

**GAO**

Report to the Chairman, Subcommittee  
on International Organizations, Human  
Rights, and Oversight, Committee on  
Foreign Affairs, House of Representatives

---

April 2009

# HIGHER EDUCATION

## Approaches to Attract and Fund International Students in the United States and Abroad



**GAO**

Accountability \* Integrity \* Reliability

---



Highlights of [GAO-09-379](#), a report to the Chairman, Subcommittee on International Organizations, Human Rights, and Oversight, Committee on Foreign Affairs, House of Representatives

## Why GAO Did This Study

Following September 11, 2001, the number of international students coming to the United States dropped for the first time in over 30 years. While enrollments have rebounded, the U.S. image has declined in the Muslim world and elsewhere. To improve global attitudes toward America, the U.S. government funds higher education for international students to facilitate exchanges, promote understanding among peoples in different countries, and build capacity in developing nations.

To provide insight on how higher education is used to advance public diplomacy and development assistance goals, we examined (1) the objectives the United States and selected peer governments seek to advance through higher education for international students and the approaches they employ to attract international students, and (2) the characteristics of major U.S. and peer government programs that fund higher education for international students to support public diplomacy and development goals. GAO collected information from the United States, Australia, China, the European Commission, Germany, and the United Kingdom.

## What GAO Recommends

This report does not contain recommendations. Technical comments from officials representing the programs discussed in this report were incorporated as appropriate.

[View GAO-09-379](#) or [key components](#). For more information, contact George Scott at (202) 512-7215 or [ScottG@gao.gov](mailto:ScottG@gao.gov).

## HIGHER EDUCATION

### Approaches to Attract and Fund International Students in the United States and Abroad

#### What GAO Found

The United States and peer governments we reviewed use higher education for international students to advance diplomatic, development assistance, economic, and other objectives, often concurrently. For example, German officials said that international students studying in science and technology help advance German research and innovation goals while also advancing public diplomacy goals by returning to their home countries as unofficial ambassadors for Germany. Germany as well as other governments we reviewed use a number of approaches to reach and attract overseas students, including marketing their higher education to the international community much as a business would promote a product. For example, many countries promote their higher education systems through national branding, using logos and slogans, such as Australia's "Study in Australia" and the United Kingdom's "Education UK" marketing campaigns. Several countries have also taken steps to improve the quality of the study abroad experience. China, for example, has invested significant resources to modernize its schools and added additional academic programs that are aligned with workforce needs.

The scholarship programs we reviewed that support public diplomacy and development assistance goals typically select recipients using merit-based criteria, offer graduate-level study, and cover the cost of tuition and other expenses, such as travel and living expenses. However, programs vary widely in the countries and regions they target, funding levels, and number of scholarships awarded. For example, scholarships for public diplomacy programs tended to be dispersed to a wider area to maximize their geographic reach. In contrast, development assistance programs tend to be more targeted to particular developing countries and regions. In administering and implementing these programs, government officials cited several strategies they believe facilitate program implementation and contribute to successful program outcomes. For example, some told us that offering preparatory courses or program orientation to all scholarship recipients enhances the students' chance of success at the host university, and is particularly useful for students who require additional language, cultural, or academic skills. For development assistance programs, some countries align the course of study paid for by their programs with the human resource and capacity-building needs of the sending country. For example, in Australia, officials work with sending governments to identify the most acute development needs and consider these with the applicant's proposed field of study when awarding scholarships.

---

# Contents

---

<b>Letter</b>		1
	Background	3
	Governments We Reviewed Use Higher Education to Advance Diplomatic, Economic, and Other Objectives and Employ Multiple Approaches to Attract International Students	7
	Public Diplomacy and Development Assistance Programs We Studied Share Key Characteristics	16
	Agency Comments	28
<b>Appendix I</b>	<b>Objectives, Scope, and Methodology</b>	29
<b>Appendix II</b>	<b>Percentage of Scholarship Recipients from Each Region by Scholarship Program</b>	34
<b>Appendix III</b>	<b>GAO Contact and Staff Acknowledgments</b>	35
<b>Tables</b>		
	Table 1: Selection Criteria, Level of Study Targeted, and Length of Award for Selected Scholarship Programs	20
	Table 2: Award Amount and Expenses Covered for Selected Scholarship Programs	23
	Table 3: Governments and Agencies Reviewed as Part of Our Study	32
<b>Figures</b>		
	Figure 1: Estimated Number of International Students Enrolled in U.S. Higher Education, 1984-1985 to 2007-2008	4
	Figure 2: Top Host Destinations for International Students at the Postsecondary Level in 2008	5
	Figure 3: National Brands That Germany, Australia, and the United Kingdom Respectively Use to Market Their Higher Education Abroad	9
	Figure 4: Examples of Materials Used to Provide Information and Promote International Study	11

---

Figure 5: Study in Australia and EducationUSA–Your Guide to U.S. Higher Education Web Sites	13
Figure 6: Percentage of Participants from Each Region for the U.S. Fulbright Foreign Student Program and the Australian Development Scholarships Program	22

---

### Abbreviations

OECD	Organisation for Economic Co-operation and Development
USAID	U.S. Agency for International Development

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



United States Government Accountability Office  
Washington, DC 20548

April 30, 2009

The Honorable William D. Delahunt  
Chairman  
Subcommittee on International Organizations,  
Human Rights, and Oversight  
Committee on Foreign Affairs  
House of Representatives

After decades of growth in international student enrollment in higher education, the total number of international students studying in the United States leveled off and even dropped slightly between 2002 and 2006, the first decline in over 30 years. In the wake of the September 11, 2001, terrorist attacks, the United States tightened its immigration policy, making it difficult for international students to come to the United States. Although international enrollment has rebounded, and the United States continues to be the leading destination for international students, the U.S. image has declined in both the Muslim world and among many of America's oldest allies, affecting foreign relations and national interests. President Barack Obama recently stated that improving relationships with other countries is important to promoting American interests and ideals. GAO also recently reported that improving the U.S. image abroad is an urgent issue needing presidential and congressional attention.<sup>1</sup>

The U.S. government seeks to improve global attitudes toward America through a variety of means, including funding higher education in the United States for international students. By funding higher education, the United States seeks to improve global attitudes by facilitating student exchanges that help promote mutual understanding among people in different countries (referred to as public diplomacy) and by providing assistance to developing nations to build their economic, social, and technological capacities (development assistance). To address your interest in how higher education is being used to advance public diplomacy and development assistance goals in the United States and peer nations and to provide Congress with relevant information as it considers ways that higher education can be used to advance these goals, this report examines (1) the objectives the United States and selected peer

---

<sup>1</sup>GAO, 2009 Congressional and Presidential Transition Series, [http://www.gao.gov/transition\\_2009/urgent/diplomacy-broadcasting.php](http://www.gao.gov/transition_2009/urgent/diplomacy-broadcasting.php) (accessed Feb. 12, 2009).

---

governments seek to advance through higher education for international students and the approaches they employ to attract international students, and (2) the characteristics of major United States and peer government programs that fund higher education for international students to support public diplomacy and development goals.

To conduct our study, we selected two U.S. agencies—the Department of State (State) and the U.S. Agency for International Development (USAID)—and five peer governments (Australia, China, the European Commission, Germany, and the United Kingdom) for review. Though many U.S. agencies are involved in promoting U.S. higher education to international students, we limited our scope to State and USAID because they are primarily responsible for funding programs aimed at public diplomacy and development assistance. We selected peer governments based on the following criteria: (1) strong market share of international enrollment, (2) growth in market share of international enrollment, (3) diversity of populations and countries targeted for higher education, and (4) geographic diversity. We also conferred with embassy and government officials and industry experts to obtain their recommendations on which countries to review based on their knowledge of their programs. We selected major scholarship programs of the United States and peer countries for review based on program funding and participation levels, as well as agency and peer government officials' recommendations. We broadly defined public diplomacy programs as those that help to promote mutual understanding among people from different countries, and development programs as those that provide assistance to developing nations to build their economic, social, and technological capacities. During our exploratory work, we found that peer countries' programs often are designed to achieve multiple goals and that these multiple goals are not always clearly delineated. Thus, we selected programs that had either a public diplomacy or development focus, but may also advance other goals for the country, such as recruiting students who, after completing their studies, will participate in the country's labor market. Though many of the governments we reviewed may fund a number of smaller scholarship programs, we limited our study to scholarship programs that receive at least \$8 million annually, or the equivalent in local currency, and award at least 50 scholarship awards annually based on the information we received. While our focus was on programs that offer education and training in the host country, some of the countries we reviewed, including the United States, also offer education and training to international students within their home nation or a third country.

