

# **International Students and U.S. Policy Choices**

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## **Executive Summary**

The United States has lost its edge in attracting and enrolling international students in U.S. universities. This is particularly troubling in science and engineering at the graduate school level and carries implications for America's economy, its technological leadership and its role in the world. Obstacles remain that prevent the United States from significantly increasing the enrollment of international students at U.S. universities. Policy improvements can be made in several areas that will help ensure American leadership in international education and a strong scientific and technological foundation for the nation. The research in this paper was commissioned by the Merage Foundations for the "Leadership Forum on Foreign Student Admission and Enrollment in U.S. Graduate Schools," held October 16 and 17, 2005, and cosponsored by the Merage Foundations and the University of California-Irvine.

Although the trend line is relatively short and, therefore, could change, data on international students indicate genuine problems have emerged.

- Enrollment by international graduate students in U.S. engineering programs declined by 8 percent between 2003 and 2004, according to the Council of Graduate Schools, while life sciences experienced a 10 percent decline in international graduate student enrollments between 2003 and 2004.

- The enrollment of international students overall declined by 2.4 percent between the 2002/2003 and the 2003/2004 academic years, according to the Institute of International Education.

- Between FY 2001 and FY 2004, the number of F-1 visas issued for international students declined by 25 percent, according to the U.S. Department of State.

Reviewing the literature and interviewing individuals involved in international education provides a clear picture of the current obstacles against increasing international student enrollment:

- **U.S. Visa Policy.** Tighter screening is only one visa-related issue and not necessarily the primary cause of most international student visa denials by U.S. consular officers. The requirement that international students and other temporary visa applicants prove they do not intend to stay permanently in the United States, known as 214(b), is the primary reason consular officers cite for denying visas for international students. At a time when a nation's success is based not only on its laws and institutions but also the skills of its workforce, U.S. policy specifically blocks the entry of bright foreign nationals who plan to study and later work in the United States.

- **Competition.** Just like America is no longer the only place to buy a world-class airplane or automobile, options for individuals seeking a world-class education have increased. U.S. universities' market share of international students fell from

36.7 percent in 1970 to 30.2 percent in 1995. In other words, this trend started before September 11, 2001, but recent policies have made it more difficult to reverse. Efforts in the United Kingdom, Australia, Germany, France, and Japan have increased enrollments in those nations, while the option of staying home to attend university has become more attractive as educational and employment opportunities have improved in China, India, and elsewhere.

- **Cost.** The cost of a U.S. graduate school education can be prohibitive for people from many countries.

- **Ability to Work in the United States.** One reason individuals have sought to study in America is the opportunity it presents to work in the United States after completing his or her studies. The less realistic that opportunity becomes, the less likely for students to choose a U.S. university over a school in another nation, including one in their own country.

The United States, like any nation, has the capacity to change policies when it is in its interest to do so. Today, it is in America's interest to change policies to increase the enrollment of international students and facilitate their success in America. The "prescription for change" to achieve these objectives includes:

- First, eliminate the requirement that to obtain a visa individuals pursuing master's and Ph.D.s in the United States must demonstrate they will return to their

home country. Amending 214(b) of the Immigration and Nationality Act to exclude international graduate students from the requirement they must intend to leave after completing their studies would be a logical extension of the law Congress passed last year to exempt up to 20,000 foreign nationals a year who graduate with a master's degree or higher from a U.S. university from being counted against the annual limit on H-1B visas for skilled professionals.

- Second, the United States should streamline the immigration process for international graduate students in science and engineering. International students earned nearly 60 percent of U.S. doctorates awarded in engineering in 2002. It is in America's interest that as many of those individuals as feasible stay and work in the private sector, perform research in our labs, or teach at U.S. universities. There are various policy options that can be pursued to make it easier for international students with advanced degrees to transition to lawful permanent residence. Congress could allow employers to sponsor such students without having to file for "labor certification," an often bureaucracy-driven process by which employers must demonstrate a shortage exists for that type of worker. Another approach would be to create a new visa category for international graduate students who have completed their U.S. studies, which would allow such individuals to avoid the current backlogs that plague the employment-based immigrant categories.

- Third, to deal with both policy and processing problems, the U.S. government needs to increase accountability and improve coordination among the numerous departments with authority over international students. One approach would be to require a single Administration official to coordinate policy and act as an “Ombudsman” on international student issues. This would lead to a logical setting of priorities to balance security and other interests.
- Fourth, U.S. universities need to increase their marketing abroad to attract international students to the United States.
- Fifth, universities, businesses, and the U.S. government need to work together on a strategic plan to convey the message that America is the best place to gain an education. The time has passed when America “sold itself” as the destination of choice for international students.
- Finally, to the extent the United States will continue to provide financial assistance to other nations, we should consider providing part of that assistance in the form of need-based vouchers to qualified international students from those nations to study at U.S. universities. This would turn a portion of foreign aid into student aid spent in the United States for tuition and room and board, while providing an opportunity to educate and expose individuals to America who do not possess the resources to self-fund a U.S. college education. Assistance of any kind is most effective when it is tangible and directly affects the lives of

individuals. While the U.S. government funds the Fulbright Program for approximately 1,300 international students a year, the proposal here is for a broader approach that becomes part of our foreign aid packages aimed at the developing world.

