Chinese Higher Education: Reforms and Tendencies

Implications for Norwegian higher education in cooperating with China
Preface

The Norwegian Centre for International Cooperation in Higher Education (SIU) is a public administrative agency reporting to The Norwegian Ministry of Education and Research (KD). SIU is Norway’s official agency for international programmes and measures related to higher education and primary and secondary education, and is commissioned by several national and international public organisations. SIU is coordinating national measures according to official Norwegian policy within the field of internationalisation, and is responsible for promoting internationalisation, cultural communication and international mobility within the realm of education, and shall through various internationalisation measures contribute to raise the quality of Norwegian education.

As a competence centre, one of SIU’s most important tasks is to broaden and strengthen the knowledge foundation for further internationalisation of Norwegian education through reporting and analysis tasks. The purpose of SIU’s reports is to provide the authorities and the sector itself with better conditions for developing measures and strategies for internationalisation.

This report by PhD Cai Yuzhou of Tampere University, Finland, seeks to update stakeholders on reforms and trends affecting the development of the Chinese higher education system. Providing institutional staff and interested parties with a better understanding of current developments in China, the report will contribute to laying the groundwork for networking and cooperation between Norwegian and Chinese institutions.

The analysis, advice and opinions of the report are solely the responsibility of the author. The report has been commissioned by SIU.

Bergen, 23 November 2011

Alf Rasmussen,

Director SIU
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Abbreviations

CAS: Chinese Academy of Sciences
CASS: Chinese Academy of Social Sciences
CEAIE: China Education Association for International Exchange
CCCCP: Central Committee of the Chinese Communist Party
CCP: Chinese Communist Party
CFCRS: Chinese-foreign Cooperation in Running Schools
CSC: China Scholarship Council
EU: European Union
GATS: General Agreement on Trade in Services
HSK: Chinese Proficiency Test
IELTS: International English Language Testing System
IMF: International Monetary Fund
IT: Information Technology
MOE: Ministry of Education
NSFC: National Natural Science Foundation of China
OECD: Organisation for Economic Co-operation and Development
SAEFA: the State Administration of Foreign Experts Affairs
SAT: Scholastic Aptitude Test
SIU: Norwegian Centre for International Cooperation in Higher Education
TOEFL: Test of English as a Foreign Language
UK: United Kingdom
USA: United States of America
WTO: World Trade Organisation
Summary

Chinese higher education

Higher education at the undergraduate level includes two and three-year associate programmes, and four-year bachelor’s degree programmes. There are junior colleges and higher vocational colleges which only offer associate degrees. However, associate degrees are also offered by universities offering four-year bachelor’s degrees. Three-year master’s and three-year doctoral degrees are offered by both universities and research institutes.

Higher education institutions are administered at the provincial and/or central level. Institutions have some degree of autonomy, most clearly seen in staff recruitment. A unique characteristic of the Chinese system is the presence of a dual administrative structure, wherein the Chinese Communist Party sets up its own administrative structure within each university, parallel to the administrative system.

Between 1950 and 1980, universities were fully funded by the state. In the 1990s we witnessed a shift in financing policies, with the state encouraging universities to charge tuition fees and generate revenues. Fiscal funding accounted for no more than 43% of all university income in 2005. The average tuition fee for a student in public institutions is currently at around 5000 yuan per year.

Currently 39 universities receive development funding with the intent of transforming them into “world class” research universities (985 project universities). These constitute the top layer of Chinese universities. The second layer is comprised of 73 teaching and research universities selected to receive funding for quality development in certain fields. Together the two groups comprise the project 211 universities. In the third layer there are around 600 institutions, usually regional and with greater emphasis on teaching. The remaining more than 1,000 institutions are at the bottom, primarily providing associate programmes. Most private institutions are mainly in the bottom layer.

In the past two decades, reforms in Chinese higher education have achieved remarkable success, including the establishment of a legal environment within which the higher education system can operate, the relaxation of state control, the realisation of mass higher education, the establishment of quality assurance systems, the introduction of market mechanisms, the development of competitive universities, and the advancement of internationalisation. Despite these achievements, reforms have always been associated with difficulties and dilemmas which hamper China’s efforts at making the transition from a labour-intensive economy to a knowledge-based economy driven by innovation and international competitiveness.