---

In conducting our study, we relied on program information we gathered from our interviews of U.S. and cognizant officials from selected peer governments we reviewed. Because of the nature of this study, we were not able to independently verify or assess the reliability of the data provided by the foreign countries we reviewed. Moreover, direct comparisons of the United States and other nations' international education systems and programs are difficult because these nations' higher education financing structure and costs, immigration policies, and security concerns differ.

We conducted our work from March 2008 to April 2009 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objectives and to discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions.

---

## Background

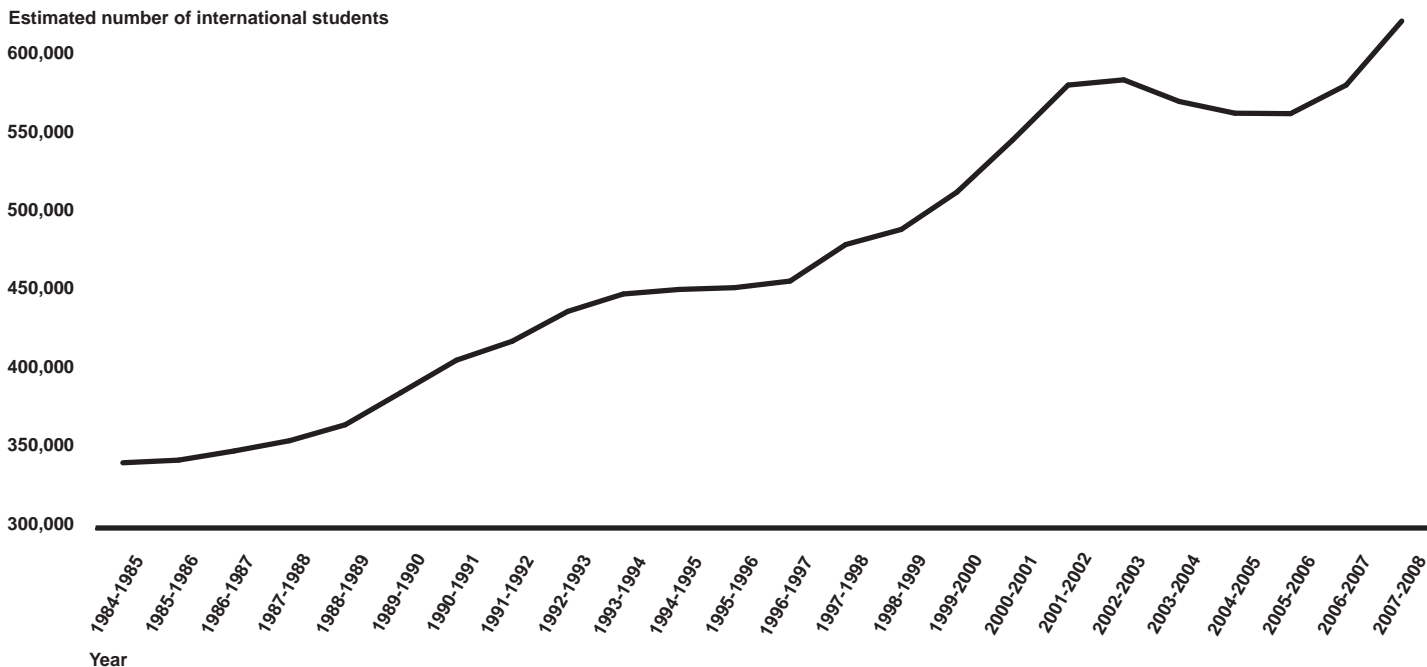
Following the events of September 11, the total number of international students studying in the United States leveled off and even dropped slightly after 2002, though enrollment numbers have recently rebounded. (See fig. 1.) According to the Institute of International Education (IIE), the decline in the number of international students attending U.S. higher education institutions between 2003 and 2006 was the first drop in over 30 years. While the United States continues to be the leading destination for international students, the U.S. share of international students worldwide dropped—from 26 to 20 percent—between 2000 and 2008.<sup>2</sup> (See fig. 2.) According to the Pew Global Attitudes Project, since 2002 the United States' image has declined in both the Muslim world and among many of America's oldest allies. In the wake of September 11, the United States also tightened its immigration policy and made it more difficult for foreign nationals, including international students, to apply for a visa. As we previously reported, these changes, made to help protect our nation's

---

<sup>2</sup>The U.S. share of international students in 2000 and 2008 is based on data from the Organisation for Economic Co-operation and Development (OECD) and the Institute of International Education, respectively. GAO relied on publicly available information for these 2 years. Further, during this period, the number of international students studying abroad globally increased by 61 percent. State officials attribute much of the drop in the United States's share of international students to large increases in intra-European student mobility.

security interests, may have contributed to our declining share of international students and the perception that the United States was an unwelcoming place for international students.<sup>3</sup>

**Figure 1: Estimated Number of International Students Enrolled in U.S. Higher Education, 1984-1985 to 2007-2008**



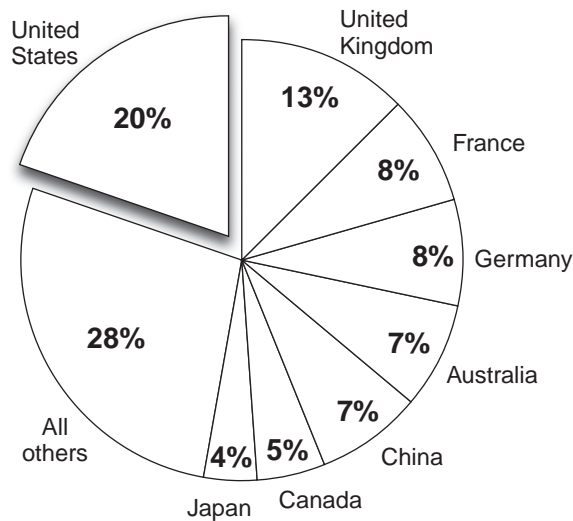
Source: Institute of International Education data.

<sup>3</sup>GAO, *Higher Education: Challenges in Attracting International Students to the United States and Implications for Global Competitiveness*, GAO-07-1047T (Washington, D.C.: June 29, 2007).



**Figure 2: Top Host Destinations for International Students at the Postsecondary Level in 2008**

(Estimated total 2.9 million students)



Source: Institute of International Education (based on Project Atlas 2007 data and United Nations Educational, Scientific and Cultural Organization / Organisation for Economic Co-operation and Development 2006 data).

The U.S. government seeks to improve global attitudes toward America through diplomatic and development assistance efforts, which include funding higher education for international students in the United States.<sup>4</sup> Many of the programs that support these efforts are administered through the Department of State's Bureau of Educational and Cultural Affairs, which funds programs aimed at advancing public diplomacy goals, and the United States Agency for International Development, which is primarily concerned with providing assistance to developing nations. These efforts typically create face-to-face exchange opportunities with foreign students, researchers, professionals, and educators to provide a better understanding of a nation's views, values, and culture. The United States also funds higher education for international students to help developing nations alleviate poverty and promote peace and security, public health, economic growth, education, and democratization. These programs target the economic, social, or technological needs of developing nations by equipping students and professionals for future leadership roles in their

<sup>4</sup>GAO, *Higher Education: United States' and Other Countries' Strategies for Attracting and Funding International Students*, GAO-08-878T (Washington, D.C.: June 19, 2008).

---

communities, businesses, and governments and to fill critical labor and skill gaps.

