

Foreign Students Economic Impact in the U.S. and California

Despite increased competition from other nations, the United States has maintained a foothold in its ability to draw students from around the world to one of its most sought-after resources, its institutions of higher learning. According to the latest National Association of Foreign Student Advisers (NAFSA) figures, roughly one out of every five international students was enrolled in a U.S. college or university in 2011. In addition, 4.2 percent of the 21 million students enrolled in college during the 2013-2014 school year were from a foreign country.

Nationwide, California had the largest share of international students enrolled in its colleges and universities during the 2013/2014 school year.

During the 2013/2014 school year, 886,100 international students pursued their educational goals in the United States, with roughly 14 percent attending a college or university in the state of California. Between the 2010/2011 and 2013/2014 school years, international enrollment increased in California by 26 percent, 4 percentage points higher than the national pace of growth (22 percent) over that period. Furthermore, California ranked number one in terms of the number of international students (122,000) it hosted during the 2013/2014 school year, more than the states of Texas (64,000) and Massachusetts (51,000) combined. The state's international student body was comprised primarily of students from China (32 percent), South Korea (10 percent), and India (9 percent).

International student spending translated into the support of 340,000 jobs across the country and nearly 48,000 in California alone.

More than 26 billion dollars flowed into the U.S. economy, due to the spending patterns of international students during the 2013/2014 school year. NAFSA estimated that the economic impact of this spending created or supported 340,000 jobs nationwide, 14 percent of those jobs were located in the state of California. NAFSA figures suggest that the four billion dollars spent by international students in California's local economies directly or indirectly supported the development of roughly 48,000 jobs. These jobs were concentrated heavily in the educational services (48 percent); accommodation and food services (34 percent); and retail trade (10 percent) subsectors.

By 2022, the occupational groups, associated with the areas of study selected by international students, are projected to grow by more than seven percent nationwide.

Nationally, between the 2010/2011 and 2013/2014 school years, the most sought-after fields of study for international students were related to business and management; engineering; and math and computer science with each experiencing enrollment increases of more than 20 percent. Data from the Institute of International Education finds that roughly 51 percent of the international student body enrolled in the U.S. pursued one of these fields during the 2013/2014 school year. The Bureau of Labor Statistics forecasts that by 2022, occupations associated with these areas of study will increase by at least seven percent nationwide. In California, the Employment Development Department forecasts at least 10 percent growth within the computer and mathematical (24 percent); business and financial (19 percent); management (11 percent); and architectural and engineering (11 percent) occupational groups by 2022.

Analysis of Economic Impact of International Students: US and California						
United States	Academic Years				Net Change	Percent Change
	2010-2011	2011-2012	2012-2013	2013-2014	2010-2013	2010-2013
Number of International Students	723,300	764,500	819,600	886,100	162,800	22.5%
Monetary Contribution to Economy (in millions)*	\$20,200	\$21,800	\$24,000	\$26,800	\$6,600	32.7%
Number of Jobs Created/Supported**	290,700	294,700	313,300	340,000	49,300	17.0%
California	Academic Years				Net Change	Percent Change
	2010-2011	2011-2012	2012-2013	2013-2014	2010-2013	2010-2013
Number of International Students	96,500	102,800	111,300	121,600	25,100	26.0%
Monetary Contribution to Economy (in millions)*	\$3,000	\$3,200	\$3,600	\$4,100	\$1,100	36.7%
Number of Jobs Created/Supported**	38,600	39,300	43,200	47,700	9,100	23.6%

*Source: NAFSA's estimate of the amount of money foreign students bring to the United States to support their education.
 **Source: NAFSA estimate of the number of direct and/or indirect jobs created or supported by international students' monetary contribution(s).

Top Fields of Study of International Students in the United States				
Fields of Study	Academic Years		Net Change	Percent Change
	2010-2011	2013-2014		
Total	723,300	886,100	162,800	22.5%
Business and Management	155,800	188,200	32,400	20.8%
Engineering	135,600	170,200	34,600	25.5%
Math and Computer Science	64,600	91,400	26,800	41.5%
Social Sciences	63,300	72,400	9,100	14.4%
Physical and Life Sciences	63,500	70,500	7,000	11.0%
Fine and Applied Arts	37,200	51,200	14,000	37.6%
Intensive English	32,300	43,500	11,200	34.7%
Health Professions	32,500	32,000	-500	-1.5%
Humanities	16,300	17,900	1,600	9.8%
Education	16,900	17,900	1,000	5.9%
Agriculture	9,900	10,600	700	7.1%
Other Fields of Study	75,500	94,600	19,100	25.3%
Undeclared	19,900	25,700	5,800	29.1%

Source: Institute of International Education, *Open Doors Report*, 2011 and 2014

Occupational Projections by Major Occupational Group: US and California				
United States	Employment		Net Change	Percent Change
	2012	2022		
Management	8,861,500	9,498,000	636,500	7.2%
Business and Financial Operations	7,167,600	8,065,700	898,100	12.5%
Computer and Mathematical	3,814,700	4,500,500	685,800	18.0%
Architecture and Engineering	2,474,500	2,654,000	179,500	7.3%
Life, Physical, and Social Science	1,249,100	1,374,800	125,700	10.1%
Community and Social Service	2,374,700	2,783,400	408,700	17.2%
California	Employment		Net Change	Percent Change
	2012	2022		
Management	1,119,000	1,243,500	124,500	11.1%
Business and Financial Operations	888,900	1,059,500	170,600	19.2%
Computer and Mathematical	494,800	613,800	119,000	24.1%
Architecture and Engineering	327,600	362,000	34,400	10.5%
Life, Physical, and Social Science	197,400	234,100	36,700	18.6%
Community and Social Service	244,700	277,900	33,200	13.6%

Sources: Bureau of Labor Statistics and California Employment Development Department



State of California

Labor and Workforce Development Agency

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