Internationalisation in higher education

The internationalisation of higher education is an inevitable result of China’s integration into the global economy as well as an essential measure to improve its higher education system. The process of internationalisation started as early as 1978, when China opened its doors to foreign investments. Current practice signifies the government’s intent to integrate Chinese higher education more closely with the international community, as part of its strategy to build “world-class” Chinese universities and strengthen national economic competitiveness. The concrete implementation can
be summed up as follows: student mobility, international dimensions in teaching and research, as well as joint educational provisions.

Since the late 1990s, the focus has changed from promoting student mobility to enhancing the international dimension of teaching and research. An increasing number of original English language textbooks, mainly from the US, have been either directly used in Chinese universities or translated into Chinese language versions. Continuous efforts are being made to hold courses in English or bilingually (Chinese and English), as well as to strengthen foreign language (English in particular) skills among both teachers and students. There has been a dramatic expansion in the number of programmes for foreign languages/cross-cultural studies which lead to international professional qualifications at the graduate level. An increasing number of Chinese teachers have some learning or teaching experience from abroad, and international experts in a variety of fields are invited to teach in Chinese higher education institutions.

The Chinese government encourages Chinese universities and research institutes to develop joint research projects with foreign partners by obtaining support from various sources. The EU has opened its research and technology development Framework Programme to China, allowing the participation of Chinese institutions. In turn China opened its National High Technology Research and Development Programme (863 programme) and the National Key Basic Research Programme (973 programme) to EU researchers and institutions.

From a strategic perspective, the success of Norway’s cooperative efforts with China regarding higher education lies in its ability to harmonise Norwegian priorities with Chinese development goals. China’s interest in the internationalisation of higher education lies in three key aspects, namely meeting local educational demand, improving the quality of skilled labour, and increasing its international reputation and competitiveness. However, the Chinese government is thus far dissatisfied with results in terms of the level of international cooperation and the quality of imported education resources. As a result, China has shifted its focus from encouraging indiscriminate cooperative projects between Chinese and international universities, to working with high calibre foreign institutions. Against this background, Chinese universities have become more rational in selecting their foreign partners.

The Norwegian higher education system is in general not well known in China. Therefore, the key challenge for Norway lies in informing and convincing the Chinese people of its merits.
1. Introduction

In the past few years, an increasing number of regions and countries have prioritised China in their internationalisation strategies, due to China’s rapid economic development and its leading role in the global political economy. In 2010, China surpassed Japan and became the world’s second largest economy. According to the IMF’s forecast based on “purchasing power parities”, China’s GDP will increase from $11.2 trillion in 2011 to $19 trillion in 2016, while the US economy will increase from $15.2 trillion to $18.8 trillion (Song, 2011). According to the European Commission, for instance, giving high priority to European Union (EU) - China relations is driven not only by economic and commercial reasons, but also by a political interest in supporting China’s sustainable development and successful transition to a stable, prosperous and open country (Brødsgaard & Lim, 2009; European Commission, 2007). Bilateral social and economic relationships always include a significant education dimension, because educational exchange can strengthen the value of cultural ties and create potential mutual business opportunities (OECD, 2004, p. 4). This proposition has been especially shaped by the historical development of relationships between China and the United States of America (USA). The importance to the US of attracting Chinese students was realised over one hundred years ago. In 1906 the president of the University of Illinois, Edwin James, wrote to the American President Roosevelt:

The nation which succeeds in educating the young Chinese of the present generation will be the nation which for a given expenditure of effort will reap the largest possible returns in moral, intellectual, and commercial influence... Trade follows moral and spiritual domination far more inevitably than it follows the flag (Smith, 1907).

While the USA has gained great social and economic benefits through education exchanges with China for a century, the significance of such an approach has only been recently noticed in European countries. To achieve the overall objectives in the EU’s strategy towards China, international cooperation and exchanges between Chinese and European higher education institutions have been facilitated by a number of EU programmes. For individual European countries, their interest in cooperating with Chinese higher education is mainly concerned with student and staff mobility, research and teaching cooperation, and export education.

