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AN ANALYSIS OF THE TRUMP ADMINISTRATION'S POLICIES TO DISCOURAGE INTERNATIONAL STUDENT ENROLLMENT

EXECUTIVE SUMMARY

The Trump administration is enacting policies and employing strategies, including a settlement with Columbia University, to discourage U.S. universities from enrolling international students. The settlement compels Columbia to agree to "take steps to decrease financial dependence on international student enrollment." White House Deputy Chief of Staff Stephen Miller, who has advocated for numerous restrictions on international students, <u>leads</u> the Trump administration's efforts on immigration and the negotiations with universities.

If Trump officials were worried about Columbia University's financial well-being, they would encourage the school to admit more international students, who generally pay higher tuition than domestic students, and would not have forced the university to pay a \$200 million fine in exchange for releasing federal research grants. The Trump administration has launched investigations against more than 50 schools and stated that the agreement with Columbia is a model for similar settlements with other U.S. universities. The administration's actions, which also include new or proposed federal rules and other restrictions against students, overlook the economic and foreign policy benefits that international students bring to U.S. universities and America.

THE COLUMBIA UNIVERSITY AGREEMENT

In 2025, the Trump administration accused Columbia University of allowing antisemitism on campus and threatened the school's \$1.3 billion in federal research funding. "On March 7, the federal government canceled or froze more than \$400 million in research funding, saying Columbia no longer qualified for the support because of alleged tolerance of antisemitic harassment on campus," reported the *New York Times*. "It was the first university to be punished in this way. Harvard, Cornell and Northwestern soon followed." 1

Faced with a choice between negotiating and fighting in court, Columbia chose negotiation. On July 23, 2025, Columbia agreed to pay a \$200 million fine to the U.S. Treasury and \$21 million into a claims fund under an agreement with the U.S. Equal Employment Opportunity Commission. Other commitments related to faculty, campus policies and not promoting "unlawful DEI goals." For Columbia, the agreement removed the threat of losing more than \$1 billion in federal research funds and future funding. A Resolution Monitor will "monitor Columbia's compliance" with the agreement.²

¹ Sharon Otterman, "Columbia Walked a Tightrope on Its Way to a \$200 Million Settlement With Trump," *New York Times*, July 25, 2025.

²https://president.columbia.edu/sites/default/files/content/July%202025%20Announcement/Columbia%20University%20Resolution%20Agreement.pdf.

Unrelated to antisemitism, the Trump administration used its financial leverage over the school to force Columbia University to strive to reduce its enrollment of international students, an unprecedented action that raises serious questions of propriety, legality and wisdom. "Columbia will examine its business model and take steps to decrease financial dependence on international student enrollment," according to the agreement signed by Columbia University and Trump officials.³

STEPHEN MILLER OVERSEES IMMIGRATION AND UNIVERSITY POLICIES

Why is requiring that Columbia University and potentially dozens of other schools reduce their enrollment of international students a Trump administration priority? The answer seems clear: It's a priority for Deputy White House Chief of Staff Stephen Miller, the architect of the administration's restrictive immigration policies and its actions against U.S. universities.

"College and university leaders have been privately negotiating with a deputy to top Trump aide Stephen Miller in hopes of avoiding the same aggressive targeting of Harvard University, a person familiar with the matter said, as the administration looks to escalate its attacks on the Ivy League institution and other schools," reported CNN. "The higher education leaders, who have had granular conversations with senior White House policy strategist May Mailman in recent weeks, are asking what signals they need to send to stay out of the administration's crosshairs, the person said. Mailman works closely with Miller—an architect of the administration's strategy to target colleges over concerns they are not sufficiently policing alleged antisemitism on their campuses."4

A person involved in the higher education community's response told CNN, "They want a name-brand university to make a deal like the law firms made a deal that covers not just antisemitism and protests, but DEI and intellectual diversity." Columbia University was the first such deal. The administration has launched investigations against more than 50 other universities.5

It's possible the administration will use the provision primarily against schools with a higher percentage of international students. Approximately 40% of Columbia University's enrollment is international students, but Brown University, which has an international student enrollment of 14%, was not compelled to include a commitment to

³ Ibid. Emphasis added. "The reforms should be made durable by adoption of any necessary organizational and personnel changes." That sentence may refer to the entire paragraph, which includes references to establishing processes, so students are committed to civil discourse and "the fundamental values of equality and respect." The signatories include the Attorney General, the Secretary of Education and the Secretary of Health and Human Services.

