International Student Mobility

A Post-Pandemic Reset or a Broader Challenge?

By Elizabeth Collett

MPI
MIGRATION POLICY INSTITUTE

TransAtlantic Council on Migration

A Project of the Migration Policy Institute

International Student Mobility

A Post-Pandemic Reset or a Broader Challenge?

By Elizabeth Collett

Migration Policy Institute

April 2025

Contents

Executive Summary

Over the last two decades, international education has become a lucrative business, with more countries entering the race to attract tertiary-level international students. Many choose to study at institutions in the United States, the United Kingdom, Australia, and Canada, but other destinations in Europe, Asia, and Latin America have also joined the mix. And while Chinese and Indian nationals are among the largest groups of international students, enrollment is growing from countries as varied as Nigeria, Saudi Arabia, Mexico, and Brazil.

After years of growth and recruitment strategies, however, there are signs that attitudes toward international students are starting to shift in some major destination countries. A surge in post-pandemic arrivals and concerns about their impacts on local housing markets led governments in the United Kingdom, Australia, and Canada to all take steps to curb international student numbers, as the most flexible stream of immigrant admissions. These worries about the local impacts of immigration add to longer-standing concerns about the integrity of educational programs catering to international students, and some questions about whether international education is fully delivering on its potential.

After years of growth and recruitment strategies, however, there are signs that attitudes toward international students are starting to shift in some major destination countries.

In recent years, international students have come to provide a much-needed source of revenue for universities and their research budgets, especially in contexts where public investment has flatlined or been reduced. International students have also been a critical source of workers and local spending; for example, when shortages took hold in Australia starting in 2021, the government quickly extended international students' working rights to alleviate pressure on the hospitality sector. And while governments have little say over who universities decide to admit, they often view international student enrollment as a useful way to build their human capital pipeline, particularly for sought-after workers in science, technology, engineering, and mathematics (STEM) sectors.

At the same time, the benefits of international education have been unevenly felt. Most students have enrolled in universities in major urban centers, at times straining the local housing supply, even as more rural regions have struggled to attract and retain students despite their best efforts. And it is unclear whether international graduates are fulfilling expectations by bringing new skills to the labor market, or whether they are largely duplicating existing skills.

Policymakers thus find themselves at a crossroads. The tensions between rising demand for international education, the financial imperatives of maintaining or growing international student admissions, and the challenging politics of international migration are becoming increasingly apparent. But post-pandemic pressures around student numbers and some countries' decisions to slow admissions should not obscure the need to reflect more broadly on the long-term goals for international education. Governments will need to decide how they can balance their ambitions with capacity—and in contexts where rising numbers are no longer sustainable, to decide whether to utilize immigration policy more proactively to shape intake (for example, raising intake requirements or student visa fees) or to lean into emerging trends in transnational education (expanding programs that take place partly or wholly in a country other than that of the university of enrollment).

Going forward, governments will need to be clear about their objectives from an immigration, education, and workforce development perspective and translate these goals more effectively into policy response. It will be important to recognize that policies to dampen demand for international education may also have counterproductive effects for education providers and employers, cutting off a valued source of university income and workers respectively. Similarly, when exploring the potential of transnational education provision to address concerns about the scale of student admissions while sustaining growth in the education sector, it will be important to consider whether and how programs conducted largely or entirely abroad can still serve as a human capital pipeline. While tackling concerns about the future of international study is, at present, most pressing in countries such as Canada and Australia, other countries working to build up their international education sectors would do well to also consider these questions, before they become politically sensitive.

1 Introduction

Over the last two decades, the international education sector has become a huge market, estimated to be worth hundreds of billions of dollars per year.[1] There were 6.4 million international students[2] in 2021, according to figures from the United Nations Educational, Scientific, and Cultural Organization (UNESCO), with three-quarters studying in high-income countries.[3] This is a threefold increase over 2000, when 2 million students were globally mobile, and more than 20 times the 300,000 in 1963.[4] The United States, the United Kingdom, Australia, and Canada continue to draw large numbers of international students while expanding overseas education opportunities, but other destinations—such as Germany, Russia, Turkey, Japan, France, Argentina, and the Netherlands—have also entered into the mix.

For destination countries, international students provide an important source of income for universities (which may charge them higher fees than domestic students) to support their research and operations, a boost to local economies, and a critical human capital and labor pipeline. International students are usually afforded some work permissions during their studies, which can provide a valuable source of temporary labor in the service industry, for example. Additionally, international students may qualify for work visas to

1 HolonIQ, a market research consultancy, has estimated that international education will reach USD 433 billion by 2030, having totaled around USD 196 billion before the pandemic, up from USD 93 billion in 2010. See HolonIQ, "$196B International Education Market Set to Reach $433B by 2030 @ 7.4% CAGR," updated February 9, 2022.

2 This report focuses on tertiary-level students. However, there is no single definition of "international student," and data from different countries and institutions vary in their usage. The data from the United Nations Educational, Scientific, and Cultural Organization (UNESCO) used in this report define internationally mobile students as "individuals who have physically crossed an international border between two countries with the objective to participate in educational activities in the country of destination," and may include some students enrolled in secondary education as well as those enrolled in tertiary institutions. See UNESCO, "Glossary: Internationally Mobile Students," accessed March 22, 2025.

3 As of 2019, international students constituted 2.6 percent of all students globally. See UNESCO International Institute for Higher Education in Latin America and the Caribbean (IESALC), *Moving Minds: Opportunities and Challenges for Virtual Student Mobility in a Post-Pandemic World* (Paris and Caracas: UNESCO and UNESCO IESALC, 2022); UNESCO, *Higher Education: Figures at a Glance* (Paris: UNESCO, 2024).

4 UNESCO IESALC, *Moving Minds*. Note: Data collection has improved in recent years, which may contribute to the difference between international student numbers today versus in earlier periods when such data were less comprehensive.

stay in the country after graduation, potentially working in key shortage sectors. For students themselves, this expansion of international education opportunities can provide access to a world-class education and broaden career opportunities, particularly for those coming from countries where higher education options are limited or oversubscribed.

But in recent years, attitudes toward international students have started to shift. After reduced overseas migration levels caused by the COVID-19 pandemic and associated mobility restrictions, spikes in arrivals in Australia, Canada, and the United Kingdom have brought students into broader debates about the pressures immigration can place on local infrastructure and housing and how to address them, including by reining in temporary admissions. Concerns about the integrity of international student admissions and the quality of education programs catering to this population have also grown. In all three of these destination countries, such concerns have precipitated a series of policy measures designed to dampen demand and reduce the overall number of student arrivals, such as raising visa fees and subsistence thresholds as well as imposing caps on annual arrivals.

How can immigration and education policy effectively serve these different interests simultaneously, at a time when demand for overseas education has already expanded quickly and is predicted to further grow?

The ensuing debate may obscure a broader challenge for an international education sector that serves a variety of constituencies in the realms of education, employment, and immigration, each with incompletely compatible interests, as well as in local communities, where the benefits of large international student populations may be unevenly felt. How can immigration and education policy effectively serve these different interests simultaneously, at a time when demand for overseas education has already expanded quickly and is predicted to further grow?

This report outlines important considerations for governments seeking to answer this question. It begins with an overview of recent developments in the international education sector and countries' changing priorities for international student mobility, before shifting to examine policy levers that can be used to shape demand for international study, the form learning opportunities take, and how they can be smartly aligned with future labor market needs.