Internationalisation has been an important dimension of Norwegian higher education. Norway has actively participated in the Bologna process to create a common arena for higher education in Europe. This also facilitates its internationalisation of higher education. To support the work of higher education institutions on internationalisation, The Norwegian Centre for International Cooperation in Higher Education (SIU) was established in 2004. In 2009, the Norwegian government updated its strategies on education internationalisation (Norwegian Ministry of Education and Research, 2009) in response to the challenges and opportunities arising from globalisation, increased international interactions, and an increasingly internationally oriented working life. The internationalisation of education is in line with Norway’s international policies, not least where China is concerned. Regarding Norway’s policy towards China, the government intends to promote Norwegian business interests and expertise, integrate environmental and sustainable development
concerns into all Norwegian efforts in relation to China, and encourage China to play a more active role in the world community (Norway: The Official Site in China).

Education is an important dimension in the implementation of these policies. Therefore, cooperation with China in education and research has recently become a key element in the agenda of the Norwegian government. For instance, in 2008 the Norwegian and Chinese governments respectively signed a Memorandum of Understanding on cooperation in the field of education and in the fields of science and technology. Despite the Norwegian government’s ambitions and commitments, there is still much room for improvement as regards Norwegian higher education institutions’ cooperation with China. Many individual institutions have experienced various difficulties in working with Chinese partner institutions, in particular entering the Chinese education market. A crucial challenge stems from the lack of understanding of China, and Chinese higher education in particular. This report aims to provide Norwegian higher education institutions and their stakeholders an analysis of Chinese higher education development (both current situations and future tendencies) and its further prospects, and suggest strategies for Norwegian higher education’s cooperation with China. It expands its discussion on the internationalisation aspect, as it is Chinese practice at the international level that provides possible entries for foreign higher education institutions to China.
2. Overview of Chinese higher education

2.1. Education system

The structure of Chinese education system can be illustrated in Figure 1. In China, education is divided into two categories: basic education and higher education. Basic education is comprised of compulsory education and senior secondary education. Compulsory education begins at age seven and lasts for nine years, including six years in primary school and three years in junior middle school. It is legally based on the “Compulsory Education Law”, which stipulates that each child have the right to nine years of compulsory education. After nine years compulsory education, there is an entrance examination to senior secondary education organised by regional governments’ educational administrative organisations. Regional government refers to the government of province, autonomous region or municipality directly under the Central Government. Those who pass the entrance examination gain access to secondary education generally at the age of 16. The results of the examination also decide which track of senior secondary education students will take, whether senior middle school (high schools) or vocational school.

![Figure 1 Structure of Chinese education system](image)

Although students whose abilities are practical rather than theoretical or who want to enter the labour market at an earlier stage are expected to study in vocational schools, in practice selection is mainly based on the students’ entrance examination grades. Those students with higher grades go to study in higher schools, while those with lower grades have to choose to study in vocational schools. Vocational schools offer programmes ranging from two to four years and train medium-level skilled workers, farmers, and managerial and technical personnel. High schools offer three year programmes whose main task is to help prepare students for higher education.
Higher education is accessible through *gaokao*, which is the National Higher Education Entrance Examination. It is usually taken by students in their last year of senior secondary school or high school, although there has been no age restriction since 2001. Higher education at the undergraduate level includes two and three year associate degree (*dazhuan* in Chinese) programmes and four year bachelor's degree programmes. Associate degrees are granted after three years’ study at higher education institutions. Students with such a degree need to have two years continuing education in order to receive a Bachelor diploma. There are junior colleges and higher vocational colleges which only offer associate degrees. However, associate degree programmes are also available at universities providing four year bachelor’s degree programmes. Master’s and doctoral degrees are offered by both universities and research institutes. The latter are affiliated with the Chinese Academy of Sciences and Chinese Academy of Social Sciences. Both master’s and doctoral degree studies normally take three years.