The door has not shut closed on international students. We still possess a window of opportunity to improve our policies and enhance America's standing as the place where one can come to study and learn. It is in our national interest that we seize this opportunity.

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The United States has lost its edge in attracting and enrolling international students in U.S. universities. This is particularly troubling in science and engineering at the graduate school level and carries implications for America's economy, its technological leadership and its role in the world.

Reviewing the literature and interviewing individuals involved in international education provides a clear picture of the obstacles against increasing international student enrollment at U.S. universities. However, there are also solutions available that would allow America to regain its edge in the enrollment of international students and help ensure the country maintains a strong scientific and technological foundation.

Although the trend line is relatively short and, therefore, could change, data on international students indicate genuine problems have emerged. Between FY 2001 and FY 2004, the number of F-1 visas issued for international students declined by 25 percent, according to the U.S. Department of State.<sup>1</sup> The number of student visas issued does not correspond directly with the enrollment of international students, since even students who receive visas may ultimately choose not to attend a school. But unless a student receives a visa to enter the United States he or she cannot enroll at a U.S. university.

Enrollments are a key indicator to watch, since ultimately how many international students enroll in universities is the most direct way of measuring whether or not international students are attending U.S. universities in increasing numbers. Enrollment by international graduate students in U.S. engineering programs declined by 8 percent

between 2003 and 2004, according to the Council of Graduate Schools. Life sciences experienced a 10 percent decline in international graduate student enrollments between 2003 and 2004.<sup>2</sup> (The enrollment of international students overall declined by 2.4 percent between the 2002/2003 and the 2003/2004 academic years, according to the Institute of International Education.)<sup>3</sup> The Council of Graduate Schools also reports that international graduate student applications declined in each of the past two years.<sup>4</sup>

One can point out a troubling trend without claiming the sky has collapsed. U.S. universities' market share of international students fell from 36.7 percent in 1970 to 30.2 percent in 1995.<sup>5</sup> In other words, this trend started before September 11, 2001, but the evidence is that recent policies have made it more difficult to reverse. The countervailing view is that total enrollment of international students in the United States is higher today than prior to September 11, 2001.<sup>6</sup> Yet that ignores a significant interruption in the annual increases in enrollments that had occurred over the prior years. Simply put, a consensus has emerged that America is confronting genuine problems in attracting international students to enroll at U.S. universities, particularly in graduate level science and engineering.

The numbers tell only part of the story and international students are not the only issue. "We've seen foreign scientists try to get here to do research and can't get in who not only go elsewhere but are so upset they say they will not come to the U.S. now under any circumstances," said Robert Gelfond, CEO of MagiQ Technologies in New York, selected by *Scientific American* as one of the country's most innovative companies. "Clearly we are losing our ability to attract talented people, since the word has spread about the difficulties of getting into the United States. Individuals have to plan their lives



and can't afford to spend months and months putting everything on hold only to discover they won't be able to come to America after all.”<sup>7</sup>

The National Academy of Sciences and sister organizations sounded similar concerns in a May 2005 report *Policy Implications of International Graduate Students and Postdoctoral Scholars in The United States*. The report concluded, “International students contribute to U.S. society not only academically and economically, but also by fostering the global and cultural knowledge and understanding necessary for effective U.S. leadership, competitiveness, and security.”<sup>8</sup> It warned: “If the United States is to maintain overall leadership in science and engineering, visa and immigration policies should provide clear procedures that do not unnecessarily hinder the flow of international graduate students and postdoctoral scholars.”<sup>9</sup>

A recent paper by economists Richard Freeman, Emily Jin, and Chia-Yu Shen for the National Bureau of Economic Research demonstrated that since the 1960s America has significantly increased its reliance on the foreign-born as a source of Ph.D.s in science and engineering. “In 1966, 71 percent of science and engineering Ph.D. graduates were U.S.-born males . . . and 23 percent were foreign born. In 2000, 36 percent were U.S.-born males . . . and 39 percent were foreign-born.” In addition, the paper noted a significant rise in the proportion of foreign-born scientists and engineers who obtained their undergraduate degree abroad before coming to the United States for a Ph.D.<sup>10</sup> It is noteworthy that the nation saw this large increase in the percentage of foreign-born who obtained U.S. Ph.D.s at the same time, as Freeman, Jin, and Shen point out, U.S. minorities and women showed significant increases in obtaining Ph.D.s in these fields.

Additional research by Richard Freeman shows that the European Union granted 40 percent more Ph.D.s in science and engineering than the United States in 2001 and that the E.U. is projected to produce twice as many science and engineering doctorates as America by 2010. Freeman points out there are concerns that as other nations outstrip the capacity of the United States to produce highly-skilled scientists and engineers more high-value work will flow out of this country and be performed elsewhere.<sup>11</sup>

Today, more than 50 percent of the engineers with Ph.D.s working in the United States are foreign-born, according to the National Science Foundation. In addition, 45 percent of math and computer scientists with Ph.D.s, as well as life scientists and physicists, are foreign-born. Among master's degree recipients working today, 29.4 percent of engineers, 37 percent of math and computer scientists, and 25 percent of physicists are foreign-born.<sup>12</sup> Many of these individuals first came to the United States as international students. There are other overlooked benefits of international students and immigrants. A National Foundation for American Policy study found that over 60 percent of the finalists in the 2004 Intel Science Talent Search – the top high school science students in America – were the children of immigrants. And 20 percent of those parents came to the United States as international students.<sup>13</sup>