2 Recent Trends in International Education

The international education sector has diversified over the last two decades. The United States has consistently been the largest market for international study, with 298,523 new enrollments in the 2022–23 academic year, up 14 percent from 2021–22.[5] According to the National Association for Foreign Student Affairs (NAFSA), international students contributed more than USD 40 billion to the U.S. economy during 2022–23.[6] The United Kingdom, Australia, and Canada are also key destinations for international study, and

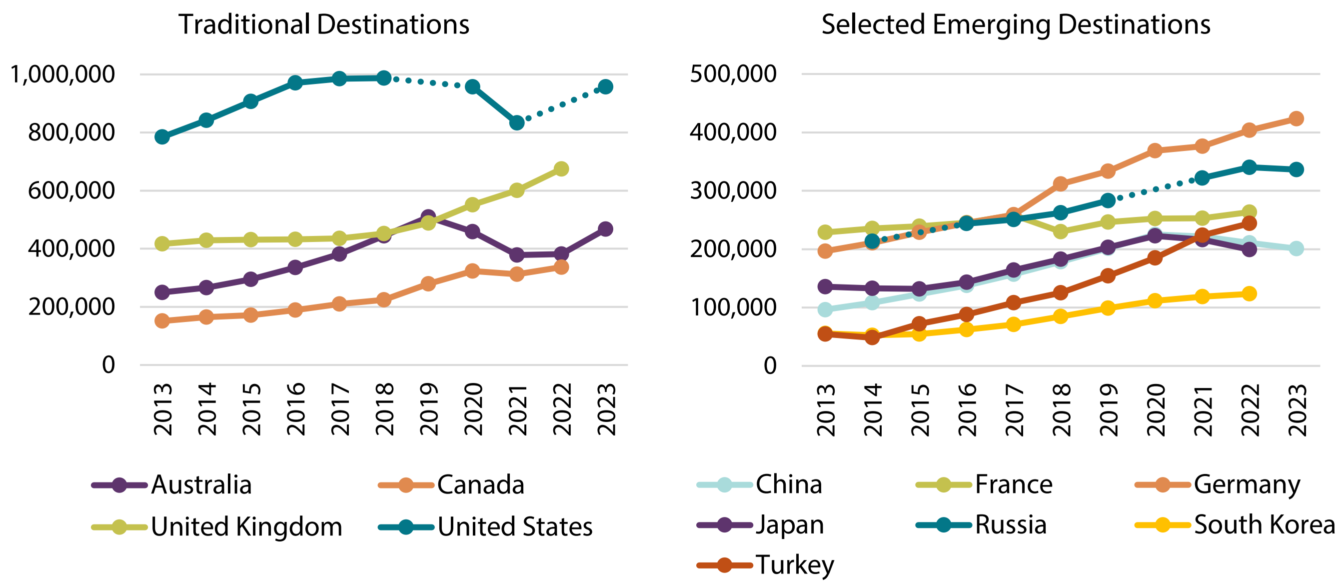
5 OpenDoors, "Fast Facts 2023" (fact sheet, Institute of International Education, Washington, DC, 2024).

6 National Association for Foreign Student Affairs (NAFSA), "New NAFSA Data Reveal International Student Economic Contributions Continue to Rebound" (news release, November 13, 2023). See also Allan E. Goodman and Mirka Martel, *Outlook 2030 Brief: The US and International Education* (Washington, DC: Institute of International Education, 2024).

together with the United States, they receive about one-third of all international students worldwide. But other destinations in Europe, Asia, and the Americas are also attracting growing numbers of international students. Mainland Europe has increased its interest in welcoming international students from beyond the European Union, with countries from France and Germany to Estonia and the Czech Republic seeking to attract more students. And in Asia, Japan, South Korea, Taiwan, and Malaysia have all set targets for attracting more students, while loosening requirements for both international study and post-graduation work.[7] Between 2022 and 2023, international student enrollment in Japan and South Korea increased by more than 20 percent in response.

FIGURE 1

Inbound International Students in Traditional and Emerging Destination Countries, 2013–23*



* Dotted lines indicate years for which data for certain countries were unavailable (e.g., the United States in 2019 and 2022, Russia in 2015 and 2020). Data for the most recent year, 2023, were also unavailable for several countries.
Note: The data from the United Nations Educational, Scientific, and Cultural Organization (UNESCO) used in this figure define internationally mobile students as "individuals who have physically crossed an international border between two countries with the objective to participate in educational activities in the country of destination"; this may include some students enrolled in secondary education as well as those enrolled in tertiary institutions. See UNESCO, "Glossary: Internationally Mobile Students," accessed March 22, 2025.
Source: UNESCO, "UNESCO Institute for Statistics (UIS) Data Browser—Total Inbound Internationally Mobile Students, Both Sexes (Number)," accessed March 18, 2025.

In some key markets, demand for international education has expanded significantly. In Canada, for example, the number of visas issued to students increased by 174 percent between 2010–11 and 2019–20, from 142,000 to 389,000. Just prior to the pandemic, international students comprised 18 percent of total enrollments in the country, up from 7 percent in 2010–11.[8] This increase offset a decline in domestic enrollments due to the declining population of young people in Canada. And in the United Kingdom,

7 International Consultants for Education and Fairs (ICEF), "South Korea on Track to Attract Thousands More International Students within the Decade," ICEF Monitor, July 24, 2024.
8 Statistics Canada, "Is the Recent Spike in International Students Affecting Domestic University Enrolment at Canadian Public Postsecondary Institutions?" updated January 22, 2024.

international students made up almost one-quarter of the total student population in higher education by 2021–22, doubling the proportion in just two decades (it stood at 12 percent in 2001–02).[9] Student migration to the United Kingdom peaked in 2022, with 484,000 study visas issued (38 percent more than in 2021) and a total of 680,000 international students at UK institutions during the 2021–22 academic year. This growth is not only due to a post-pandemic rebound effect, but also an explicit policy to attract more international students, targeting 600,000 annually by 2030, combined with the decision to reinstate post-graduation work rights.

The countries from which international students come have also evolved over time. China and, more recently, India dominate as sources of international students, but people in other countries are increasingly expressing demand for international education as well. Much of this demand is concentrated in Asia, but recent data also show growing enrollment of international students from countries such as Nigeria, Saudi Arabia, Brazil, and Mexico. In Australia, slightly more than half of international students enrolled 2024 came from just five Asian countries: China, India, Nepal, the Philippines, and Vietnam.[10] Canada, meanwhile, has seen rising enrollment of students from Nigeria, Ghana, Nepal, and Algeria, alongside China, India, and the Philippines.[11] And following Brexit, the United Kingdom has experienced a significant drop in international students from the European Union, leaving its universities more reliant on students from China, India, Nigeria, and other non-EU countries.[12]

Much of this demand is concentrated in Asia, but recent data also show growing enrollment of international students from countries such as Nigeria, Saudi Arabia, Brazil, and Mexico.

Decisions about where to study reflect a complex mix of geopolitical, linguistic, and historic ties. Beyond these anglophone destination countries, France attracts many North African students, while Portugal's international students largely hail from lusophone countries. Russia also has robust international student enrollments, which have increased since the pandemic, welcoming students from the former Soviet republics, Central Asia, and fellow BRIC countries. Finally, while China is a major sending country, it has also become a growing destination for students from across Asia, as well as increasing numbers from Africa, many of whom are on government scholarships.[13] As the cost of living and university fees continue to rise,

9 Mihnea Cuibus and Peter William Walsh, "Student Migration to the UK" (briefing, University of Oxford, Migration Observatory, Oxford, UK, January 24, 2024).

10 Australian Government, Department of Education, "International Student Monthly Summary and Data Tables," accessed October 8, 2024.

11 Canadian Bureau for International Education, "International Students in Canada Infographic," accessed December 20, 2024.

12 A significant proportion—around one-quarter—of international students prior to academic year 2021–22 had come from the European Union; however, with Brexit rules coming into effect, the number of EU-citizen students dropped by 53 percent, while the number of students from outside the European Union grew by 32 percent during the same period. See Cuibus and Walsh, "Student Migration to the UK."

13 According to some calculations, the African student population in China is second only in size to the African student population in France. See Zainab Usman and Aline Abayo, "What Are the Top Global Destinations for Higher Education for African Students?" Carnegie Endowment for International Peace, July 13, 2023. Data from China's Ministry of Education suggest that thousands of African students are studying at Chinese universities on government-funded scholarships (which as of 2018, funded about 13 percent of all international students' studies). See Maina Waruru, "Numbers of African Students in China Expected to Grow as Ties Increase," The PIE, March 1, 2024.

studying abroad in more expensive destinations becomes less feasible for some students and their families, who are increasingly seeking out more affordable locations.[14]

Nonetheless, the consensus is that demand for international study will continue to increase, and both students' nationalities and their destinations will continue to diversify.[15] The total number of international students is projected to reach 8 million by 2030, and possibly as high as 9 million, according to HolonIQ, a leading market research consultancy in the field.[16]

Looking ahead, both demographic and economic factors will play a determining role in which nationalities will dominate in the future. While the number of Chinese student enrollments are stagnating in key destination markets, notably the United States, Indian enrollments continue to rise, due in some part to the differing demographic trajectory of those two origin countries but also to limited domestic education capacity in India. And while the population of young people is growing rapidly in Africa, more limited economic growth in this region means that, while increasing, a relatively small number of African youth are able to afford to study overseas, even as they also face constrained higher education opportunities at home. Southeast Asia, with a strong demographic and economic outlook, appears set to continue as both a strong source and destination region for international study.[17]

Culture and expectations also play a role. Increasingly, while the chance to study at top universities remains prized, some students are seeking options that allow them to stay closer to home and to their families.[18] Across Asia, countries such as Malaysia and Singapore have made concerted investments in their higher education systems, and these have facilitated increased intraregional student mobility, with enrollment in both quality national institutions as well as well-known Western offshore education providers.[19] These options also tend to be lower cost, and thus available to a broader swath of the population, without compromising on employment prospects.

