Economic Impact of Foreign Students on U.S. Higher Education Examined in Two New IIE Research Studies

The Economics of Foreign Students, by Stephen P. Dresch, and The Foreign Student Factor, by Lewis Solmon and Betty Young, report on an issue of immediate concern to policymakers in higher education.

It has been charged that foreign students consume a substantial share of U.S. educational resources without providing sufficient offsetting income to U.S. higher education. University officials frequently lack either the facts or the analytical framework to rebut this charge. Two new studies, sponsored by the policy-oriented Research Program of the Institute of International Education (IIE) offer fresh perspectives on this complex and controversial topic.

The Economics of Foreign Students provides a much-needed conceptual framework for assessing marginal costs of foreign students—and the extent to which it is either possible or advantageous to charge foreign students tuition and fees different from those paid by U.S. students. Dr. Dresch is especially concerned with implications of foreign students in relation to

the stagnant enrollment of U.S. students and excess U.S. instructional capacity.

The Foreign Student Factor contains extensive statistical information about the characteristics of foreign students as compared with U.S. students. Lewis Solmon and Betty Young describe ways in which foreign students are compensating for the lack of domestic students in certain types of institutions, at particular degree levels, and in certain fields of study.

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For further information on these reports, contact the Institute of International Education, 809 United Nations Plaza, New York, NY 10017.