The Research by Professors Xu Mingzhi and Yu Miaojie on the US-China Service Trade is Largely Cited by International Media

The joint research paper entitled "*Trade Liberalization and Chinese Students in US Higher Education*" has been largely cited by international media. The research is coauthored by two faculty members from Peking University --- Miaojie Yu (National School of Development) and Mingzhi Xu (Institute of New Structural Economics), along with three international scholars --- Gaurav Khanna (University California, San Diego), Kevin Shih (Queens College, City University of New York) and Ariel Weinberger (George Washington University).

The recent US-China trade tension initiated by the United States has brought huge trade policy uncertainty to the pace of globalization, which has hurt businesses and weighed on the world economy. Previous evidence has revealed that the US-China tension has negatively affected the US consumers' purchasing power. However, new research from Peking University also shows lesser known consequence: the US-China trade tension tends to reduce tuition to U.S. universities up to \$1.15 billion.

According to the research, China's exports expansion since the accession to WTO in 2001 has greatly promoted Chinese college-age students to study in the United States, which increased American education service exports to China and created huge economic benefits for American higher education. The tuition revenues paid by Chinese students aids native American students as the international tuition has helped stabilize U.S. universities, especially public schools, suffering large, adverse shocks from state budget cuts. However, with the recent trade war initiated by Trump, for the first time, growth in students from China has stopped, which will badly hurt the US higher education, especially for the public universities.

The research also suggests that Trump's accusing China of harming the American manufacturing sector is extremely misleading, as it missed an important point --- the money flowing out of the US when they buy goods from China flows back when Chinese students pay for higher education in the United States. As shown in the data, cities in China that grew faster because of trade are also the ones that sent more and more international students to the United States.



The figure displays the relationship between the city-level growth in students studying in the US and the city-specific reduction in trade policy uncertainty

With the increase in tariff of 20 percentage points in 2018, the researchers estimate that it could cost U.S. universities about 30,000 Chinese students in the next 10 years, which is a loss of equivalent of \$1.15 billion in tuition revenue. In fact, signs of this alarming trend are already showing. The year-on-year growth rates for the number of Chinese students in the U.S. averaged about 22 percent between 2007 and 2013; since then it has fallen to less than 5 percent per year— a dramatic deceleration.

The research is the first to show that the increased trade since China joining the World Trade Organization in 2001 was a crucial determinant of student flow from China to the U.S. for acquiring higher education.

The research has attracted worldwide attention, and have been cited by many important media such as CNN-News18, Politico, News Break, San Diego Metro Magazine, PIE News, Tech Xplore, and News360 (detailed reprint information is as follows).

Paper URL: <u>https://www.cgdev.org/publication/trade-liberalization-and-chinese-students-us-higher-education</u>

CNN-News18

Link: <u>https://www.news18.com/news/india/us-universities-could-lose-1-15-billion-in-tuition-</u>revenue-amid-trade-war-with-china-says-study-2708697.html

US Universities Could Lose \$1.15 Billion in Tuition Revenue amid Trade War with China, Says Study



Students walk near the Widener Library in Harvard Yard at Harvard University in Cambridge The lvy League school announced Monday, July 6, 2020, that as the coronavirus pandemic continues its freshman class will be invited to live on campus this fall, while most other undergraduates will be required learn remotely from home. (AP Photo/Charles Krupa, File) The researchers of 'Trade Liberalization and Chinese Students in US Higher Education' point out the consequences of trade wars and uncertainty over tariffs on student flow from China to the US for acquiring higher education.

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that to be

 ere trade wars between the United States of America and China not enough to hurt US universities that the Donald Trump administration announced new Immigration and Customs Enforcement rules to keep international students away from pursuing higher education in the country, some experts and academicians are now asking.

A research paper titled 'Trade Liberalization and Chinese Students in US Higher Education' speaks on the consequences of trade wars and uncertainty over tariffs on student flow from China to the US for acquiring higher education.