But it is clear that, even with an increasing number of countries investing in their international education sectors, demand for study at quality institutions will outstrip the number of places available, particularly in top destinations. This gap will be exacerbated if government-imposed caps on student admissions become more widespread, or if public sentiment toward international students continues to cool.

14 However, some academics have noted that international education does not conform to traditional cost–demand parameters but rather represents a Veblen good, where the more expensive options are more highly prized and thus more in demand than their cheaper counterparts. See ICEF, "Five International Education Trends That Will Extend into 2024," ICEF Monitor, December 13, 2023.

15 In 2023, students from 14 countries accounted for half of all international student enrollments: China, India, Vietnam, Germany, France, Uzbekistan, the United States, Nepal, Kazakhstan, Brazil, Syria, South Korea, Italy, and Ukraine. Meanwhile, students from the following countries are driving new demand in the sector: Nigeria, Pakistan, Iran, Morocco, Saudi Arabia, Colombia, Indonesia, Malaysia, Turkey, Bangladesh, Egypt, Sri Lanka, and the Philippines. See ICEF, "A Data-Based Case for Diversification: Study Finds that Only 14 Countries Account for Half of All International Student Enrolments," ICEF Monitor, February 1, 2023.

16 HolonIQ, "International Education Opportunities and Global Flows," updated February 12, 2024.

17 ICEF, "Southeast Asian Students Increasingly Considering 'Studying Abroad' Closer to Home," ICEF Monitor, February 1, 2024.

18 ICEF, "Southeast Asian Students."

19 ICEF, "Southeast Asian Students."

3 Changing Ambitions for International Student Mobility

Until recently, the attraction of large numbers of international students was viewed as an unalloyed economic and policy success in many high-income countries. Governments set targets and actively supported the education sector in overseas marketing efforts, facilitating visa applications. And during the pandemic, the absence of international students—or, more precisely, the lack of an available workforce for low-skill, part-time, often essential employment—was viewed as problematic, as students continued their programs online and remotely. Post-pandemic, the sharp rebound in international student numbers has prompted a deeper reflection as to their impacts on economies, labor markets, and communities and has, in some cases, led to governments introducing new restrictions.

A. *Harnessing the Economic Benefits of International Education*

The pursuit of international students has been motivated both by the recognition of the significant revenues international students can bring and their potential contributions as a source of short- and long-term labor. In this sense, international education has become a high-value sector for governments and universities alike.

The higher tuition fees paid by international students in many countries represent the most direct and visible contribution. Over the past several decades, international students have increasingly subsidized the growth of higher education as public funding has remained static. In Australia, total higher education revenue increased by 42 percent between 2008 and 2018, largely driven by growth in international student tuition, which more than doubled during that time.[20] Similarly, in the United Kingdom, there has been an increasing reliance on tuition fees from international students, which have increased as a share of total revenue over the past 20 years, and particularly rapidly since 2018. In the 2022–23 academic year, international student revenue represented 23 percent of total income for higher education institutions, totaling GBP 11.8 billion.[21]

Revenue from international students has helped universities invest in research. And as the number of domestic enrollments flatten, and even drop, in key destination countries—not least because of declining birth rates—international tuition revenue is increasingly important for institutions' long-term sustainability. But tuition fees form just one part of the economic picture, particularly in countries such as Germany where public universities are often free

As the number of domestic enrollments flatten, and even drop, in key destination countries—not least because of declining birth rates—international tuition revenue is increasingly important for institutions' long-term sustainability.

20 This is particularly notable across the top universities: in five of the famed "Group of Eight" universities, international students were responsible for more than half of total revenue in 2018, and for at least 40 percent in seven of the eight. See Andrew Norton, "Why Did Universities Become Reliant on International Students? Part 1: Government Funding Cuts" (blog post, June 1, 2020).

21 Paul Bolton, Joe Lewis, and Melanie Gower, "International Students in UK Higher Education" (research briefing, UK Parliament, House of Commons Library, September 20, 2024).

and overall fees are much lower than elsewhere.[22] For many countries, international students also represent high-value consumers. Beyond tuition, countries benefit from student spending on accommodation, food, retail, transport, and more. The tourism sector also benefits from the visits of international students' family and friends.

Given the financial opportunity, it is no surprise that governments and universities invest hugely in marketing and recruitment of potential students, spending millions to encourage new enrollments, particularly in high-growth regions such as Asia.[23] At the same time, the drop in student numbers during the pandemic in countries such as Australia and New Zealand also shone a light on their vital contributions to local businesses, both in terms of direct consumption and participation in low-skill, part-time employment. Indeed, labor shortages across Australia led the government to extend working rights for international students between 2021 and 2023 in a bid to ensure available workers, particularly for the struggling hospitality sector, as the country reopened.[24]

Most countries allow students to undertake part-time work during their studies, and full-time work during holidays. In reality, this often takes the form of on-campus research or teaching work or off-campus low-skilled work in the service economy. Over time, students may find work related to their field of study while preparing for graduation. In Canada, students engaging in employment during their studies has risen as a share of all paid workers, from 0.1 percent in 2000 to 1.4 percent in 2018.[25] Aside from those working in education, the main sectors of work were accommodation and food services, wholesale and retail trade, and business, building, and other support services.

For destination countries, the role that international study can play in expanding the pipeline of skills to the broader labor market cannot be underestimated. For example, in the United States and France, former international student visa holders accounted for more than half of temporary high-skilled permit recipients in 2019.[26] In Germany, the 2024–34 internationalization strategy for universities put forward by the federal and *Länder* governments highlights the role universities play as engines of international mobility and supports international graduates' entry into the labor market.[27] Not only do international graduates have potentially valuable skills, but those skills have been developed and refined in country; in theory, this means that linguistic barriers and challenges related to the recognition of educational qualifications are minimized (though not entirely extinguished). And as enrollments of native-born students begin to stagnate in some countries due to demographic change, international graduates may become an even more important source of well-educated workers.

---

22 Vlera Haxhiavdyli, "What Does It Cost to Study in Germany? Updated for 2025," Study in Germany, January 9, 2025.

23 This recruitment drive includes engaging large-scale global agencies such as IDP Education and AECC to guide students toward their institutions, while smaller networks of independent agencies work with students to open up opportunities. Governments and higher education associations engage in marketing and national campaigns (such as the United Kingdom's We Are International campaign), while top universities collaborate on international roadshows. In addition to offering top-level opportunities, higher education institutions also dangle the prospect of post-graduation work as part of the overall package.

24 Study Australia, "Work Hours Limit for Student Visa Holders to Be Re-Introduced" (news release, June 6, 2023).

25 Eden Crossman, Youjin Choi, and Feng Hou, "International Students as a Source of Labour Supply: Engagement in the Labour Market During the Period of Study," *Statistics Canada Economic and Social Reports*, November 24, 2021.

26 Elisabeth Kamm and Thomas Liebig, "Ch 7. Retention and Economic Impact of International Students in the OECD," in *International Migration Outlook 2022* (Paris: Organization for Economic Cooperation and Development Publishing, 2023).

27 German Federal Ministry of Education and Research (BMBF) and the Standing Conference of the Ministers of Education and Cultural Affairs of the Länder in the Federal Republic of Germany (KMK), *Internationalization of the Higher Education Institutions in Germany: Strategy of the Federal and Länder Ministers of Science (2024–2034)* (Berlin: BMBF and KMK, 2024).