Statistics do not tell the whole story. Dr. Jagdish Kumar Aggarwal, who received a master's and Ph.D. from the University at Urbana-Champaign, was awarded the 2005 IEEE Lean K. Kirchmayer Graduate Teaching Award from the Institute of Electrical and Electronics Engineer (IEEE), an organization that has often opposed the entry of skilled foreign-born professionals to America. Dr. Aggarwal, a professor of engineering at the University of Texas at Austin, served as director of NATO's Advanced Research

Workshop on Multisensor Fusion for Computer Vision.<sup>14</sup> More than one-third of American university engineering faculty with Ph.D.s is foreign-born.<sup>15</sup>

Other examples of outstanding international students include Sergey Brin, founder of Google, who came to the United States as a student at Stanford University, Andy Bechtolsheim, a German-born founder of Sun Microsystems, who came to America to study electrical engineering at Carnegie-Mellon University and later Stanford, and many others. The governments of nations around the world contain many high-ranking officials who attended U.S. universities.<sup>16</sup>

### **Understanding the Obstacles to Increasing International Student Enrollment**

The first to voice alarm about the impact of post-September 11, 2001 policies on the enrollment of international students was NAFSA: Association of International Educators. NAFSA's January 2003 task force report *In America's Interest: Welcoming International Students*, concluded, "Rather than retreating from our support for international student exchange – and forgoing its contribution to our national strength and well being – we must redouble our efforts to provide foreign student access to U.S. higher education while maintaining security."<sup>17</sup>

The business community expressed concern publicly about the impact of visa and international student policies on the long-term competitiveness of U.S. firms. Microsoft Chairman Bill Gates has called the policy "a disaster." Meanwhile, Jeff Immelt, chairman and CEO of General Electric, said, "This is a case where our policy to close down on access boomerangs. It moves jobs out of the United States and creates less incentive for people to study the U.S."<sup>18</sup>

Specifically, the policies referred to tightened admission into the United States, lengthened processing times, and made it less likely for an international student to receive a U.S. visa than prior to the September 11, 2001 attacks. But one should not view this as a case of unintended consequences. A widespread public perception took hold after the attacks on New York and Washington, D.C. that it is too easy to enter the United States from abroad. Members of Congress, in particular, excoriated consular officers, while criticism of Mary Ryan, assistant secretary of state for consular affairs, forced her retirement from the State Department after she lost support from her superiors. Three of the September 11, 2001 hijackers had some connection to international study, though none were full-time international students enrolled in four-year or graduate degree programs. Two had changed their status from visitor to student to enroll in flight schools and another had enrolled in a language program.<sup>19</sup>

In response to measures passed by Congress the State Department required nearly all visa applicants to be interviewed in person, significantly increasing the workload in consulates around the world. Additional or more intensive security clearances became required for individuals from certain countries and studying in certain fields. New regulations and tighter enforcement made it more difficult to enter on a visitor visa and change to student status inside the country. It also became more problematic to travel back and forth from one's home country to the United States for people who were not green card holders. Perhaps most importantly, visas that may have been approved in the past turned into denials, as signals from Washington, D.C. influenced the decisions of consular officers. Between 2001 and 2003 the number of visa applications refused for F-1 students increased from 27.3 percent to 35.2 percent.<sup>20</sup>

To better understand the impediments to increasing international student enrollment at U.S. universities, particularly in science and engineering at the graduate level, let's look at the process and the issues facing a typical international student.

Susan Lin, although a composite of different individuals, reflects the experience of many international students.<sup>21</sup> Susan is completing an undergraduate degree in Beijing and would like to study abroad to obtain a Ph.D. in electrical engineering to conduct research in nanotechnology, a field many experts believe will produce numerous commercial applications in the coming years. Susan knows that America's engineering schools are reputed to be the best in the world but she has heard many stories about problems obtaining a visa.

One reason Susan might want to apply to an American university is to work at the cutting edge in her field. She is uncertain whether China will provide that type of opportunity. However, she also knows that it has become more difficult for high-skilled foreign nationals to obtain work visas in the United States.

Susan was advised by a friend that starting in 1997 and continuing to the present, foreign nationals have seen their ability to be hired by U.S. companies limited by the exhaustion of the annual H-1B visa quota for professionals, primarily in high technology fields. In FY 2005, the entire annual allotment of H-1B visas was used up on the first day of the fiscal year. That meant several months went by in FY 2005, as it had in previous years, when a U.S. employer could not hire a foreign national on an H-1B visa. (In FY 2005, Congress permitted the annual allotment to fall back to 65,000 visas a year after having raised the total in prior years.) Similarly, Susan read in the newspaper that prior to the start of FY 2006 the Department of Homeland Security announced that it had

received enough applications to exhaust the supply of H-1B visas before the fiscal year even began. She also knows that it can take years to obtain a green card (permanent residence) in the United States due to processing delays.<sup>22</sup>

Susan has heard from friends that countries besides the United States seem more interested these days in attracting students like her. The statistics bear out this perception. While U.S. enrollment of Chinese students has been mostly flat in recent years, the United Kingdom experienced a 25 percent increase between 2003 and 2004, according to the British Council director of examinations in China. Australian Universities have seen similar growth in Chinese student enrollment.<sup>23</sup>