While the federal government funds education for international students to achieve public diplomacy and development objectives, the vast majority of students who come to the United States to study do not receive funding from the U.S. government. According to the Institute of International Education's Open Doors 2008 report, 623,805 students came to the United States to study during the 2007-2008 academic year and nearly 9 out of 10 international students reported their primary source of funding for education as coming from either personal and family sources or from their host college or university in the United States. Although the primary source of funds for the vast majority of students that enter the United States is not provided by the federal government, promoting study in the United States can support a range of U.S. objectives in addition to the public diplomacy and development goals supported by State and USAID efforts. For example, the United States has relied on undergraduate and graduate students from other countries as important sources of innovation and productivity in our increasingly knowledge-based economy. Such students who remain in the country after completing their studies have brought needed research and workforce skills and strengthened our labor force. For example, international students have earned about one-third or more of the degrees at both the master's and doctoral levels in engineering, math and computer science, and the physical sciences.<sup>5</sup>

---

<sup>5</sup>GAO, *Higher Education: Federal Science, Technology, Engineering and Mathematics Programs and Related Trends*, [GAO-06-114](#) (Washington, D.C.: Oct. 12, 2005).

---

**Governments We  
Reviewed Use Higher  
Education to Advance  
Diplomatic,  
Economic, and Other  
Objectives and  
Employ Multiple  
Approaches to Attract  
International Students**

---

**Governments We  
Reviewed Use  
International Education to  
Advance Diplomatic,  
Economic, and Other  
Objectives, Often  
Simultaneously**

All of the governments we reviewed fund higher education for international students to advance diplomatic, development, economic, and other objectives, often simultaneously. For example, Australian officials said that international higher education helps Australia achieve economic goals. Education was Australia's third largest export and contributed \$15.5 billion in Australian dollars (about \$13 billion in U.S. dollars) to its economy in 2008.<sup>6</sup> According to Australian officials, international students also help Australia meet its foreign relations and diplomatic goals. To illustrate the diplomatic linkages that education can create, Australian officials said that at one time nearly half of the Malaysian cabinet had been educated in Australia. Australian officials reported that student exchange is Australia's primary way of providing a contemporary understanding of the country, building linkages between Australia and foreign nations, forming the basis of business and cultural relationships, demonstrating the quality of Australia's educational opportunities, and helping to dispel the myth that Australia is a "far away land." The Australian government also provides development assistance to Asian countries and Pacific Islands to increase their access to high-quality education and training, which supports growth in the region. These development assistance efforts also build enduring links at the individual, institutional, and country levels, according to Australian officials.

---

<sup>6</sup>Throughout this report, currency is converted to U.S. dollars at 2008 annualized exchange rates.

---

Chinese officials told us that by promoting international student study in China, they are able to advance goals aimed at promoting peaceful and common development of all countries. According to these officials, providing international educational opportunities to foreign students is part of their strategy for promoting cultural, scientific, and technological exchanges between the East and the West. China develops exchanges with other countries in the fields of education, science, and technology to strengthen friendship and understanding between the Chinese people and people around the world and to promote modernization in China. China reported that its collaboration with foreign universities and educational institutions helps to develop an exchange network that allows it to send “the best students to study in the best universities under the supervision of the best advisers,” mutually benefiting institutions and countries.

According to officials from Germany’s national agency that supports international education, international students help Germany advance several goals, including increasing the international appeal of German universities and promoting the academic, economic, and democratic development of developing countries. German officials said that their ability to advance several goals simultaneously is an important strength of international education. For example, international students studying in science and technology help advance German research and innovation goals while also advancing public diplomacy goals by returning to their home countries as unofficial ambassadors for Germany.

Officials in the United Kingdom (UK) reported that international education contributes to building a high-skilled workforce, helps build relationships with people from around the world, enhances understanding about each others’ cultures, and opens doors to trade, investment, and political influence. The European Union (EU) also seeks to advance several international education goals, including promoting intercultural understanding through cooperation with non-European countries as well as ensuring that education and training are accessible to the global community.

In the United States, the federal government similarly seeks to advance multiple goals simultaneously through international higher education. For example, the United States is able to advance both diplomatic and country development goals through higher education by reaching out to students in developing countries and equipping them with the skills and knowledge needed to support efforts in their own countries. In addition, the United States has historically relied on international students to fill critical skill gaps in the economy and, in particular, has relied heavily on international

---

students to fill critical skill gaps in science, math, engineering, and technology fields. Finally, international education also contributed \$15.5 billion to U.S. economy in 2007-2008, according to data from the Department of Commerce.

---

### Governments Employ a Number of Approaches to Attract International Students, Such as Marketing Their Higher Education Internationally

To advance public diplomacy, development, and other national goals, the governments we reviewed use a number of approaches to introduce international students to their higher education systems. To promote their higher education systems internationally, countries like the United Kingdom, Germany, and Australia have developed broad marketing strategies with a focus on outreach to international students. These marketing strategies include developing a national brand through the use of logos and slogans to promote higher education systems among international communities, much as a corporation would promote a commercial brand, as shown in figure 3.

**Figure 3: National Brands That Germany, Australia, and the United Kingdom Respectively Use to Market Their Higher Education Abroad**



Sources: The German Academic Exchange Service (DAAD), Australian Education International, and the British Council.

For example, many of the higher education institutions in the United Kingdom use the national brand “Education UK–Innovative.Individual. Inspirational.” to distinguish United Kingdom higher educational institutions from others. This United Kingdom national brand and its associated logo are used for products, activities, events, and marketing

---

campaigns aimed at promoting United Kingdom education. Similarly, Germany's higher education national brand "Study in Germany—Land of Ideas" appears in various promotion efforts, including advertisements, and at educational fairs.<sup>7</sup> Australia promotes its international study opportunities through the "Study in Australia" campaign with the "Live.Learn.Grow." slogan. According to Australian officials, the "Study in Australia" campaign is used to highlight the quality of Australia's education system, the country's unique lifestyle, and the personal growth that comes from an international education experience in Australia. The national brand is used in various promotion channels, including the Study in Australia Web site, education exhibitions, student forums in target markets, and traditional advertising media such as print, radio, and television. See figure 4 for samples of promotion brochures from selected countries.

---

<sup>7</sup>Germany has developed multiple slogans to promote its international higher education. Other slogans are tailored to a specific field or program.

Figure 4: Examples of Materials Used to Provide Information and Promote International Study



Sources: From top left to bottom right: Australian Education International; China Scholarship Council; U.S. Department of State; © The German Academic Exchange Service (DAAD); and the Delegation of the European Commission to the US Science, Technology and Education Section (copyright November 2008).

---

In addition, all of the governments we reviewed have developed Web sites to inform potential students about their academic options, application procedures, student support services, and lifestyles within that country; and in the case of the European Commission, the Web site provides similar information on 32 European countries.<sup>8</sup> These Web sites are typically provided in several languages and offer a range of information on issues such as academic programs, visa requirements, higher education financing options, and predeparture advice. For example, prospective students accessing Australia's Study in Australia Web site can find a range of information including language and academic requirements, study costs and available scholarships, and listings of accredited Australian institutions and available courses.<sup>9</sup> The Web site also describes life and culture in Australia as well as the benefits of study in Australia, such as the types of student support services and the cultural diversity of the country. In addition, the Web site provides students points of contact for further inquiry, including country-specific alumni networks and Australian education advisers stationed in-country. Web site information is available in multiple languages, many of which are languages spoken in the region, such as Indonesian, Japanese, Thai, and Vietnamese. See figure 5 for examples of Web sites.

The United States provides an online guide for international students on higher education called EducationUSA.<sup>10</sup> The Web site provides guidance on a number of areas, including how to select a school, find English language training programs, apply for a visa, and obtain financial assistance. It also provides information on the benefits of a U.S. education, such as the accreditation system that helps ensure higher education institutions maintain quality standards for their faculty, curriculum, administration, and student services. Practical information on predeparture preparations, such as travel and housing arrangements, and everyday living in the United States, are also included on the Web site. Potential students are directed to advising centers stationed around the

---

<sup>8</sup>This Web site provides information on 32 European countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

<sup>9</sup>See <http://studyinaustralia.gov.au/Sia/en/WhyAustralia/whyaustralia.htm> for additional information on Australia's Web page (accessed Feb. 12, 2009).

<sup>10</sup>See <http://www.educationusa.state.gov/home> for additional information on the U.S. Web page (accessed Feb. 12, 2009).



world for additional information and assistance. The Web site provides information and resources to potential students in six languages, including Arabic, Chinese, and French.

Figure 5: Study in Australia and EducationUSA–Your Guide to U.S. Higher Education Web Sites



Sources: Commonwealth of Australia 2008 and U.S. Department of State.

