

US Schools Face New Competition for Foreign Students

By Kathryn Baron
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Students interested in studying in the US talk with American college officials at a IIE-organized Higher Education Fair in Asia

There is a quiet change taking place on U.S. college campuses. After several years of decline, the number of international students is beginning to increase. But American schools are beginning to face competition for those students from colleges in Europe and Asia.

To hear the United States Department of Education tell it, the nation's colleges and universities are an unregulated mess, requiring accountability, testing and more rigorous courses. But for students from around the globe, higher education in the United States remains among the most respected in the world.

On her first official day of classes at California State University, Ishita Maheshwari announces "I'm loving Cal State. I actually like it more because it has so many different cultures and it's so diverse."

The Bombay native is eating lunch on a second floor balcony of the student center, listening to a student band perform in the commons below. Her friend Dipti, a fellow business major from Nepal, is also happy at the campus in the eastern foothills of San Francisco Bay. "The education is very good," she explains, "and this one, Cal State East Bay, has a very good business school."

The two dark-haired young women are among the 560 international students taking classes here this semester. That's several hundred fewer than before the terrorist attacks of September 11, 2001. Over the next two years, the number of student visas granted by the U.S. government fell by more than 85,000, or about 15 percent. Those numbers are creeping up, but have still not reached pre 9-11 levels.



Daniel Obst and his colleagues hold education fairs around the world for students interested in American universities

Daniel Obst, director of membership at the [Institute of International Education](#), says "The drop off came after 9-11, but from our perspective it's not just related to visa issues." He says the stricter regulations for student visa applicants did play a role at first, but notes that other barriers appeared around the same time: the SARS health scare, steep increases in tuition, and something not seen before by U.S. colleges: a challenge to their dominion in attracting foreign students. "We've seen real increased competition from other key host countries such as Australia, the UK, Germany and other countries in Europe are really stepping up their recruitment efforts."

The United States is hosting about 565,000 international students this year, far more than any other country. But in pure business terms, its market share is falling. American educators acknowledge that the restrictions on student visas after 9-11 opened up an opportunity for other nations.

Inside a meeting room just a few meters from the patio where Dipti Rajbhandari and Ishita Maheshwari are eating lunch, a group of German university officials listen to presentations about student life at Cal State, then tour the campus. They're here to learn about management practices at American universities. Rolf Hoffmann, director of the German-American Fulbright Commission, who's leading the delegation, laughs when asked if the group hopes to take this information home and use it to compete with the United States. "Oh, of course!" he answers. "This is a matter of competition, sometimes cooperation."

There are billions of dollars at stake. According to the Institute for International Education, foreign students and their families contribute about \$13 billion annually to the U.S. economy. Hoffmann says competing for that money requires a massive cultural shift. "You have to think a lot more market-oriented, you have to think more about students as being a customer and you deliver something to a customer," he explains. "That has never been the case in earlier times in Europe. Students were just regarded as something you were running into, distracting you from your scholarly work."

U.S. colleges are being forced to respond. A recent survey of 1000 IIE member schools found half were stepping up their foreign recruitment efforts. That's true even at schools such as San Francisco's [Academy of Art University](#). The percentage of international students there has held steady for years, at about 25 percent. In Thomas McNulty's graphic design class, for example, half of the 10 students presenting their ad campaigns for imaginary products are from overseas.



Half the students in this class are from outside the United States

Sue Rowley, the school's Director of International Admissions says even though their numbers haven't fallen too much, the countries where students come from have changed dramatically since 9-11. "There are basically no students coming from the Middle East right now," she says. "And if a student from the Middle East happens to be a young male? Forget it!" she says dismissively. "It's just not going to happen."

In order to receive a visa to study in the United States, students must go to the U.S. embassy or consulate closest to their home, where they often wait in line for hours to get a finger scan, digital photo and at least one interview.

Students like Chu Po Tiang, a junior at the Academy of Art from Malaysia, found the process demeaning. "And when you got in, when the officers are trying to interview you," he adds, "you don't sense any friendliness, everyone is very tense. And they ask you all sorts of questions. 'Why do you want to come to the United States?' 'It's for study,' [I told them,] but they asked me again. It's not just one time, it's many times. And when they change officers, it's the same question, 'What do you come to the United States for?'" Tiang says he understands the need to ask the question, but he also understands why students might choose to go to a country that seems friendlier, such as Australia, New Zealand, or the United Kingdom.



Ishita Maheshwari (left) and her friend Dipti Rajbhandari are happy at Cal State



Rolf Hoffmann

The U.S. State Department is getting an earful from colleges over this, and is trying to streamline the process. In the future, embassies may be able to use video conferencing in place of in-person interviews. And beginning next month, international students will be able to download the visa application on their computers.

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