⁴ Betsy Klein, "Universities quietly negotiating with White House aide to try to avoid Harvard's fate, source says," CNN, May 31, 2025.

⁵ Ibid. See also: https://www.npr.org/2025/03/14/g-s1-53831/dei-universities-education-department-investigation.

"decrease financial dependence on international student enrollment" in an agreement announced July 30, 2025. In May 2025, Donald Trump suggested Harvard "should have a cap of maybe around 15%." 6

Miller has a history of restricting legal immigration, including limiting international students and their ability to work in the United States after graduation. In 2015, Miller helped draft legislation when working for Sen. Jeff Sessions (R–AL) to end Optional Practical Training, which allows international students to work in their field after graduation. The bill also would have prohibited international students with master's or bachelor's degrees from working in America in H-1B status for at least 10 years after graduating, and not allowed doctorate holders to do so for at least two years after graduation.⁷ According to the *Wall Street Journal*, in Trump's first term, Jared Kushner, Donald Trump's son-in-law, stopped Stephen Miller from attempts to end STEM OPT, which allows international students to work an additional 24 months beyond OPT in science and technology fields. Miller sought a total ban on Chinese students at U.S. universities in Trump's first term, reported the *Financial Times*.⁸

COMPELLING U.S. UNIVERSITIES TO ENROLL FEWER INTERNATIONAL

STUDENTS IS A MISGUIDED POLICY

The Trump administration's attempt to compel U.S. universities to enroll fewer international students represents a misguided policy that would harm higher education in the United States, increase tuition costs for U.S. students, reduce the competitiveness of U.S. companies and hurt innovation and the American economy.

First, international students benefit U.S. universities by providing resources that help maintain or expand course offerings and subsidize the tuition of U.S. students. Forcing universities to admit fewer international students would likely put schools in a worse financial position, as it would lead to enrolling a smaller number of individuals who generally pay full tuition. It would likely cause universities to raise tuition for U.S. students.

"It makes no economic sense for U.S. universities or the American economy to admit fewer international students," said Mark Regets, an economist and senior fellow at the National Foundation for American Policy. "The United States benefits economically in several ways from international students and the same is true for the universities where they enroll." Nothing in U.S. law gives federal officials the legal authority to compel individual U.S. universities to enroll fewer international students, absent penalties assessed for violating specific rules following an investigation of wrongdoing or an action in court.

⁶ https://www.cbsnews.com/boston/news/trump-harvard-university-international-student-cap/.

⁷ https://www.cruz.senate.gov/imo/media/doc/Bills/20151210_AmericanJobsFirstAct.pdf. See also Stuart Anderson, "Trump Is Shutting Off America's Talent Pipeline," *Reason*, June 26, 2025.

⁹ Interview with Mark Regets.

If Trump officials were concerned about the balance sheets of Columbia or other U.S. universities, they would not withhold federal funding or levy significant fines against the schools. The recent reconciliation bill also weakened the finances of large universities by heavily taxing endowments.

Second, because the number of U.S.-born individuals of traditional college age is declining, it would make sense for the federal government to encourage schools to enroll more, not fewer, international students. The United States faces a demographic cliff that will significantly impact higher education.

"Without immigrants, international students and the children of immigrants, the undergraduate student population in America would be almost 5 million students smaller in 2037 than 2022, or about two-thirds of its current size, while the graduate student population would be at least 1.1 million students smaller, or only about 60% of its current size," according to a National Foundation for American Policy report by Madeline Zavodny, a professor of economics at the University of North Florida. Zavodny was an economist in the research department of the Federal Reserve Bank of Atlanta and the Federal Reserve Bank of Dallas. ¹⁰

If many U.S. colleges and universities close due to fewer immigrants, international students and the children of immigrants, Zavodny notes that this would mean fewer academic choices for U.S. students. Employment connected to colleges and universities is significant in many communities, which means those jobs would be at risk.