---

Australia, the United Kingdom, Germany, and the United States also conduct outreach to international students through their overseas information centers. These centers are designed to facilitate in-country outreach and provide information and guidance to prospective international students. They also help to develop strategic partnerships with foreign governments and educational institutions. According to officials, Australia has a network of 25 international offices that are staffed with over 100 individuals, 15 of whom have been accredited by the Australian government to be education advisers, who work with the international education community to promote Australian education worldwide. In addition to conducting outreach activities, the network also collects and provides information on the international education market, including business opportunities in established and emerging markets, to higher education subscribers in Australia. According to United Kingdom officials, the United Kingdom relies on a network of international offices located in over 100 nations around the world to facilitate education and cultural linkages among the United Kingdom and potential students, foreign education institutions, and governments.<sup>11</sup> Similarly, Germany relies on a global network of 48 information centers to promote Germany's higher education system.<sup>12</sup> The United States has a network of more than 450 advising centers around the world, called EducationUSA Advising Centers. Centers are staffed by professional advisers, many of whom studied in the United States themselves and have received State Department-approved training about U.S. higher education and the advising process.<sup>13</sup> While the reported levels of services and capabilities offered by the overseas information centers vary from country to country,

---

<sup>11</sup>The United Kingdom conducts outreach to international students through the British Council, an independent nonprofit organization. The British Council provides information and guidance on cultural relations and education opportunities through its international network of offices.

<sup>12</sup>The German Academic Exchange Service, Germany's publicly funded independent national agency for the support of international academic cooperation, has created a global network of 48 information centers worldwide. These centers provide locally relevant information to potential students of German universities.

<sup>13</sup>EducationUSA is a network of independent educational advising centers located in a wide variety of institutional settings around the world that receive government support in the form of staff training and advising materials from State's Bureau of Educational and Cultural Affairs. Although the majority of the educational advisers are not employed by the United States government, the Department of State is responsible for the oversight of these centers to ensure that this independent network is focused on the EducationUSA mission of providing advice to students that is comprehensive and unbiased. The centers do not operate on behalf of specific institutions and programs.

---

government officials stressed that their network of offices is valuable because its staff possess expertise in international education, understand the education systems of the regions in which they operate, and have essential contacts, including contacts at education ministries and local higher education institutions.

All governments we reviewed reported that ensuring that international students receive a quality education and experience abroad is another key component of their approach to outreach to international students. In the face of growing domestic and international demand for higher education, China has invested significant resources to enhance the institutional and human resource capacities of its higher education institutions in the last 10 years. The steps taken to increase institutional capacity include encouraging private funding for China's higher education and modernization of schools' facilities and equipment. In addition, officials said that China has consolidated specialized schools, such as engineering and art schools, and added additional academic programs to create institutions with more of a comprehensive breadth of curricula, making them more adaptable to employment needs and improving the schools' resources through economies of scale. Further, education officials said that China provides leadership training to its senior management staff through international exchange programs with various Western countries to enhance the human capacity of China's higher education institutions.

European countries are also taking these steps to help ensure that their higher education and research systems continuously adapt to changing needs, society's demands, and advances in scientific knowledge, as well as to gain a "worldwide degree of attractiveness." For example, under the Bologna Declaration of June 1999, European countries established a series of reforms to make European higher education more compatible and comparable across member states, including the adoption of comparable undergraduate and graduate degrees and a system of credits. Currently, 46 European countries participate in the Bologna process.<sup>14</sup> To increase the quality and effectiveness of education and training programs in the

---

<sup>14</sup>Participating countries include Albania, Andorra, Armenia, Austria, Azerbaijan, Belgium, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Holy See, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, "the former Yugoslav Republic of Macedonia," Turkey, Ukraine, and the United Kingdom.

---

European Union, the European Commission has also established working groups in 12 areas, including the education and training of teachers and trainers.

To ensure overseas students have a positive educational experience, the UK Council for International Student Affairs, an education charity, acts as the UK's national advisory body serving the interests of overseas students and those who work with them, according to officials from the United Kingdom. This advisory body encourages best practices, professional development, and institutional support for international students. For example, the UK Council for International Student Affairs provides guidance to students and higher education partners in a number of areas, such as immigration policies, financial planning, and cross-cultural issues.

Further, the Australian government, through enacted legislation and regulations, provides "consumer protections" of overseas students. These protections include alternative course placement for students whose education provider cannot offer a particular course, and making refunds to students when no such placement is possible. Australia also established an international arm within its government to provide leadership across all levels of government and industry, ensure that overseas students have a quality study abroad experience, and support the country's international education industry.

---

## Public Diplomacy and Development Assistance Programs We Studied Share Key Characteristics

### The Programs We Reviewed Generally Offer Merit-Based Scholarships Targeted to Graduate Students

The major scholarship programs we reviewed that support public diplomacy and development assistance goals typically select recipients using merit-based criteria, offer graduate-level study, and cover the cost of tuition and some other expenses. For example, the Australian Development Scholarships program selects high-achieving students, mostly for graduate-level study, through a competitive selection process that is coordinated between Australian officials and partner

---

governments.<sup>15</sup> Selection criteria are usually established bilaterally between the Australian government and the applicant's home government, and students who are nominated must also be accepted by the receiving higher education institution in Australia. The program awards 90 percent of its scholarships for graduate-level study, making a small percentage available to those wishing to pursue undergraduate or vocational study. Australian Development Scholarship awards include tuition, travel, health insurance, and allowances to cover study materials, living expenses, and other participation-related costs. In addition, these awards may also cover English-language training, tutorial assistance, and a mandatory 4- to 6-week course designed to prepare students for life and study in Australia. According to program officials, approximately \$45,000 in Australian dollars (about \$38,000 U.S. in dollars) is awarded to selected students in tuition and other expenses per year.

Although the European Union's Erasmus Mundus program has differing objectives, it also awards scholarships on the basis of academic merit to graduate students.<sup>16</sup> In the past, the program offered scholarships only for master's-level study for 1- to 2-year periods, but will also begin offering scholarships for doctoral study for up to 3 years starting in 2010. Under this program, individual courses of study are developed by consortia of universities within the European Union and these consortia are given considerable latitude in selecting applicants. The program's administering agency recommends that each consortium assess the quality of eligible applicants based on criteria such as academic record, exam results, and letters of recommendation. Unlike other scholarship programs we reviewed, the Erasmus Mundus program awards a fixed amount to recipients annually, which was 21,000 euros in 2008 (about \$31,000 in U.S. dollars).<sup>17</sup> While tuition and fees vary widely among European universities, in most instances, the award amount is greater than the cost of

---

<sup>15</sup>Applicants for the Australian Development Scholarships program may be nominated by their home government through a competitive selection process. All other applicants meeting the selection criteria may apply directly to the program under a separate application category.

<sup>16</sup>The Erasmus Mundus program is a scholarship program funded by the European Union that aims to improve the quality of higher education in Europe and promote intercultural understanding through cooperation with non-European countries.

<sup>17</sup>This comprises a fixed award of 5,000 euros plus 1,600 euros per month for 10 months. Should an Erasmus Mundus course comprise 12 study months per year rather than 10, the student will receive 24,200 euros per year. In 2010, the program will begin offering awards that vary with participation costs.

---

attendance, allowing recipients to use the balance of the award to defray other participation-related expenses, according to program officials.

The U.S. Fulbright Foreign Student Program, which supports public diplomacy goals, follows a similar approach in awarding merit-based scholarships to graduate students. The program selects scholarship recipients through a competitive process that considers input from a scholarship board, U.S. embassies, and other organizations. Applications are generally restricted to students who meet certain citizenship requirements and who will have received the equivalent of a bachelor's degree prior to the start of the grant period.<sup>18</sup> In selecting scholarship recipients, the program considers the applicant's academic record and a research project proposal, among other factors. Once award recipients are selected, the Fulbright Foreign Student Program allows them to matriculate in either degree-granting or nondegree master's and Ph.D. programs, some of which may be renewed for up to 5 years; however, most awards are for 1 or 2 years of study. Similar to other scholarship programs we reviewed, the scholarships awarded by the program cover a range of participation-related costs, including tuition, educational materials, travel, housing, living allowances (which vary by U.S. host location), orientation, and health coverage. According to program officials, these scholarships are awarded in amounts up to \$60,000 per recipient annually, but on average total about \$32,000 per year.