Susan is concerned, too, about costs. One reason she decided against attending a U.S. university as an undergraduate is it would have been too much of a financial strain on her family, since few scholarships are available for international students at that level. She understands there is more money available from U.S. universities for international students for graduate school. According to the Institute of International Education more than 40 percent of international graduate students list a U.S. university as their primary source of funds, compared to only 10 percent of (foreign) undergraduate students.<sup>24</sup> Still, that means over 50 percent of foreign graduate students must rely primarily on personal or family funds. Moreover, even the 40 percent who receive a majority of their funding from a U.S. university must often supplement that with personal or other funding to afford schooling in the United States. Susan knows that international students are not eligible to receive U.S. government grants (Pell Grants) or participate in the federal student loan program; international students must pay out of state tuition at public universities. She has read that legislators in some U.S. states have argued that

international students take educational opportunities away from their state's residents, although no laws have yet been enacted at the state level to restrict international students in a serious way.

After weeks of indecision, Susan applies and eventually is accepted to three American graduate schools and one British university. She decides to attend the University of Texas at Austin because she is impressed with the engineering program and she was offered a financial aid package that will make the school more affordable for her family. Moreover, two of the school's professors, Dr. Aggarwal and Dr. Jacob Abraham, are known to her professor in Beijing and she is eager to study under them. Like Dr. Aggarwal, Dr. Abraham also came to the United States as an international student and, with over 300 publications, is among the most cited researchers in the world.<sup>25</sup>

Unlike a U.S. student, when a foreign national is accepted to an American college that is only half the battle. To enter the United States to enroll at the University of Texas at Austin, Susan must apply for a visa at the U.S. embassy or at one of the American consulates in China. The State Department gives priority for international student interviews, so she receives her appointment time within a few days. Fortunately, she lives in Beijing and can easily access the embassy. But if she lived far away, she might have to fly and stay in a hotel in order to attend the interview.

Contrary to popular impression, the vast majority of denials for student and other visas have little to do with national security. This makes sense, since relatively few of the more than 5 million people annually who receive a temporary visa to the United States represent any threat of criminal or terrorist activity.

The primary cause of most international student visa denials by U.S. consular officers is the requirement that international students and other temporary visa applicants prove they do not intend to stay permanently in the United States. Section 214(b) of the Immigration and Nationality Act states that “every alien... shall be presumed to be an immigrant until he establishes to the satisfaction of the consular officer, at the time of application for a visa... that he is entitled to nonimmigrant status...”

While this requirement has been on the books for decades, the evidence indicates it became more strictly enforced after September 11, 2001. A U.S. Embassy official in China has said that he tells “every Congressman and Senator I meet that 214(b) really is a problem for students and U.S. institutions.”<sup>26</sup> In other words, U.S. consular officers deny visas to individuals who they believe may stay in the United States after completing their education, even though it may be beneficial for America if such individuals, in fact, remained to work or teach here.

It is the reality of this policy that Susan Lin must face when she enters the U.S. embassy for her interview. When the interview starts, Susan tugs at her hair and grows nervous, knowing a wrong answer (or even her demeanor) could cost her an opportunity to study in the United States.<sup>27</sup> In other words, this interview can change her life. The consular officer reviews the financial records, since an international student must demonstrate he or she is capable of funding the education through personal or other means. It appears that between her family’s assets from the bank records and the financial package offered by the University of Texas at Austin there is enough money to fund Susan’s studies.



“What do you plan to do after you receive your degree in electrical engineering?” asks the consular officer.

Susan knows working in the United States is an uncertain proposition. Moreover, she has learned that three years is a long time and it would appear boastful to tell anyone that after graduating she plans to get a job at a top American company. More importantly, she has heard that consular officers frown upon those who they believe plan to stay in the United States after completing their studies.

“I plan to come back to China after studying in America,” says Susan.

“Don’t you want a job in America?” he asks.

“I don’t know if I would be good enough for that. My father is an engineer and I think he can help me get a job in Beijing once I come back with an American degree,” says Susan.

After a few more questions, the consular officer thanks Susan. The interview lasted less than five minutes. If the officer believed Susan intended to stay in the United States, he would have denied her on the spot under 214(b) as an “intended” immigrant. Instead, he tells her she will receive notification in about a month. This is because since Susan is a Chinese national and planning to study at the graduate level in a technology field, her visa application will undergo an additional level of screening called Visas Mantis. The Visas Mantis process was developed administratively by the State Department and requires interagency clearance for “visa applications for persons to study or work in certain sensitive scientific and technical fields” to “screen against the illegal transfer of technology.”<sup>28</sup>

Visas Mantis is a good example of the ebb and flow of policymaking often missed by the public. When the impact of post September 11, 2001 policies became clear, the education community and the media reacted, particularly when confronted with incidents of year-long waits for approvals and discouraged or denied students. As recently as October 2003, more than 40 percent of the Visas Mantis cases took more than 45 days to clear, due in part to the increased workload of other security advisory opinions. Today, fewer than 15 percent of Visas Mantis screenings take longer than 30 days.<sup>29</sup>

Weeks go by and Susan worries. She wonders if there is still time to tell the school in England she wants to go there instead. She is unsure what to do. Finally, four weeks after her interview, Susan receives word that her visa application has been approved. She is coming to America.