Third, international students boost innovation in the U.S. economy. "We provide systemic evidence that the presence of foreign graduate students has a positive and significant effect on American innovation, as measured by patent applications and grants," according to economists Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo. "Larger enrollments of international graduate students as a proportion of total graduate students, result in a significant increase in patents awarded to both university and non-university institutions, as well as increases in total patent applications. This finding points out the importance of scientific contributions made by international graduate students in both settings."¹¹

According to Chellaraj, Maskus and Mattoo, an additional international graduate student would result in 0.57 patents granted. A National Foundation for American Policy analysis calculates that a 10% increase in international graduate students for ten years would yield nearly 140,000 additional patents, or approximately \$50 billion in value

¹⁰ Madeline Zavodny, *The Importance of Immigrants and International Students to Higher Education in America*, NFAP Policy Brief, National Foundation for American Policy, May 2025.

¹¹ Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo, "The Contribution of Skilled Immigration and International Graduate Students to U.S. Innovation," *Review of International Economics*, 16(3), 444-462, 2008.

added to the U.S. economy. That does not consider indirect benefits from the patents or other economic contributions made by international graduate students. 12

Fourth, economist Madeline Zavodny found that enrolling international students is associated with more U.S. students majoring in STEM fields. Policymakers have long sought to encourage more U.S. students to enter science and technology fields. Reducing international student enrollment would hinder that effort.

"Enrolling more international undergraduate students does not crowd out U.S. students at the average American university and leads to an increase in the number of bachelor's degrees in STEM majors awarded to U.S. students," according to Zavodny. "Each additional 10 bachelor's degrees—across all majors—awarded to international students by a college or university leads to an additional 15 bachelor's degrees in STEM majors awarded to U.S. students." Zavodny analyzed data on more than 200 universities between 1990 and 2018.13

Zavodny identified an explanation for the relationship between international students and more U.S. STEM majors. "International students are considerably more likely to major in STEM fields than in most other areas of study, indicating U.S. students are taking more classes with international students rather than avoiding majors popular with international students," she writes. "Colleges and universities that attract more international students likely are devoting more resources to STEM areas, such as increasing the number of courses and adding fields offered within STEM, hiring more faculty, and providing new lab spaces and buildings. To the extent such changes are occurring, they also appear attractive to U.S. students." 14

Fifth, the enrollment of international students provides cultural, economic and foreign policy benefits to the United States. Educating students from around the world is a form of "soft power" that scholars note accrues to America. Many students return to their home countries and become leaders or forge business relationships that bridge continents, benefiting the United States. U.S. students gain from being exposed to individuals from different backgrounds.

The economic benefits to the United States and local communities from international students are considerable. According to NAFSA: Association of International Educators, "International students studying at U.S. colleges and

¹² Given the 244,559 foreign STEM graduate students enrolled at U.S. universities in the fall of 2021, according to the National Center for Science and Engineering Statistics Survey of Graduate Students and Postdoctorates, a 10% increase in international STEM graduate over 10 years would yield close to 140,000 additional patents. Adjusting the mean value of patents to 2024 dollars yields \$359,496, which is approximately \$50 billion in the value of those patents. See J. Bessen, "The value of U.S. patents by owner and patent characteristics," Research Policy, 37(5), 932 -945, 2008. https://doi.org/10.1016/j.respol.2008.02.005.

¹³ Madeline Zavodny, *The Impact on Men and Women in STEM Fields of Increases in International Students*, NFAP Policy Brief, National Foundation for American Policy, April 2021. ¹⁴ Ibid.

universities contributed \$43.8 billion and supported 378,175 jobs to the U.S. economy during the 2023-2024 academic year." ¹⁵

Sixth, international students make significant contributions as entrepreneurs and as a source of talent. International students account for 71% of the full-time graduate students in computer and information sciences and 73% of the full-time graduate students in electrical and computer engineering at U.S. universities. As of 2022, "There are 143 U.S. billion-dollar companies with a founder who attended a U.S. university as an international student. One-quarter (143 of 582, or 25%) of billion-dollar startup companies in the U.S. have a founder who first came to America as an international student. U.S. billion-dollar startups with an international student founder created an average of 860 jobs." 17

THE ACTIONS AGAINST HARVARD UNIVERSITY

The agreement with Columbia University should be examined in the context of the Trump administration's battle with Harvard University. In an unprecedented <u>proclamation</u> issued on June 4, 2025, the administration prohibited foreign nationals from entering the United States to attend Harvard University.