However, the number of people who go on to receive work visas post-graduation is not as high as is sometimes imagined, and it varies significantly across countries. Data from the Organization for Economic Cooperation and Development show that while a majority of international students remained in Canada and Germany five years after receiving a study permit in 2015, and around half did so in Australia, that proportion was just one in six in the United Kingdom, and lower across many other European destinations.[28] Additionally, retention drops over time. In Canada, longitudinal studies show that around three in ten international students become permanent residents within ten years of their first enrollment.[29] While university study is seen as a gateway by some, such as Indian nationals, others are more likely to view overseas study as a stepping stone to a career either at home or in a third country, as in China or Europe.

Some destination countries also view international students as a means to address regional skills and demographic shortages, with the hope that graduates will utilize networks built during their studies to find work in the surrounding region, even while the majority of students tend to study in metropolitan areas. This approach does seem to bear some fruit: in Canada, almost half of international graduates remained in their province of study one year after graduation, with one-third staying five years or more. However, retention rates were far lower in more rural provinces such as Manitoba and Saskatchewan.[30]

In Germany, as demographic change begins to bite for a small proportion of public institutions, providers have turned to recruiting international students to fill gaps in enrollment. It is notable that these universities are in regions in need of skilled workers, though students at so-called shrinking universities are less likely to want to stay on in the town of study, versus elsewhere in Germany.[31] Certainly, the experience of less populated regions in South Australia and Western Australia, for example, is that talent attraction is highly dependent on bringing international students to local universities and having them then join the local labor market, including on regionally linked visas.

While domestic human capital development is the concern of employment ministries, others—notably, trade, foreign, and development ministries—are more focused on the contributions of those graduates who return home. For trade and foreign affairs ministries, returning graduates represent a growing network of future professionals, through whom diplomatic and business links might be forged. For those more focused on development, returning graduates represent a contribution to the future brain trust in a country, augmenting future skills and potential economic growth and, in some cases, becoming future leaders. According to the Higher Education Policy Institute's Soft Power Index, as of 2024, 70 current leaders around the world were educated in universities in the United States alone.[32]

28 Kamm and Liebig, "Ch 7. Retention and Economic Impact of International Students."

29 Statistics Canada, "International Students Are Becoming a Growing Source of Labour After Finishing Their Studies" (news release, April 28, 2022).

30 Crossman, Choi, and Hou, "International Students as a Source of Labour Supply."

31 Expert Council of German Foundations on Integration and Migration (SVR) Research Unit, *Countering Demographic Decline – How Germany's Shrinking Universities Attract and Retain International Students* (Berlin: SVR, 2019). When asked where they will live after graduation, only 13 percent of international students at shrinking universities intended to stay in the town/city, versus 33 percent of those studying at other universities in Germany.

32 Nick Hillman, "HEPI Soft-Power Index 2024: The US Pulls Further Away, While the UK Stands Still and France Slips Back," Higher Education Policy Institute, October 10, 2024. Other countries found in this 2024 analysis to have educated notable numbers of world leaders were the United Kingdom (with 58 senior serving world leaders), France (28), Russia (10), Australia (7), Belgium (7), Spain (7), Germany (6), Italy (6), Switzerland (6), and the Netherlands (5).

B. *Revisiting the Case for International Students Post-Pandemic*

In recent years, the spotlight has fallen less favorably on international students, triggered largely by the scale of arrivals as COVID-19 restrictions were lifted and, in some cases, a tendency in some destination countries toward more nationalist approaches to policy. The role of international students has, in some cases, become conflated with public debates concerning the scale of migration writ large, not least because student visa grants represent the most conveniently fungible element of net overseas migration figures, in that they can be deflated most swiftly.

But this focus has also laid bare some long-standing questions about the sustainability of rising numbers, the integrity of international education programs, and whether international student admissions are fully delivering on their potential. Many of these questions have ended up falling to ministries of the interior to answer, even while they speak to core facets of education and employment policy.

The role of international students has, in some cases, become conflated with public debates concerning the scale of migration writ large.

One of the basic concerns has been that international students have further strained economic conditions for domestic populations, raising living costs, notably housing rental prices. The evidence for this is complex and highly subjective, and it is hard to state conclusively what role international students play. However, it is important to acknowledge that the benefits and costs of international student mobility are not evenly spread across the economy. Students tend to be concentrated in metropolitan areas, and in places where universities have engaged in active recruitment but have not maintained commensurate levels of student accommodation, there may be localized cost pressures.

This, in turn, raises questions about the number of international students at specific universities. For some specialized providers, enrollment is entirely composed of international students, drawing scrutiny as to the quality and objectives of the institution (including whether it is a cover for clandestine working). But international enrollment has also increased at top institutions. For example, more than 40 percent of enrollment was international in 2023 at the University of Sydney in Australia,[33] and it surpassed 60 percent at Maastricht University in the Netherlands in 2024.[34] While overseas tuition is seen as vital to the continued quality of education at these universities, some questions are being asked about whether international students are capable of meeting all the educational requirements, and whether standards are being set aside to ensure sufficient levels of enrollment.

33 Caitlin Cassidy, "Revealed: 15 Australian Universities to Have Their International Student Cap Slashed," *The Guardian*, September 9, 2024.

34 Maastricht University, "Maastricht University Student Numbers Stabilize" (news release, October 2, 2024).

BOX 1
Balancing Internationalization in the Netherlands

Recent Dutch policy debates illustrate the contradictions facing governments seeking to reduce the overall number of international students in a context of housing pressure and university capacity concerns. As of 2023, around 40 percent of first-year students at universities in the Netherlands came from overseas. The "Balanced Internationalization" bill introduced by the Dutch government in 2024 seeks to limit the proportion of university courses taught in English, while retaining the ability to cap the number of non-European students enrolling in courses for which there is limited teaching capacity.

The increased interest in promoting Dutch language competency also reflects concerns that international graduates were not adequately prepared for the job market, in which a high level of proficiency in Dutch is often required. However, the impacts of declining international student numbers—down 6 percent in 2024–25—has pushed the government to refocus on retaining graduates, including through the introduction of a one-year "orientation" visa in early 2025. Policies have ping-ponged between limiting enrollments and fears that such limits will negatively affect university revenues and skills shortages, and the debate continues.

Note: Nuffic, a Dutch international education organization, found that seven in ten international graduates experienced challenges with Dutch language requirements when seeking employment.
Sources: International Consultants for Education and Fairs (ICEF), "Netherlands Takes Another Step toward Limiting International Enrolment Growth," ICEF Monitor, April 26, 2023; Government of the Netherlands, "Aiming for a Balanced Internationalisation of Universities and Universities of Applied Sciences" (news release, May 13, 2024); Elli Thravalou and Gijs Ybema, *Staying after Graduation: Why International Students Decide to Make the Netherlands Their New Nome* (The Hague: Nuffic, 2023); Government of the Netherlands, Ministry for Asylum and Migration, "Residence Permit for Orientation Year," updated February 13, 2025.

The advent of translation and transcribing technology, more comprehensive spelling and grammar checks, and tools even capable of drafting text has meant that some students have been able to follow courses despite having more limited capacity in the language of study.[35] But this has the overall effect of degrading the experience of the full student cohort (for example, by curbing opportunities for students to engage in robust discussion), offering a two-tier set of standards for domestic and international students, and potentially weakening the reputation of the qualification on offer.[36]

This, in turn, leads to questions about the suitability of international students for the labor market, despite some countries' high levels of dependence upon them, if international graduates are not clearly capable of performing in the workplace. In many key study destinations, the labor market outcomes of international graduates have been underwhelming, with various research suggesting that a lack of requisite language, soft skills, and relevant work experiences can hinder international job applicants, while also recognizing that international graduates often suffer from a lack of professional and social networks and that they may be discriminated against during the hiring process, not least because they may lack long-term work rights.[37]

Additionally, if chosen higher education courses are not well matched with a country's skills needs, then domestically trained international graduates will not resolve the overall skills gap, merely replicating

35 At some institutions, for example, international students are reportedly given more leeway than domestic students to use AI tools such as ChatGPT to meet written requirements.

36 See, for example, Anonymous, "I'm a University Tutor: Some of My Students Can't Speak English," *The Times*, December 5, 2024; Paul Kenyon and Fergus Hewison, "Universities Enrolling Foreign Students with Poor English, BBC Finds," BBC News, December 3, 2024.