### 2.2. Policy making process in higher education

In terms of policy-making at a national level, policies are made by the Chinese State. This report uses the term “state” rather than “government”. Generally speaking, the words “state” and “government” have unclear boundaries (Dale, 1989), and any definition of state or government is fraught with difficulties and is a matter of judgment (Gaziel, 1996, p. 1). State, as defined in UNESCO’s document, includes its “governments, parliaments and other decision-makers” (UNESCO, 1998, p. 29). Similarly, Taylor and his co-authors believe the state “consists of political, judicial and administrative institutions which have a complex relationship with the government of the day” (Taylor, Rizvi, Lingard, & Henry, 1997, p. 29). In the Chinese context, it is difficult to clearly distinguish between the decision makers, the government and the Chinese Communist party (CCP). The government and the CCP have never been clearly separated and institutional overlap is a major complicating factor in China’s governance (Saich, 2001). Thus, the Chinese state has a broader meaning including the Central Committee of the Chinese Communist Party (CCCP), Central Government, National People’s Congress and bureaucrats, among which the CCCP plays a pivotal role. As the “China Human Development Report 1999” states,

> “in China...the State has been defined as the nexus of political power consisting of the Communist Party and the organs of government since the founding of the People’s Republic” (United Nations Development Programme, 2000).

However, China is now trying to change its political system, though the pace is slow. It should also be mentioned that ‘politician’ carries a derogatory connotation in China. Premier, Ministers and government officials at each level are labelled civil servants or bureaucrats, meaning that there is no distinction between politicians and civil servants. For instance, in a ministry, there is no general secretary or a similar position that coordinates the work between the political team and the ministry’s departments as in most western countries. Ministers are reappointed every 5 years along with the replacement of government officials.

The nature of the policy-making process in China differs from case to case. As Yuan Zhenguo points out, “in terms of educational policy-making process, there is no obvious model and given procedure
to go by” (Yuan, 2000, p. 174). Some education policies are based on policy makers’ occasional
discoveries or subjective decisions; other policies are determined by irrational factors such as policy
makers’ interests or even personalities (Yuan, 1996: 34). Yuan (2000) summarises institutional
procedures of educational policy-making as follows. To make a distinction from procedures of law
making, the policy, he mentions, does not include educational laws that are always issued by the
People’s Congress. Given different cases of policy-making, in which the Party, the government and
the Ministry of Education (MOE) play different roles, he presents the procedures in three categories,
namely CCP as policy maker, Sate Council as policy maker, and the MOE as policy maker (Yuan, 2000,
pp. 213-218).

The CCP is not only the party in power, but also the major actor in policy-making. The management
system of the Party is applied under which the CCCC, of which the core is the political bureau, takes
over-all responsibilities for the Party and State affairs. The General Secretary is the leader of the
CCCC. Important decisions should be made by the CCCC according to the principle that the
minority is subordinate to the majority. In practice, the Party makes educational policies in three
ways. Firstly, the Party makes a decision directly, such as The Decisions on Education System
Reform issued in 1985. Secondly, the Party makes policies together with the Central Government or
the State Council, such as The Outline for Education Reform and Development in China issued in
1993. Thirdly, the Party provides guidelines and commits the MOE to making specific policies. Most
specific Chinese educational policies have been made in this way.

In the State Council, the Premier takes responsibility for over-all affairs. In the policy-making process,
the Premier may consult other departments and members, but the result does not depend on the
opinion of the majority. Rather it is determined by the Premier’s final decision. The educational
policies implemented by the State Council normally are macro and strategic in character, such as The
Outline for Medium and Long-term Education Reform and Development issued in 2010. In some
cases, micro level policies are made, such as The Decision on Development of Vocational and
Technological Education issued in 1991. Firstly, the State Council proposes policy objectives,
principles and guidelines. Secondly, organisations (for example, the policy research institutes
affiliated to the State Council, or the MOE) are empowered to investigate, collect information,
analyse materials, and then draft a plan. The draft will be revised by taking account of opinions from
relevant sectors or groups. It is promulgated, once the Premier adopts it.

The MOE is the education administrational department affiliated with the State Council. Its major
obligations and responsibilities with respect to policy-making are to implement the Party’s and the
State Council’s policies in the education sector by making specific educational policies and managing
educational affairs. When policies proposed by the MOE concern important issues, they need to be
approved by the State Council, such as the Action Plan for Invigorating Education 2003-2007 issued
in 2004. The MOE makes the policies in which only specific educational affairs are involved.