Similarly, other scholarship programs we reviewed, such as the Chinese Government Scholarships Program, the United Kingdom's Chevening Programme, the U.S. Edmund S. Muskie Graduate Fellowship Program, and German Study Scholarships and Research Grants all award merit-based scholarships, primarily to graduate students. Though award amounts vary, the scholarships generally cover similar costs related to participation, including tuition, living, and other expenses.

Although most scholarship programs we reviewed award merit-based scholarships to graduate-level students, a few programs award scholarships for undergraduate or vocational study, and some consider need-based criteria in the selection process. For example, the U.S. Cooperative Association of States for Scholarships program, administered

---

<sup>18</sup>Candidates in countries with Fulbright Commissions must meet the citizenship criterion specified in an agreement between the United States and that country. In countries without Fulbright Commissions, candidates must be citizens or nationals of that country, or permanent residents qualified to hold a valid passport issued by that country.

---

by USAID, funds study for high-achieving, low-income students who might not otherwise have access to higher education.<sup>19</sup> USAID officials say that by establishing relationships with impoverished communities in the sending countries, the Cooperative Association of States for Scholarships program has taken steps to ensure that the low-income populations targeted by the program are those that receive the awards. However, officials also acknowledged that an applicant's income or wealth may be difficult to verify depending on the depth, soundness, and transparency of the financial system in the applicant's home country. Additionally, unlike most programs we reviewed, the U.S. Global Undergraduate Exchange Program awards all of its scholarships to undergraduate students. According to program officials, shorter, non-degree-granting scholarships may be more appropriate for vocational or undergraduate participants because they help ensure students return and reintegrate into their home societies. However, program officials in the United States and abroad said that undergraduate students' career goals are often evolving and their career trajectories less well defined. For this reason, U.S. and foreign officials said that graduate students, who have already committed to a field of study, may be better suited for some program goals, such as building leadership and making technological advances. See table 1 for the criteria countries used to select applicants for the scholarship programs we reviewed.

---

<sup>19</sup>The Cooperative Association of States for Scholarships program received final funding in fiscal year 2008. These funds support the current cohort of students, whose training may last through 2010. A successor program, Scholarships for Education and Economic Development, will also provide higher education scholarships and training to disadvantaged young people in the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Mexico, and Haiti, and supports U.S. economic and governance goals for the region by increasing human and institutional capacity.

**Table 1: Selection Criteria, Level of Study Targeted, and Length of Award for Selected Scholarship Programs**

	Host government and program name	Type of selection criteria considered	Level of study targeted	Length of award <sup>a</sup>
<b>Public diplomacy</b>	Australian Endeavour Awards	Merit	Mostly graduate	2-3 years
	Chinese Government Scholarships Program <sup>b</sup>	Merit	Graduate and undergraduate	1-7 years
	EU Erasmus Mundus	Merit	Only graduate	1-2 years
	German Academic Exchange Service Study Scholarships and Research Grants <sup>c</sup>	Merit	Mostly graduate	1 year
	UK Chevening Programme <sup>d</sup>	Merit	Mostly graduate	2-4 years
	U.S. Edmund S. Muskie Graduate Fellowship Program	Merit	Only graduate	1-2 years
	U.S. Fulbright Foreign Student Program	Merit	Only graduate	1-5 years
	U.S. Global Undergraduate Exchange Program	Merit	Only undergraduate	0.5-1 year
<b>Development assistance</b>	Australian Development Scholarships	Merit	Mostly graduate	2-4 years
	Australian Leadership Awards Scholarships	Merit	Mostly graduate	2-4 years
	U.S. Collaborative Research Support Programs	Merit	Mostly graduate	1-5 years
	U.S. Cooperative Association of States for Scholarships	Merit and need	Vocational	2 years

Sources: Australian Department of Education, Employment, and Workplace Relations; Australian Agency for International Development; Chinese Ministry of Education; European Commission's Education, Audiovisual, and Culture Executive Agency; U.S. Agency for International Development; and U.S. Department of State.

Notes: Information is from academic year 2007 or is more recent. Time periods may have differed slightly among the reporting countries, so the data are generally but not directly comparable among programs.

<sup>a</sup>This represents the range of duration in academic years of scholarships awarded to students for postsecondary study. Length may differ depending on the level of study and whether the scholarship is renewed by the host country.

<sup>b</sup>The Chinese Government Scholarships Program offers full and partial scholarships for study in China to undergraduates, graduates, language students, and visiting scholars.

<sup>c</sup>Characteristics represent a combination of the German Academic Exchange Service's two main scholarship programs: Study Scholarships for Graduates of All Disciplines and Research Grants for Doctoral Candidates and Young Academics.

<sup>d</sup>Characteristics represent the UK Chevening Programme's core scholarship scheme.

### Programs Differ in Some Characteristics, Including Geographic Reach and Funding Levels

Although the programs we studied share key characteristics, they also vary widely in their geographic reach, annual funding levels, and their annual participation levels. Many of the large public diplomacy programs we studied tend to make scholarships available to students from a wide range of countries, typically 40 or more, in order to maximize their diplomatic reach.



---

For example, the European Union's Erasmus Mundus program, a public diplomacy program, awarded scholarships to students from 113 countries in 2008, with no single region receiving more than 27 percent of the scholarships awarded. The agency administering the Erasmus Mundus strives to achieve a wide geographic balance, in part by ensuring that no more than a quarter of scholarships awarded by a particular consortium go to students from one country. Scholarships offered by the U.S. Fulbright Foreign Student Program, another public diplomacy program, also have a wide geographic reach, awarding scholarships to recipients from 143 countries in 2008. However, some public diplomacy programs have a more targeted reach. For example, the Australia Endeavour Awards has a regional focus, with over 80 percent of scholarships widely dispersed to students from Asian and Pacific countries. Additionally, the U.S. Edmund S. Muskie Graduate Program targets its scholarships exclusively to applicants from the countries that formerly constituted the Soviet Union.