37 See, for example, Angelina Tang, Francisco Perales, Francisco Rowe, and Janeen Baxter, "From Bad to Worse: Examining the Deteriorating Labour Market Outcomes of International Graduates in Australia," *Journal of Population Research* 39 (2022): 441–473.

existing mismatches. It is notable that the most popular courses in Australia for international students tend to be related to marketing and commerce, sectors in which workers are not in short supply across the country.[38] Neither universities nor governments have made much of an effort to steer international students toward particular courses, though trends in employment can be influential, as can shortage occupation lists.

Despite these risks, international students still present a useful source of future labor migration, having already been vetted by both education and private-sector actors. When the political salience of migration is low, international study is popular even in the home affairs domain.

4 Immigration Policy and the Future of the International Education Sector

Governments are navigating the rising tension between the politics of migration, growing global demand for international education, the financial imperative to embed international students in domestic education systems, and impacts on local communities. Even as governments invest in recruitment messaging targeted at prospective international students, they may be simultaneously limiting opportunities for those who apply for study visas. This points to a clear need to work across government to develop more consistent positioning, approaches, and planning.

Public and policy discourse has been framed around reconciling the post-pandemic surge in international student arrivals, even though the numbers were on the rise prior to the pandemic. The deeper challenge facing governments has not yet been explicitly acknowledged. Demand for international education is growing—and will continue to expand—but the long-term ambition and capacity of the top education-providing countries is uncertain.

Deciding how to approach the issue of international education, and namely, how to balance ambition with capacity, may ultimately come down to politics. But alongside this need for overall direction, there is also scope for policymakers to resolve some of the trade-offs that have emerged in the international education sector.

From the government's perspective, different portfolios will have different markers of success:

- For education, the need to maintain income for the higher learning sector, while also maintaining quality of learning and student outcomes.
- For employment, the need to ensure steady access to a tertiary educated workforce, whose qualifications are easily recognizable and/or transferable. Work experience is a plus.
- For immigration, the need to ensure a sustainable and credible level of visa issuance, which allows for proper checks on individuals and institutions and proper oversight of visa conditions.

38 Australian Government, Department of Home Affairs, *Review of the Migration System: Final Report* (Canberra: Australian Government, 2023).

And to a lesser extent, the following portfolios also have an interest:

- For trade and industry, the need to maintain resources for research, innovation, and bolster future business relationships overseas.
- For development, the opportunity to develop the education sector in lower-income countries and the skills and prospects of their young people, while potentially minimizing so-called brain drain.
- For foreign affairs, the need to maintain positive relationships with key countries, and the soft diplomacy benefits that international student exchange can bring.

Broadly, there are two routes for managing future demand in international education. The first is to use immigration policy to shape intake demand, manage access to the labor market and/or permanent stay, and address concerns around quality and integrity, while minimizing local and sectoral economic shocks. The second is to lean into emerging trends in transnational learning, meeting demand for international education without the need to move, while leaving open the possibility of later migration for work. Although the first has been used extensively, often responding to political needs more than economic realities, the second has not yet been considered significantly from a cross-government perspective.

A. *Shaping Demand and Stay via Immigration Policy*

Governments are currently managing the migration of international students using a variety of policy tools. These can be split broadly into two categories: measures to raise standards within international education and measures to limit access.

Ensuring that low-value and fraudulent education providers and intermediaries (such as recruiters) are weeded out is not only a means of managing numbers but also, crucially, of ensuring positive outcomes for students and maintaining the reputation of the destination country and its education system. This is not a new development. In 2010, the UK government withdrew sponsorship rights from nearly 500 education providers that did not sign up to a new inspection system, and it revoked licenses from 51 providers based on quality concerns.[39] More recently, Australia and Canada have pursued policies to tackle potential fraud in the education sector. Following an investigation into fake letters of admission sent to students in 2023, the Canadian government now requires all letters of acceptance to be submitted to Immigration, Refugees, and Citizenship Canada.[40] Both countries have created frameworks to prioritize the issuance of visas to students who will be attending educational institutions considered to be of lower risk.[41]

An educational program's quality is not the only issue; in some cases, education provision can be used as a cover to get migrants into the workforce. In Australia, emerging evidence of student exploitation (into

39 UK Home Office, "Student Visa Clampdown" (news release, November 2, 2011).

40 Immigration, Refugees, and Citizenship Canada, "Changes to International Student Program Aim to Protect Students" (news release, October 27, 2023).

41 Immigration, Refugees, and Citizenship Canada, "Changes to International Student Program"; Australian Government, Department of Home Affairs, "Student and Student Guardian Visa Processing Priorities," updated December 15, 2023.

illegal work or criminal activities) has prompted the introduction of several policies to address the role of education agents, close loopholes, and increase scrutiny of high-risk providers.[42]

In some countries, notably Denmark and the Netherlands, there have been moves to reduce English-taught programs, in part to reduce demand from international students but also due to social inclusion concerns.

Just as governments wish to maintain the credibility of education providers, they will also want to ensure that students are able to undertake and complete courses effectively. Language is the most obvious prerequisite to study, though ensuring they have appropriate academic credentials and readiness is also key. In 2024, Australia strengthened its language testing standards to be commensurate with those for skilled temporary migrant workers.[43]

However, this becomes a harder proposition in destination countries where the main language of instruction is not the native language of the broader society and, critically, its labor market. The expansion of English-language courses outside of anglophone countries has been significant, with one study estimating an increase of 48 percent in English-taught programs outside Australia, Canada, the United Kingdom, and the United States since 2019, with most of that growth in Europe.[44] These programs are intended to attract more international students and expand the talent pool, as has been seen in Sweden, Germany, and across Central Europe. However, in some countries, notably Denmark and the Netherlands, there have been moves to reduce English-taught programs, in part to reduce demand from international students[45] but also due to social inclusion concerns.

The availability of courses taught in English may have a paradoxical outcome: for European countries intending to attract a future domestic workforce, English instruction gives candidates transferable skills that they can then use in the global labor market. Conversely, encouraging students to learn in the local language is more likely to limit their job options overseas or at home. This is less of a challenge in Asia, where English is far more widely used in the workplace and promoted as a key competence for the general population in a number of countries.[46] In a future where artificial intelligence and universal translation tools may become ubiquitous, there are questions as to how far language competence will continue to be a core skill. For now, it seems, it matters.

With respect to controlling access to study, governments can increase the costs of participation for students, for example by raising visa prices or self-sufficiency thresholds, with the intention of dampening demand. However, it is unclear whether increasing fees works as intended, particularly given the marginal cost of the visa compared to tuition fees for top institutions, and the huge variance in fees between countries.

42 Australian Government, Department of Home Affairs, "Government Response to the Nixon Review Recommendations," accessed March 18, 2025.

43 Study Australia, "English Language Requirements Changes" (news release, March 25, 2024).

44 British Council and Studyportals, *Mapping English-Taught Programmes Worldwide* (London: British Council and Studyportals, 2024).

45 British Council and Studyportals, *Mapping English-Taught Programmes Worldwide*.

46 Tran Le Huu Nghia and Ngoc Tung Vu, "The Emergence of English Language Education in Non-English Speaking Asian Countries," in *English Language Education for Graduate Employability in Vietnam*, eds. Tran Le Huu Nghia, Ly Thi Tran, and Mai Tuyet Ngo (Singapore: Springer Nature, 2024), 25–48.

While student visas have doubled in cost in Australia, from AUD 710 to AUD 1,600 (about USD 1,012),[47] and they cost USD 535 in the United States,[48] 75 euros (USD 80) in Germany,[49] and just SGD 90 (USD 66) in Singapore,[50] all of these fees pale in comparison to cost of living.

Increasing financial thresholds for self-sufficiency may have more impact, as students must demonstrate sufficient resources to support themselves during the period of study (excepting permitted employment). These thresholds and the ways in which applicants are required to demonstrate financial self-sufficiency vary across countries.[51] Some countries require proof of finances commensurate with monthly subsistence costs for the study period, as in the United Kingdom (GBP 1,483 per month in London, GBP 1,136 per month outside London)[52] and the Netherlands (1,094 euros per month),[53] others have much lower requirements, such as Italy (468 euros per month)[54] and the Czech Republic (124 euros per month).[55] Financial self-sufficiency is also intended to guard against students finding themselves forced to work more than the allotted hours to meet living costs, with little time for study.