The aforementioned policy-making processes also reflect policy-making in general and even the
characteristics of Chinese political system. However, China is now trying to change its political
system, though the pace is slow. The extent of China’s progress can be seen in the process of
Compared with the 1993 Outline, jointly issued by the CCCC and State Council, the new Outline was promulgated by solely by the State Council. It indicates that the way in which the Party represents the government has gradually changed. It is expected that in the future the Party will lead and manage affairs of state through general guidelines rather than concrete policies or commands. The other area of progress is the increasing use of social participation in the document drafting processes. Not only are hundreds of experts involved in the policy-making process, but the opinions of society are openly collected. Previously, educational policies were normally made by the government with only a few experts involved.

2.3. Administration of higher education and university governance

In China, regular higher education institutions are administrated at two levels, the central and provincial governments. The term “regular” is used to distinguish these institutions from adult higher education institutions. At the level of central government, 73 higher education institutions are administrated by MOE and 38 by other ministries. At the provincial level, 1,538 institutions are administrated by the governments of provinces, autonomous regions or municipalities. In addition, there are 656 non-state run (private) higher education institutions (Chinese Ministry of Education, 2010b). The MOE as the primary functional department of the State Council in higher education is responsible for national educational development planning, the approval of academic degree granting institutions, the formation of higher education related regulations, and education quality evaluations, etc. Following national higher education policies, provincial level education departments (or commissions) and education departments affiliated to other ministries coordinate and administrate the higher education institutions under their jurisdiction.

In terms of institutional autonomy, the 1998 Higher Education Law stipulates increased autonomy for higher education institutions in formulating their own institutional policies and long-term development plans; “based on their own teaching needs, higher education institutions take the initiative in designing their own teaching plans, selecting textbooks and organising teaching activities” (Article 34, Higher Education Law). However, in practice many aspects of institutional operations are subject to State control. This autonomy has been labelled by Yang Rui and his colleagues (2007) as “regulated autonomy”. They also observe a shift in the nature of institutional autonomy, “resulting in some greater procedural autonomy but, arguably, a narrowing of substantive autonomy”. “Substantive autonomy is the power of the university or college in its corporate form to determine its own goals and programmes... Procedural autonomy is the power of the university or college in its corporate form to determine the means by which its goals and programmes will be pursued” (Berdahl, 1990, p. 172). According to a survey on Chinese higher education institutions’ autonomy (S. M. Wang, 2000), 55% respondents considered that the higher education institutions’ independence was restricted to staff recruitment. Autonomy in the other six areas identified in the survey was considered lacking, namely student recruitment (70%), discipline adjustment (66%), organisational structure (65%), financial resource allocation (57%), evaluation of academic qualification (55%), income allocation (53%) and senior administrators’ appointment and removal (52%).
One unique characteristic of university governance regards the two lines of administrative structure. In addition to university presidents and other administrative positions whose counterparts can be found in higher education institutions around the world, the CCP also sets up its own organisations within universities. Leaders at the highest level (party secretary, deputy secretaries, president, and vice presidents) are appointed by the Party's Organisation Department of either the central government or regional governments, depending under which level of government the institution is administrated. They are promoted and evaluated as bureaucrats. For instance, the president of Peking University (also some other national universities) is ranked as the level of vice minister. Therefore, some use the term “bureaucratization” to describe university governance in China (L. Zhao & Zhu, 2010, pp. 116-117). The structure of central administration in Chinese universities can be illustrated in Figure 2.

Source: Jiang & Wei (2011, p. 55)

**Figure 2 Structure of central administration in Chinese universities**

In each university, there is a University Party Committee. The highest position in the University Party Committee is the Party Committee Secretary (normally translated into English as either Chancellor or the Chairman of University Council), who leads a Standing Party Committee. The members of Standing Party Committee hold the key leadership posts in administrative organs of the university. The task of the Standing Party Committee at each university is to ensure that the university follows the Party Committee’s guidelines, and to take responsibility for the political education of university administrators, teachers, and students. Therefore, the Party Committee Secretary is empowered with overall governance, which is often much stronger than that of the university president. The Party Committee’s political supervision is implemented in the university through various Party branches and sub-branches at all levels of the university. Virtually for every academic administrative head, there is a parallel Party Secretary (Han, 1993).
When it comes to the role of faculties in university governance, an interview study has revealed that compared to Western universities, the Chinese university’s faculty members had less involvement in final decisions and their roles were often impinged upon by their administrators (Jiang & Wei, 2011).

