017/ihe.2017.90.9756>

---

## China and International Student Mobility

HANG GAO AND HANS DE WIT

*Hang Gao is a PhD candidate in the Faculty of Education, Beijing Normal University (BNU), China, and is currently a visiting scholar at the Center for International Higher Education at Boston College, US. E-mail: gaohang@mail.bnu.edu.cn. Hans de Wit is professor and director of CIHE. E-mail: dewitj@bc.edu.*

**F**uture competition in the global knowledge economy will be based on the availability of talents. There is a clear trend that countries around the world look strategically into improving their domestic higher education systems, to become more attractive to talented international students. As the largest developing country and one of the most significant actors in the global economy, China needs to reform critical aspects of its current system and provide better services to international students, to enhance its cultural soft power as well as consolidate its international posi-

tion. China aims to receive 500,000 international students at the end of this decade and is already moving fast in this direction, bypassing Australia, France, and Germany, to become the third destination country for international students after the United States and the United Kingdom. With the current political climate in the main countries hosting international students, in particular the United Kingdom and the United States, China's prospectives to become a dominant player are more promising than a few years ago. Attracting international students and increasing their stay-rate after graduation is becoming a major political strategy at the national level and also for major cities and provinces, as well as universities. But for this effort to be sustainable, China needs to improve the quality of its higher education offer and services.

#### WHAT ARE THE BENEFITS FOR CHINA?

The Chinese higher education system is rooted in its domestic historical, political, and cultural background, and also in the current geopolitical context. These internal and external factors have a big influence on the way the higher education system is preparing to receive larger numbers of international students.

Economically, it can be predicted that China will benefit significantly from increasing the number of international students, through their contributions from tuition fees and from travel and living expenses. Increasing the stay-rate of international students—along with the policy to stimulate Chinese students who graduated abroad to return—can contribute to the development of China as a knowledge economy. The experience of countries such as Australia, the United Kingdom, and the United States shows that international students can make valuable contributions to the development of the domestic economy.

Culturally, as a key bridge between China and the rest of world, international students with Chinese language proficiency will have a better basic understanding of China and will introduce the values of its traditional culture and economic development to the world. This is not only an opportunity for Chinese language, culture, and academy to enter the global stage, but also cultural soft power expansion.

Politically, international students will contribute to China's transfer from the global periphery to the center. Increased bilateral and multilateral cooperation in higher education and receiving talents from developing countries will consolidate south-south cooperation between China and developing countries.

Educationally, increasing the number of international students, optimizing conditions for their stay, and facilitating the communication between these students and domestic students, are important steps to enhance the internationalization and quality of the higher education system,

and provide an "internationalization at home" experience to Chinese students.

#### WHAT SHOULD BE DONE?

Since the beginning of the new millennium, China has highly emphasized the importance of recruiting international students. As mentioned above, China has become the third largest study destination in the world. About 398,000 international students from 208 countries studied in China in 2015, and over 400,000 in 2016. What should be done to make this policy more effective and sustainable?

China needs to strengthen its policies of intergovernmental exchange and cooperation. Several core policies have already been developed over the past few years, including the "National Medium- and Long-Term Plan for Education Reform and Development (2010–2020)" of 2010, and, in 2016, "Some Suggestions to Improve the Opening and Reform of Education in the New Period" and "Pushing Forward the 'Belt and Road Initiative' Education Action." One can also mention intergovernmental cooperation projects like the "Silk Road University Association," stimulating higher education cooperation with developing and developed countries through bilateral agreements.

Providing scholarship support to international students is important. In order to increase financial assistance, especially to students from developing countries, China has created large and attractive scholarship projects at different levels including the central government, local governments, Confucius Institutes, multilateral development initiatives, and universities. At least 37,000 international students benefited from scholarships in 2014.

Building Chinese language proficiency is another tool. Foreign language proficiency is one of the biggest challenges for international students. It has a direct impact on the quality of their educational experience in China, and it deprives Chinese students from the opportunity to benefit from their contributions. The Chinese government has already taken measures to improve the Chinese language proficiency of international students. A Chinese language proficiency test named HSK has been launched in an effort to better serve international learners and boost international enrollments at Chinese higher education institutions.