A more direct approach to limiting the attractiveness of a particular destination is to place conditions on visas. These can take many different forms, from restricting the arrival of dependents (and spousal work rights), as has been done in the United Kingdom and Canada, to limiting post-graduation working rights, or eliminating so-called "visa hopping," as in Australia.[56] While this has the effect of dampening demand for study visas, these types of conditions also reinforce international study as a default temporary experience, rather than a gateway to a career and permanent residence. As such, governments need to be clear on their vision for the role, in the short and long term, of international students in their economy and society. Limiting post-graduation work can be effective in reducing demand,[57] but it can also lead to overcorrection, and governments have vacillated on what terms to offer as a result.

47 Clare O'Neil, "Fee Increase for International Students Part of July 1 Migration Reforms" (media release, July 1, 2024).

48 U.S. Department of State, Bureau of Consular Affairs, "Fees for Visa Services," accessed March 22, 2025.

49 Missions of the Federal Republic of Germany in Australia, "Student Visa," accessed March 22, 2025.

50 Singapore Immigration and Checkpoints Authority, "Completion of Formalities and Issuance of Student's Pass," accessed March 2, 2025.

51 Would-be students can usually prove their financial viability via a bank letter or letter from a sponsoring institution at the outset. In Germany, however, students must place a deposit (11,904 euros for 2025) in a blocked account, from which a monthly amount (992 euros) is released. This mitigates against fraud, whereby students may pay high interest on a temporary loan into their bank accounts to demonstrate self-sufficiency. Financial self-sufficiency is also intended to guard against students finding themselves forced to work over allotted hours to meet living costs, but can also leave students vulnerable to scammers, as has been documented in Belgium. See Missions of the Federal Republic of Germany in Australia, "Student Visa"; Nicola Smith, *"Donkey Flights": Illegal Immigration from the Punjab to the United Kingdom* (Washington, DC: Migration Policy Institute, 2014); Nick Amies, "International Students in Belgium Fall Victim to Financial Scam," *The Brussels Times*, February 25, 2023.

52 UK Government, "Student Visa," accessed March 22, 2025.

53 Netherlands Immigration and Naturalization Service, "Required Amounts Income Requirements," accessed March 22, 2025.

54 Embassy of Italy in Singapore, "Studying in Italy – University Enrolments and Applications for Study Visas," accessed March 22, 2025.

55 Consulate General of the Czech Republic in Sydney, "Long Stay Visa – Students," accessed March 22, 2025.

56 "Visa-hopping" is the practice of applying for further study once already in a destination country on an initial student visa in order to be able to remain in the country. For more background, see Silvia Griselda and Harshit Shah, "Understanding Visa Hopping: Impacts on Australia's Skilled Immigration Landscape" (research note, The e61 Institute, October 2024).

57 An Australian survey of student experience suggested that for 70 percent of students, the possibility of migrating to Australia was one of the reasons for choosing to study there. See Quality Indicators for Learning and Teaching (QILT), *Student Experience Survey 2023* (Victoria: QILT, 2024), 61. The same percentage of international students in Canada intended to apply for a postgraduate permit to stay. See Canadian Bureau for International Education (CBIE), *The Student Voice - National Results of the 2023 CBIE International Student Survey* (Ottawa: CBIE, 2024).

Across Europe, fluctuating attitudes toward international students have led to opening and closing, lengthening and shortening post-graduation work visas on an almost cyclical basis, reflecting competing concerns about intake and skills needs. For example, Germany tightened graduates' work rights in 2009, only to extend them once more in 2012 and then further extend them in 2024. Similarly, France reinstated work rights in 2013 following a limit imposed in 2011. Early data from the United Kingdom suggest that limiting dependent arrivals has reduced international student enrollment: following restrictions, applications for the sponsored study visa were 13 percent lower in January 2025 compared to a year earlier, while applications from dependents of students dropped by 84 percent.[58]

Across Europe, fluctuating attitudes toward international students have led to opening and closing, lengthening and shortening post-graduation work visas on an almost cyclical basis.

Caps on international student arrivals are generally considered to be a last resort, though they reflect a growing recognition of the need for an overall ceiling for international study. Both Canada and Australia have recently put forward caps on the number of international students who can be enrolled each year, overall or by region or institution. Canada introduced a cap of 360,000 student visas in January 2024, which will be extended and tightened in 2025 and 2026 by also including graduate students from 2025 onwards.[59] Meanwihle, Australia proposed limiting international student places to 270,000 for 2025, with more flexibility for universities in regional Australia (locations outside the metropolitan areas of Sydney and Melbourne) and for publicly funded universities; however this legislation failed to pass at the end of 2024, leaving universities in limbo for the 2025 academic year.[60]

Both Canada and Australia announced these caps as part of broader immigration targets: for Canada, the objective of reducing temporary residents from 6.5 percent to 5 percent of Canada's total population by 2026,[61] and for Australia, the ambition to reduce net overseas migration to 260,000 for the 2024–25 fiscal year.[62] While it is too early to assess the impact of these caps on overall international student numbers, Universities Canada has predicted that enrollment will drop further than the cap envisages, amid concern for the global reputation of Canadian education.[63] Early indications from Australia suggest that earlier measures to constrain demand for student places have been effective even in the absence of a cap, though overall targets for reduced net overseas migration will not be met.[64]

58 UK Home Office, "Monthly Monitoring of Entry Clearance Visa Applications," updated October 10, 2024.

59 Immigration, Refugees, and Citizenship Canada, "Canada to Stabilize Growth and Decrease Number of New International Student Permits Issued to Approximately 360,000 for 2024" (news release, January 22, 2024); Immigration, Refugees, and Citizenship Canada, "Strengthening Temporary Residence Programs for Sustainable Volumes" (news release, September 18, 2024), 36.

60 The cap was not rejected as an idea, but rather disagreement on level and application. In the absence of legislation, Ministerial Direction 111 came into effect in December 2024, effectively setting an administrative cap by prioritizing processing of visas at universities that have not yet reached their "prioritization threshold." See Government of Australia, Department of Home Affairs, "Ministerial Direction No. 111" (news release, December 11, 2024); Simone Rensch, "Australia's International Enrolments Capped at 270K," The PIE, August 27, 2024.

61 Immigration, Refugees, and Citizenship Canada, "Canada to Stabilize Growth"; Immigration, Refugees, and Citizenship Canada, "Strengthening Temporary Residence Programs."

62 Susan Love, "Budget Reviews: Immigration," Parliament of Australia, May 2024.

63 Sean Previl, "International Student Enrolment Down 45 Per Cent, Universities Canada Says," *Global News*, September 8, 2024.

64 Shane Wright and Natassia Chrysanthos, "Government to Miss Immigration Targets Again as Kiwis Flock to Australia," *The Sydney Morning Herald*, November 6, 2024.

One of the challenges of imposing a cap is the need for adequate notice. Without time to plan, educational institutions find themselves with reduced budgets, having already spent on marketing and recruitment, and under pressure to cut staffing and facilities, which affects both the international and domestic student populations as well as future research and innovation investment. Universities have complained that caps cause significant disruption and result in a considerable economic hit, while reducing the future marketability of education in the country. The counterargument—that the scale of growth over the past decade should not have been counted upon to continue in the long term—has been less evident in public discourse.

The policy tools outlined above can be used in combination. Some are more acceptable to education providers and guardians of the "export" sector than others, notably measures focused on increasing quality rather than limiting quantity.

But both sets of policy levers can be contentious. Ministries of the interior tasked with ensuring program integrity can find themselves at loggerheads with education providers and employers hoping to hire graduates. The specificity of the academic year also means that visa processing must be timely yet remain robust. Efforts to shape admissions through raising thresholds, meanwhile, can reinforce issues of inequity, where candidates from less wealthy countries may struggle to meet new requirements.[65] The imposition of more hurdles—for students and institutions—can impede planning. Though key elements of new or stricter requirements can be outsourced to universities (such as testing applicants' language and educational capability), and agents can be looped in to facilitate the process, there is a danger that building a role for such intermediaries raises the risk of fraud.[66]

It is notable that while a number of key anglophone destinations are using these policy levers to reduce student numbers, the same policies are being used to expand demand for international study in other markets, both established and emerging. For example, in South Korea, a series of measures have been put in place to expand the education sector, including a reduction in financial requirements, an increase in permitted work while studying (amount of time and sectors), expansion of post-graduation working rights (in terms of length and sectors), and expanding scholarship programming.[67]

The use of policy levers of this type also reinforces the need for a strong, collective understanding of the role and ambition for international study within a particular country. For example, countries may wish to limit enrollment but expand international students' access to the labor market after graduation; some of the policy levers outlined above may achieve one goal, but inhibit the other.