Susan overcame a number of hurdles to be able to enroll at a major U.S. university. Not everyone succeeds. The many obstacles in their paths can thwart even the most determined international students. For that reason these impediments will need to be addressed if the United States is to expand the enrollment of international students, particularly in science and engineering.

### **A Prescription for Change**

To increase international student enrollment and maintain a steady flow of talented individuals into fields important to America, while also balancing security concerns, it is necessary to change certain policies and promote new approaches to international education. These changes would involve government, business and universities.

First, change the requirement that to obtain a visa individuals pursuing master's and Ph.D.s in the United States must demonstrate they will return to their home country. In the past, Congress has changed the law to allow other types of visas, such as H-1B and L visas, to become what is called "dual-intent," meaning an individual should not be denied a visa because they may intend to stay (lawfully) in the United States after their temporary period of admission expires.

Amending 214(b) of the Immigration and Nationality Act to exclude international graduate students from the requirement they must intend to leave after completing their studies is a logical extension of the law Congress passed last year to expand the H-1B quota. Under the new law, up to 20,000 foreign nationals a year who graduate with a master's degree or higher from a U.S. university are exempt from being counted against the annual limit on H-1B visas.<sup>30</sup> This change in the law did not prove controversial and seemed a logical way for the United States to retain valuable human capital. It raises an obvious question: Why would U.S. policy provide an exemption so international graduate students can stay here and work, while retaining a law elsewhere in the code that prevents such students from entering the U.S. if consular officers divine such students actually intend to stay here and work?

Amending 214(b) as it applies to graduate students, an action recommended by the National Academy of Sciences panel, would increase the ability of U.S. universities to attract outstanding students.<sup>31</sup> It would also be more politically saleable than attempting to eliminating it entirely for all international students.

Catheryn Cotten, director, international office, Duke University, relates the story of a Chinese student earning a Ph.D. in a scientific field who went home to visit and

could not receive another visa because the consular officer accused her of wanting to stay in the United States to work after completing her Ph.D. This demonstrates the self-defeating nature of U.S. policy. American officials should *hope* a scientist receiving a Ph.D. from Duke University wants to stay in America. After a number of months the student from China was eventually allowed to reenter the United States but as Catheryn Cotten says, “Students are scared. They need to go home, they need to travel, but are now often afraid to do so.”<sup>32</sup> Students stranded out of the country for months can see their research efforts destroyed if they are part of projects that involve cooperation with other researchers.

Second, the United States should streamline the immigration process for international graduate students in science and engineering. International students earned nearly 60 percent of U.S. doctorates awarded in engineering in 2002.<sup>33</sup> It is in America’s interest that as many of those individuals as feasible stay and work in the private sector, perform research in our labs, or teach at U.S. universities.

A key existing impediment under the current system is that a company must hire a highly-skilled foreign national on a temporary visa, normally an H-1B visa. But as noted earlier, the supply of H-1B visas has been sporadic, creating uncertainty. “We have heard from faculty who travel abroad that the prospect that people won’t be able to work in the United States after completing their studies is a major concern,” says Duke’s Catheryn Cotten. An opportunity to work in America can be part of the attraction of studying here, often justifying the enormous financial investment international students must endure to attend a U.S. college. The uncertainty created by inadequate quotas and processing delays sends the signal to ambitious applicants that the United States may no longer be the place

to fulfill your dreams. The annual quota on H-1B visas should be raised sufficiently to prevent the backlogs and delays caused each year under current law.<sup>34</sup>

After completing his or her degree, an international student must be sponsored by a U.S. employer to become a lawful permanent resident. The problem is that the process can take two years or longer, given the delays and backlogs at the Department of Labor and Citizenship and Immigration Services. The country quotas in place for employment-based green cards are resulting in even more significant backlogs for Indian and Chinese professionals sponsored for permanent residence by U.S. companies and universities. Tracy Coon, director of corporate affairs, the Intel Corporation, proposes that the United States grant lawful permanent residence to foreign-born graduate students in science and engineering as a matter of course.<sup>35</sup>

There are various policy options that can be pursued to make it easier for international students with advanced degrees to transition to lawful permanent residence. Congress could allow employers to sponsor such students without having to file for “labor certification,” an often bureaucracy-driven process by which employers must demonstrate a shortage exists for that type of worker. Another approach would be to create a new visa category for international graduate students who have completed their U.S. studies, which would allow such individuals to avoid the current backlogs that plague the employment-based immigrant categories.

Third, to deal with both policy and processing problems, the U.S. government needs to increase accountability and improve coordination among the numerous departments with authority over international students.<sup>36</sup>

One approach would be to require a single Administration official to coordinate policy and address emerging problems. That person could chair a coordinating council that would periodically meet on international student issues. This would lead to a logical setting of priorities to balance security and other interests, and would inject accountability into policies affecting international education. In the weeks following September 11, 2001, such an individual would have been able to take charge and ensure that proposed policy changes would achieve their stated objectives, fit into the nation's overarching goals on science, education, and foreign policy, and were properly resourced to avoid the types of significant processing delays witnessed in 2002 and 2003. Marlene Johnson, Executive Director and CEO of NAFSA: Association of International Educators, believes such an individual needs to be located in the White House, and that the message from that official should be connected to our overall message to the world about the United States. Whether or not this individual is placed in the White House, given the importance of the issue a designated center of authority and focus would greatly enhance the country's ability to address international issues and the role they play in the U.S economy and foreign policy.