2.4. Funding of higher education

From the 1950s up to 1980, all higher education institutions were almost entirely financed by State appropriations. Funding for each institution for the current year was determined by an “incremental approach”, based on the previous budget. The government made incremental adjustments according to higher education institutions’ development needs and the available budget for higher education (Zha, 2009, p. 46). Reforms since the 1990s saw a shift of financial responsibilities from the State to non-State sectors, and the main approaches include charging tuition fees and encouraging universities to generate revenues. In addition to State funding, other financial sources included tuition fees and university revenues (Table 1). By 2005 fiscal funding only accounted for 42.77% of total higher education expenditures (Y. Wang & Liu, 2009, p. 17). Currently the average tuition fee/academic year is about 5000 yuan.

Table 1 Composition of funding in higher education: 1990-2001 (%)

<table>
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<th>Year</th>
<th>Fiscal funding</th>
<th>Educational revenue</th>
<th>Endowment</th>
<th>Other</th>
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<td>Budgeted</td>
<td>Educ. tax</td>
<td>Transfer*</td>
<td>Subtotal</td>
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<td>–</td>
<td>10.1</td>
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<td>9.7</td>
<td>80.5</td>
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<tr>
<td>1997</td>
<td>65.0</td>
<td>1.0</td>
<td>8.7</td>
<td>76.4</td>
<td>15.7</td>
</tr>
<tr>
<td>1998</td>
<td>49.6</td>
<td>1.4</td>
<td>2.1</td>
<td>64.9</td>
<td>13.4</td>
</tr>
<tr>
<td>1999</td>
<td>49.4</td>
<td>1.0</td>
<td>1.8</td>
<td>62.8</td>
<td>17.2</td>
</tr>
<tr>
<td>2000</td>
<td>47.9</td>
<td>0.9</td>
<td>1.8</td>
<td>58.5</td>
<td>21.3</td>
</tr>
<tr>
<td>2001</td>
<td>46.7</td>
<td>0.6</td>
<td>1.4</td>
<td>55.0</td>
<td>24.7</td>
</tr>
</tbody>
</table>

* Transfers from the affiliated enterprises & social service income

Source: Zha (2009, p. 48)

2.5. Higher Education institutions

By the end of 2009, there were 2,305 regular higher education institutions, including 658 degree (either bachelor or associate degree) granting private higher education institutions (Chinese Ministry of Education, 2010c). The higher education system in China is vertically divided into four layers, namely research institutions, research & teaching institutions, teaching institutions, and application oriented institutions (Cheng, 2004, p.207-208). Research universities are typically “project 985”
The regular institutions also include private ones. Most private higher education institutions are in the bottom layer and only a very few are in the third layer as teaching oriented institutions. In China, private higher education institutions (mainly missionary colleges) were prosperous in the early 20th century. When the People’s Republic of China was established in 1949, private institutions accounted for approximately 39% of higher education enrolment. However by 1952 all private institutions were transformed into public ones after the reorganisation of universities and departments (K. H. Mok, 1997; Zha, 2006). Private higher education experienced a resurgence after the launch of the reform and open door policy in 1978. Officially, privately-owned institutions are
labelled *Minban* (people-run or non-State) for the sake of political and ideological correctness, as the State does not favour the notion of “private” in socialist China (K. H. Mok, 1997).

There have been two waves of private higher education since its resurgence. The first wave came in early 1980s. The earlier established private higher education institutions solely accommodated high school graduates who couldn’t pass national college entrance examination. Most were run by retired staff from public higher education institutions. They rented classrooms for teaching locations and hired moonlighters from public institutions as teachers. Because these private institutions helped meet social needs without incurring public expenditure, they were allowed and even encouraged by the government. In 1982, the Constitution legalised all private education institutions. Private higher education institutions evolved and developed by mobilising resources from e.g. students’ purses.

Some were gradually granted the right to bestow associate degrees and even bachelor's degrees. For those institutions that did not reach degree-granting status, their primary operation was to facilitate national self-study programmes. Self-study examination is the national programme that allows anyone to obtain an undergraduate diploma by passing a certain number of examinations, without the need to attend college as a regular student. This provides a second chance at accessing higher education for persons who would otherwise lack the opportunity to become regular students through *Gaokao*.

