

Abstract

Covid-19 –Impact on Higher Educations Revenue from International students’ -A Review

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The effects of the Coronavirus (Covid-19) pandemic on the Academic institutions were disastrous. Universities and colleges have witnessed the unprecedented catastrophic impact of the Coronavirus. International students in the higher education sector in the United States have carved a niche in the financial contribution of higher education. The international students' share is 56% of the total tuition revenue in U.S higher education. The United States of America, Britain, Australia, and the other European states have 30% revenue from international students. Most of the tuition fees have paid by the students or their families. Scholarships, aids, or donations contribute not much from the USA to international. The international students contributed \$39.5 billion to the U.S. economy in 2018, and GDP was 20.5 trillion. The International students' economic contribution is close to 2% of US GDP. Due to Covid -19, the growth of international students in the United States declined from 6.3% to 5.5 % in the above period. The declines in fees for higher education were from \$188 billion in 2019 to \$189 billion in 2020 and \$167 billion in 2021. This paper analyzes the Covid-19 - impact on global diversity and inclusion, its prospect, its impact beyond economics, its constraints and scope, and further positive steps to overcome the current situation.

Keywords: Indian students, financial contribution, the United States Higher Education, Growth rate, Open door.

Methodology:

The data sources are the United States Census 2010 - 2021, government data, authentic websites, and published research studies. The data sources are reviewed and analyzed to conclude with the help of graphs and tables. International student enrollment data is from Open Doors, published by the Institute of International Education in partnership with the Bureau of Educational and Cultural Affairs, U.S. Department of State.

Literature Review

According to the United Nations Educational Scientific and Cultural Organization (UNESCO, 2018), the total number of international students was 5.3 million in 2017, and 5.3 million out of 1.04 million go to the united states for higher education. Sending countries of the international students are China, India, Germany, South Korea, Nigeria, France, Saudi Arabia, and several Central Asian countries. The USA is a favorite destination for thousands of young international students to add a foreign degree to their curriculum vitae. The International students' enrollments are continuously dropping since 2018, and due to the covid pandemic, the situation is worst now(table#1).

Table # 1 –International Student Enrollment to the United States - A Ten-Year Trend

Year	Total International Students in thousands	Total Students U.S. Enrollment in thousands	% international	Annual % change
2021-2022				4.00
2020-2021	914,095	19,744,000	4.63	-15.11
2019-2020	1075496	19720000	5.45	-1.27
2018-2019	1095299	19828000	5.52	0.05
2017-2018	1094792	19831000	5.52	1.50
2016-2017	1078822	20185000	5.34	3.40
2015-2016	1043839	20264000	5.15	7.10
2014-2015	974926	20300000	4.80	10.00
2013-2014	886052	21216000	4.18	8.10
2012-2013	819644	21253000	3.86	

Sources;

Open doors report on International Education Exchange. Retrieved from <http://www.opendoorsdata.org-1948/49-2020/21>

The International students' tuition contributions are 28% of the total tuition contribution, and their population contribution is 12%. The total number of international students at the U.S. universities dropped from 1,075,496 to 914,095 between 2019—2021, which is a 15% drop in international students' enrolment.

International students' financial contributions are tuition, room and board, and other education-related expenses (NAFSA, 2020a). Due to the current pandemic, the United States Higher Education at least lost the United States \$3billion since fall (Cantwell, 2015).

Table #2- International Students Annual Expenses

Activities	Expenses
Accommodation Type	Average Cost in US Dollar
Tuition revenue per month	2190.83 per month
Hostels and Guesthouses	\$45 to \$100 a night
Shared Rental	\$470 to \$3,600 per month
On campus	\$800 to \$900 each month
Homestay	\$600-\$3,000 per month
Rental	\$450 per month
Internet/phone	\$35 - 60 per month
Rent	\$104 - 208 per month
Electricity/gas	\$50 – 100 per month
Transport	\$36 per month

Sources-<https://www.idp.com/uae/study-in-usa/cost-of-study/>

In the public higher education, most of the revenue was from the federal, state governments, and private higher education was the major revenue contribution from the tuition between 1987 and 2003. Public higher education most of the revenue resources are from the federal and state governments and private higher education is the major revenue resource from the tuition. The level of tuition revenue per student at private institutions in 1987 was substantially higher than the level of public institutions in 2013. The value at private institutions has \$20,000 per student,

and the public university has \$9300 by 2013. International students are contributing to a major portion of the tuition revenue. The NAFSA estimated that international students' economic contribution increased from \$2.4 billion to \$40 billion between 1987 from 2013. California and New York are on the top with more than \$5 billion in revenue. (Source: Institute of International Education Open Doors Report, 2015).

