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Executive Summary

The proposed policies of former President Donald Trump and his allies signal a substantial shift toward restrictive immigration, heightened visa scrutiny, and protectionist measures. Such policies risk making the U.S. a less appealing destination for international students—a critical demographic that provides financial stability to many U.S. universities and bolsters the country's research and innovation output. Drawing on both empirical evidence from Trump's first term and recent policy proposals, this article explores the multi-layered impacts of these policies on different types of higher education institutions.

- Immediate Impacts: Less selective regional colleges, which rely heavily on tuition from international students, are at the highest risk. Institutions with high acceptance rates and high international enrollment, such as Brigham Young University–Hawaii and Savannah College of Art and Design, face potential budget shortfalls, enrollment declines, and the necessity to reduce programs if international students are deterred.
- Quality and Innovation Challenges for Selective Institutions: Highly selective universities like Harvard and MIT may see a decline in the caliber of international graduate applicants, especially from non-white or underrepresented backgrounds, as top-tier talent increasingly opts for friendlier, competitive alternatives abroad.
- **Broader Economic and Educational Effects:** A reduction in international student flows threatens to weaken the U.S. talent pipeline, compromise research output, and erode the global influence of American higher education. Competing countries with more inclusive policies are likely to benefit from a "brain drain," capturing skilled international graduates who would otherwise contribute to the U.S. economy.

By examining these immediate, second-order, and long-term effects, this article provides a nuanced analysis of the evolving landscape in U.S. higher education and presents strategic recommendations for at-risk institutions.





Introduction

As former President Donald Trump and his allies propose policies that prioritize strict immigration controls, heightened visa restrictions, and increased trade barriers, the U.S. education landscape faces the possibility of becoming far less appealing to international students. Key policies proposed by Trump's allies, including individuals like Stephen Miller —known for his hardline stances on immigration—signal a potential shift toward a more restrictive, protectionist, and arguably xenophobic environment in the U.S. This shift has implications not only for visa policies but also for how international students perceive their welcome, safety, and prospects in the U.S., especially those from non-white or developing countries.

In Trump's first term, there was already evidence of such an effect. Between 2017 and 2019, before the COVID-19 pandemic distorted global enrollment patterns, international student enrollment in U.S. higher education saw declines for the first time in a decade.

This decline occurred during Trump's administration as visa policies became more restrictive, and an anti-immigration narrative began to influence the perception of the U.S. as an unwelcoming environment for foreigners. For example:

- Visa Policy Changes: The Trump administration implemented restrictive policies that affected student visa renewals, extended processing times, and introduced scrutiny based on students' country of origin. Additional restrictions targeted students from certain regions, notably those with large Muslim populations, which was perceived as a discriminatory stance on immigration.
- **"Unwelcome" Environment and Safety Concerns:** The travel bans, heightened scrutiny, and rhetoric on "extreme vetting" contributed to a perception that international students, particularly from non-white or Muslim-majority countries, were unwelcome. The new atmosphere led some students to fear increased scrutiny, diminished access to future work opportunities, and potential discrimination.
- **OPT Program Threats:** The Optional Practical Training (OPT) program, which allows international students to stay in the U.S. to work for up to three years after graduation, was under threat of being curtailed during Trump's first term. This uncertainty discouraged students who viewed OPT as a key factor in choosing to study in the U.S., especially those in STEM fields where OPT extensions are popular.

These policies led to specific, measurable effects across U.S. institutions. According to IIE's Open Doors Report, new international enrollments fell by 6.6% in 2017 and continued to decline in subsequent years. Surveys conducted by U.S. universities also noted a decrease in applications from international students, with over 40% of institutions reporting drops in 2018. Many prospective students cited concerns over U.S. visa policies, personal safety, and an overall unfriendly environment as reasons for choosing alternative study destinations.

The impact was particularly notable among students from China and India, the two largest international student populations in the U.S., both of whom faced heightened visa scrutiny under policies designed to counter alleged intellectual property theft and national security concerns. Furthermore, students from Middle Eastern and African nations faced additional hurdles, including visa denials and extended processing times, which significantly reduced enrollments from these regions.