After China re-affirmed a market economy approach in 1992, more and more business firms and entrepreneurs looked for areas of investment. Some considered higher education as a profitable business, and began to invest in establishing private higher education institutions. This can be seen as the second wave of private higher education in China. These newly created institutions have much better infrastructure, such as campus, construction and facilities than their previous counterparts due to strong financial support. The second-wave private higher education institutions employ market principles effectively. The initial investments are funded by either bank loans or private capital, but are eventually recovered from tuition and student fees. In addition, investors may realise an economic surplus.

Meanwhile, market niches gave rise to a new type of private higher education organisation in the form of public and private partnerships. By way of example a public university can establish an affiliated college in cooperation with private partner(s). Such organisations were originally called “second-tier colleges” and later “independent colleges”. Its governing body is composed of people from both public and private sectors, based on contributions or negotiated share capital. Unlike other public counterparts affiliated to a host university, the independent (*minban*) college is run as a “self-financing” entity (K. H. Mok, 2009, p. 39). Furthermore, it usually contributes a significant share of its revenue or residual to the public mother university. This type of private institution was first piloted in selected provinces in the east of China and soon spread all over the country after the government officially recognised its existence in 2003. Due to its public stewardship, this type of private college can grant bachelor's degrees immediately after establishment. The government expects the public host university to maintain responsibility for providing teaching models, curricula structure, teachers, and quality assurance system, while the private partner mainly contributes through financial investment. The independent college has a legal person status and is a private entity. It can charge higher tuition fees than its public host university. Despite having hybrid
characteristics, it is supposed to be run independently, being accountable for its actions. This is what we mean by “independent”.

In sum, three major types of private higher education institutions are officially categorised in China. The first type refers to institutions that are established by private actors only and can grant associate or bachelor’s degrees. The second type is called independent colleges, offering bachelor’s degree programmes. The third type of institutions, owned by private actors, cannot grant degrees or diplomas. These institutions mainly facilitate study towards passing national self-study examinations. The numbers of the three types of private institution, as well as corresponding student enrolment in comparison with their public counterparts are listed in Table 2.

Table 2 Numbers and enrolments of private and public regular higher education institutions in China in 2008

<table>
<thead>
<tr>
<th>Type of Institution</th>
<th>Number of Institution</th>
<th>Enrolment of postgraduate students</th>
<th>Enrolment of bachelor’s degree students</th>
<th>Enrolment of associate degree students</th>
<th>Enrolment of self-study programme students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type 1</td>
<td>318</td>
<td>NA</td>
<td>269,714</td>
<td>1,558,919</td>
<td>255,904</td>
</tr>
<tr>
<td>(40 bachelor awarding )</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type 2</td>
<td>322</td>
<td>NA</td>
<td>1,963,143</td>
<td>221,234</td>
<td>10,949</td>
</tr>
<tr>
<td>Type 3</td>
<td>866</td>
<td>NA</td>
<td></td>
<td></td>
<td>920,176</td>
</tr>
<tr>
<td>Public higher education institutions</td>
<td>1,623</td>
<td>1,283,046</td>
<td>8,809,350</td>
<td>7,387,889</td>
<td>NA</td>
</tr>
<tr>
<td>Total</td>
<td>3,129</td>
<td>1,283,046</td>
<td>11,042,207</td>
<td>9,168,042</td>
<td>1,187,029</td>
</tr>
</tbody>
</table>

Source: Department of Development & Planning of the MOE (2009)

In terms of enrolments at bachelor’s and associate degree levels, the private sector has 19.85% of total higher education enrolments by 2008, while the figure was only 0.2% in 1996 and 1.6% in 2001 (Levy, 2004, p. 5). The dramatic change is attributed to both the establishment of the independent colleges (type 2) and the continuing expansion of the first type of institutions.

2.6. Teacher and student numbers

By 2010, staff numbers in regular higher education institutions had reached 2.16 million, of which teachers comprised 1.34 million. The student/teacher ratio is 17.33:1. Total enrolment in all higher education institutions amounts to 29.22 million, including 0.26 million doctoral students, 1.28 million master’s students, 22.32 million undergraduate students in regulation higher education
institutions, and 5.36 million undergraduate students in adult higher education institutions (Chinese Ministry of Education, 2011).

