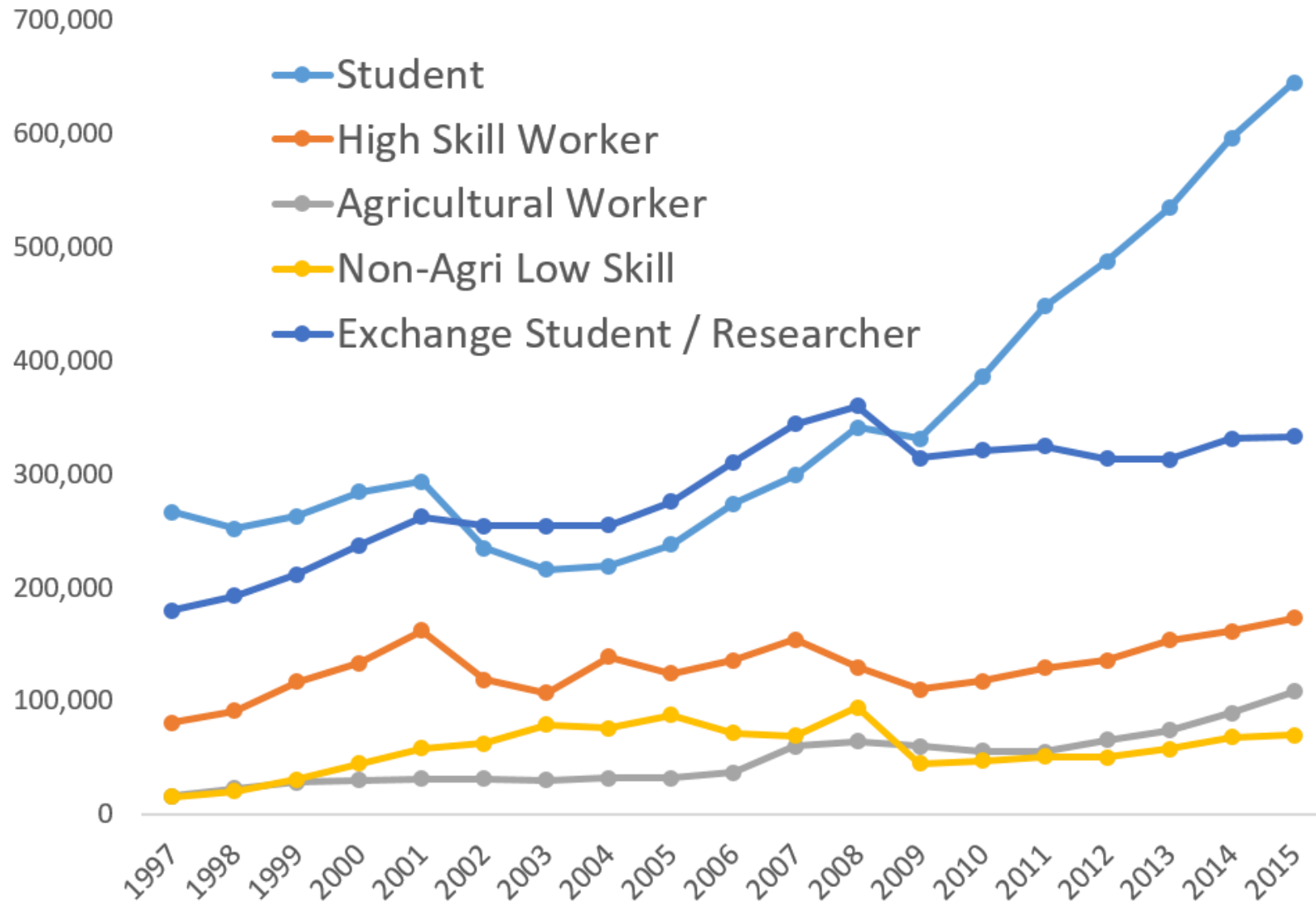


# International Student Flows

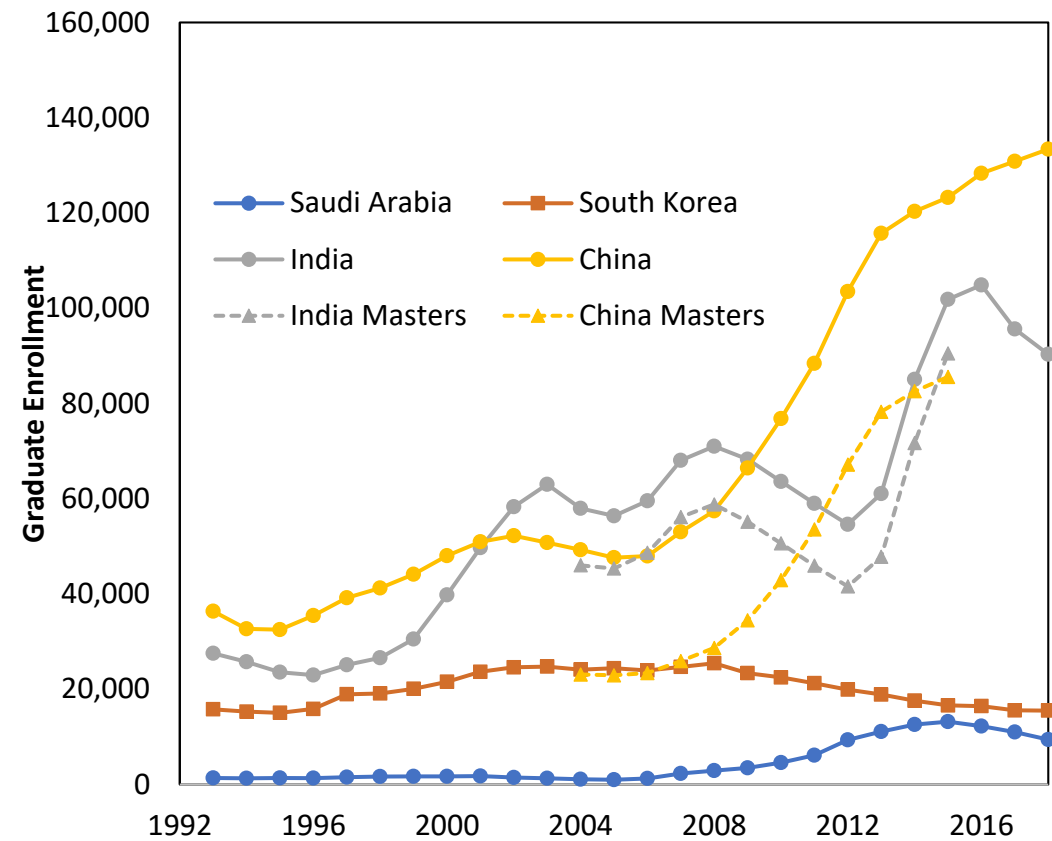
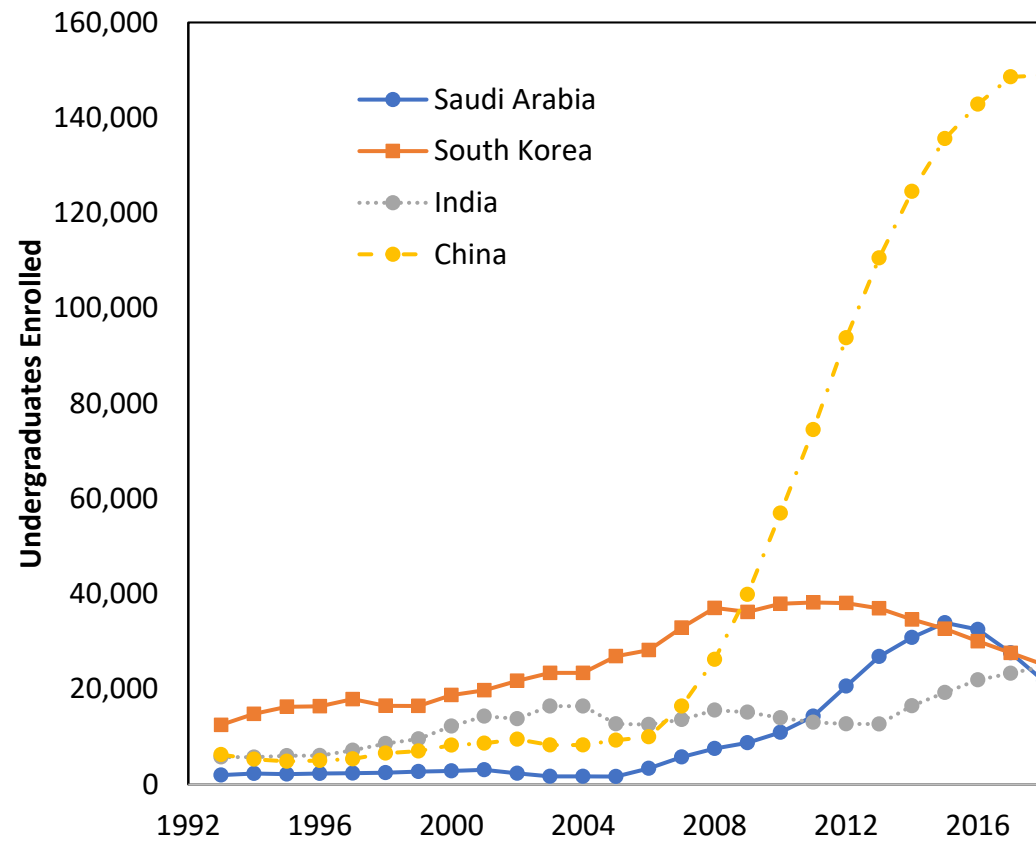
Gaurav Khanna