In an <u>editorial</u>, the *Wall Street Journal* asked, "Is Trump Trying To Destroy Harvard?" and described the actions taken against the school. "The Trump Administration has frozen billions in federal grants to Harvard University, threatened its tax-exempt status and sought to dictate its curriculum and hiring," wrote the *Journal*. "Now the government seems bent on destroying the school for the offense of fighting back. And for what purpose? That's how we read the Department of Homeland Security's move Thursday to bar foreign students from attending the world-renowned institution." The editorial said harming international students, approximately a quarter of Harvard's student body, "whose futures are suddenly in disarray," was "a short-sighted attack on one of America's great competitive strengths: Its ability to attract the world's best and brightest." 18

After the university <u>refused</u> demands by the federal government to take over the school's hiring, admissions and governance policies, the Department of Homeland Security ended Harvard's ability to enroll international students through the Student and Exchange Visitor Program. A federal judge blocked the Trump administration. "They first tried to suspend SEVP and that failed, so now they are using an unsubstantiated threat to national security to halt

¹⁵ https://www.nafsa.org/policy-and-advocacy/policy-resources/nafsa-international-student-economic-value-tool-v2.

¹⁶ Stuart Anderson, *U.S. Immigraton Policy and the Competition with China*, NFAP Policy Brief, National Foundation for American Policy, December 2023.

¹⁷ Stuart Anderson, *Immigrant Entrepreneurs and U.S. Billion Dollar Companies*, July 2022.

¹⁸ "Is Trump Trying To Destroy Harvard?" Review & Outlook, the Wall Street Journal, May 23, 2025.

the issuance of visas," said Jonathan Grode of Green & Spiegel. "So, it is like, if we cannot stop you from issuing I-20s to students, then we will stop the State Department from issuing them visas."19

On April 16, 2025, DHS Secretary Kristi Noem sent Harvard a letter that gave the school two weeks to answer questions about thousands of student visa holders and any illegal activity, disciplinary actions or "obstruction of the school's learning environment." Harvard replied, but on May 22, 2025, Noem sent another letter declaring the response inadequate and "that effective immediately, Harvard University's Student and Exchange Visitor Program certification is revoked." A university cannot enroll international students without an SEVP certification.

CONCLUSION: POLICIES DISCOURAGING INTERNATIONAL STUDENTS

The Trump administration has enacted or proposed several policies that would discourage international students from enrolling in U.S. universities. Administration officials set up a task force that ran international student names through a law enforcement database. They contacted thousands of students, telling them to leave the country or face deportation, even though the offenses were mostly minor and not deportable. Lawsuits ended the practice.

The State Department suspended student visa interviews for weeks. After the suspension ended, the department enacted a new social media review process that could bar students from gaining visas without a fair opportunity to respond. The State Department also announced it would revoke visas for many Chinese students. The travel ban proclamation banned the entry of international students from several countries.

DHS will publish a rule that ends duration of status. That means international students would only be admitted for fixed terms of two or four years rather than until they complete their studies. The rule, which was attempted during the first Trump administration, would make studying in America more precarious and expensive by requiring students to gain new approvals from U.S. Citizenship and Immigration Services before they could complete their studies.

An upcoming rule would alter the H-1B lottery by tilting it toward senior professionals who earn the highest salary levels and away from international students and other new entrants to the U.S. labor market. Finally, the new USCIS director said during his confirmation hearing that he would like to end the ability of international students to work on Optional Practical Training and STEM OPT after completing their studies. OPT and STEM OPT are major draws for international students and can provide a greater opportunity to be chosen during the H-1B selection process.

¹⁹ Stuart Anderson, "Trump Restricts Legal Immigration, Blocks Student Visas For Harvard," Forbes, June 5, 2025.

The Trump administration's policies are expected to discourage international students from studying in the United States. The agreement with Columbia University and potentially other schools would compel U.S. universities to commit to reducing the number of international students they enroll. The policy that would likely harm the schools, U.S. students and the American economy.

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