Press Releases

Transforming Lives: International Education Financing Spurs 15x Growth in Household Income and Drives Global Impact

Study of academic research and data on 20,000 students from 182 countries shows the world-changing power of international education:

- ***15x growth in household income for graduates in the U.S.***
- ***International education is a US$43.8 billion industry in the U.S.***
- ***International graduates are powering the U.S. tech and AI industries***
- ***75% of MPOWER students send money home after graduation***
- ***90 heads of state or government studied in the U.S. or a peer nation***

WASHINGTON, Dec. 9, 2024 /PRNewswire/ -- MPOWER Financing, a mission-driven fintech firm and the leading provider of scholarships and no-cosigner loans to high-potential students from around the world, today released its fourth annual Social Impact Report. The report studies the broad social and economic benefits a global international student body brings to countries and highlights how financing plays a crucial role in democratizing access to education, especially amidst increasing geopolitical tensions and restrictive immigration policies.

> We've seen the phenomenal impact that an international education has on individuals, institutions and countries.

Drawing on loan data from nearly 20,000 MPOWER students in the U.S. and Canada, insights from a 2024 survey of nearly 400 participants, and third-party research, the report highlights how MPOWER's merit-based loans to international students generate far-reaching impact, not only on students but also on universities, host nations, home countries, and the broader global community.

"Since our founding a decade ago, we've seen the phenomenal impact that an international education has on individuals, institutions and countries—an impact that transforms lives and industries and brings the world closer together every day," said Manu Smadja, chief executive officer of MPOWER.

Some key findings from the 2024 report include:

- **182 countries**: MPOWER students represent a diverse global community, spanning 182 countries with 92% originating from the Global South.
- **70%:** Seven in ten MPOWER students report belonging to families with an annual household income of US$12,000 or less, placing them at or below the world median.
- **15x:** MPOWER students who graduate and find employment in the U.S. see an average 15x increase in their pre-graduation household income. This remarkable growth highlights the enduring value of a North American education and the expansive global career opportunities it provides.
- **US$43.8 billion**: International students contributed US$43.8 billion to the U.S. economy in the 2024-24 academic year.
- **3 family members**: MPOWER student remittances support an average of three family members and are valued at an average of US$645/mo. These funds are often crucial for families back home to improve their lives and standards of living.
- **80%:** Nearly four out of five U.S. unicorns (privately held, billion dollar companies) have at least one immigrant founder or an immigrant in a key leadership role, such as CEO or vice president of engineering.
- **90** heads of state or government received their education in the United States or comparable developed democracies like the United Kingdom, France or Australia.
- **92%** of MPOWER students report that a loan from MPOWER was imperative for their ability to study abroad.

Breaking Down Barriers
The report noted that while international education is a powerful tool for change and progress, financing a degree can present significant challenges, as international students lack access to U.S. government loans or traditional private student loans. Loans from home countries typically require collateral or cosigners, barriers that many students cannot overcome. MPOWER bridges these gaps through a unique lending model based on a student's future earning potential rather than parental credit scores or home collateral. This approach not only broadens access to education but ensures loans remain financially sustainable, helping underserved groups achieve academic and professional success.

An overwhelming majority (92%) of MPOWER's students would have been unable to fund their education abroad without the firm's support, and MPOWER students who graduate and find employment in the U.S. see an average 15x increase in their pre-graduation household income. This remarkable growth highlights the enduring value of a North American education and the expansive global career opportunities it provides.

Academic and Cultural Diversity and STEM Success

International students not only contribute US$43.8 billion to the U.S. economy, but enrich U.S. campuses with diverse perspectives, fostering cross-cultural understanding, and preparing American students for success in a globalized workplace.

International students have also played a critical role in sustaining U.S. STEM fields, according to the report, often making up the majority of graduate students in key disciplines like electrical engineering and computer sciences. Their contributions sustain enrollment, faculty roles, and innovation, and without them, gender diversity in STEM—where women represent only 35% of students—would be significantly lower.