Politico

Link: <u>https://www.politico.com/newsletters/weekly-trade/2020/07/13/trump-downplays-new-</u> <u>china-trade-deal-chances-789120</u>

Trump downplays new China trade deal chances

By GAVIN BADE and DOUG PALMER | 07/13/2020 10:00 AM EDT

Editor's Note: Starting today this newsletter will be sent to your inbox each Monday morning and renamed Weekly Trade. It will give you a forward-looking view of the week ahead and the latest in Trade politics and policy news and insight. Interested in a more granular daily Trade policy newsletter? Get in touch to learn more about our daily policy newsletters available with a POLITICO Pro subscription.

QUICK FIX

— After President Donald Trump downplayed the chances of a new Chinese trade deal, the two countries' relationship remains uncertain in the wake of the pandemic.

Watching for backlash: Trump's trade war with China has partly reversed that and "could cost U.S. universities around 30,000 Chinese students in the next 10 years, a loss of \$1.15 billion in tuition revenue, or 8 percent of educational services exports to China," the report said. "This loss is likely an underestimate, as it does not account for broader effects on local economies surrounding universities."

University Business Media

Link: <u>https://universitybusiness.com/us-china-trade-international-chinese-students-college-</u> university-tuition/

What U.S.-China trade war could cost U.S. colleges

Colleges and universities could lose 30,000 students and \$1.15 billion in tuition over next 10 years, report says

By: Matt Zalaznick | July 13, 2020



The U.S.-China trade war, along potential visa restrictions, could stem the flow of international students to colleges and universities. (Getty/Images/Yaorusheng)

The U.S.-China trade war in 2018 could stem the flow of international students, costing American colleges and universities more than \$1 billion in lost tuition revenue, a new study has found.

News Break

Link: <u>https://www.newsbreak.com/california/san-diego/news/1599475103719/trade-wars-with-china-could-cost-us-universities-115-billion</u>

Trade Wars with China Could Cost U.S. Universities \$1.15 Billion

Uncertainties around the trade war between the U.S. and China have hurt businesses and weighed on the <u>global economy</u>. However, new research from the <u>University of</u> <u>California San Diego</u> also shows lesser known consequence: up to \$1.15 billion in reduced tuition to <u>U.S. universities</u>.

San Diego, CA | ucsd.edu | 25d

San Diego Metro Magazine

Link: http://www.sandiegometro.com/2020/07/daily-business-report-july-15-2020/



Increasing education exports has the potential to lift all regions of the U.S., as universities expand nationwide, according to new UC San Diego research. (Credit: travelview)

Trade wars with China could cost

U.S. universities \$1.15 billion

By Christine Clark | UC San Diego

New research shows U.S. trade policies act as another roadblock

for international students pursuing higher education

Uncertainties around the trade war between the U.S. and China have hurt businesses and weighed on the global economy. However, new research from the University of California San Diego also shows lesser known consequence: up to \$1.15 billion in reduced tuition to U.S. universities.

The PIE News

Link: <u>https://thepienews.com/news/us-china-trade-war-could-cost-unis-1-15bn-over-10-years/#:~:text=US%20universities%20stand%20to%20lose,between%20the%20US%20and%20China.</u>

US-China trade war could cost unis \$1.15bn

Posted on Jul 23, 2020 by Callan Quinn Posted in News, Research, under North America. Tagged with China, International students, Trade war, US. Bookmark the permalink. US universities stand to lose up to 30,000 Chinese international students and \$1.15 billion in tuition revenue over the next 10 years as a direct result of the trade war between the US and China.



US universities will struggle without the tuition paid by Chinese students. Photo: Pixabay

Tech Xplore

Link: https://techxplore.com/news/2020-07-wars-china-universities-billion.html



News360

Link: http://thenews360.online/tag/us-china-ties/



Tag: US-China ties

US Universities Could Lose \$1.15 Billion in Tuition Revenue amid Trade War with China, Says Study

🏥 July 9, 2020 🛛 🛔 admin

Students walk near the Widener Library in Harvard Yard at Harvard University in Cambridge. The Ivy League school announced Harvard Yard at Harvard University in Monday, July 6, 2020, that as the coronavirus pandemic continues its freshman class will be invited to live on campus this fall, while most other undergraduates will be required learn remotely from home. (AP Photo/Charles Krupa, File)

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