The Likely Impact of Proposed Second Term Policies

Given the data from Trump's first term, a second term with expanded policies is likely to exacerbate these trends, potentially resulting in even steeper declines in international student enrollments. Key proposed policies include:

- Mass Deportations and Visa Curtailments: Trump's allies have proposed mass deportations of undocumented immigrants, heightened scrutiny of visa applications, and tougher immigration laws. For international students, this means an increase in the likelihood of visa denials, especially for students from specific regions, and possibly even reduced visa quotas for student entry.
- Reduced OPT and H-1B Visa Availability: Allies like Stephen Miller have advocated for scaling back the OPT program and further limiting H-1B visas. If implemented, this could discourage top international students, particularly in STEM fields, who view post-graduation work experience as critical to their careers. Without assurances of future work opportunities, many prospective students may choose countries that offer clearer post-graduation paths, such as Canada, the U.K., and Australia.
- Increased Restrictions on Chinese Students: Trump has indicated a desire to limit student visas for Chinese nationals to counter perceived security threats. Such restrictions, along with previous moves to scrutinize Chinese students in sensitive fields like AI, biotechnology, and engineering, may deter Chinese students from applying to U.S. institutions. Given that Chinese students make up around one-third of all international students in the U.S., this policy alone could have major implications.





Empirical Impact & Comparisons with Other Countries

This anticipated decline in international enrollment is not just theoretical; empirical data from Trump's first term, coupled with experiences in other OECD countries, offers a strong foundation for understanding the potential impacts. For example:

Canada's Increase in International Enrollment: While U.S. enrollment declined in 2018 and 2019, Canada saw a 16% increase in international student enrollment in the same period, with significant numbers of students citing Canada's welcoming immigration policies and streamlined post-graduation work pathways. Canadian universities benefited directly from students who might have otherwise attended U.S. institutions.

United Kingdom and Australia's Policy Adjustments: Both the U.K. and Australia implemented more inclusive visa and work-study policies during Trump's first term. As a result, both countries experienced record growth in international enrollments, with a particular increase in students from China and India, two groups essential to U.S. graduate and STEM programs. The U.K. saw a 9% increase in Chinese student enrollment in 2019, while Australian universities recorded similar growth patterns.

Trade and Tariff Tensions' Impact on International Perception

The broader trade tensions, particularly with China, add another layer of concern for international students who may worry that U.S. policy is increasingly adversarial toward their home countries. This perception has tangible effects on university enrollments, especially for students in fields like engineering and business, who often rely on cross-border collaborations.



A Chilling Effect on International Student Enrollment

A combination of immigration restrictions, visa limitations, and an unfriendly political atmosphere would likely amplify the decline in international student enrollment seen in Trump's first term. This environment would especially impact institutions that rely heavily on international students for tuition revenue or research quality, such as regional universities with high international enrollments and top-tier research institutions reliant on high-quality graduate applicants.

The projected outcomes include a weaker pipeline of international talent in U.S. higher education, diminished research output, and potentially less influence of U.S. universities on the global stage. By analyzing the direct and empirical impacts of policies from Trump's first term, we can expect that these proposed second-term policies would reinforce and even accelerate a troubling trend, permanently impacting both the academic and economic contributions of U.S. institutions.



Less Selective Institutions: Implications of Reduced International Student Flow

Regional universities and liberal arts colleges may face immediate financial risks due to high international enrollment and lower selectivity.

First-Order Effects: Reduced International Enrollment in Less Selective, Financially Dependent Institutions

- Colleges with high international enrollment and high acceptance rates, such as Brigham Young University – Hawaii (49% international, 34% acceptance rate) and Savannah College of Art and Design (15% international, 84% acceptance rate), are heavily reliant on international tuition to support their budgets. These institutions may struggle to fill seats and maintain operations if international enrollment drops.
- Immediate Financial Strain: Loss of tuition from international students would directly affect operating budgets, potentially leading to staff layoffs, program closures, or even school closures.

Second-Order Effects: Funding & Research Limitations for Less Selective Institutions

• As regional and smaller colleges struggle with reduced international enrollment, their budgets for research, facilities, and specialized programs will likely decrease. For example, *Gannon University (14%)* and *Greenville University (14%)* may need to cut back on STEM and business programs if international tuition can no longer subsidize these areas.

Third-Order Effects: Long-term impact on US Research Output & Innovation

- As less selective institutions cut back on programs, the reduction in graduating international students available to work on Optional Practical Training (OPT) status or on work visas in area businesses can particularly affect the local economy, especially in rural areas and small communities.
- Impact on Local Industries: Many of these institutions supply skilled labor to local businesses in fields such as healthcare, technology, and agriculture. Reduced student capacity may lead to fewer qualified graduates entering the workforce, weakening local economies and limiting growth in sectors dependent on these skills.

