

## POLICY PAGE

Opinions on how laws are affecting CRE

# Will Foreign-Policy Changes Affect the Student-Housing Sector?

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International students have become an increasingly important segment of the United States' higher-education community, totaling nearly 1.1 million students representing 5.3 percent of total higher-education enrollments, according to The Institute of International Education's *Open Doors® 2017 "Fast Facts."* NAFSA's "Economic Benefit of International Students, 2016-17" reports that these international students generate an estimated \$36.9 billion annual economic impact nationwide that supports more than 450,000 permanent jobs. International enrollments have grown by 85 percent over the last decade and have been growing at a rate of 50,000 students per year — the equivalent of two large universities per year.

As important as the economic impact these students produce for our economy are the enrichment and culture they offer to the educational experiences of all students at their universities in the context of a global economy and increasingly more diverse United States population.

But since the election of President Trump in November 2016, many higher-education leaders have communicated concerns about the short- and intermediate-term future of international student enrollment in the U.S. Concerns have been voiced that more aggressive foreign-policy positions related to immigration, travel, and trade would create delays and increased difficulty in obtaining required F1 and M1 visas, accelerate deportation or stymie re-entry of foreign nationals, and instill fear of ill treatment in the U.S.

While all of those predicted impacts resulting from the president's foreign-policy initiatives have come about to some extent, the most recent data shows that international student enrollments are holding steady. According to ICE's Student and Exchange Visitor Program's Information System (SEVIS by



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the Numbers, Bi-Annual Report on International Student Trends, April 2018), active international student enrollments were down a mere 0.5 percent (or 6,210 students) in spring 2018, and degree-seeking students among those were actually up 0.8 percent, all of which is very good news for higher education and the economies surrounding the most popular U.S. universities among international students.

To put this in perspective, the country's tightening of student visa issuances in response to 9/11 caused a more significant impact on international student enrollments. In aggregate, international student enrollments declined by 21,557 (3.7 percent) between 2003 and 2005 (and have rebounded ever since), while international student enrollments have remained essentially flat thus far during the tenure of the Trump administration. The takeaway is that the U.S. remains viewed as one of the safe havens in the world, and many students intend to gain knowledge, language, and relationships through a college education here that they will take back with them to their home countries after graduation (or remain in the U.S. and do international business with their

home nations and others from the U.S.).

Similar to the size and role of California's economy in the U.S. and world economies, with more than 156,000 international students enrolled in the state (15 percent market share), California is the largest destination of choice for international students in the country. California universities are home to three or more times the number as any other state except New York (No. 2 at 118,424), Texas (No. 3 at 85,116), and Massachusetts (No. 4 at 62,926) — though California still is host to sizably more international students. The top 20 universities host 19 percent of the nation's international students, four of which are in California, including University of Southern California (No. 2 – 14,327), UCLA (No. 7 – 12,199), UC San Diego (No. 11 – 9,065), and UC Berkeley (No. 15 – 8,000).

California boasts a very diverse economy and population, and the international enrollment at its universities is a boon to the state. International students produce a \$6 billion economic impact on California's economy, supporting more than 70,000 permanent jobs, according to NAFSA: "California Benefits from International Students 2016-17." International enrollments at 14 California universities support more than 1,000 jobs.

While current U.S. foreign policy directives and actions may cause a temporary lag in the growth of international students, the fact remains that international students will continue to increase their market share of enrollment in the U.S. and California long into the foreseeable future. This is good for the country and good for California.

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### Job Creation & Annual Economic Impact From International Students California Universities 1,000 + Jobs 2016-2017

RANK	UNIVERSITY	JOBS	ANNUAL ECONOMIC IMPACT
1	University of Southern California	9,890	\$604,800,000
2	UCLA	7,867	\$529,400,000
3	UC San Diego	6,444	\$415,200,000
4	UC Berkeley	5,640	\$390,500,000
5	UC Irvine	4,907	\$316,400,000
6	UC Davis	4,714	\$315,000,000
7	Stanford University	3,426	\$216,300,000
8	UC Santa Barbara	2,152	\$143,300,000
9	UC San Francisco	1,608	\$105,600,000
10	Academy of Art, SF	1,416	\$224,200,000
11	San Diego State University	1,147	\$95,200,000
12	USC Fullerton	1,131	\$87,900,000
13	UC Riverside	1,117	\$73,400,000
14	UC Santa Cruz	1,035	\$71,000,000
	<b>Top 14 Total</b>	<b>52,494</b>	<b>\$3,588,200,000</b>