University of California, San Diego

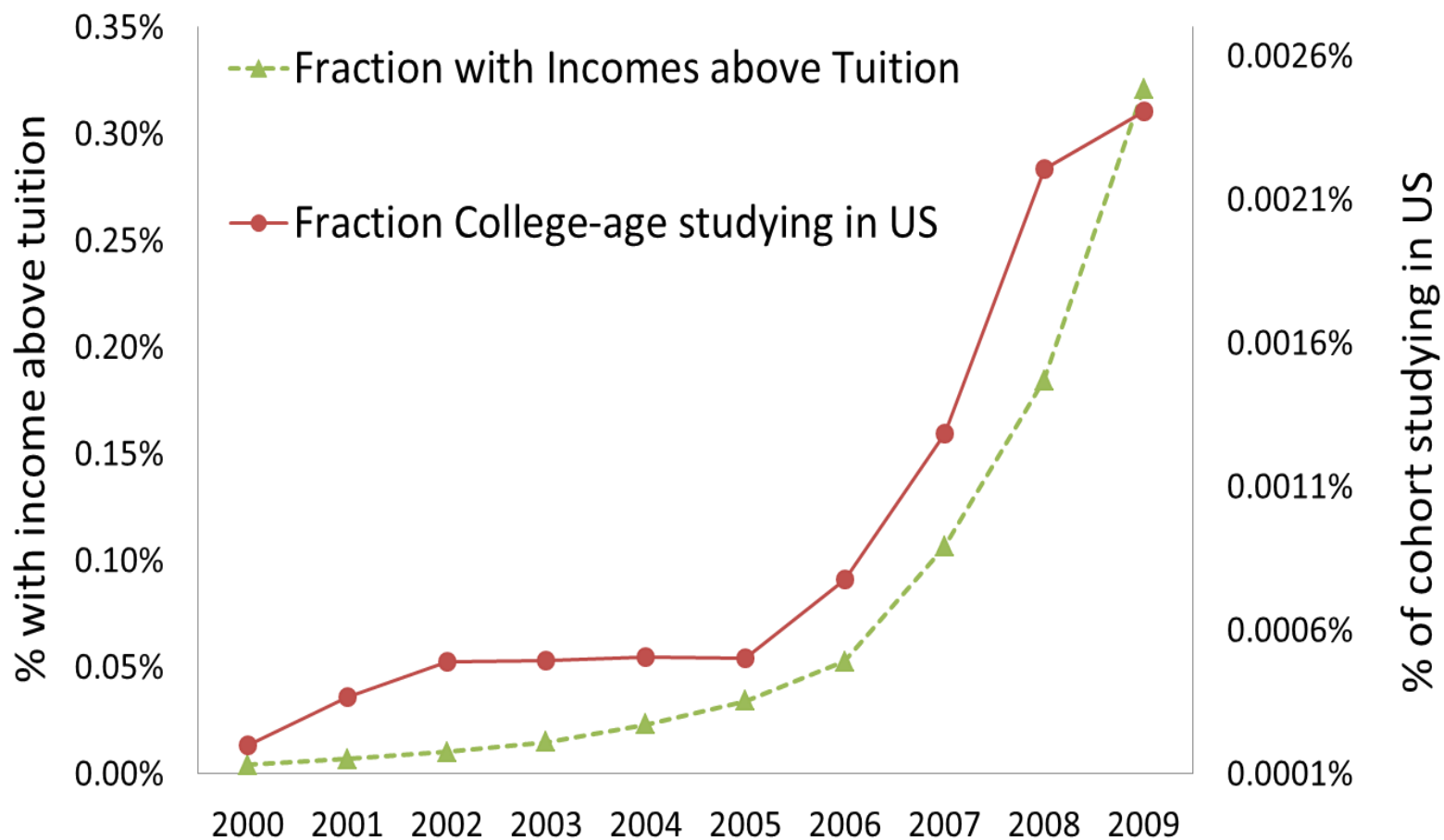
# Migration to the US: by New Visas



# Mostly driven by China



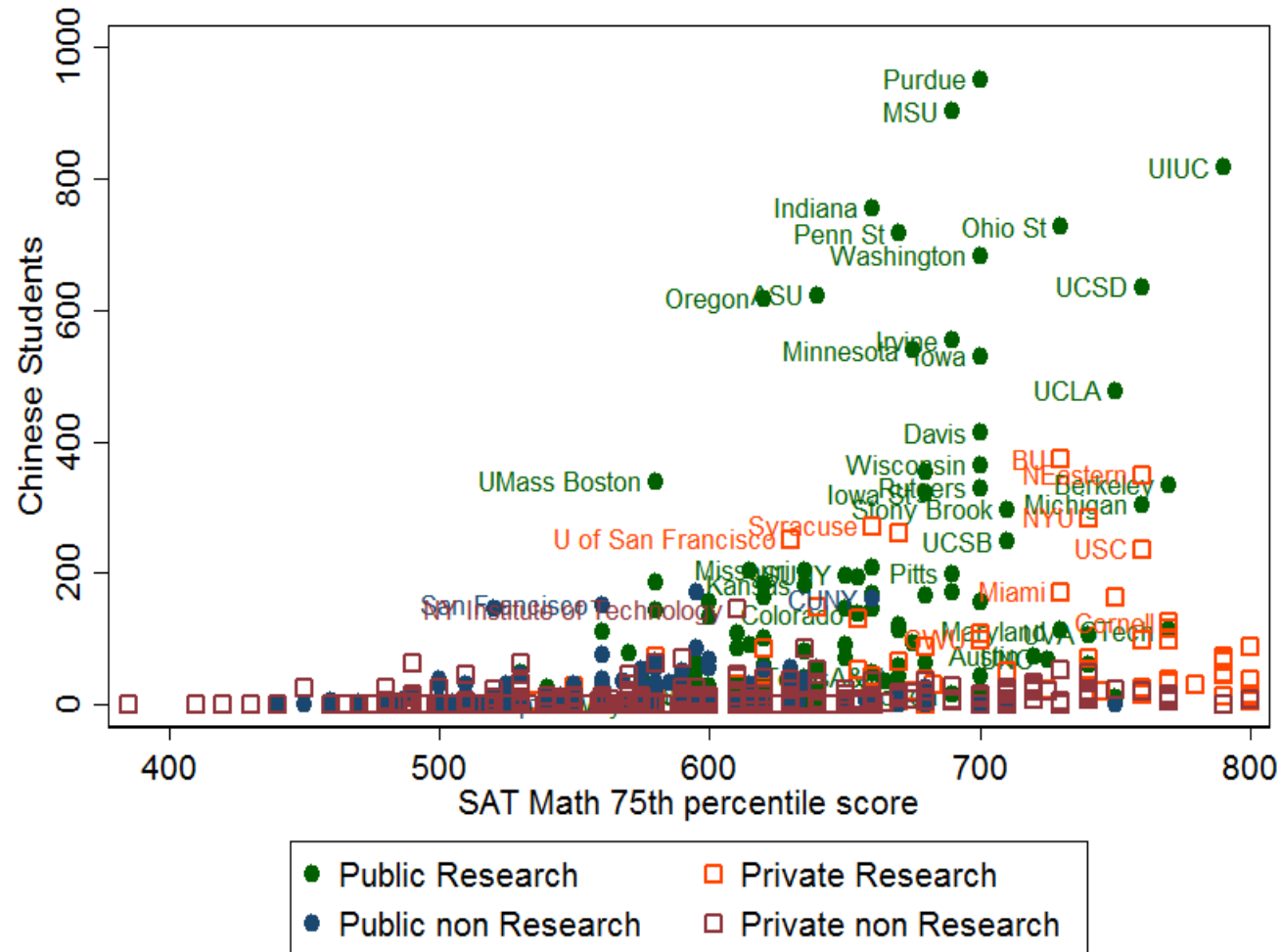
# Why China?



