

The Impact of International Student Mobility on Trade and Gross Domestic Product: The Case of China

Authors : Yasir Khan

Abstract : The continued growth in international students coming to China for higher education had a significant positive impact on trade and GDP in China. Student mobility may expend trade with their country of origin, owing to superior knowledge, or preferential access to market opportunities. We test this hypothesis using Chinese trade data from 1999 to 2017. In fully-modify (OLS) and dynamic (OLS) testing estimation, we find that a 1.24 percent increase in student inward mobility is associated with a 1 percent increase in Chinese export trade. On the other hand, we find that a 1.18 percent increase in the student inward mobility to China is associated with a 1 percent increase in import trade. In addition, we find that a 1.13 percent increase in international student inward mobility is associated with a 1 percent increase in the GDP. The outcome suggests that international students have a strong influence on Gross Domestic Product (GDP), exports and imports trade. However, the study holds that the government should attach great attachment and importance to the role of international students in the export and import trade.

Keywords : international student mobility, China, export, import, GDP, FMOLS, DOLS

Conference Title : ICBEF 2019 : International Conference on Business, Economics and Finance

Conference Location : Montreal, Canada

Conference Dates : May 23-24, 2019