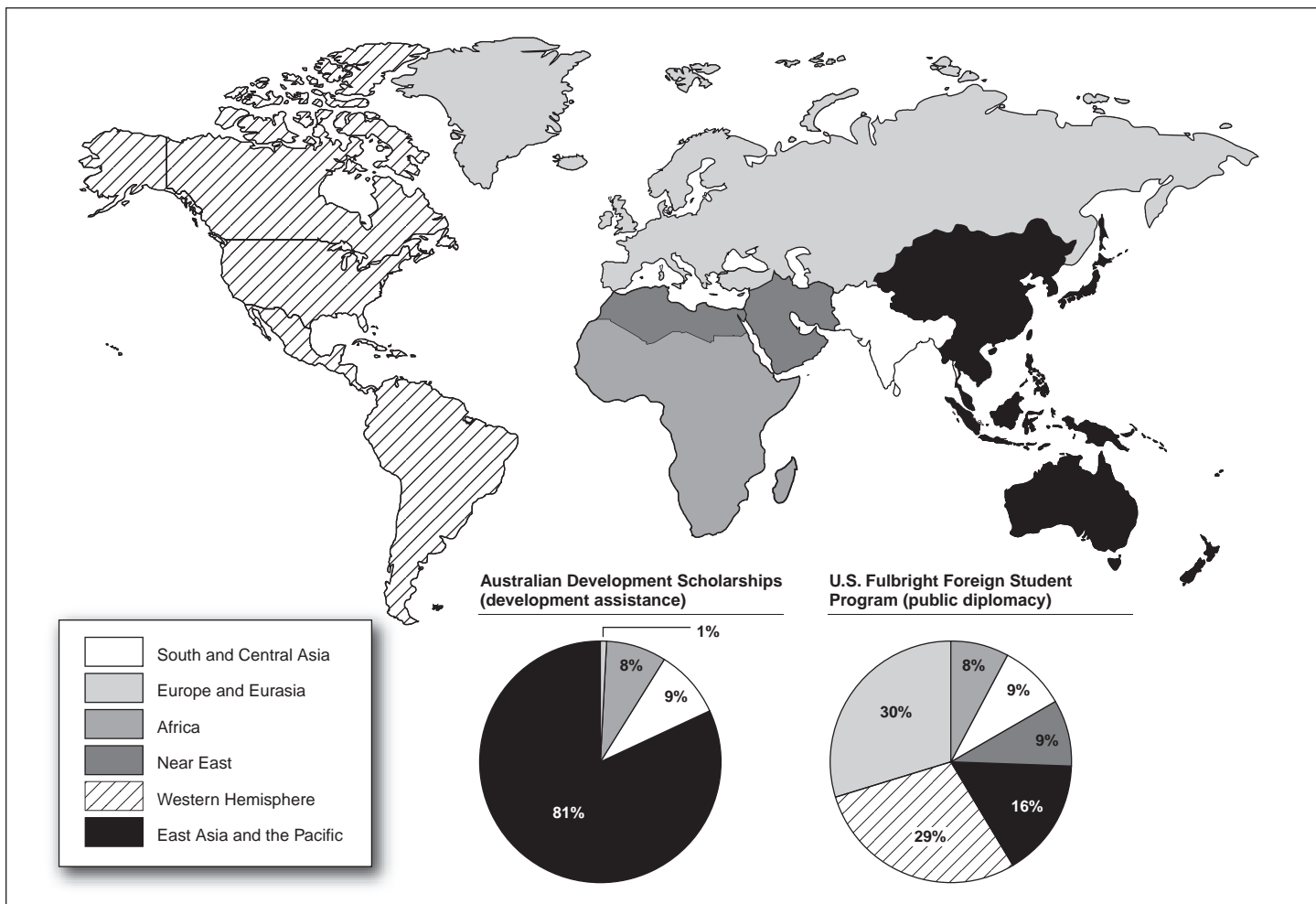
In contrast, the development assistance programs we studied tend to have a more targeted focus in order to better concentrate resources in particular developing countries. For example, Australia's two largest development assistance programs—the Australian Development Scholarships and the Australian Leadership Awards—focus primarily on the Asia and Pacific regions, though the Australian Development Scholarships also awards approximately 9 percent of its scholarships to applicants from Africa. Likewise, the U.S. Collaborative Research Support Program also has some regional concentration, awarding nearly two-thirds of its scholarships to students from Africa and Latin America. In 2007, according to data provided by education officials, we estimate that China awarded roughly 20 percent of its scholarships to students from Africa. Some of the other development assistance programs we studied have an even more targeted focus. The U.S. Cooperative Association of States for Scholarships Program and its successor program, for example, have awarded scholarships exclusively to students from seven countries in Central America and the Caribbean during the past 5 years. A component of the European Union's Erasmus Mundus program also targets its scholarships to particular regions based on the political and development assistance priorities of the European Union and of partner countries.<sup>20</sup> See appendix II for the percentage of scholarship recipients from each region

---

<sup>20</sup>Partnerships, a component of the 2009-2013 Erasmus Mundus program, is supervised by the European Commission's Directorate General Europe Aid Cooperation Office and is primarily concerned with funding study in the European Union for students from selected emerging and developing countries.

by scholarship program. Figure 6 provides an illustration of the differences in geographic reach typically found between the public diplomacy and development aid scholarship programs we reviewed.

**Figure 6: Percentage of Participants from Each Region for the U.S. Fulbright Foreign Student Program and the Australian Development Scholarships Program**



Source: GAO analysis, map (Art Explosion).

Notes: Totals may not equal 100 percent because of rounding.

In addition to these differences, annual funding and participation levels vary widely among the programs we studied and change from year to year, though the largest programs we studied tend to have public diplomacy goals, as shown in table 2. For example, the European Union’s Erasmus

Mundus program and the U.S. Fulbright Foreign Student Program, both public diplomacy programs, receive over \$90 million in funding.<sup>21</sup> One exception was the Australian Development Scholarships Program, the most well-funded development assistance program we reviewed, which received over \$101 million in Australian dollars in 2008 (\$84 million in U.S. dollars). However, most of the public diplomacy and development assistance programs we reviewed received less than \$50 million in U.S. dollars in annual funding last year. Participation levels in 2008 also varied widely among the programs we studied, with programs awarding scholarships to as few as 67 recipients in the case of the U.S. Collaborative Research Support Program to as many as 3,747 recipients in the case of the Chinese Government Scholarships Program.

**Table 2: Award Amount and Expenses Covered for Selected Scholarship Programs**

	Host government and program name	Annual funding level (U.S. dollars in millions) <sup>a</sup>	Annual participation level <sup>b</sup>	Maximum or average annual award amount (U.S. dollars) <sup>c</sup>	Expenses covered under scholarship award
Public diplomacy	Australian Endeavour Awards	35 Australian dollars (\$29)	391	Maximum of 52,800 Australian dollars (\$44,289) <sup>d</sup>	Tuition, <sup>e</sup> travel, establishment allowance, a contribution to living expenses, and travel and health insurance
	Chinese Government Scholarships Program <sup>f</sup>	Data not available	3,747	Data not available	Tuition, travel allowance, educational materials, establishment allowance, a contribution to living expenses, and health insurance
	EU Erasmus Mundus	93 euros (\$136)	1,957	Average of 21,000 euros (\$30,761)	Annual award is a fixed amount that typically covers tuition and may defray other participation-related expenses

<sup>21</sup>Though the U.S. government is the primary source of funding for the U.S. Fulbright Foreign Student Program, participating countries and host universities contribute financially, both through direct cost sharing and indirect support.

	<b>Host government and program name</b>	<b>Annual funding level (U.S. dollars in millions)<sup>a</sup></b>	<b>Annual participation level<sup>b</sup></b>	<b>Maximum or average annual award amount (U.S. dollars)<sup>c</sup></b>	<b>Expenses covered under scholarship award</b>
	German Academic Exchange Service Study Scholarships and Research Grants <sup>9</sup>	33 euros (\$48)	2,800	Maximum of 30,000 euros (\$43,945) <sup>b</sup>	Tuition, travel, health insurance, living allowances, marital or child allowance under certain conditions, <sup>i</sup> research allowance, and preparatory language instruction if necessary
	U.S. Edmund S. Muskie Graduate Fellowship Program	\$9	145	Average of \$42,775	Tuition, travel allowance, educational materials, housing, monthly allowances, and a preparatory orientation program
	U.S. Fulbright Foreign Student Program	\$95	3,204	Average of \$32,000	Tuition, travel allowance, educational materials, housing, monthly living allowances (which vary by U.S. host location), orientation, and health and accident coverage
	U.S. Global Undergraduate Exchange Program	\$8	452	Average of \$20,400	Tuition, travel allowance, educational materials, housing, monthly living allowances, and cultural experiences
<b>Development assistance</b>	Australian Development Scholarships	101 Australian dollars (\$85)	1,100	Average of 45,000 Australian dollars (\$37,746)	Tuition, travel, <sup>j</sup> visa expenses, establishment allowance, contribution to living expenses, preparatory language and academic courses, health care coverage, fieldwork
	Australian Leadership Awards Scholarships	18 Australian dollars (\$15)	150	Maximum of 62,000 Australian dollars (\$52,006)	Tuition, travel, visa expenses, establishment allowance, contribution to living expenses, leadership development program, health care coverage, study enrichment allowance <sup>k</sup>
	U.S. Collaborative Research Support Programs	\$23	67	Average of \$41,245	Expenses covered may include tuition, travel, research equipment, and a contribution toward other expenses

Host government and program name	Annual funding level (U.S. dollars in millions) <sup>a</sup>	Annual participation level <sup>b</sup>	Maximum or average annual award amount (U.S. dollars) <sup>c</sup>	Expenses covered under scholarship award
U.S. Cooperative Association of States for Scholarships	\$10	162	Average of \$19,820	Tuition, travel, education materials, visa expenses, housing expenses, a contribution toward living expenses, orientation including medical exams, program seminars and workshops, and a reentry seminar upon returning home

Sources: Australian Department of Education, Employment, and Workplace Relations; Australian Agency for International Development; Chinese Ministry of Education; European Commission's Education, Audiovisual, and Culture Executive Agency; German Academic Exchange Service; U.S. Agency for International Development; and U.S. Department of State.