Fourth, U.S. universities need to increase their marketing abroad to attract international students to the United States. While certainly there are U.S. schools that do market themselves abroad, the increased competition means more will need to be done by any school hoping to enroll more international students. The lingering negative impressions related to U.S. visa policies and increased competition means that old methods may be insufficient to convince students abroad that a particular U.S. institution is their best option. "Schools should absolutely increase their marketing," said NAFSA's

Marlene Johnson. “While we need a marketing plan as a nation for international education individual universities need to compete abroad to attract students.”<sup>37</sup>

“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,” writes Peggy Blumenthal, vice president for educational services, Institute of International Education. “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.”<sup>38</sup>

Fifth, universities, businesses, and the U.S. government should work together on a strategic plan to convey the message that America is the best place to gain an education. The time has passed when America “sold itself” as the destination of choice for international students. Negative publicity about the difficulties of gaining a visa and avoiding U.S. processing hassles more generally have affected the perception of America as a desirable place to work and study for foreigners with other options. The “Opening Doors for Foreign Students Act of 2005,” which was included as an amendment to legislation that passed the U.S. House of Representatives in July 2005, requires “the development of a comprehensive strategy by the Secretary of State, in consultation with the Secretaries of Homeland Security, Education, and Commerce, to attract foreign students to study in the United States.”<sup>39</sup> This legislation followed prior bills, which did not become law, authored by Senator Norm Coleman (R-MN) that would, among other things, require a U.S. strategy for international education.<sup>40</sup>

A House resolution, introduced in 2005 but not acted on, sponsored by Reps. Jim Kolbe (R-AZ) and James Obestar (D-MN) declares, “It is the sense of Congress that the United States should establish an international education policy to foster mutual understanding and respect among nations, promote a world free of terrorism, further United States foreign policy and national security, and enhance United States leadership in the world.” The resolution states: “New security measures have had the unintended effect of weakening the United States position as the leading destination of international students seeking higher education.” Among other things, it calls for establishing an international education policy to “ensure that visa and employment policies promote increased access to the United States by international students, scholars, and exchange visitors, consistent with homeland security.”<sup>41</sup>

To the extent they are not doing so already, universities should work with businesses that maintain offices abroad to encourage at least minimal partnerships in promoting American colleges. While the primary responsibility of U.S. companies is to run their business in a profitable manner, companies will also see it in their interest to help American universities promote themselves both individually and collectively. The U.S. Department of Education and U.S. Department of State can formulate a broader campaign, in cooperation with universities, to advertise America as a place to gain an education. If they do not already, governors who often travel abroad to attract investment should be encouraged by universities in their states to promote state schools overseas. An effort launched in 2001 by the Indiana Department of Commerce and the Indiana Consortium of International Programs, made up of Indiana universities, is credited with



increasing the state from 13<sup>th</sup> to 10<sup>th</sup> among the most popular American destinations for international students.<sup>42</sup>

To help deal with the expense of a U.S. university education, Duke University and some other universities are setting aside resources obtained from private sources to provide financial assistance for international students, in part under the belief that providing exposure on campuses to students from different nations also benefits U.S. students. Duke's Fuqua School of Business provides low-interest loans for international students in its graduate program. A task force of educators convened by NAFSA, the Committee on Institutional Cooperation, and Indiana University recommended that universities consider developing endowments aimed at support for international students attending their schools.<sup>43</sup> Marshall Kaplan, executive director of the Merage Foundations, recommends a business and foundation fund that can provide students with financial assistance.

Finally, to the extent the United States will continue to provide financial assistance to other nations, we should consider providing part of that assistance in the form of need-based vouchers to qualified international students from those nations to study at U.S. universities. This would turn a portion of foreign aid into student aid spent in the United States for tuition and room and board, while providing an opportunity to educate and expose individuals to America who do not possess the resources to self-fund a U.S. college education.

Assistance of any kind is most effective when it is tangible and directly affects the lives of individuals. While the U.S. government funds the Fulbright Program for

approximately 1,300 international students a year, the proposal here is for a broader approach that becomes part of our foreign aid packages aimed at the developing world.

Some might argue that if an individual stays in America that is not really aiding that student's home country. That is not true. If the individual stays in America and becomes successful, he or she will likely maintain ties to his or her home nation, perhaps returning to invest in a business, as has been done by many successful Indian-Americans, such as Vinod Khosla and Raj Vattikuti. If the individual returns to that nation right after graduation to begin working in his native land, then we will have likely produced someone open and sympathetic to America who can serve as a window to our country for his or her fellow citizens.

## **Conclusion**

America remains a land of opportunity. It also remains a place where an individual can come, receive an education, and make a valuable contribution to our society. That individual may return to their native country and retain a positive impression of America as he or she rises in the ranks of business or government. That contribution may also mean staying in the United States after graduation and receiving a patent for a new technology, starting a business that creates jobs, or teaching U.S. college students at a major American university.