Strategic Recommendations for Less Selective Institutions

Strengthen Domestic Recruitment & Financial Aid Offerings

To fill enrollment gaps, less selective colleges can target underrepresented domestic students through scholarships and financial aid. For example, schools like Union College (KY) and Calvin University (13% international) could increase recruitment efforts within local high schools and underserved communities.

Partner with Local Industries for Workforce Training

Colleges can create programs aligned with local workforce needs to attract domestic students. For instance. Greenville University and Life University could partner with healthcare and manufacturing companies develop to workforce training programs, creating a domestic talent pipeline that supports both the local economy and the college's enrollment goals.

Expand Online & Modular Learning Programs

Institutions like Savannah College of Art and Desian could invest in online course offerings to international engage students who face visa restrictions, allowing them to remain part of the body student and potentially transition to oncampus programs when possible.



Highly Selective Institutions: Implications of Reduced International Student Flow

Trump's policies will also impact top-tier research institutions. These selective institutions, while not reliant on international students to fill seats, attract a significant number of highcaliber international students who contribute to the quality and prestige of their programs, particularly at the graduate level. Institutions like the Ivy League schools and researchheavy universities, such as *Stanford University* and *University of Chicago*, may face a decline in the quality and diversity of international applicants if the U.S. is perceived as an unwelcoming environment.

First-Order Effects: Reduced Quality of International Applicants at Highly Selective Institutions

- Top-tier universities, including *Harvard*, *Stanford*, and *Columbia*, attract the brightest students globally, especially in graduate and research programs. However, a less welcoming U.S. environment may discourage top talent from choosing these institutions, particularly students from non-white backgrounds or countries facing additional visa scrutiny.
- Impact on Research and Innovation: With fewer highly qualified international students, these institutions may experience a reduction in the quality and volume of research output, affecting their global standing and ability to secure competitive research funding.

Second-Order Effects: Diminished Academic & Cultural Diversity at Selective Institutions

- Highly selective institutions rely on diverse international perspectives, particularly in research-intensive programs. A reduction in international applicants would diminish the range of perspectives and ideas within these programs, potentially limiting the scope and impact of research.
- Loss of Global Collaboration: Institutions like *MIT* and *Princeton* often collaborate internationally on complex projects, including technology and healthcare research. Without a diverse student body, these schools may lose collaborative advantages, impacting their reputation as global leaders in research and innovation.

Decreased Interest from International Donors & Industry Partners

- Reduced international enrollment at both regional and selective institutions could lessen interest from international donors and industry partners. Many wealthy alumni or international companies support U.S. universities as a way to maintain ties with their alma mater or access top talent. A decline in international student presence could lead to reduced international donations and fewer industry collaborations.
- **Examples:** Schools like *University of Pennsylvania* and *Northeastern University* have benefited from strong international alumni networks and partnerships. A diminished international presence could reduce these funding sources, impacting program budgets and international research partnerships.

Third-Order Effects: Long-term impact on US Research Output & Innovation

- As less selective institutions cut back on programs and highly selective institutions lose top-tier international talent, U.S. research capacity and innovation may face long-term challenges. This reduction in talent can particularly affect emerging fields such as artificial intelligence, biotechnology, and renewable energy, where international students often contribute significantly.
- Loss of Competitiveness in STEM Fields: Highly selective schools like *UC Berkeley* and *Georgia Tech* could see declines in their ability to recruit top talent, impacting the U.S.'s leadership in STEM fields. Long-term, this may result in fewer technological advancements, fewer patents, and decreased global competitiveness in innovation.



Potential for "Brain Drain" to Competing Countries

- As countries like Canada, the U.K., and Germany increase their appeal to international students, they may attract top talent who would have previously chosen the U.S. These countries could benefit economically from a "brain drain" effect, with the most qualified students contributing to their innovation ecosystems.
- **Examples:** Canada has actively marketed its welcoming environment to international students, particularly in tech fields, to attract talent and grow its technology sector. As the U.S. becomes less attractive, countries like Canada may see an influx of skilled graduates, accelerating their progress in fields like AI and clean energy.

Loss of US Academic Prestige & Influence

- The U.S. has long been viewed as a leader in higher education, particularly in graduate programs and research. A reduction in top international students could lead to a global perception that the U.S. is no longer the ideal destination for higher education, affecting its academic influence.
- Impact on Rankings and Global Positioning: Universities such as *Yale* and *University of Chicago* rely on international talent to maintain high rankings and global prestige. A shift in student demographics could weaken these institutions' positions, allowing universities in other countries to rise in prominence.



