

**FROM STUDIES TO EMPLOYMENT: INTERNATIONAL  
STUDENTS IN THE BALTIC REGION****NO STUDIJĀM LĪDZ NODARBINĀTĪBAI: ĀRVALSTU STUDENTI  
BALTIJAS VALSTU REĢIONĀ****Elina Apsite-Berina<sup>1</sup>, Ieva Jegermane<sup>1</sup>, Eero Loonurm<sup>2</sup>, Zaiga Krisjane<sup>1</sup>,  
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**Abstract**

International students in Europe contribute to the local economy through fees, living costs, and taxes. Moreover, they also significantly impact the economy, society and culture of the countries they study. The research concerning the employability of international students in their host countries suggests that international students represents a vital source of income for higher education institutions and local economies.

The aim of the study is to comparatively describe the numbers of international students in Estonia, Latvia and Lithuania specifically looking at the employed proportion of international students. Analysis is performed in a comparative manner by analysing the available statistical data for three different academic years. The analysis reveals that international students in these countries have experienced varying levels of success in finding employment. While Estonia consistently demonstrates the highest employment rates for international students among the three countries, Latvia and Lithuania show promising trends. The study highlights the factors influencing employment outcomes, such as students' country of origin, field of study, and language proficiency.

**Keywords:** *international students, employment, ISM, Baltic states***Introduction**

International students enrolled in Latvian higher education institutions have increased nearly thirteenfold over the last two decades, accounting for almost 15% of the total student population, one of the highest rates among former Soviet countries

(Chankseliani & Wells, 2019; IZM, 2023). International degree students are also increasing in Lithuania and Estonia, accounting for around 13% of the overall student population in Lithuania (Statistics Lithuania, 2021) and 10% in Estonia (Statistics Estonia, 2023). International students in the Baltic region are also considered a valuable asset. Even though access to the available statistical data is not consistent, this paper aims to assess the regional features of international students' economic impact.

International students make significant financial contributions to the economic growth of the Baltic countries through tuition fees, living expenses, and off-campus spending. This economic impact is evident in the rise in export revenues generated by the education sector. Beyond their direct contributions to institutions, international students indirectly stimulate the economy by spending on a wide range of goods and services outside the setting of the university.

The presence of international students also creates employment opportunities and increases demand for goods and services in the Baltic countries, further invigorating the local economies. Additionally, international students enrich host communities, fostering a more globalised and interconnected environment. Their presence not only contributes to the exchange of ideas and the broadening of perspectives but also inspires a more interconnected world, enhancing social cohesion.

The influx of international students can have short-term and long-term economic effects on host communities. International students can benefit local businesses and create jobs by increasing consumer spending. Additionally, educational migration can attract foreign investment, contributing to economic growth (Rokita-Poskart & Adamska, 2022). However, international students often need help with challenges such as cultural adjustment, language barriers, financial constraints, and a lack of understanding from the broader university community (Sherry et al., 2010). To mitigate these challenges, universities can implement various strategies. For instance, raising the profile of international students, increasing financial aid and scholarship opportunities, and providing English-language support can significantly enhance the overall student experience. It has previously been found that graduates with international study experience have higher wages at labour market entry, experience steeper wage growth during their early careers, and have a higher likelihood of working in large and multinational companies. Besides this, their gains in competency and self-selection play a role in their monetary returns (Netz & Cordua, 2021).

Several studies have been done on international students in the Baltic region. For instance, the presence of international students in Estonia may have significantly impacted the country's economy, particularly in the tourism sector. By visiting local businesses and attractions and participating in cultural activities, international students contribute to increased tourism revenue (Jarvis, 2020). Estonian universities implement several strategies to attract and retain international students. Moreover, increasing the number of English-taught programmes can make the country more accessible to a broader range of international students. Additionally, offering language courses in Estonian may facilitate integration and cultural exchange (Abdulai & Roosalu, 2021). International students also contribute to the Estonian economy through employment. Many international students work part-time during their studies or full-time after graduation. This employment generates income for them and contributes to the country's tax revenue. By analysing employment patterns, wages and tax contributions, researchers can gain insights into the economic impact of international students on Estonia (Estonia Statistics, 2023).