Notes: Information is from fiscal year 2007 or is more recent. Time periods may have differed slightly among the reporting countries so the data are generally but not directly comparable between programs. For foreign programs, currency is converted to U.S. dollars at annualized exchange rate for the latest year data are available.

<sup>a</sup>Amount shown is the program wide funding level for the latest year data are available. This funding may cover expenses such as program administration in addition to scholarship awards.

<sup>b</sup>Number of scholarships awarded to students for the latest year data are available.

<sup>c</sup>Amount shown is the maximum or average amount (as indicated) awarded to scholarship recipients for the latest year data is available.

<sup>d</sup>Amount shown represents the maximum annualized scholarship awarded to Endeavour Postgraduate Award recipients.

<sup>e</sup>Dependent on the type of award, tuition fees are not payable under all Australia Endeavour Awards.

<sup>f</sup>The Chinese Government Scholarships Program offers full and partial scholarships for study in China to undergraduates, graduates, language students, and visiting scholars.

<sup>g</sup>Funding, participation level, and other characteristics represent a combination of the German Academic Exchange Service's two main scholarship programs: Study Scholarships for Graduates of All Disciplines and Research Grants for Doctoral Candidates and Young Academics.

<sup>h</sup>In some special cases award amounts may include up to 45,000 euros (\$65,917).

<sup>i</sup>Recipients may receive an additional 600 euros (\$879) per year for each dependent accompanying them.

<sup>j</sup>In addition to roundtrip airfare, includes a reunion airfare entitlement for students with no family accompanying them.

<sup>k</sup>May include a contribution toward field research, academic support, conference participation, or the award holder's reunion travel costs.

According to foreign officials, some governments have revised scholarship program funding and participation levels in recent years to reflect changing national objectives, such as placing a greater emphasis on making their higher education systems more visible. For example, over the past 5 years, the European Union has increased funding levels for the Erasmus Mundus program by more than tenfold to 93 million euros (\$136 million in U.S. dollars) annually, and plans to spend 950 million euros

---

(\$1.39 billion in U.S. dollars) on the program over the next 5 years. Moreover, some program officials from Australia told us that they anticipate funding and participation levels for the Endeavour Awards scholarship programs to continue to increase in the coming years. However, funding and participation for at least one major scholarship program have been reduced in recent years. Specifically, the number of scholarships offered by the United Kingdom's Chevening Programme core scholarship scheme has declined from over 1,500 in 2004 to around 1,000 in more recent years.

---

### Officials Highlighted Strategies They Say Are Key to the Successful Implementation of Scholarship Programs

Officials that administer both public diplomacy and development assistance programs cite several strategies that they say facilitate program implementation and contribute to successful program outcomes. Some told us that offering preparatory courses or program orientation to all scholarship recipients enhances the students' chance of success at the host university, and is particularly useful for students who require additional language, cultural, or academic skills. For example, the Australian Development Scholarships and Australian Leaderships Awards, both managed by the Australia's Agency for International Development, requires scholars to complete a 4- to 6-week introductory academic program that covers information on life and study in Australia prior to the commencement of formal academic studies. In addition to this program, the Australian Development Scholarships also provides precourse English classes. Further, the Chinese Government Scholarships Program requires recipients who do not meet minimum language proficiency standards to take up to a year of intensive Chinese-language training upon arrival in China. Depending on the needs of the student, this language training may continue once their academic program begins. Similarly, to aid students in their transition to the United States, USAID requires all Cooperative Association of States for Scholarships recipients to participate in predeparture orientation training. During this training, participants also receive program-required health exams, and they complete the steps necessary to obtain their student visas.

Some development assistance officials also highlighted the importance of aligning the courses of study offered by their programs with the human resource and capacity building needs of the sending country. For example, USAID officials said that fields of study offered by the U.S. Cooperative Association of States for Scholarships program are determined based on a review of the development needs and employment trends of the country. According to officials, this, along with the support of the sending countries' governments and private business sectors, helps students to

---

obtain a job once they return to their country. In Australia, officials work with sending governments to identify the most acute development needs and consider these with the applicant's proposed field of study when awarding scholarships.

In keeping with their goal of advancing human resource capacity in sending countries, development assistance programs typically seek to return participants to their home country upon completing their program of study. For example, recipients of all Australian Agency for International Development scholarships are expected to return to their country of citizenship for at least 2 years after completing their scholarship program. To enforce this obligation, Australia requires development scholarship recipients to sign a contract agreeing to return to their home country for 2 years. If they return to Australia before the 2-year period is up, they incur a debt to the Australian government equal to the full value of the scholarship. This operates as a strong disincentive for students to stay in Australia after completing their study program, and it results in a student return rate of 95 percent or better, according to Australian officials. However, this does not guarantee that students will stay in their home countries for 2 years. One official noted that many alumni choose to move to another country shortly after returning home. All USAID exchange visitors are required to sign a form in which they agree, among other things, to return home immediately upon completion of their program.<sup>22</sup> Recipients of some USAID programs are also required to sign a contract agreeing to return home within 3 days of completing their program. According to USAID officials, this is effective in ensuring students return home and fulfill program objectives. Officials said that 86 percent of participants in its Collaborative Research Support Programs return to a developing country after graduation.

Finally, officials noted the importance of developing active alumni networks. Officials told us that having strong alumni networks better enables them to reach future applicants, track alumni, and assess their careers and accomplishments as well as perceptions of their international study experience. These networks also provide a means through which alumni can receive support from their former host country and help facilitate enduring relationships between students and the host country

---

<sup>22</sup>While scholarship programs sponsored by State have different goals than USAID programs, participants are also required to return home upon completion of the program, a requirement that is enforced through the visa process.

---

once their tour of study has ended. For these reasons, State encourages alumni of its exchange programs to connect through a central Web site that allows members to find fellow alumni, search for job opportunities, and participate in online discussion forums, among other activities. Officials at the Australian Agency for International Development stated that they are in the process of developing in-country alumni networks for their programs. Australian officials also noted that maintaining relationships with influential alumni may advance diplomatic and development assistance objectives. Other scholarship programs, such as the Erasmus Mundus program, have also created Web-based networks to facilitate contact with scholarship program alumni.

---

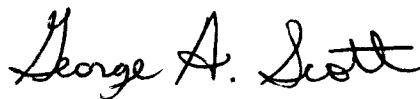
## Agency Comments

We provided a draft of this report to the Department of State and USAID for review and comment. They both provided technical comments that we incorporated into this report where appropriate. In addition, cognizant officials from peer governments we reviewed were also provided sections of our draft report relevant to their programs and provided technical comments that were incorporated where appropriate.

---

We are sending copies of this report to the Secretary of State and USAID, relevant congressional committees, and other interested parties. In addition, the report will be made available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or [Scottg@gao.gov](mailto:Scottg@gao.gov). Contact points for our Office of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff that made major contributions to this report are listed in appendix V.



George A. Scott  
Director, Education, Workforce,  
and Income Security Issues



---

# Appendix I: Objectives, Scope, and Methodology

---

## Overview

This appendix discusses in more detail our scope and methodology for this study. The goals of this study were to determine (1) the objectives the United States and selected peer governments seek to advance through higher education for international students and the approaches they employ to attract international students, and (2) the characteristics of major United States and peer government programs that fund higher education for international students in support of public diplomacy and development goals.

To carry out these objectives, we interviewed government officials and industry experts in the United States and in selected peer governments, analyzed public diplomacy and development assistance scholarship programs, and reviewed studies and evaluations related to the United States and peer governments' efforts to support international higher education. In addition, we provided the U.S. agencies and peer governments the opportunity to review and comment on the draft report sections that are applicable to them and incorporated their comments where appropriate.

We conducted our work from March 2008 to April 2009 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objectives and to discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions.