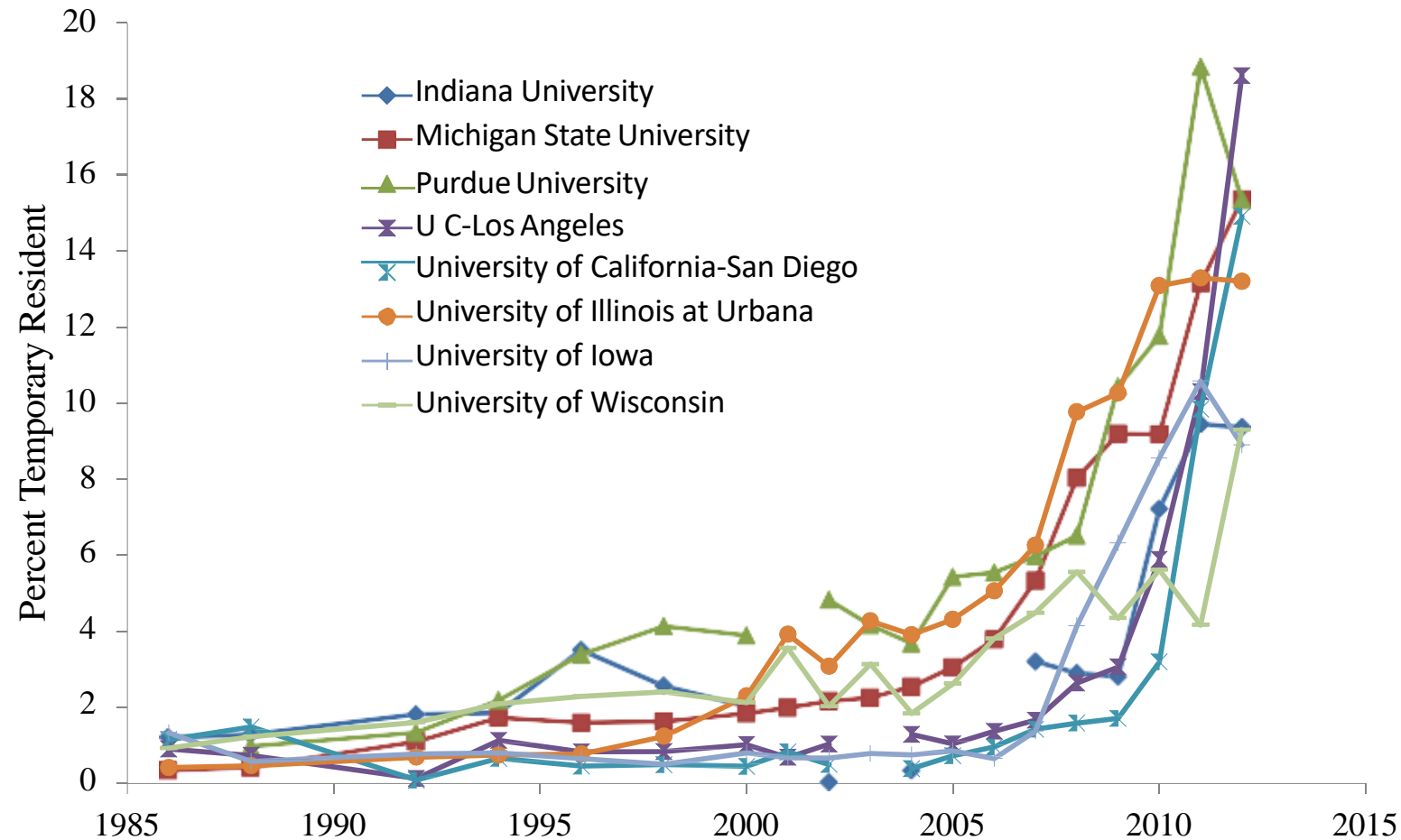
# Destination Universities

And consequences for the US Higher Education Sector

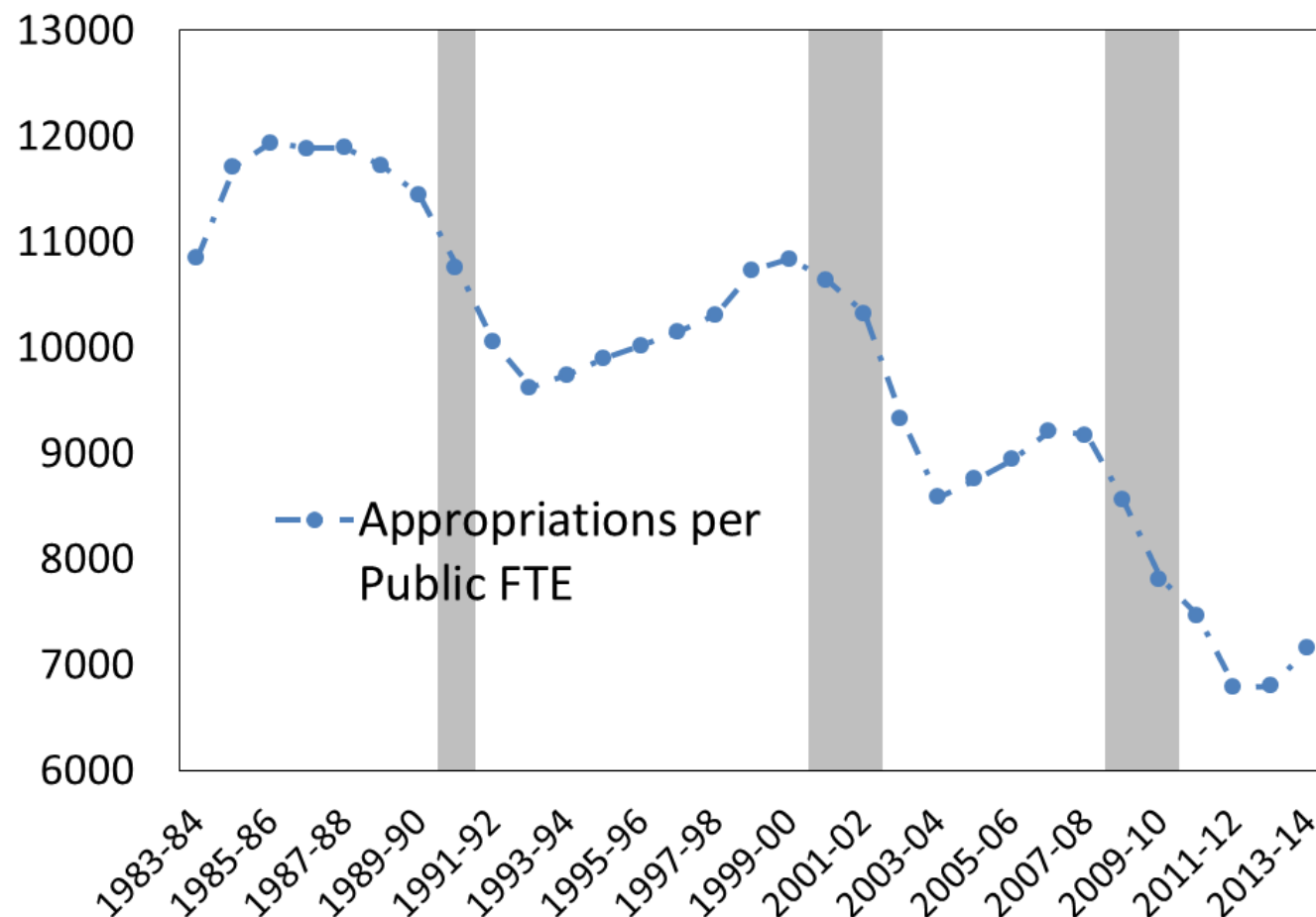
# Concentrated at Public Research Universities