Regarding Latvia, higher education institutions have the potential to attract even more international students by developing compelling academic programmes and effective marketing strategies. A critical factor in the success of recruitment of international students is the integration of these students into the local labour market, and the potential for growth in this area is promising. Latvia's appeal as a study destination is multifaceted. Its geographical location, relatively low tuition fees, and high-quality English-language programmes are significant attracting factors (Apsite-Berina et al., 2020; 2023). Moreover, the cultural richness and unique experiences offered by cities like Riga has the potential to further enhance the country's attractiveness to international students (Apsite-Berina et al., 2023). International students represent a valuable revenue stream for Latvian higher education institutions. However, student recruitment strategies may vary depending on the student's country of origin. For instance, German students may be more motivated by practical considerations like affordable tuition and flexible study options. By contrast, Indian students may be drawn by cultural experiences and the allure of Riga (Apsite-Berina et al., 2023). Universities in Latvia often collaborate with recruitment agencies to optimise international student recruitment. Factors like entry requirements and institutional priorities can influence the extent of such collaborations. Popular fields of study among

international students in Latvia include social sciences, business management, medicine and engineering (Chankseliani & Wells, 2019).

There are fewer studies about international students in Lithuania compared to Latvia and Estonia. Lithuania as a relatively small country faces significant challenges competing in the global higher education market. Countries like Lithuania need to implement effective marketing strategies, establish bilateral agreements with other countries, and provide adequate financial support for students in order to attract international students (Urbanovič et al., 2016). Lithuania has set ambitious international student recruitment goals for the future, aiming to double the number of international students by 2025 (Biveinytė & Dužinskas, 2018). To achieve this target of attracting and retaining international students, the country must address its particular challenges and capitalise on its unique advantages. To remain competitive, countries must continually review and refine their policies in order to create attractive environments for international students (Levent, 2016).

The study utilised data from various sources, including the national statistical offices of Latvia, Lithuania and Estonia. While data on international student mobility and employment is available for all three countries, the level of detail and accessibility varies. Estonia provides the most comprehensive data on student employment, while Lithuania primarily relies on surveys. Latvia's data, although relatively detailed, is not publicly accessible. These variations in data availability and detail pose challenges for direct comparisons between the three countries.

### **Results: International students in Europe and Baltic States**

France hosted the most international students in Europe at the start of the previous decade, ranking first from 2013 to 2018. But since 2018, Germany has been the most popular destination for international students from EU countries, with more than 400,000 international students in 2022. In 2021, Germany and France were followed by the Netherlands, with 135,535 students.

In 2022, the Baltic states are below most other EU countries in terms of the number of foreign students: Latvia is in 21st place with 9,810 students, Lithuania in 22nd with 9,129 students, and Estonia in 25th with 5,062 students, ahead only of Luxembourg and Malta.

Overall, there has been an increase in the number of foreign students in almost all EU countries, except Italy and Greece, where the number of foreign students has decreased. Germany, the Netherlands and Poland have seen the largest increases in the number of international students.