The Key to America's Tech Innovation: Harnessing Global Talent
Immigrants and international students contribute significantly to the American tech ecosystem. Nearly four out of five U.S. unicorns (privately held, billion dollar companies) have at least one immigrant founder or an immigrant in a key leadership role, such as CEO or vice president of engineering.

This is particularly relevant in the rapidly evolving field of artificial intelligence. The American AI industry is filled with examples of immigrant success stories, including individuals like Chinese-born American Fei-Fei Li, co-director of Stanford University's Human-Centered AI Institute; British-Hong Kong-American Andrew Ng of Google Brain; Russian-Israeli-Canadian-American Ilya Sutskever formerly of OpenAI; and South African-Canadian-American Elon Musk of xAI, among other firms.

To keep up with innovations in AI and related fields, the report urges the U.S. to enact policies that encourage the brightest minds from around the world to bring their talents here. International student immigrants bring diverse perspectives and experiences essential for developing AI systems that are fair, unbiased, and inclusive. Policies that attract and empower international students can help keep the U.S. on top of the AI race, the report notes.

Brain Circulation: Harnessing Skilled Migration for Mutual Growth
Skilled migration is more accurately described as "brain circulation," with global experiences benefiting both origin and destination countries. India, with the world's largest diaspora, gains significantly from economic remittances, which reached a record US$124 billion in 2024, alleviating poverty and supporting families. 75% of surveyed MPOWER students send money home to support their families after graduation. These remittances support an average of three family members and are valued at an average of US$645/mo.

Return migration further boosts growth in Global South nations, as expatriates bring back global expertise to drive innovation, create jobs, and transform industries. Examples like the late Ratan Tata, who ran one of India's largest and most respected conglomerates, and Azim Premji, who transformed Wipro into a global leader in the software industry, highlight how international exposure fuels local entrepreneurship and economic development. Additionally, diaspora leaders like Microsoft CEO Satya Nadella continue to invest in and advocate for India, demonstrating how talent circulation fosters mutual growth and global influence.

Shaping Global Leaders
International education cultivates leaders who bridge nations and advance global peace and democracy. Of the 90 global heads of state or government (presidents, prime ministers, and similar) educated in developed democracies, 44 studied in the United States, making it the largest educator of world leaders. American educational institutions therefore play a critical role in fostering diplomatic ties and governance expertise. This influence promotes trade, mutual respect, and collaboration on global issues. By investing in its role as a leader in international education, the U.S. strengthens its global influence and fosters enduring connections that promote democracy, peace, and shared progress.

Call to Action
The report concludes with a call to expand access to international education in order to empower students and strengthen the global workforce.

Higher Education Institutions:

- Offer diverse funding options like scholarships, aid, and specialized loans for international students.
- Waive or reduce application fees and deposits for students from low-income backgrounds, particularly from the Global South.

Policymakers**:**

- Reform immigration policies to streamline access for African students, the fastest region of origin for international students, but also the region with the lowest visa approval rate.
- Expand post-graduation work authorizations and pathways to permanent residency.

Private Sector:

- Hire international students, offer visa sponsorships, and support career development.
- Partner with universities to provide scholarships, mentorships, and job opportunities.

Philanthropists:

- Create scholarships for underserved regions to foster global education equity.
- Advocate for immigration reforms to support international students' integration and success.

The full report is available for download on MPOWER's website.

About MPOWER Financing
MPOWER Financing, headquartered in Washington, D.C., and with employees worldwide, is a mission-driven fintech company and the leading provider of global education loans. Its proprietary algorithm analyzes overseas and domestic credit data as well as future earning potential to serve promising international students. MPOWER works with over 400 top universities across the U.S. and Canada to provide financing to students from over 200 countries. The MPOWER team consists of former international students and provides students with personal financial education and career support to prepare them for their professional careers after graduation.

MPOWER is a Certified ***B-Corp*** and ***Great Place To Work***, one of the **best fintechs to work for**, and the **best tech workplace for diversity**. The company is **hiring** for various positions worldwide.

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