# Sharp Increase at Public Research Universities



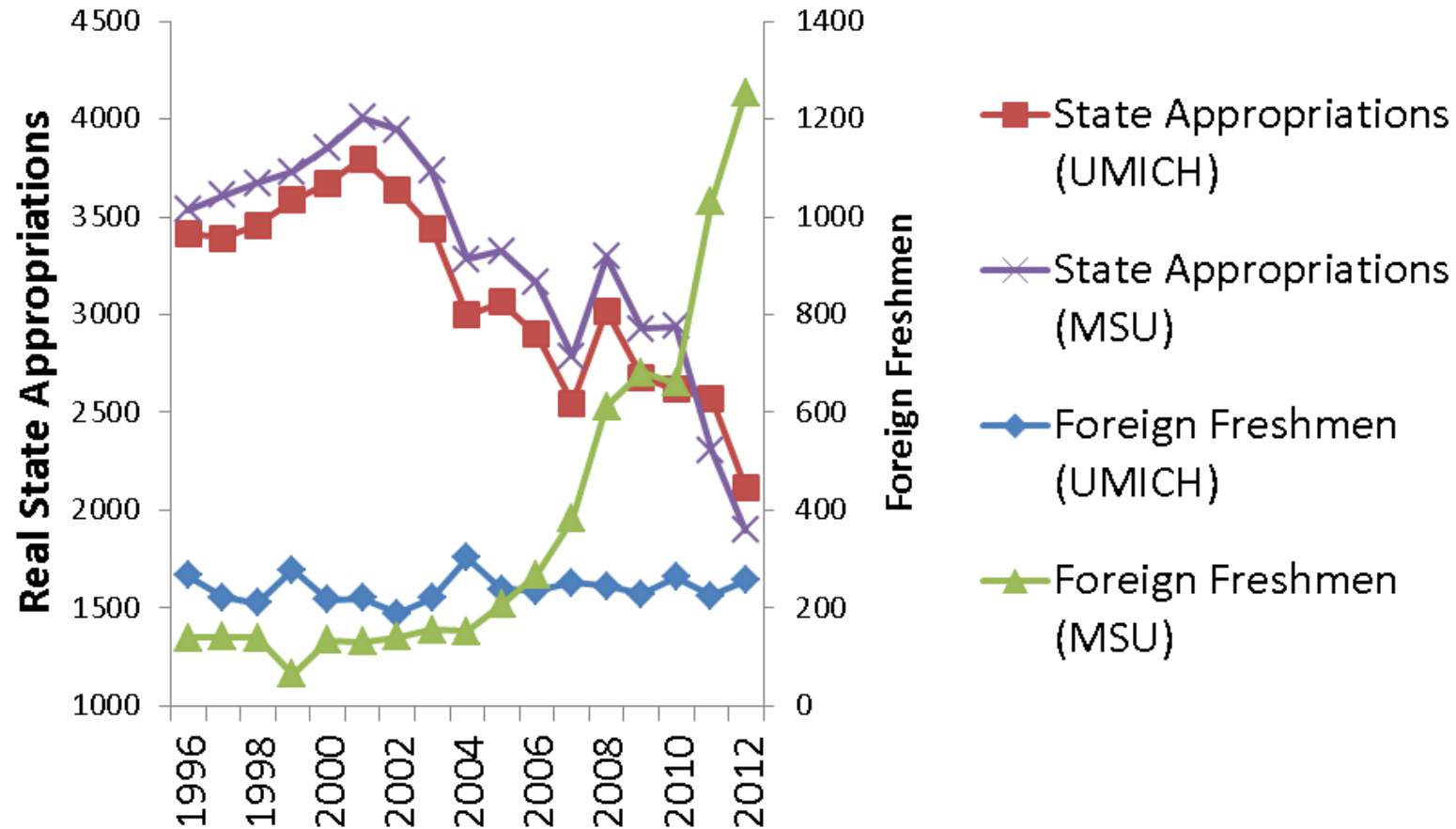
# Why Public Universities?



Universities (1) **maintain research expenditures** and (2) **tuition rates** by changing enrollment mix



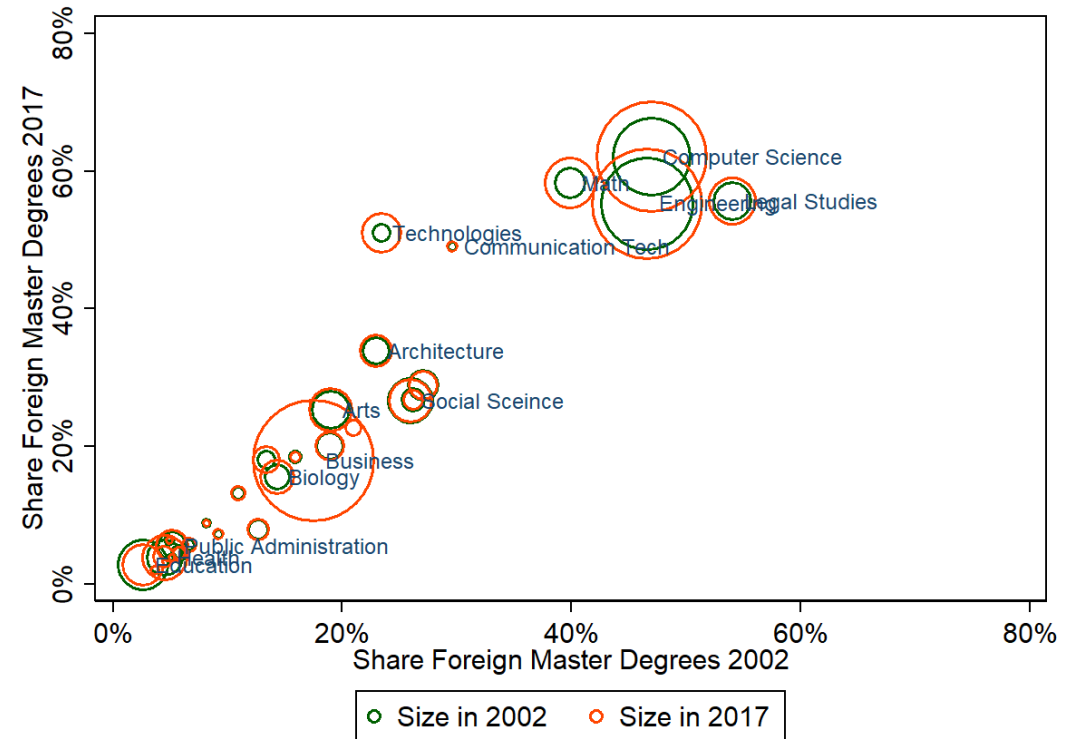
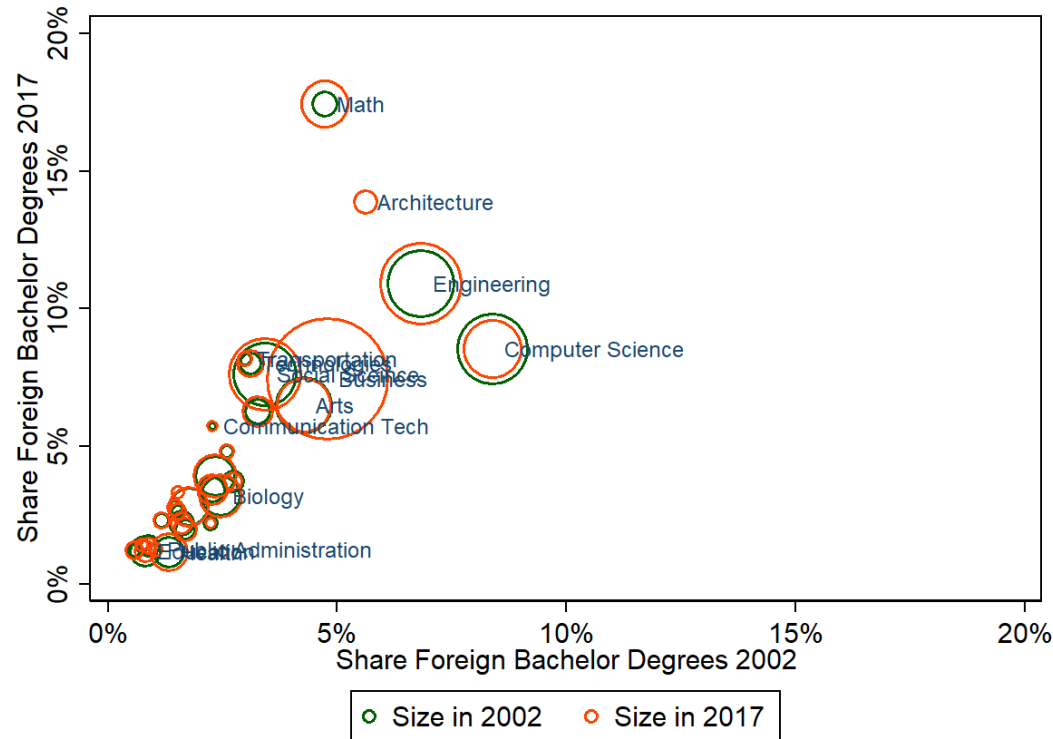
## Heterogeneity in Response – Michigan Schools