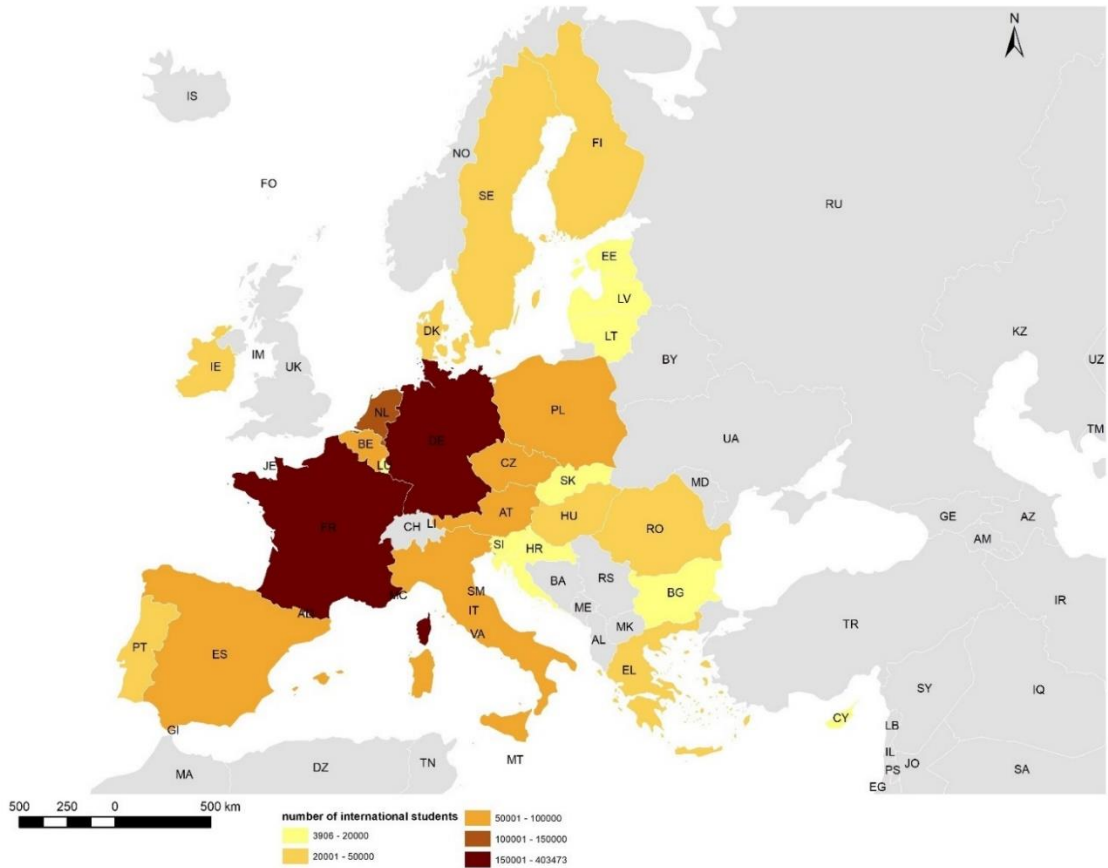


Figure 1. **Number of incoming international degree students in 2022** (authors' figure)

The number of international students in Estonia is slightly decreasing each academic year, falling below the 5,000 threshold in 2022–23. However, the number of international students in Lithuania is proliferating, reaching 9,467 students in the 2022–23 academic year. Among the Baltic states, Latvia has the highest number of international students, exceeding 10,000 students in 2021–22 and the same in 2022–23 (see Figure 2). Among the Baltic states, Latvia has hosted the most international students, with 12.8%, followed by Estonia with 12.3%, and Lithuania with 6.2%.

Figure 2 displays the number of international students enrolled in higher education institutions in Estonia, Latvia and Lithuania from 2020–21 to 2022–23. The overall

trend is that the number of international students enrolled in higher education institutions has increased in all three countries over the three-year period. Estonia has seen a steady increase in the number of international students, with a significant jump from 2020–21 to 2021–22. Latvia has experienced a substantial increase in the number of international students, with a significant increase from 2020–21 to 2021–22 and continued growth in 2022–23. Lithuania has also experienced a substantial increase in the number of international students, with a significant increase from 2020–21 to 2021–22, and continued growth in 2022–23. The increasing number of international students presents both challenges and opportunities for higher education institutions in these countries. Institutions need to be prepared to provide support services, such as language courses and cultural orientation programmes, to help international students adjust to their new environment. They may also need to invest in infrastructure and resources to accommodate the growing number of international students. By attracting international students, these countries can enhance their global reputation, promote cultural exchange, and contribute to economic growth.

