

## How to attract international students?

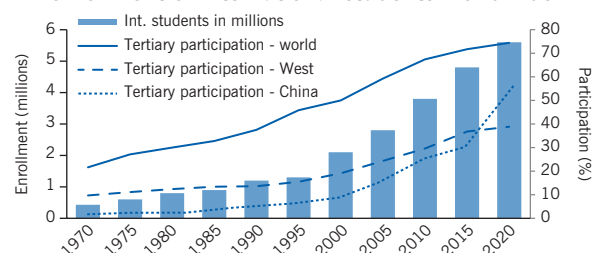
### Studying abroad benefits the students, the host country, and those remaining at home

Keywords: higher education, migration, study

#### ELEVATOR PITCH

In knowledge-based economies, attracting and retaining international students can help expand the skilled workforce. Empirical evidence suggests that open migration policies and labor markets, whereby students can remain in the host country post-study, as well as good quality higher education institutions are crucial for successfully attracting international students. Student migration can positively affect economic growth in both sending and receiving countries, even though migrants themselves reap most of the gains, mainly through higher earnings.

Strong demand for higher education reflected in rising enrollment of international students worldwide



Note: Tertiary participation = ratio of all participants in ISCED levels 5–8 divided by population aged 18–23 or 19–24; can over-estimate participation.  
 Source: UNESCO. Online at: <http://data.uis.unesco.org/#>; World Bank. Online at: <https://databank.worldbank.org/source/education-statistics-%5e-all-indicators>

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#### KEY FINDINGS

##### Pros

- ⊕ International student migration results in higher wages for the migrants, without negative effects on most native workers.
- ⊕ International student migration can foster economic growth in both home and host countries.
- ⊕ Native students are not crowded-out by international students, nor does their presence reduce learning in the classroom.
- ⊕ Open visa policies can improve both the number and the quality of incoming international students.

##### Cons

- ⊖ Some sending countries are at risk of brain drain, and their economic growth can falter as a result of excessive student emigration.
- ⊖ Overdependence on international students might affect the financial stability of higher education institutions in host countries.
- ⊖ Institutional differences between labor markets might impose wage penalties on international graduates who return home.

#### AUTHOR'S MAIN MESSAGE

While both home and host country economies can gain from student migration, individual migrants gain the most. Attractive destinations have high-quality universities, large returns to skills, and migration policies that allow students to work after completing their studies. A large fraction of international students return home, especially when the home economy is booming, returns to skills are high, and wages are based on individual productivity. Several policy options may further improve the benefits of international student migration, including harmonizing qualifications across countries and increasing both visa and labor market openness.