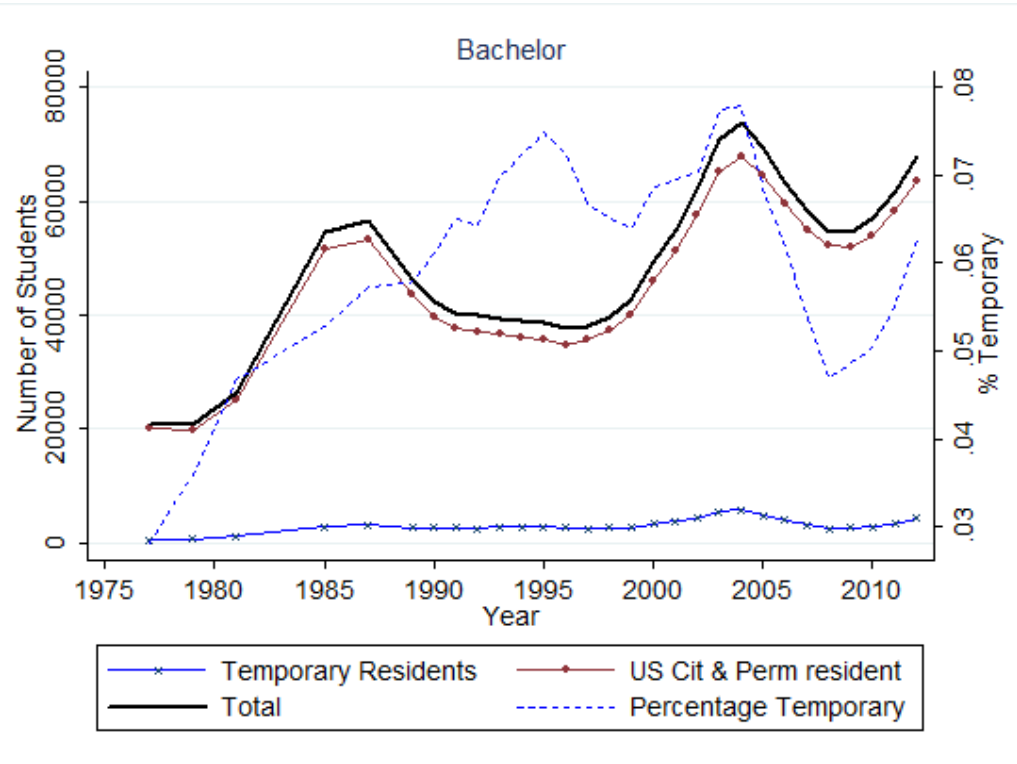
# Pathway to the US Labor Market

And consequences for US tech production

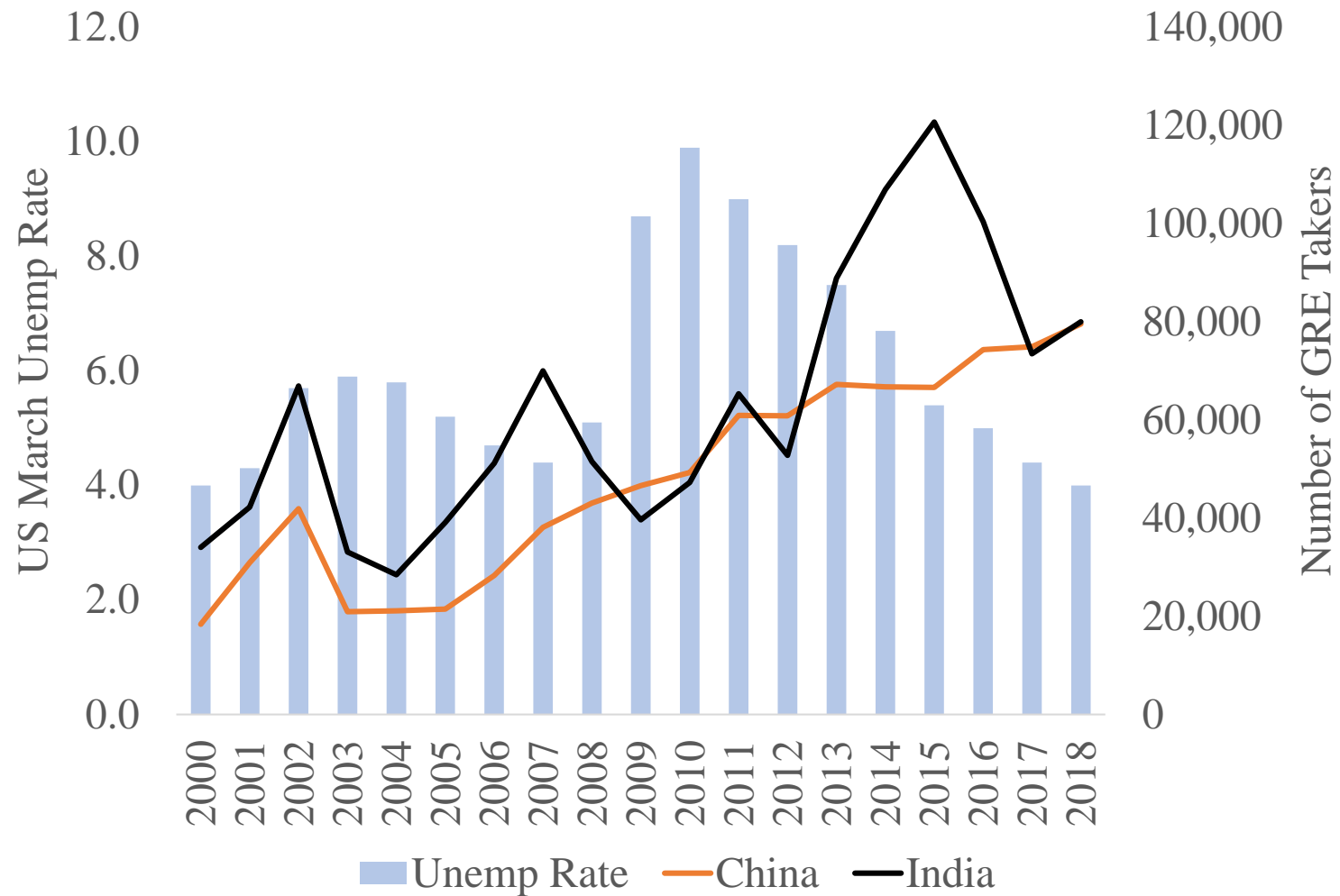
# Concentrated in STEM Fields



# Enrollment in Computer Science follows Economic Cycles



# Boom-Bust