Table # 3 -International students in USA-their primary source of funding

Sources	% 2013-14	% 2015-16	% 2018-2020
Personal and family	64	66.5	56.23390764
US college and University	22	17	16.95958744
Foreign government and university	6	7.4	3.533646448
Current Employment	5	6.6	21.1094508
Foreign Private sponsor	1	0.9	0.603849798
US government	1	0.4	0.173139563
US Private sponsor	1	0.3	0.239345454
International Organization	0	0.2	0.076062386
Other Sources	1	0.7	1.071010467

Sources: <https://www.envisageinternational.com/blog/2013/03/12/understanding-primary-sources-of-funding-for-international-students/>

It is explained in table# 2, that for international students in the USA, their majors' source of funding is personal and family who are helping American students to lower their tuition fees. Also, the presence of International students creates a competitive environment, which helps improve the academic quality in higher education.

Introduction

The positive economic implications of the international students are remarkable for both higher academic institutions and local communities. For more than 70 years, the number of students

from abroad at U.S. colleges and universities had been continuously rising, from about 25,000 students in 1948-1949 to more than 1 million in recent years. The international students' enrollment started to decline before the current covid-19 pandemic, and covid -19 made it worse. New Data shows that in Fall 2020 overall international student enrollment declined by 16%, and in 2022 it fell by 43%. The number of international students dropped by 15 % since the 2020-2021 academic year to about 914,000. (That number includes students taking online classes from U.S. schools, whether on campus or from overseas.). The impact on U.S. students studying abroad was even more devastating. Colleges shuttered their overseas programs and rushed more than 50,000 students home in spring 2020 as borders closed and the virus spread. Then summer programs collapsed, dropping 99 percent.

The United States Citizenship and Immigration Services (USCIS) guidance in July 2020, the not-for-profit private academic institutions, which were more dependent on tuitions revenue, is concerned about institutional financial survival and no choice rather than to reopen for in-person if they intended to enroll international students. International students played a very important role in US higher education. The best students are coming from all over the world and benefiting from their academic research and scientific innovation. The post-COVID-19 environment will be a critical turning point for international education and the global engagement of U.S. colleges and universities. United States Immigration, Visa, and Student and Exchange Visitor Information System (SEVIS) policies need to be well-crafted and implemented to attract international students. United states need to implement more attractive international student policy to attract more international students. Meanwhile, other countries are actively competing for – and winning – talented international students with policies that reflect the value these students bring not only to colleges and universities, but to job creation, research, and innovation.

International students add diversity to a college or university, enriching the experience of other students on campus. Schools with a strong global presence often have a wealth of cultural groups and events, allowing international students an opportunity to share their food, music and traditions with their U.S. peers. The 60 % of the international is with New York University, University of Southern California, Columbia University, Arizona State University, and University of Illinois - Urbana-Champaign.

Table # 4 –The Economic Benefits of International Student to the United States - A Ten-Year Trend

Year	International Students	Job Support	Economic Contribution
Fall 2007	623805	238,649	15,543
Fall 2008	671616	262,459	17,656,746,727
Fall 2009	690901	288,641	18,775,610,942
Fall 2010	723727	290,735	20,231,793,355
Fall 2011	764495	294,699	21,806,604,581
Fall 2012	819644	313,690	23,995,610,641
Fall 2013	886052	340,004	26,729,931,533
Fall 2014	974926	373,380	30,470,654,497
Fall 2015	1,043,839	400,812	32,797,331,691
Fall 2016	1,078,822	450,331	36,864,659,607
Fall 2017	1,09,3448	455608	39,000,586,343
Fall 2018	1,094,032	458,290	40.478,115.759.00
Fall 2019	1,074,215	415,990	38,685,062,256
Fall 2020	914,095	400,000	38,000,000,000
Fall 2021			28,400,000,000

https://www.nafsa.org/policy-and-advocacy/policy-resources/nafsa-international-student-economic-value-tool-v2#trends_reports

Table#5 International Students Who Became Founders of Billion-Dollar Companies

NAME	UNIVERSITY/DEGREE	COMPANY CO-FOUNDED/FOUNDED	EMPLOYEES	VALUE OFCOMPANY
Noubar Afeyan	MIT, Ph.D. Biochemical Engineering	ModernaTherapeutics	645	\$7.0Billion
Ash Ashutosh	Penn State, M.S. Computer Science	Actifio	400	\$1.1 Billion
John Collison	Harvard	Stripe	1,100	\$20Billion