---

65 For example, the UK Home Office exempts nationals from approximately 60 largely high-income countries from meeting financial self-sufficiency requirements. See UK Home Office, "Financial Evidence for Student and Child Student Visa Applicants," updated January 2, 2025.

66 A parliamentary inquiry in Australia found that unregulated agents were being paid by institutions to channel students to their courses. See Caitlin Cassidy, "Australia's International Education System a 'Ponzi Scheme' with Agents Paid Bonuses to Lure Students," *The Guardian*, April 18, 2023.

67 ICEF, "South Korea on Track to Attract Thousands."

B. Shaping the Higher Education Sector

Although international students have been high on the political agenda of some countries in the last several years, few of the responses have considered the long-term trajectory of the international education sector and how it may need to adapt to meet the needs and expectations of all, including the public. Rather, policy approaches have viewed national markets in isolation, rather than as part of a more complex global market in which the act of learning can itself be mobile.

As such, new forms of study—notably, transnational education, broadly defined as arrangements where a student is based in a different country from the accrediting institution—have been less considered. Looking forward, it may be interesting to explore such modes of learning as a means to meet rising demand without corresponding spikes in temporary admissions.

Transnational education takes a number of different forms; it can be either offshore and offline, offshore and online, or include a mix of offshore and onshore study. Offshore learning may involve a stand-alone branch campus located in another country (such as the U.S.-based Georgetown University's new Asia Pacific presence in Indonesia[68]), joint programming managed with a domestic educational institution (such as the programming offered at the Singapore Institute of Technology through partnerships with the Universities of Newcastle and Glasgow and the Technical University of Munich[69]), or fully online distance learning with no local support.

More complex arrangements can also be found, whereby a campus is managed through a third party. For example, the Malaysian government has established higher education "zones" in collaboration with private partners, which have helped the country become a hub for international branch campuses, including those of universities from Australia, China, India, the Netherlands, and the United Kingdom.[70] Singapore has welcomed a series of top universities, from the European Institute of Business Administration (INSEAD) to the Massachusetts Institute of Technology (MIT), complementing its own national universities, while a new central business district under construction in Gujarat, India—Gujarat International Finance Tec-City (GIFT City)—expects to attract a number of universities as part of a broader financial and IT services hub.[71]

There has been an increase in the number of offshore programs over the past several decades. U.S. higher education institutions have been leaders in this area, followed by those from the United Kingdom, which had nearly 577,000 students enrolled wholly overseas during the 2022–23 academic year (either through distance learning, an overseas campus, or through partners).[72] France is the other major player in this space, with a significant number of offshore campuses, though a 2016 review suggested that France had fallen behind the United States, United Kingdom, and Australia in this regard.[73] Germany, despite investing

68 Georgetown University, Walsh School of Foreign Service, "SFS Launches Asia Pacific Program and Opens New Location in Indonesia" (news release, January 16, 2025).

69 Singapore Institute of Technology, "Overseas University Partners," accessed March 10, 2025.

70 ICEF, "Malaysia Competing for a Greater Share of International Students," ICEF Monitor, August 22, 2016.

71 Gujarat International Finance Tec-City (GIFT City), *Foreign Universities in GIFT City* (Gandhinagar, India: GIFT City, n.d.).

72 UK Higher Education Statistics Agency, "Figure 12 - HE Student Enrolments Based Wholly Overseas by Location and Type of Provision 2018/19 to 2022/23 | HESA," accessed December 20, 2024.

73 Bernard Ramanantsoa, Quentin Delpech, and Marième Diagne, *L'enseignement supérieur français par-delà les frontières : l'urgence d'une stratégie* (Paris: France Stratégie, 2016).

in international student enrollment within the country, has had only a small footprint in transnational education.[74]

The location of these programs may not always reflect the largest student populations, but the ones that offer the strongest welcome. Countries such as China, Malaysia, and Singapore, in welcoming overseas university partnerships, have created new opportunities for their own nationals, while bolstering the attractiveness of their education sector to international students.[75] Meanwhile India, despite its nationals being top consumers of international education services, has only recently begun to establish partnerships with overseas institutions, and transnational education opportunities in the country remain in relative infancy.[76]

The creation of these institutions can be expensive and time consuming, particularly when it comes to stand-alone branch campuses, which is why the expansion of the translational education sector has been steady but not swift. The regulatory environment is fragmented,[77] and it can be challenging to ensure high-quality provision of education from a distance.

More recently, online or distance learning has expanded, notably during the COVID-19 pandemic, when students were unable to travel to destination campuses. Despite the opportunity this presents—not least in expanding the education market to reach students unable to afford a multi-year residence in high-cost countries—this model has not developed as extensively. Concerns about the quality of education, the lack of in-person interaction and networking (particularly among students and instructors in very different time zones), and the difficulties of student oversight mean that online learning is more likely to be used for more experienced learners in professional or graduate programs, or as part of a blended onshore–offshore program, in which a portion of the learning still occurs in person.

One reason why offshore learning has yet to meet its potential is the relative ease with which universities have been able to provide onshore opportunities for international students. But as the past few years have demonstrated, there may be a ceiling to the level of international student enrollment that some destination-country societies will tolerate.

The challenge for governments is that while transnational education can address concerns about net overseas migration and creaking infrastructure constraints—while still growing the education export sector—it does not meet their country's labor market needs, in that graduates are far less likely to go on

74 Tim Rottleb, Marc Philipp Schulze, and Jana Maria Kleibert, "Germany's International Branch Campuses: Neoliberalising the Humboldtian University through the Backdoor?," *Compare: A Journal of Comparative and International Education* (March 2024): 1–20.

75 Marc Philipp Schulze and Jana Maria Kleibert, "Transnational Education for Regional Economic Development? Understanding Malaysia's and Singapore's Strategic Coupling in Global Higher Education," *International Journal of Training and Development* 25, no. 4 (2021): 363–382.

76 Ishan Cader, Cara Skikne, and Karl Baldacchino, *Spotlight on India: Recruitment Insight and Transnational Education Trends* (London: Times Higher Education and Studyportals, 2023).

77 When setting up offshore learning opportunities, universities must comply with their own oversight bodies, such as the Tertiary Education Quality and Standards Agency (TEQSA) in Australia and the Quality Assurance Agency for Higher Education (QAA) in the United Kingdom, while also managing complex and diverse regulatory environments in the country hosting the offshore program. While there is a first-mover advantage for universities entering high-demand geographies, they must also navigate the various rules and diplomatic steps necessary to establish their operations. The level of investment varies, with standalone branch campuses being the most expensive.

to find work there. It also means that international students' contributions as part of the temporary, low-skill workforce are lost.

However, some more innovative approaches might help square the circle and ensure that everyone benefits from future growth in the international education market. One of these is to link remote, blended, and offshore campus opportunities more explicitly to labor market opportunities. A second may be to invest in industry-led professional training (both offshore and onshore), forging a stronger link between skills and career development in critical sectors.

While entirely offshore learning is less attractive to many students, there is increasing interest in primarily offshore learning that includes an element of onshore learning.[78] This has an advantage of being cheaper—as students can spend most of their studies living in a less expensive environment—while still benefiting from the networks and experiences that a shorter residence in the country of the higher education institution can provide. The experience of the pandemic, during which both domestic and international students were forced to pursue degrees remotely, has offered a lot of experimentation upon which to draw.[79]

One key consideration going forward would be how to facilitate access to the labor market for students undertaking the majority of their studies offshore (but at institutions accredited in the destination country), specifically for courses in key shortage sectors. In most countries, international students need to have been resident onshore to qualify for post-graduation working rights. Offering graduates of largely offshore programs similar opportunities could allow employers to access skills that are potentially already aligned with relevant licensing and recognition processes (in health care or engineering, for example).