Cycles in GRE Test Taking



# Transition to Optional Practical Training (OPT)

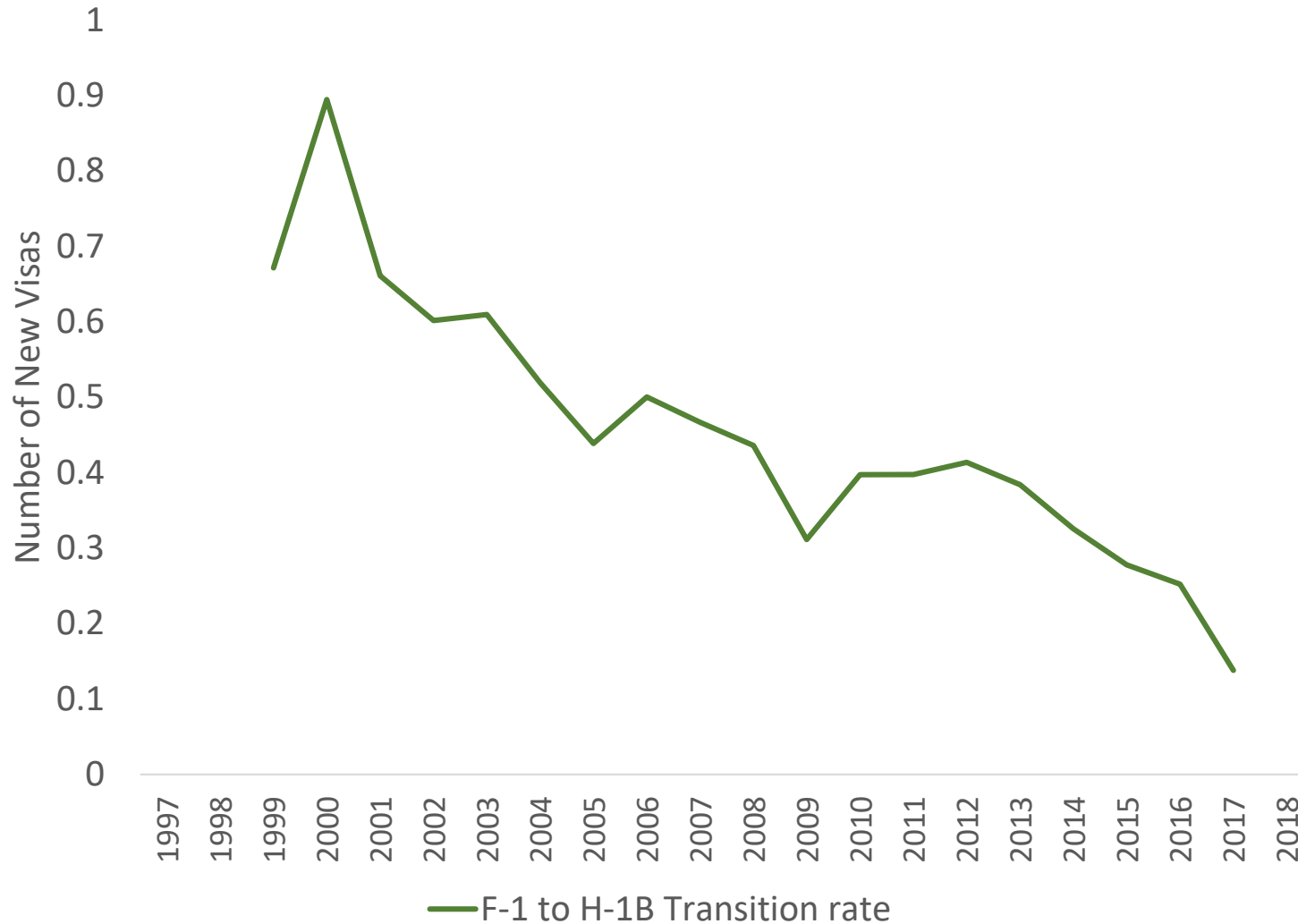
## Undergraduate students



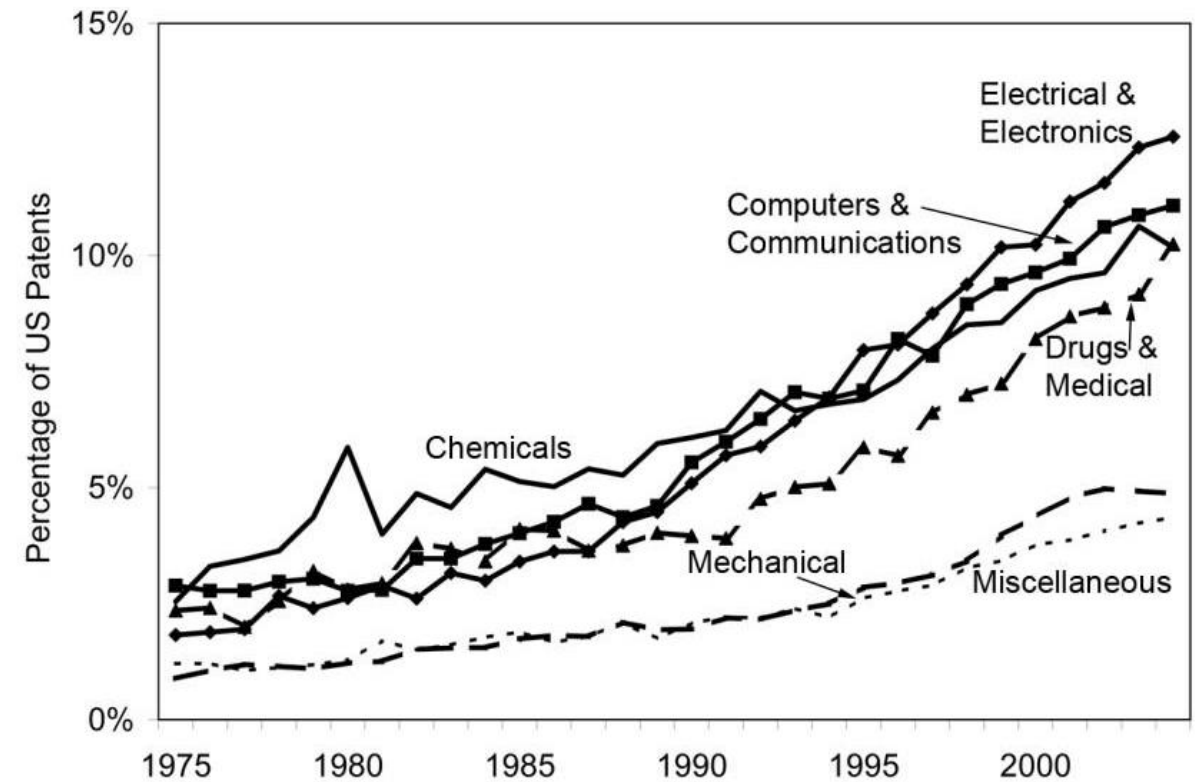
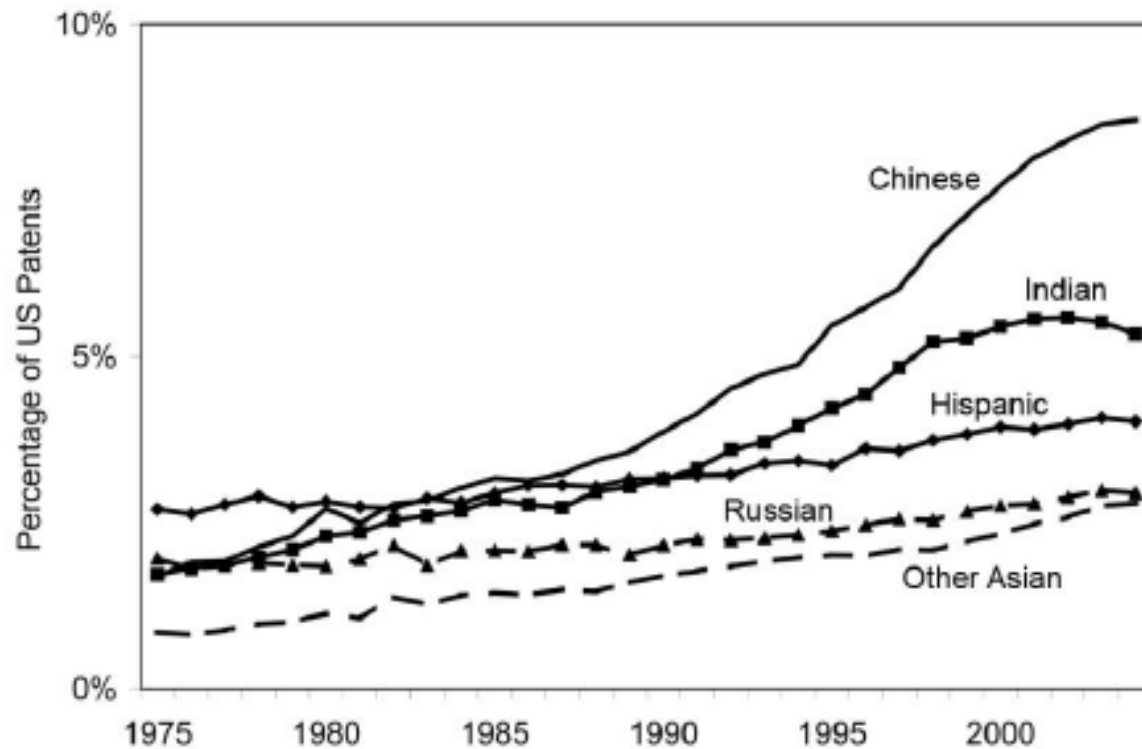
## Masters students