---

## U.S. Agency and Peer Government Selection

We selected two U.S. agencies and five peer governments for review. Though many U.S. agencies are involved in promoting U.S. higher education to international students, we limited our scope to the Department of State and the U.S. Agency for International Development because they are primarily responsible for funding programs aimed at public diplomacy and development assistance, a principal interest of our congressional requestor. We applied a range of criteria to select a judgmental sample of four countries for review: Australia, China, Germany, and the United Kingdom. First, we identified countries that had the largest global share of international student enrollments using 2008 data from the Institute for International Education. To capture recent trends in student mobility, we also considered each country's growth in

---

international enrollments, comparing the 2008 data to 2000 base year data from the Organisation for Economic Co-operation and Development (OECD).<sup>1</sup> Further, to ensure a more global perspective of the international education landscape, we reviewed a geographically diverse set of governments that, collectively, attract students from a wide range of countries. We also conferred with embassy and government officials as well as industry experts to obtain their recommendations on which countries to visit and review based on their knowledge of international education. We ensured that our selection included both English and non-English-speaking countries. In addition to selecting individual countries, we also reviewed the European Union (EU) based on its international education efforts on behalf of EU member countries, many of which are top destinations for international students.<sup>2</sup> While our selection of countries included some of the nations that are most active in recruiting international students, it is not representative of all nations that have these types of programs.

---

## Program Selection

We selected 13 programs—9 public diplomacy and 4 development programs—for review. Though many of the governments we reviewed may fund a number of smaller scholarship programs, we limited our study to scholarship programs that receive at least \$8 million annually, or the equivalent in local currency, and award at least 50 scholarship awards annually based on the information we received. In addition to the funding and participation level consideration, these programs were also identified by officials in the United States and peer governments as being most important to the success of their country's international education efforts. However, there may be other scholarship programs offered by peer governments that met our established criteria, but were not included in the report due to our inability to acquire sufficient information about these programs.

---

<sup>1</sup>OECD is an international organization in which governments can compare policy experiences, seek answers to common problems, identify good practices, and coordinate domestic and international policies. OECD collects data, monitors trends, and analyzes and forecasts economic developments and other areas. Exchanges between OECD governments flow from information and analysis provided by OECD.

<sup>2</sup>EU member countries include Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

Finally, it should be noted that in many cases the programs we reviewed address multiple objectives, including public diplomacy and development objectives, and for the purposes of this report, these programs were categorized as either public diplomacy or development assistance programs, depending on their primary focus. We studied programs that offer scholarships to students for vocational, undergraduate, or graduate-level study for any length of time. We did not include scholarships for outbound students funded by sending governments. While our focus is on programs that receive host government funding, some of these programs are funded or administered jointly with other governments or nongovernmental organizations.

---

## **Site Visits and Interviews**

A major part of our study involved interviewing officials from the United States and selected governments, as shown in table 3. Officials included government executives, program administrators, and industry stakeholders. During these site visits, we also collected relevant documents, including those dealing with funding, scholarship amounts and number of scholarships, program evaluations, and program goals. In some cases, officials were not able to provide us the information in the detail requested, and in these instance, we noted that in the report. Moreover, because of the nature of this study, we were not able to independently verify or assess the reliability of the data provided by the foreign countries we reviewed. We also did not independently verify the foreign laws and declarations discussed, but instead relied on our discussions with foreign officials and the documents we collected.

**Table 3: Governments and Agencies Reviewed as Part of Our Study**

<b>Governments</b>	<b>Agencies</b>
<b>United States</b>	<ul style="list-style-type: none"> <li>• U.S. Department of State</li> <li>• U.S. Agency for International Development</li> <li>• Institute for International Education</li> <li>• NAFSA: Association of International Educators</li> <li>• American Council on Education</li> </ul>
<b>Australia</b>	<ul style="list-style-type: none"> <li>• Australian Embassy in United States of America</li> <li>• Australian Agency for International Development</li> <li>• Department of Education, Employment and Workforce Relations</li> <li>• Australian Department of Foreign Affairs and Trade</li> <li>• Australian Group of Eight</li> <li>• Universities Australia</li> <li>• The Australian National University</li> </ul>
<b>People’s Republic of China</b>	<ul style="list-style-type: none"> <li>• Embassy of the People’s Republic of China in the United States</li> <li>• Ministry of Education</li> <li>• China Scholarship Council</li> <li>• Chinese Education Association for International Exchange</li> <li>• State Administration of Foreign Experts Affairs</li> <li>• Chinese People’s Association for Friendship with Foreign Countries</li> <li>• The Office of Chinese Language Council International Confucius Institute Headquarters (Hanban)</li> <li>• National Center for Educational Development Research-Tsinghua University</li> </ul>
<b>European Union</b>	<ul style="list-style-type: none"> <li>• Directorate-General for Education and Culture, Cooperation and International Programmes</li> <li>• Education, Audiovisual, and Culture Executive Agency</li> <li>• Delegation of the European Commission to the USA</li> </ul>
<b>Germany</b>	<ul style="list-style-type: none"> <li>• German Embassy in the United States</li> <li>• German Academic Exchange Service (DAAD)</li> </ul>
<b>United Kingdom</b>	<ul style="list-style-type: none"> <li>• United Kingdom Embassy in the United States</li> <li>• The Department for Innovation, Universities &amp; Skills</li> <li>• The Foreign and Commonwealth Office</li> <li>• The British Council</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>• Embassy of France in the United States</li> <li>• Embassy of New Zealand in the United States</li> </ul>

Source: GAO.

---

## **Literature Review and Program Data**

To provide some context for understanding government efforts to support public diplomacy, development assistance, or other objectives through higher education, we also reviewed a number of studies dealing with the global landscape for international higher education. Our review included research from organizations such as the Institute for International Education (IIE), NAFSA: the Association of International Educators, as well as government agencies of the selected peer governments. We also reviewed relevant program documents, including agency strategic plans and evaluations of scholarship programs, when available.

# Appendix II: Percentage of Scholarship Recipients from Each Region by Scholarship Program

	Host government and program name	Total number of scholarship recipients	Percentage of scholarship recipients by region of origin					East Asia and the Pacific
			Near East	Europe and Eurasia	Africa	South and Central Asia	Western Hemisphere	
<b>Public diplomacy</b>	Australian Endeavour Awards	403	6	9	0	38	2	44
	EU Erasmus Mundus Program	1,957	6	9	14	17	27	27
	UK Chevening Programme <sup>a</sup>	1,051	15	17	13	11	14	30
	U.S. Edmund S. Muskie Graduate Fellowship Program	145	0	66	0	34	0	0
	U.S. Fulbright Foreign Student Program	3,204	9	30	8	9	29	16
	U.S. Global Undergraduate Program	452	25	20	0	19	17	19
<b>Development assistance</b>	Australian Development Scholarships	978 <sup>b</sup>	0	1	8	9	0	81
	U.S. Collaborative Research Support Programs	67	1	0	28	13	36	21
	U.S. Cooperative Association of States for Scholarships	162	0	0	0	0	100	0

Sources: Australian Department of Education, Employment, and Workplace Relations; Australian Agency for International Development; European Commission's Education, Audiovisual, and Culture Executive Agency; U.S. Agency for International Development; and U.S. Department of State.

Notes: Information is from fiscal year 2007 or more recent and represents the latest year for which region of origin information is available. Percentages may not sum to 100 due to rounding.

<sup>a</sup>Characteristics represent the UK Chevening Programme's core scholarship scheme.

<sup>b</sup>Number of scholarships awarded in 2007.

---

# Appendix III: GAO Contact and Staff Acknowledgments

---

## GAO Contacts

George A. Scott, Director, (202) 512-7215 or [scottg@gao.gov](mailto:scottg@gao.gov)

---

## Staff Acknowledgments

In addition to the contact named above, Sherri Doughty, Assistant Director; Tranchau Nguyen, Analyst-in-Charge; Christopher Lyons; Daniel Novillo; Eve Weisburg; Susannah Compton; Alexander Galuten; Martin De Alteriis; Jess Ford; and Helen Hsing made key contributions to this report.

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site ([www.gao.gov](http://www.gao.gov)). Each weekday afternoon, GAO posts on its Web site newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to [www.gao.gov](http://www.gao.gov) and select "E-mail Updates."

---

## Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's Web site, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: [www.gao.gov/fraudnet/fraudnet.htm](http://www.gao.gov/fraudnet/fraudnet.htm)

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Ralph Dawn, Managing Director, [dawnr@gao.gov](mailto:dawnr@gao.gov), (202) 512-4400  
U.S. Government Accountability Office, 441 G Street NW, Room 7125  
Washington, DC 20548

---

## Public Affairs

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov), (202) 512-4800  
U.S. Government Accountability Office, 441 G Street NW, Room 7149  
Washington, DC 20548