BOX 2
The Potential for Private-Sector Engagement in Offshore Learning

The career readiness of graduates is of significant interest to the private sector, particularly if industry-aligned skills can be taught through complementary means. Yet, employers are too often underconsidered in the provision of tertiary education.

However, some key providers, or facilitators, of online programming have tended to focus more on industry or employer-led skills development programming, microcredentialling, and ancillary skills acquisition, rather than fully accredited academic programming. Often, these learning opportunities can be provided online and offshore.

Just as leading universities have established partnerships overseas to reach new students, some education providers and private-sector actors are developing direct partnerships, particularly in the tech sector. IBM's Innovation Center for Education is collaborating with a number of universities across India to offer courses and programs to students, who receive digital "badges" upon graduation that demonstrate their industry-relevant skills.

If overseas study becomes too expensive or uncertain, access to programs aligned with leading private-sector actors' skills needs may become more interesting for young entrants to the labor market.

Sources: Australian Government, Department of Education, Skills, and Employment, "Industry-Led Offshore Microcredentials" (fact sheet, April 2022); IBM, "IBM Innovation Center for Education, Digital Badges," accessed March 10, 2025.

78 An AECC survey of more than 8,000 prospective students from 124 countries found that while only 23 percent felt positive about online study without a travel component, 47.8 percent felt positive about blended offshore online study combined with some onshore learning. See AECC, "Student Insights, April 2024" (survey results, 2024).

79 UNESCO IESALC, *Moving Minds*.

Research suggests a positive link between offshore graduates and future skilled migration to the country of accreditation.[80] This is perhaps due to the graduates having better information about job opportunities, social networks acquired through study, and employers' stronger recognition of the qualifications presented, compared to jobseekers who have graduated from foreign institutions. There is an opportunity to build on this, offering more bespoke labor market preparation and connections, and to shape the education sector to meet the full range of domestic needs.

5 Conclusion

The global debate on international students has focused on numbers, and specifically the efforts in a few key destinations to reduce admissions through immigration and visa policy. But it overlooks the urgent need for a broader discussion not only about what the "right" number of international students is (that is, what constitutes a sustainable level of international students in the higher education system, in a context of rapid growth in mature markets), but also where that education might take place.

Governments should work with educational institutions to facilitate a multistakeholder discussion about what the optimum levels of international students in the long-term might be and what balance should be struck between onshore and offshore learning. This requires moving beyond the demand-led market approach to consider ways to balance competing priorities, plan ahead for future admissions and the impacts on local communities, and explore ways to shape demand without creating boom–bust policy cycles.

Key questions to consider as part of this exercise include:

- Should there be an upper limit to the proportion of international students at each educational institution, and should this differ according to degree levels or employer demand for graduates of specific areas of study?
- How can universities ensure their future financial viability, and maintain or grow their research and innovation capability, if international student enrollments and associated revenue from fees drop?
- To what extent should countries be dependent on international students for temporary, low-skilled labor, and what alternatives exist to meet those needs?
- To what extent should governments be seeking to extend the stay of international students and facilitate their entry into the skilled labor market beyond first work experience, and how should the scope and focus of post-graduation work options be shaped to reflect that approach?
- Are international student graduates meeting the needs and expectations of employers, and are they equipped for the modern labor market?

80 Antonina Levatino, "Transnational Higher Education and International Student Mobility: Determinants and Linkage," *Higher Education* 73, no. 5 (May 1, 2017): 637–53.

While this is, for now, largely a concern in countries such as Canada and Australia that appear to have reached a saturation point in terms of international students, it behooves those countries seeking to increase their international education sectors to consider—and answer—these questions before they become politically sensitive.

There is also a need to look beyond numbers in future planning to consider how the market might evolve, utilizing a comprehensive approach that can simultaneously account for global dynamics, individual intentions, and domestic needs. Several countries are seeking to expand their international education offerings, which will affect domestic demand, just as changing geopolitical fault lines may shift who is encouraged to study where. International student intentions are sensitive to a range of factors, some of which are beyond national government control, such as changing conditions in their countries of origin; incorporating what is known about student intentions and decision-making will support more realistic planning. And at the same time, planning for future demographic change, differences in regional growth prospects, and changing skills needs (including major shifts linked to, for example, the green transition) should all be part of this discussion. The European Commission's March 2025 communication on a Union of Skills reflects this more integrated approach to future economic development and includes a target of 350,000 tertiary-level international students per year by 2030 (up from about 249,000 in 2022), as part of a "Europe talent magnet framework."[81]

Finally, governments should explore their potential role in facilitating innovation within the international education industry. This could entail supporting exploration of blended learning options and adapting study and post-graduation work visas to accommodate more flexible learning options, thus maintaining the competitiveness of their international education sectors without placing receiving communities and immigration systems under undue strain. This could also involve testing the potential of new trends, such as microcredentialling and offshore professional skills development. Governments around the world have invested in opening up their educational institutions, knowledge, and networks to the next generation of skilled workers, recognizing not just the short-term financial benefit but also the longer-term ripple effects of enhancing global and domestic skills markets. Going forward, there is an opportunity to find a new balance between drawing learners to institutions in country and expanding networks beyond their borders, while meeting growing demand for education from young people at home and around the world.

Governments around the world have invested in opening up their educational institutions, knowledge, and networks to the next generation of skilled workers, recognizing not just the short-term financial benefit but also the longer-term ripple effect of enhancing global and domestic skills markets.

81 European Commission, "Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions: The Union of Skills" (COM [2025] 90 final, March 5, 2025).

About the Author

ELIZABETH COLLETT

Elizabeth Collett is a Global Fellow at the Migration Policy Institute (MPI), and is a member of Australia's Ministerial Advisory Council on Skilled Migration (MACSM) and chair of MACSM's Expert Subcommittee, which offers advice and research insight to inform government migration policy. She previously was Special Adviser for Policy and Strategy to the Director General of the International Organization for Migration (IOM), and before that was Founding Director of MPI Europe in Brussels and Senior Advisor to MPI's Transatlantic Council on Migration.

Ms. Collett has more than 20 years of experience in the migration policy sector and has consulted for numerous government ministries and nongovernmental organizations, including foundations, nonprofits, and UN agencies. Her research interests include global trends in migration, EU immigration and asylum policy, as well as national-level migration policy developments. She is a member of the Strategic Council of the European Policy Centre and a Visiting Fellow at the Australian National University.

Acknowledgments

This report was commissioned for a plenary meeting of the Transatlantic Council on Migration, an initiative of the Migration Policy Institute (MPI), held in London in November 2024. The meeting's theme was "Planning for the Future: Immigration Policymaking in an Era of Demographic and Economic Transitions," and this report was one of several that informed the Council's discussions.

The Council is a unique deliberative body established by MPI in 2008 that examines vital policy issues and informs migration policymaking processes across Europe, North America, and Australia. The Council's work is generously supported by the following foundations and governments: the Carnegie Corporation of New York, the Open Society Foundations, the Robert Bosch Stiftung, and the governments of Australia, Canada, Germany, Norway, and Sweden.

For more on the Transatlantic Council on Migration, please visit: www.migrationpolicy.org/transatlantic.

The author would like to thank Kate Hooper for her meticulous review of numerous drafts and discussions on the topic, Meghan Benton for her insightful suggestions, and Nurbanu Hayır for her support tracking down data and evidence.

MPI is an independent, nonpartisan policy research organization that adheres to the highest standard of rigor and integrity in its work. All analysis, recommendations, and policy ideas advanced by MPI are solely determined by its researchers.

Design: Sara Staedicke, MPI
Layout: Katie O'Hara
Cover Photo: Jacob Wackerhausen/iStock.com

Suggested citation: Collett, Elizabeth. 2025. *International Student Mobility: A Post-Pandemic Reset or a Broader Challenge?* Washington, DC: Migration Policy Institute.

The Migration Policy Institute is an independent, nonpartisan think tank that seeks to improve immigration and integration policies through authoritative research and analysis, opportunities for learning and dialogue, and the development of new ideas to address complex policy questions.

MPI

MIGRATION POLICY INSTITUTE

www.migrationpolicy.org

1275 K St NW, Suite 800, Washington, DC 20005
202-266-1940