# Transitioning To (capped) H-1B Work Visas



# Immigration and Innovation



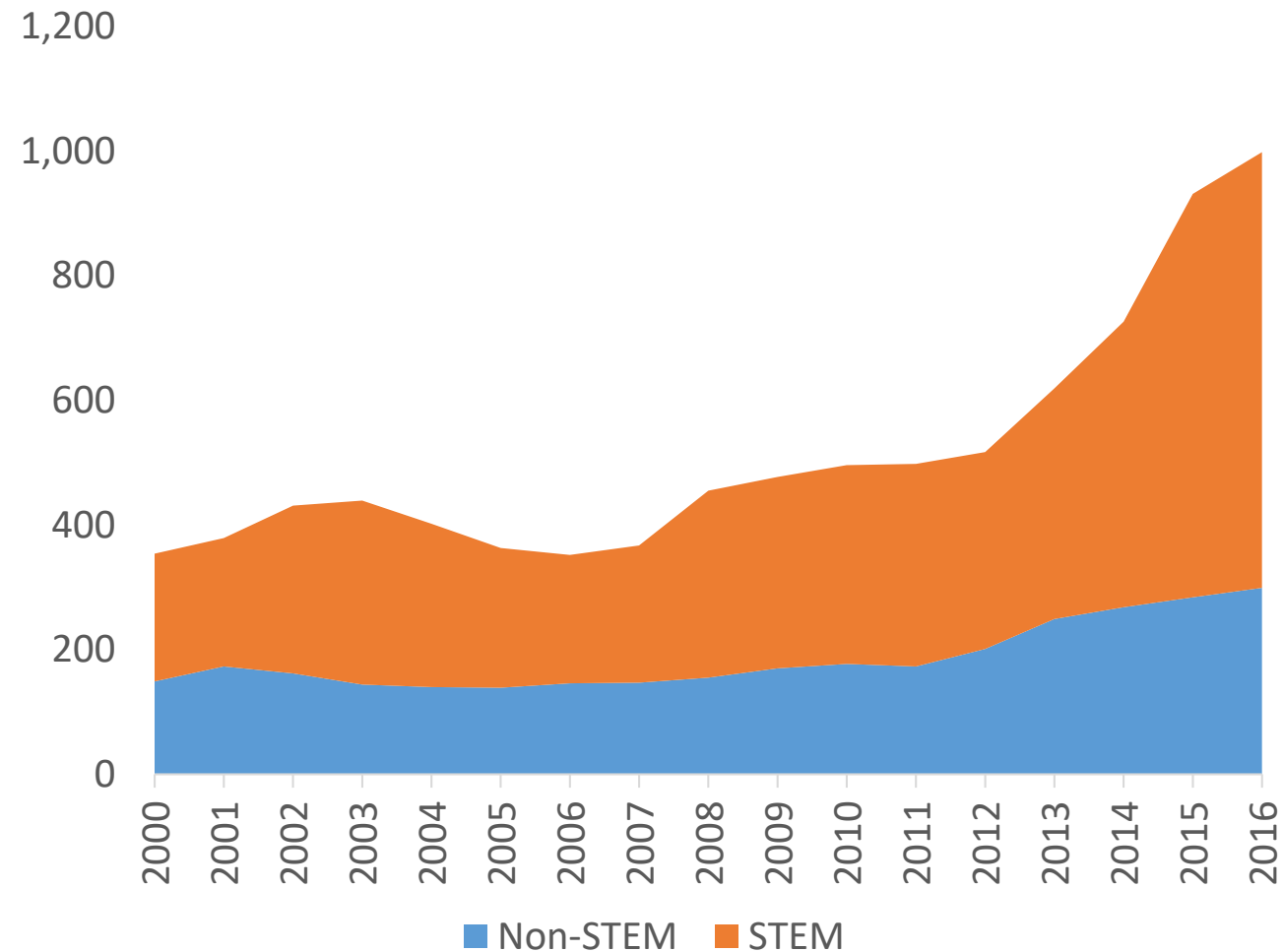
Source: Kerr and Lincoln (2010)



