



## 2016 Top Markets Report **Education** Country Case Study

### Taiwan

Taiwan has ranked among the top “sending” countries in terms of international students for the past 20 years. Since 2006/07, however, the number of students from Taiwan studying in the United States has been on a gradual decline – sliding from 29,094 to 20,993 (in 2014/15).

Overall  
Rank

7

During the 2014/15 academic year, Taiwan was the seventh leading source of students studying in the United States. The total number of Taiwanese students coming to the United States in 2014/15 was 20,993, a decline of 1.3 percent compared to 2013/14.<sup>1</sup>

#### United States is the Destination of Choice for Taiwanese Students

The Taiwanese market is notable over the last 15 years for consistently sending 20,000 to 30,000 students per year to the United States. Furthermore, the United States is by far the leading country that Taiwanese students choose for study abroad. According to the Organization for Economic Cooperation and Development (which publishes data slightly different than the Institute for International Education, which is cited extensively in this report) in 2013/14, approximately 60,800 Taiwanese went abroad for study. The United States attracted 21,266 of these students, or 35.0 percent.<sup>2</sup>

According to a recent unofficial survey, Taiwanese parents spend about 17 percent of household income on education for their children. This parental spending includes English lessons, test preparation, extracurricular activities, and service fees paid to student recruitment agents. Thus, Taiwanese

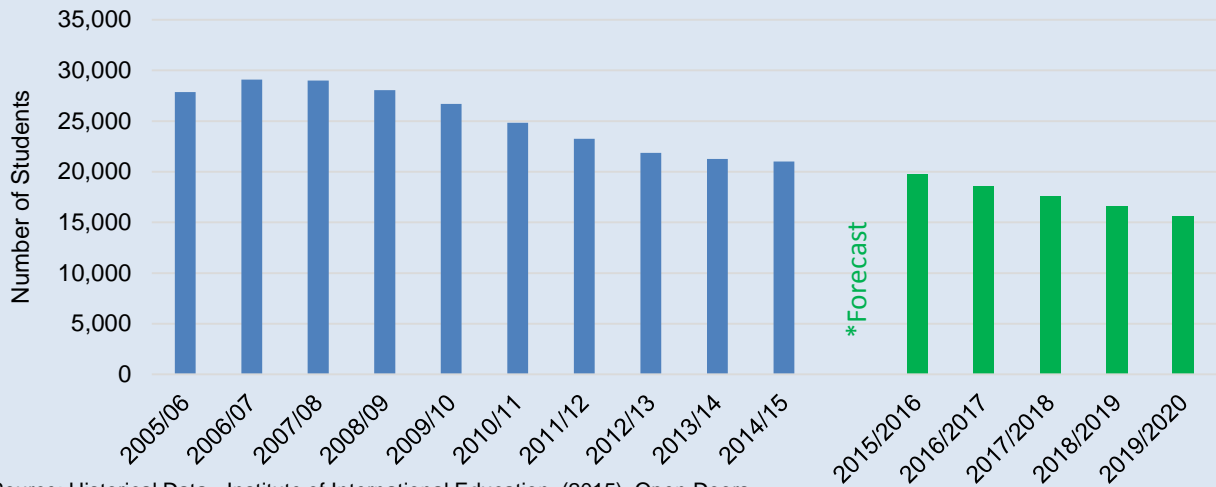
parents have shown an inclination to provide high-quality education for their children at all levels.<sup>3</sup> In addition, 32 percent of parents surveyed reported that they have plans to send their children abroad for study.

The economic impact of all Taiwanese students on the U.S. economy is significant, estimated by the U.S. Bureau of Economic Analysis to be \$712 million in 2014 (tuition, fees, and living expenses).<sup>4</sup>

#### Overview of Taiwanese Students in the United States

In 2014/15, 29 percent of Taiwanese students in the United States were undergraduates. Graduate students numbered 46 percent of Taiwanese students in the United States. Students in optional practical training, high schools, and “non-degree programs” made up the remainder.<sup>5</sup>

**Figure 1: Students From Taiwan in the United States  
2005-2020\***



Source: Historical Data - Institute of International Education. (2015), Open Doors  
Forecast: International Trade Administration estimates.