Patrick Collison*	MIT	Stripe	1,100	\$20 Billion
Nicolas Desmarais	Amherst, B.A. Economics & Pol. Sc	AppDirect	700	\$1.0 Billion
Louay Eldada	Columbia University, B.S., M.S., Ph.D., Electrical Engineering	Quanergy Systems	250	\$1.6 Billion
Borg Hald	Stanford, MBA, U. of Michigan, B.B.A	Medallia	1300	\$1.3 Billion
David Hindawi	U.C.-Berkeley, Ph.D. Oper. Research	Tanium	750	\$3.5 Billion
Arvind Jain	Univ. of Washington, M.S., Comp. Sci	Rubrik	1200	\$1.3 Billion
Tomer London	Stanford, M.S. Electrical Engineering	Gusto	600	\$1.1 Billion
Soham Mazumdar	Univ. of Illinois, Urbana Champaign, M.S., Computer Science	Rubrik	1200	\$1.3 Billion
Elon Musk	Univ. of Penn., B.A., Econ & Physics, Wharton School, B.S. Business	SpaceX	7000	\$21 Billion
Adam Neumann	CUNY Bernard M Baruch College	WeWork	6000	\$20.2 Billion
Dhiraj Rajaram	Wayne State, M.S. Computer Engineering, Univ. of Chicago, MBA	Mu Sigma	3500	\$1.5 Billion
Daniel Saks	Harvard, M.A. Finance & Accounting	AppDirect	700	\$1.0 Billion
Mario Schlosser	Harvard, MBA	Oscar Health Insurance	850	\$2.7 Billion
Eric Setton	Stanford, Ph.D. and M.S. Electrical Engineering	Tango	500	\$1.0 Billion
Bipul Sinha*	Wharton School, MBA	Rubrik	1200	\$1.3 Billion
Vlad Tenev	Stanford, B.S., Math	Robinhood	250	\$5.6 Billion
Ragy Thomas	NYU, MBA	Sprinklr	1400	\$1.8 Billion
Andrew Thompson	Stanford, M.A., Education	Proteus Digital Health	300	\$1.1 Billion
Arean van Veelen	Univ. of Washington, Software Product Management, Ferris State Univ., ISM	OfferUp	240	\$1.2 Billion
Renaud Visage	Cornell, M.S. Engineering	Eventbrite	900	\$1.0 Billion
Tianyue Yu*	Cornell Univ., Ph.D., nanotechnology	Quanergy Systems	250*	\$1.6 Billion
Michelle Zatlyn	Harvard, MBA	Cloudflare	715	\$1.0 Billion

Sources: <http://nfap.com/wp-content/uploads/2018/10/2018-BILLION-DOLLAR-STARTUPS.NFAP-Policy-Brief.2018>.

International Students as Entrepreneurs

According to the National Foundation for American Policy (NFAP), 1 out of 4-billion-dollar startup companies were established by international graduating students. These startup companies are making more than 50 of 91, which is 55% of new companies' revenue in the

United States and creating. These startup companies created more than 1,400 jobs per company. Also, in 75 of the 91 companies, at least one international graduating or immigrant was in charge of a key management position, such as CEO, Chief Technology Officer (CTO), and Vice President (Study International Staff, 08 Nov 2018)

Entering the United States as an international student has shown to be a good avenue for both immigrants and America for starting successful U.S. companies. Nearly one-quarter (20 of 91) of the billion-dollar startup companies had a founder who first came to America as an international student. Cloudflare's Michelle Zatlyn has noted obtaining Optional Practical Training was crucial to the company's founding. Today, Cloudflare has 715 employees (Table#5).

Conclusion:

The International students not only supported financially to higher educations, but also generated more than 458,000 jobs every year and every seven international students, but three U.S. jobs are also created and supported by spending occurring in the higher education, accommodation, dining, retail, transportation, telecommunication, and health insurance sectors. International Students' Economic Contribution is \$40 billion, which is 2% of the United States GDP.

Furthermore, they are contributing United States economy through their, innovation, entrepreneurial action, and creating job opportunities to support the United States economy.

International the students enrollment started to decline in 2018 due to covid-19, policies, and travel restrictions, international students' enrollment in the United States dropped almost 16% in 2020-2021.

The study identified that the COVID 19 pandemic had huge devastating impacts on international student enrollment in the United States higher education. Due to the Covid-19 pandemic, higher education shifted from in-person instructions to e-learning, which kept higher education economically at a disadvantage. Higher education institutions lost a lot of revenue, which they

have from international students' such as housing, food, tuition, etc. The US needs to introduce effective policies to protect and support international students in the country from challenges and assure them that the United States is still the preferred study abroad destination for them.

After discovering the Covid-19 vaccination, higher educational institutions are resuming to normal with some restrictions. It is a new normal for international education at U.S. colleges and universities. Student and Exchange Visitor Information System (SEVIS) policies need to be redrafted based on current needs to increase international students' number in the United States higher education. In the last five years, the United States lost interest in international students coming to the country for higher education, and other countries are actively competing and winning. International students not only financially contribute but also create jobs, research, and innovation. The policy changes will save jobs and ensure that the world's best and the brightest continue to contribute to America's classrooms and competitiveness.

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