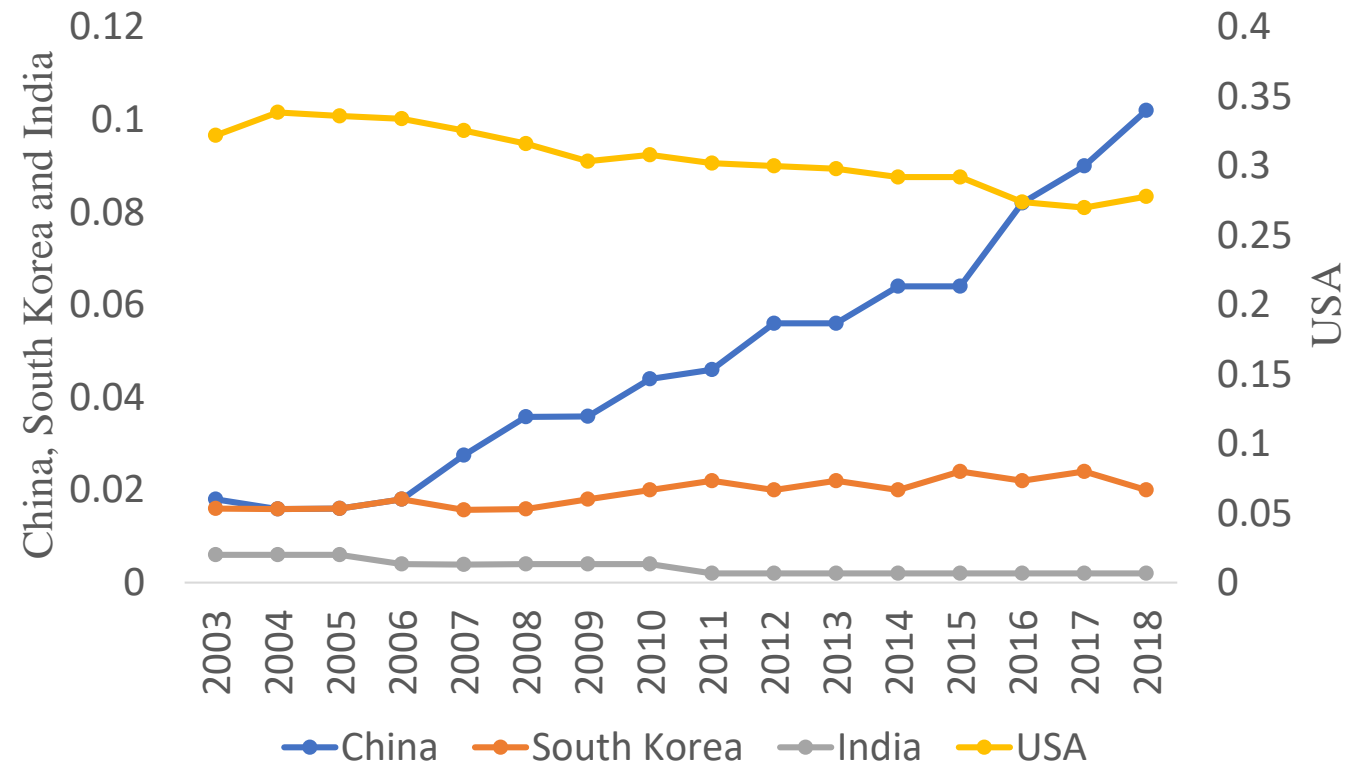
# How Universities in the US and Abroad Respond

to the growing ability of students to afford international education

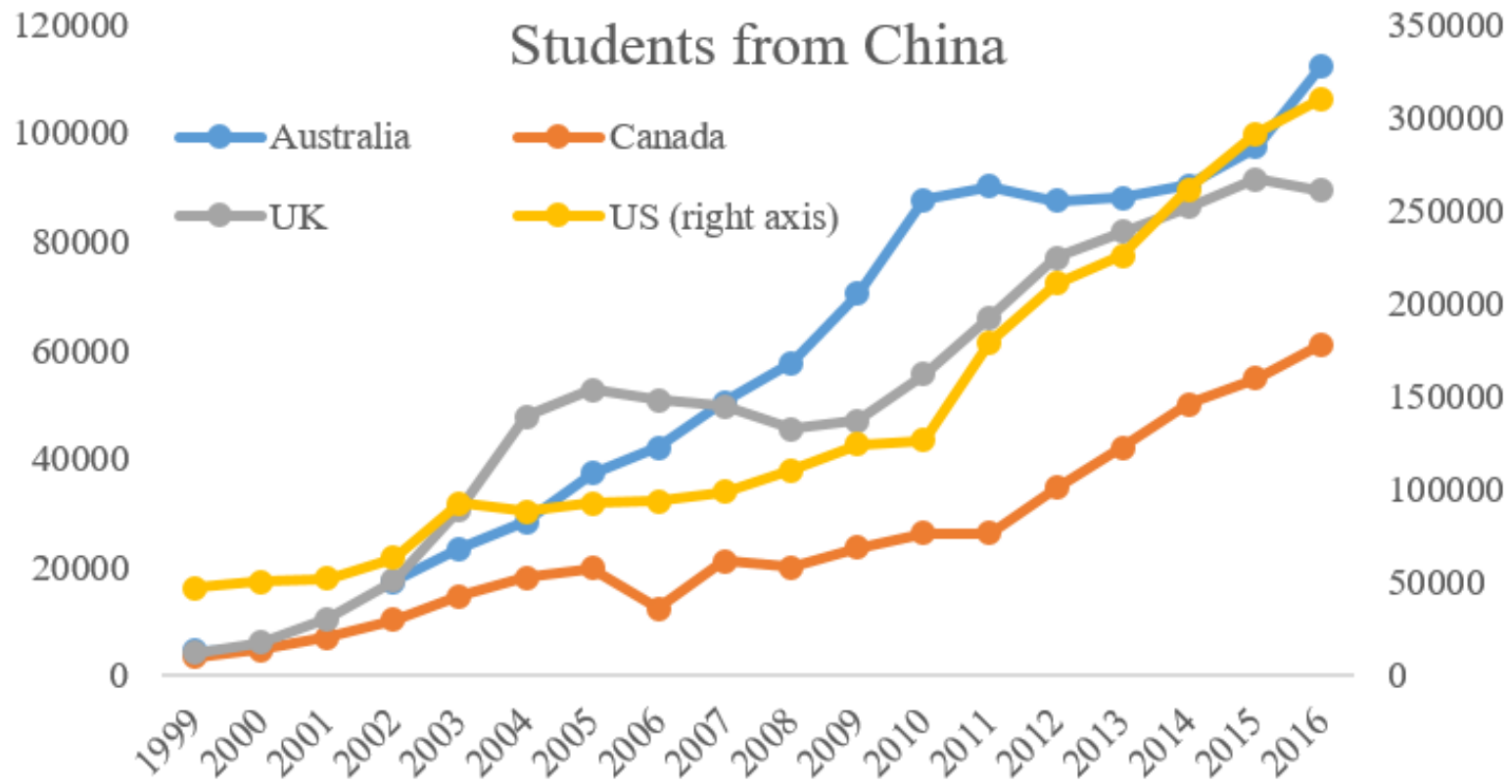
# The Growth of new Masters Programs in the US



# Universities in the top 100 World Research Rankings: **The Growth of China**



# Other Countries Compete for these Students



# Drivers and Consequences of Student Flows

- **Major Causes:**

- Income growth abroad (especially China)
- US Labor market opportunities (especially for those from India)

- **Consequences:**

- High-quality students
- Much needed revenue for public universities
- Local economies surrounding universities (\$45 bn)
- Research and instruction in universities
- Innovation in high-tech sectors

# Sources (authors listed alphabetically):

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- "[Public Universities: The Supply Side of Building a Skilled Workforce](#)" (John Bound, Breno Braga, Gaurav Khanna and Sarah Turner) NBER WP 25945. *RSF: The Russell Sage Foundation Journal of the Social Sciences*
- "[Recruitment of Foreigners in the Market for Computer Scientists in the US](#)" (John Bound, Breno Braga, Gaurav Khanna and Joe Golden) -*Journal of Labor Economics*, vol 33, part 2, July 2015, p S187-S233
- "[Reservoir of Foreign Talent](#)" (John Bound, Gaurav Khanna & Nicolas Morales) *Science* vol. 356, Issue 6339, pp. 697, May 2017
- "[A Passage to America: University Funding and International Students](#)" (with John Bound, Breno Braga, Gaurav Khanna and Sarah Turner) *American Economic Journal: Economic Policy*, Vol 12 Issue 1, February 2020
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- "[The IT Boom And Other Unintended Consequences of Chasing the American Dream](#)" (Gaurav Khanna & Nicolas Morales)
- "[High-Skill Immigration, Innovation, and Creative Destruction](#)" (Gaurav Khanna & Munseob Lee) chapter in forthcoming NBER book [The Role of Immigrants and Foreign Students in Science, Innovation, and Entrepreneurship](#), (Ina Ganguli, Shulamit Kahn, Megan MacGarvie)
- "[Understanding the Economic Impact of the H-1B Program on the US](#)" (John Bound, Gaurav Khanna & Nicolas Morales) - [ungated version](#) (chapter in "*High-Skilled Migration to the United States and Its Economic Consequences*" eds. Gordon Hanson, William Kerr and Sarah Turner)

## BY OTHER RESEARCHERS:

- [The Supply Side of Innovation](#) (William Kerr and William Lincoln). *Journal of Labor Economics*. 2010