Of all students from Taiwan, 38.4 percent study STEM subjects (engineering, health professions, math/computer science, physical/life sciences) and 21 percent study business/management. Intensive English accounts for 3.8 percent of students from Taiwan. International students, including STEM students, tend to be concentrated in U.S. metropolitan areas. The top three metropolitan areas for STEM are New York-Newark-Edison, NY-NJ-PA; Los Angeles-Long Beach-Santa Ana, CA; and Boston-Cambridge-Quincy, MA-NH.<sup>6</sup>

### Future Growth/Opportunities

Current trends and economic indicators seem to point to a small continuing decline in the number of students from Taiwan studying in the United States. ITA forecasts Taiwanese enrollments dropping to 15,600 students by 2019/20 which would be a continuation of the erosion in the numbers of students from Taiwan coming to the United States.<sup>7</sup> This decline, however, is not certain. Several avenues offer potential to increase Taiwanese enrollment in U.S. institutions:

Deregulation in Taiwan of higher education and international partnerships among institutions will lead to more flexibility in attracting top international universities to establish campuses in Taiwan. U.S.

institutions may be able to benefit from current conditions to explore partnerships with Taiwan universities. To help compete with increasingly aggressive foreign institutions from markets other than the United States recruiting Taiwanese students, U.S. institutions can emphasize post-graduation job placement. Recruiting agents are one of the main resources used by Taiwanese students and parents. The Commercial Service can help with assessment of prospective agents.<sup>8</sup>

U.S. colleges and universities have also been making inroads with universities in Taiwan through Taiwan’s Education Innovation Curricula. Under this program, the Taiwan Ministry of Education (MOE) has approved nine in-country joint programs between Taiwan and foreign universities. Out of the nine joint programs, four of them are in cooperation with U.S. universities, namely the University of Southern

California; University of Rhode Island; University of California, Los Angeles; and University of South Carolina, offering programs spanning from high-tech, business, sports management, and cultural studies to culinary programs. The Educational Innovation Curricula aims to foster collaboration between domestic and foreign universities and encourage the establishment of experimental branch campuses, independent colleges, or certificate programs/courses. These joint programs will be a great method to showcase the benefits of the U.S. educational system.

Finally, there is potential for growth in the high school and undergraduate segments. Some parents have chosen to send high school age students to U.S.

summer camps and boarding schools to increase future options in higher education.<sup>9</sup>

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<sup>1</sup> IIE Open Doors Fact Sheet: Taiwan 2015; IIE, Open Doors 2015 Fast Facts

<sup>2</sup> IIE Open Doors Report 2015; “More students going abroad: data”, Taipei Times, March 4, 2014.

<sup>3</sup> Education and Training Services Resource Guide, Education Team, U.S. Department of Commerce (2016), article on Taiwan.

<sup>4</sup> Bureau of Economic Analysis, U.S. Department of Commerce, International Services: Trade in Services in 2014 and Services Supplied Through Affiliates in 2013 (October 2015)

<sup>5</sup> IIE Open Doors Report, “International Students: Academic Level by Place of Origin.

<sup>6</sup> IIE Open Doors Report, International Students, Fields of Study by Place of Origin; “The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations” by Neil G. Ruiz, Brookings (2014), Table 7, Top 10 STEM Destinations as Total F-1 Students”.

<sup>7</sup> Estimated by ITA.

<sup>8</sup> Education and Training Services Resource Guide, Education Team, U.S. Department of Commerce (2016), article on Taiwan.

<sup>9</sup> Email of April 15, 2016 from the U.S. Foreign Commercial Service in Taiwan to John Siegmund on higher education in Taiwan.