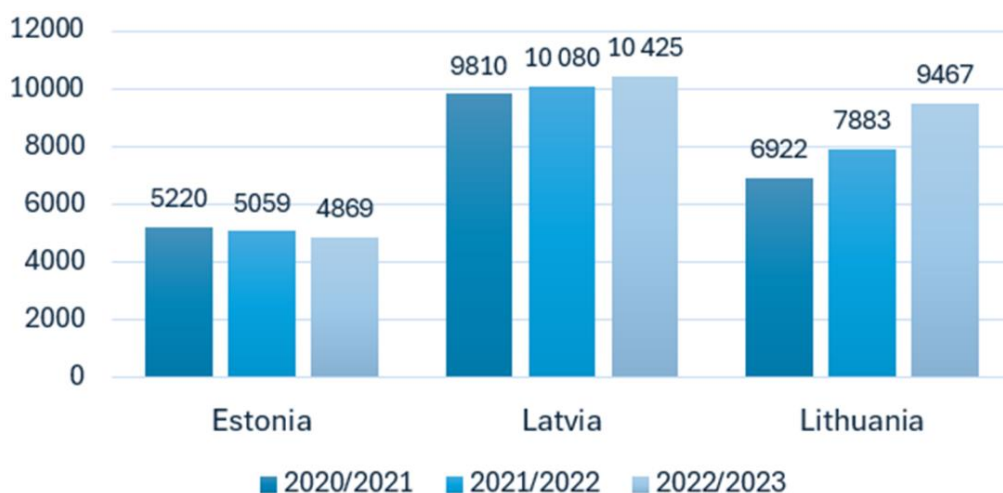


Figure 2. **Number of international students in Estonia, Latvia and Lithuania across three academic years** (authors' figure)

The increase in international students in the Baltic states is connected to the affordability of tuition fees when compared to many Western European countries; tuition fees in Estonia, Latvia and Lithuania are relatively low, making them a cost-effective option for international students. At the same time these countries offer high-quality education programmes, especially in fields like engineering, technology and

business. Universities in these countries often have strong international partnerships and collaborations. A cornerstone of their international character is programmes that are taught in English, making it easier for international students to integrate into the academic environment. Institutional regulations vary, but as members of the European Union, these countries offer visa-free travel within the Schengen area, providing students with opportunities for travel and exploration.

### **Results: Employability Patterns of International Students**

The employment levels of international students are an essential detail in assessing their economic impact. In Latvia and Estonia, their employment rate has risen slightly each year. In Estonia, almost half of international students are employed (48.7% in the academic year 2022–23), while in Latvia, only 22.1% were in the academic year 2022–23. The employment rate for international students in Lithuania is available only for the academic year 2022–23, when it was 20.9%. Figure 3 shows the employment rates for international students in Estonia, Latvia and Lithuania from 2020–21 to 2022–23. There is a general upward trend in employment rates across all three countries. Among the three countries in all three years, Estonia has consistently had the highest employment rate for international students. It experienced a slight increase from 2020–21 to 2021–22, and then a more significant increase in 2022–23. Latvia had the lowest employment rate for international students in 2020–21. However, it saw the most significant increase in international students' employment rate from 2020–21 to 2021–22. The rate continued to increase in 2022–23, but at a slightly slower pace. International students in Lithuania had a moderate rate of employment in 2020–21. They experienced a steady increase in the employment rate from 2020–21 to 2022–23.

The increasing employment rates for international students in all three countries could be attributed to the economic recovery following the COVID-19 pandemic. Differences in labour market dynamics, such as industry structure and government policies, may contribute to the varying employment rates across the three countries. Demographic factors, such as population age structure and migration patterns, can also influence employment rates.

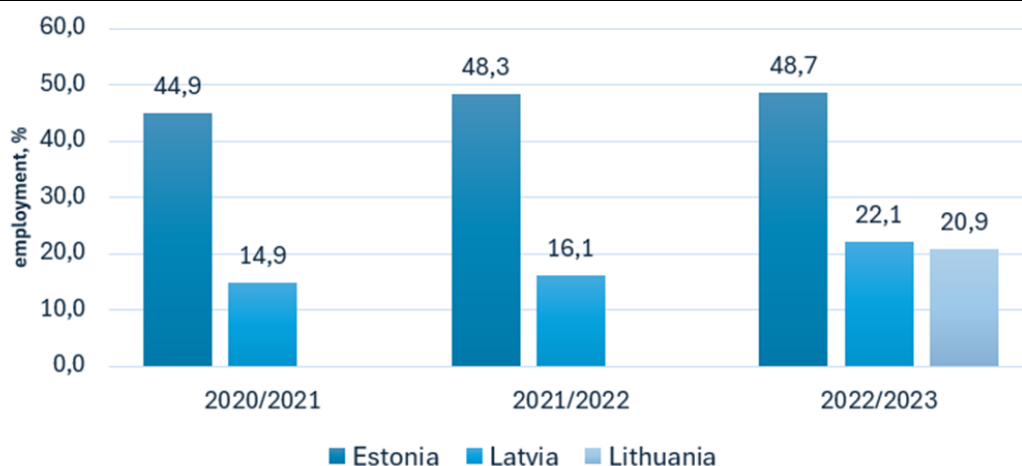


Figure 3. **Employed international students in Baltic countries** (authors' figure)