Enhancing and popularizing Chinese language learning globally is another action. According to official statistics, 511 Confucius Institutes and 1,073 Confucius Classrooms have been established in 140 countries and regions. In 2016, Confucius Institutes and Classrooms around the world recruited 46,000 Chinese and overseas full-time and part-time teachers and enrolled 2.1 million students, hosting a total of 13 million participants in various cultural events. Chinese universities provide a one- to two-year preparatory education program for international students with

low language proficiency. The effect of this policy on the recruitment of international students has to be assessed and better coordinated with other policies.

#### **FUTURE CHALLENGES**

Although there has been a rapid growth of the number of international students in China in recent years, there is room for further increase, given the low percentage of international students in the overall enrollment. China's policy to attract international students is just starting up. Support measures at the national, local, and institutional levels are still insufficient. Several challenges have to be addressed.

The current curriculum is too limited to meet the needs of international students. Given that more than half of the current international students are nondegree students who stay only for a short period, it is essential to develop courses in other languages, in particular English.

Current criteria regulating tuition fee levels are another obstacle. The fact that the national higher education administration has the exclusive authority to set these criteria leads to a dilemma for the institutions. Some universities have a strong wish to expand enrollments of international students by improving services and the quality of the educational offer. However, under the current rigid tuition fee criteria, these universities cannot invest sufficient resources to provide quality education and services to international students.

Universities have ignored the development of services such as websites with information in foreign languages, library services, club activities, and psychological counseling. For security reasons and to avoid possible conflicts, Chinese universities usually provide better accommodation conditions to international students than to their domestic counterparts. But this limits the possibilities for daily interactions and mutual understanding between the two groups. There is still a long way to go in cultivating a mature, multicultural campus culture.

International students, especially those from developing countries, are eager to seize opportunities for employment or internships in China. However, as a result of unfavorable visa, immigration, and employment policies, these opportunities are limited, except for a few initiatives launched in more developed regions such as Beijing, Shanghai, and Guangdong.

DOI: <http://dx.doi.org/10.6017/ihe.2017.90.9865>

## Are International Students “Cash Cows”?

**RAHUL CHOUDAHA**

*Rahul Choudaha is cofounder and CEO of DrEducation, LLC, and interEDGE.org. E-mail: rahul@DrEducation.com.*

The budget cuts faced by many American higher education institutions have compelled its leaders to find alternative sources of revenue to ensure the financial sustainability of their institutions. In search for solutions, many spotted the opportunity of recruiting international students as a new source of cash flow to fund operations and fill the budget deficits.

Between 2007–2008 to 2015–2016, the number of international students in the United States increased by 67 percent to reach 1,043,839. At the same time, the economic benefits from the presence of international students on American campuses increased by 111 percent to reach US\$32.8 billion. This clearly indicates that the financial contributions of international students have outpaced the increase in enrollment.

The Boston Consulting Group developed a framework in the 1960s to help companies think about their allocation of resources. One of the terms they used in the framework was “cash cows.” Broadly, it indicated a product or company that provided steady, reliable cash flows to fund its growth and the growth of a company's other business units.

By the recent trends we have been witnessing, are some American institutions treating international students as cash cows? Are they placing high priority on expanding international enrollment with the lack of corresponding investment of time, attention, and resources to support the success of these students?

#### **EXPANDING THE POOL OF INTERNATIONAL STUDENTS**

The intensity of budget cuts and the opportunity to replace those cuts with international student tuition revenue came together to invite new entrants in the recruitment marketplace. In the last decade, many institutions started focusing on increasing the total revenue by increasing the number of international students and charging additional service fees to these students.

However, many have realized that expanding enrollment is not easy, especially if the institutions lack the global visibility and rankings valued by students, or if their geographic location is not appealing. In addition to constraints of visibility, institutions also realized that the segment of students who have both the financial means and academic preparedness to study internationally have many choices to