Strategic Recommendations for Highly Selective Institutions

Develop International Research Collaborations

To offset potential declines in on-campus international students. selective institutions could expand collaborations with universities abroad. allowing research joint projects and exchanges. For example, *MIT* and *Stanford* could partner with institutions in Europe and Asia to attract top talent and strengthen their global research networks.

Strengthen Diversity and Inclusion Initiatives for Global Talent

Highly selective universities can create systems that support emphasize inclusion for international students from backgrounds. diverse Outreach programs that highlight supportive campus environments and inclusive policies may help mitigate any reputational damage caused bv broader national policies.

Pursue International Campuses or Research Centers

Institutions like *Columbia* and Harvard could consider establishing international campuses or research centers in countries with This strong talent pools. them allow would to access to maintain top international talent and foster partnerships with local industry, while also reducing dependency on U.S.-based visas and immigration policies.



Conclusion: Navigating New Realities in Higher Education

As the U.S. faces potential shifts in policy that could deter international students, the landscape of higher education is poised for significant change. Institutions like Queens University of Charlotte, Campbellsville University, and Brigham Young University–Hawaii, which combine high international student populations with less selective admissions, face imminent financial and operational challenges. Concurrently, elite research universities such as MIT, Harvard, and Stanford might experience a decline in the quality of international applicants, impacting their global standing and research capabilities.

In response to these challenges, U.S. higher education institutions must employ a multifaceted strategy. This includes bolstering domestic recruitment efforts, enhancing partnerships with local industries for workforce development, and expanding global outreach through online platforms and international campuses. Additionally, universities should advocate for policies that support the mobility of international talent and foster a welcoming academic environment.

By adopting these strategies, institutions can mitigate the impact of restrictive policies on their operations and maintain their roles as global leaders in education and innovation. Proactive adaptation will not only safeguard the interests of U.S. higher education but also ensure its continued contribution to global academic and professional communities.





Appendix: Institutions at Risk

Institution	Location	Intl. Students (%)	Acceptance Rate (%)	Туре
Divine Word College	Epworth, IA	85%	N/A	National Liberal Arts
University of the West	Rosemead, CA	49%	78%	National Liberal Arts
Brigham Young UniversityHawaii	Laie Oahu, HI	49%	34%	Regional University (West)
Principia College	Elsah, IL	42%	45%	National Liberal Arts
Andrews University	Berrien Springs, MI	20%	78%	National University
Bethany Lutheran College	Mankato, MN	20%	58%	National Liberal Arts
East-West University	Chicago, IL	19%	N/A	National Liberal Arts
Fashion Institute of Design & Merchandising	Los Angeles, CA	18%	42%	Regional University (West)
Life University	Marietta, GA	16%	94%	Regional University (South)
Savannah College of Art and Design	Savannah, GA	15%	84%	Regional University (South)
Southwestern Christian University	Bethany, OK	15%	NZA	Regional University (West)
Salem University	Salem, WV	14%	NZA	Regional University (South)
Greenville University	Greenville, IL	14%	94%	Regional University (Midwest)
Gannon University	Erie, PA	14%	77%	National University
College of Idaho	Caldwell, ID	14%	47%	Regional University (West)
Graceland University	Lamoni, IA	13%	83%	Regional University (Midwest)
Lynn University	Boca Raton, FL	13%	74%	Regional University (South)
Calvin University	Grand Rapids, MI	13%	71%	Regional University (Midwest)



St. Cloud State University	St. Cloud, MN	12%	95%	Regional University (Midwest)
Suffolk University	Boston, MA	12%	85%	National University
Marymount University	Arlington, VA	12%	80%	National University
Oakwood University	Huntsville, AL	12%	68%	National Liberal Arts
Lawrence Technological University	Southfield, MI	11%	80%	Regional University (Midwest)
Trevecca Nazarene University	Nashville, TN	11%	63%	National University
Barry University	Miami Shores, FL	11%	59%	National University



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Established in 2006, we've maintained offices in Shanghai, Singapore, Washington DC, and Mexico City. Now, we've fully embraced remote work culture with a team of full-time professionals worldwide. Our team includes experts in business research, analysis, subject matter experts, account management, and more.



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Adil Husain is the Managing Director of Emerging Strategy. He has extensive experience establishing and growing international businesses in the US, China, Southeast Asia and Latin America, and serves as a mentor and Board Member for various organizations.