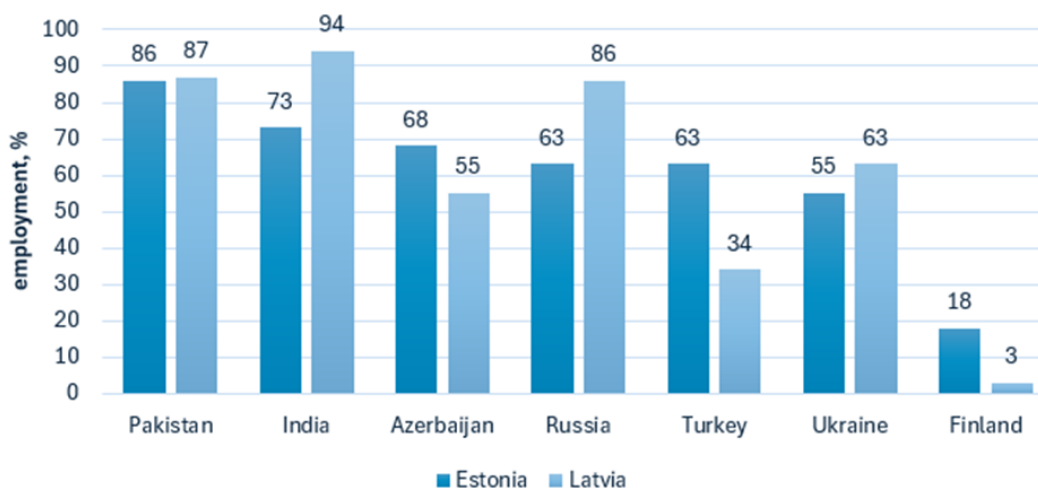


Figure 4. **Percentage of employed students from different countries in the academic year 2022–2023** (authors' figure)

It is important to understand which countries employed students are from. In Estonia, the highest employment rates are for students from Pakistan (86%), India (73%) and Azerbaijan (68%). In Latvia, on the other hand, the highest employment rates are for Indian (94%), Pakistani (87%) and Russian (86%) students (see Figure 4). This employment rate could be explained by the fact that students from these countries are not wealthy and need paid work to continue their studies abroad.

The chart highlights a significant disparity in employment rates among the countries. Students from Pakistan, India, and Azerbaijan exhibit notably high employment rates, exceeding 80%. In contrast, students from Finland have the lowest employment rate, below 20%. Students from Estonia consistently outperform those from Latvia in this respect.



### **Conclusion**

The Baltic states have emerged as attractive destinations for international students. Factors such as affordable tuition fees, high-quality education, and unique cultural experiences contribute to the attraction of those study destinations.

International students contribute significantly to the Baltic countries. They generate revenue through tuition fees, living expenses, and spending on goods and services. Additionally, their presence stimulates local economies by creating jobs and fostering economic growth.

While the Baltic countries offer many advantages, they face challenges in attracting and retaining international students. To overcome these challenges, universities and governments need to implement effective strategies, such as increasing the number of English-taught programmes, providing financial aid, and promoting the cultural and academic benefits of studying in the region.

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### **Kopsavilkums**

Šis pētījums analizē starptautisko studentu skaitu un nodarbinātību Igaunijā, Latvijā un Lietuvā. Līdzšinējie pētījumi parāda, ka starptautiskie studenti ne tikai maksā studiju maksu, bet arī veicina vietējo ekonomiku, kultūru un sabiedrību.

Pētījuma mērķis ir salīdzināt starptautisko studentu skaitu un nodarbinātību Baltijas valstīs. Analīze balstās uz pieejamajiem statistikas datiem par trim akadēmiskajiem gadiem.

Pētījums atklāj, ka Igaunija ir līdere starptautisko studentu nodarbinātības ziņā, kamēr Latvija un Lietuva demonstrē daudzsološas tendences. Nodarbinātību ietekmē vairāki faktori, tostarp studentu izcelsmes valsts, studiju joma un valodas prasmes.

Starptautiskie studenti sniedz būtisku ieguldījumu Baltijas valstu, kā arī bagātina vietējo kultūru un sabiedrību. Baltijas valstis kopumā vērtējamas kā pievilcīgs studiju galamērķis, tomēr, lai piesaistītu un noturēt šos studentus, nepieciešams uzlabot angļu valodā pasniegto

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