Obstacles remain that prevent the United States from significantly increasing the enrollment of international students at U.S. universities, particularly in graduate-level science and engineering programs. Policy improvements can be made in several areas

that will ensure American leadership in international education and strengthen America's standing in technology, research, and education.

The door has not shut closed on international students. We still possess a window of opportunity to improve our policies and enhance America's standing as the place where one can come to study and learn. It is in our national interest that we seize this opportunity.

## **About the Author**

Stuart Anderson is Executive Director of the National Foundation for American Policy, a non-profit, non-partisan public policy research organization in Arlington, Va. focusing on trade, immigration, and related issues. Stuart served as Executive Associate Commissioner for Policy and Planning and Counselor to the Commissioner at the Immigration and Naturalization Service from August 2001 to January 2003. He spent four and a half years on Capitol Hill on the Senate Immigration Subcommittee, first for Senator Spencer Abraham and then as Staff Director of the subcommittee for Senator Sam Brownback. Prior to that, Stuart was Director of Trade and Immigration Studies at the Cato Institute in Washington, D.C., where he produced reports on the military contributions of immigrants and the role of immigrants in high technology. He has an M.A. from Georgetown University and a B.A. in Political Science from Drew University. Stuart has published articles in the *Wall Street Journal*, *New York Times*, *Los Angeles Times*, and other publications.

## **About the Merage Foundation for the American Dream**

The Merage Foundation for the American Dream, which provided funding for this study, was initiated in late 2004 to help American immigrants live their American Dream and to help Americans better understand the impact of immigration on the nation. The Foundation was initiated by Paul Merage, founder and former head of CHEF AMERICA. Paul Merage is President of the Foundation. The Foundation is directed by Marshall Kaplan, former Dean of the Graduate School of Public Affairs, as well as head of the Wirth Chair and Institute for Public Policy, at the University of Colorado. The Foundation provides stipends to college seniors who are immigrants to pursue their American Dream. It also publishes an Occasional Paper series. The papers have focused on crime and immigration, the economic and fiscal costs and benefits of immigration, and the relationship of immigration to Social Security. The Foundation prepares award-winning DVDs and educational materials concerning America's immigration history and immigrant leaders who have contributed to America. The first four DVD's have been distributed to over 1200 high schools as well as to community organizations. The DVDs include profiles of Jack Rosenthal former Pulitzer Prize winning editor of *The New York Times*; Dr. David Ho, *Time Magazine's* Person of Year in 1996 and a distinguished scientist; and Isabel Allende, internationally respected author. The Foundation works with the New York Times/Scholastic and Donna Dewey, an Academy Award winner, to produce and distribute the DVDs. The Foundation convenes national and regional forums on immigration issues.

## ENDNOTES

<sup>1</sup> After declining in 2002 and 2003, the number of F-1 student visas issued by the State Department increased 1 percent between 2003 and 2004.

<sup>2</sup> *Policy Implications of International Graduate Students and Postdoctoral Scholars in The United States*, Committee on Science, Engineering, and Public Policy, Board on Higher Education and Workforce, Policy and Global Affairs, The National Academies, (National Academy of Sciences), Washington D.C., (prepublication copy), pp. 26-27. Hereafter referred to as the National Academy of Sciences report, 2005. Ibid., pp. 26-27.

<sup>3</sup> *Open Doors 2004*, Report on International Educational Exchange, Institute of International Education, May 2005. Also, Peggy Blumenthal, "International Student Enrollment Trends: The U.S. Scene Within the Global Context," Institute of International Education, 2005, p 2, For a different perspective on the data see Robert Satloff, "The Brain Drain That Wasn't," *The Weekly Standard*, July 25, 2005.

<sup>4</sup> A drop in applications does not in itself translate into a decline in enrollment, since it could reflect the same number of students deciding to apply to fewer universities. International student applications for U.S. graduate schools declined by 28 percent between 2003 and 2004 and a further 5 percent between 2004 and 2005, according to the Council of Graduate Schools. As cited in National Academy of Sciences report, 2005, pp. 26-27. In addition, 74 percent of schools reported level or declining enrollments for international graduate students at the start of the 2004-2005 academic year, according to a survey conducted by major U.S. educational organizations. Survey of Foreign Student and Scholar Enrollment and Visa Trends for Fall 2004, November 2004. The survey was conducted by NAFSA: Association of International Educators, the Association of American Universities (AAU), the National Association of State Universities and Land-Grant Colleges (NASULGC), the Institute of International Education (IIE), and the Council of Graduate Schools (CGS). [http://www.nafsa.org/content/PublicPolicy/forthemedia/enrollment\\_surveysummary.pdf](http://www.nafsa.org/content/PublicPolicy/forthemedia/enrollment_surveysummary.pdf)

<sup>5</sup> National Academy of Sciences report, p.10.

<sup>6</sup> Institute of International Education.

<sup>7</sup> Interview with Robert Gelfond.

<sup>8</sup> National Academy of Sciences report, p. 2.

<sup>9</sup> Ibid., p.8.

<sup>10</sup> Richard Freeman, Emily Jin, and Chia-Yu Shen, *Where Do New U.S.-Trained Science-Engineering Ph.D.s Come From?*, NBER Working Paper No. 10554, National Bureau of Economic Research, June 2004, abstract.

<sup>11</sup> Richard B. Freeman, "Does Globalization of the Scientific/Engineering Workforce Threaten U.S. Economic Leadership?", paper delivered at Innovation Policy and the Economy Conference, April 19, 2005, Washington, D.C., pp. 5-6.

<sup>12</sup> *Science and Engineering Indicators 2004*, The National Science Board, National Science Foundation, January 2004.

<sup>13</sup> Stuart Anderson, *The Multiplier Effect in International Educator*, Summer 2004; also available at [www.nfap.com](http://www.nfap.com).

<sup>14</sup> *India Abroad*, July 15, 2005

<sup>15</sup> Richard B. Freeman, "Does Globalization of the Scientific/Engineering Workforce Threaten U.S. Economic Leadership?", p. 8.

<sup>16</sup> <http://exchanges.state.gov/education/educationusa/leaders.htm>.

<sup>17</sup> <http://www.nafsa.org/content/PublicPolicy/stf/inamericasinterest.htm>. See Executive Summary.

<sup>18</sup> *Financial Times*, February 7, 2005.

<sup>19</sup> Stephen Yale-Loehr, Demetrios Papademetriou, and Betsy Cooper, *Secure Borders, Open Doors: Visa Procedures in the Post September 11 Era*, Migration Policy Institute, 2005, pp. 171-172.

<sup>20</sup> "An Emerging and Critical Problem of the Science and Engineering Labor Force," A Companion to Science and Engineering Indicators 2004, The National Science Board, National Science Foundation, January 2004.

<sup>21</sup> As indicated, Susan Lin is not a single individual but composed based on the experience of other international students for the purpose of explaining the process and issues raised surrounding international student enrollment at U.S. universities.

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<sup>22</sup> Due to the long processing times, many high-skilled individuals are hired first in H-1B (temporary) status prior to being sponsored for a green card.

<sup>23</sup> Kyna Rubin, "China's Students; Turning Away of Staying Home," *International Educator*, Summer 2004, pp. 10-11.

<sup>24</sup> *Open Doors 2004*, Institute of International Education, Table on Primary Source of Funding by Academic Level at <http://opendoors.iienetwork.org>.

<sup>25</sup> *India Abroad*, July 15, 2005.

<sup>26</sup> Rubin, p.13.

<sup>27</sup> Cornelius D. Scully, a former high-ranking State Department official in the Visa Office, provided much helpful information on the consular interview process.

<sup>28</sup> "Extension of Validity for Science Related Interagency Visa Clearances," Office of the Spokesman, U.S. Department of State, February 11, 2005.

<sup>29</sup> National Academy of Sciences report, 2005, p.72.

<sup>30</sup> The law is the L-1 Visa and H-1B Visa Reform Act, passed on November 20, 2004.

<sup>31</sup> The NAFSA strategic task force in its 2003 report did not specifically recommend a separate standard for international graduate students. Instead, it stated "Immigration laws affecting international students must be updated to reflect twenty-first century realities, particularly by replacing the unworkable 'intending immigrant' test set forth in section 214(b) of the Immigration and Nationality Act with a standard that focuses on whether or not the applicant is a legitimate student."

<http://www.nafsa.org/content/PublicPolicy/stf/inamericasinterest.htm>. See Executive Summary.

<sup>32</sup> Interview with Catheryn Cotten.

<sup>33</sup> Richard B. Freeman, "Does Globalization of the Scientific/Engineering Workforce Threaten U.S. Economic Leadership?", p. 5.

<sup>34</sup> "Jobs and Immigrants," *The Wall Street Journal*, Editorial, August 26, 2005.

<sup>35</sup> Thomas Friedman, *The World Is Flat*, Farrar, Strauss, and Giroux, 2005, p. 273. Koon said, "People who graduate in these very technical fields that are critical to our industries should get a green card stapled to their diploma."

<sup>36</sup> Currently within the immigration policy realm, Citizenship and Immigration Services splits functions with Immigration and Customs Enforcement. The White House office of Science and Technology Policy becomes involved on major issues. The U.S. Department of Education appears to be a passive player that exerts little influence on even the most basic question of whether the United States should encourage increased enrollment of international students at U.S. universities. The State Department maintains consular offices that are separate, of course, from the work of the Bureau of Education and Cultural Affairs with regards to international student policy. The U.S. Department of Commerce also has interest in the issue.

<sup>37</sup> Interview with Marlene Johnson.

<sup>38</sup> Peggy Blumenthal, p. 3.

<sup>39</sup> Daniel Obst and Joanne Forster, "International Students in the Context of the U.S. Higher Education System," Institute of International Education, 2005, p. 6. The legislation is H.R. 2601, the Foreign Relations Authorization Act for FY 2006 and 2007.

<sup>40</sup> Senator Coleman's bills are the Opening Doors for Foreign Students Act of 2005, International Student and Scholar Access Act of 2004, and American Competitiveness Through International Openness Now Act of 2005.

<sup>41</sup> The bill is H. Con. Res. 100.

<sup>42</sup> Daniel Obst and Joanne Forster, p. 8.

<sup>43</sup> Interview with Catheryn Cotten, Duke University; In America's Interest: Welcoming International Students, The Role of Higher Education, NAFSA and the Committee on Institutional Cooperation, White Paper from April 21-22, 2005 symposium at Indiana University. The task force also recommended exploring longer payment schedules for such students.