Since the 1990s, both the numbers of teaching staff and students have increased significantly. However, the growth in student numbers far outstrips that of teachers, which is reflected in the student/teacher ratio (Table 3). The high student/teacher ratio illustrates a shortage of teachers in Chinese higher education. The table also indicates that doctoral degree holders among higher education teachers make up only around 10% of total teaching staff. This is still very low, in spite of a rapid increase compared with the figure in 1993.

### Table 3 The change of teacher numbers in higher education institutions 1996-2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Teachers (1000)</th>
<th>Teachers with doctoral degree</th>
<th>Percentage of teachers with doctoral degree</th>
<th>Teachers with master’s degree</th>
<th>Percentage of teachers with master’s degree</th>
<th>Student/teacher ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>387.8</td>
<td>6.6</td>
<td>1.70%</td>
<td>73.7</td>
<td>19.00%</td>
<td>9.60:1</td>
</tr>
<tr>
<td>1996</td>
<td>402.5</td>
<td>12.5</td>
<td>3.11%</td>
<td>85.8</td>
<td>21.31%</td>
<td>13.40:1</td>
</tr>
<tr>
<td>1999</td>
<td>425.7</td>
<td>23.1</td>
<td>5.44%</td>
<td>100.5</td>
<td>23.61%</td>
<td>19.00:1</td>
</tr>
<tr>
<td>2002</td>
<td>618.4</td>
<td>43.4</td>
<td>7.02%</td>
<td>149.4</td>
<td>24.16%</td>
<td>16.85:1</td>
</tr>
<tr>
<td>2005</td>
<td>965.8</td>
<td>88.5</td>
<td>9.16%</td>
<td>269.0</td>
<td>27.85%</td>
<td>17.93:1</td>
</tr>
<tr>
<td>2006</td>
<td>1,076.0</td>
<td>108.6</td>
<td>10.09%</td>
<td>317.8</td>
<td>29.54%</td>
<td>17.39:1</td>
</tr>
</tbody>
</table>


### 3. Current reforms in Chinese higher education

Higher education and economic reform are two dynamic forces that affect the development of each other. Since China launched its open door policy and economic reform policy in 1978, there has been continuous economic growth over the past 30 years. The enhancement of China’s economic situation has provided a solid basis for the development of higher education in terms of both government financing and private investment in higher education. Meanwhile, improvements in higher education have also contributed to economic growth through knowledge production and human resource provision.

Since the 1990s, Chinese higher education has transformed from an elite higher education system to a stage of ‘massification’. According to Trow’s (1974) definition, when the enrolment of higher education reaches 15% of the relevant age group, “mass” higher education will emerge as a second sector beside the “elite higher education”, where the enrolment is below 15% of the age group.
Reforms in Chinese higher education have achieved remarkable success, including the establishment of a legal environment within which the higher education system can operate, the relaxation of state control, the establishment of quality assurance systems, the introduction of market mechanisms, the development of competitive universities, and the advancement of internationalisation (Y. Wang & Liu, 2009). Regardless of these achievements, the reforms have always been associated with problems and dilemmas, which particularly hamper China’s efforts at making the transition from a labour-intensive economy to a knowledge-based economy driven by innovation and international competitiveness.

In this chapter, the reforms in Chinese higher education since 1993 and especially in the 21st century will be introduced and analysed.

3.1. Development from a historical perspective

In China, the oldest institute of higher learning — shuyuan (academy of Chinese classical learning) is dated back to the Tang Dynasty (618-907) in the eighth century, and this form of educational institute remained until the end of Qing Dynasty (1644-1911). However, the first institution considered a counterpart to Western universities was established in 1895, namely Beiyang gongxue — the forerunner of Tianjin University. Subsequently the Nanyan gongxue (Jiaotong University) and the Imperial University (Peking University) were founded in 1896 and 1898 respectively. Chinese higher education has been successively influenced by a variety of Western ideas. Firstly, the Japanese model was applied in the legislation of 1902 and 1903. The Japanese system of higher education reflected both French and German traditions. After the collapse of the Empire in 1911, American influences became prominent when new legislation was passed in 1922 and 1924. In 1932, by the invitation of the Chinese government, a number of European advisors from Germany, France, England and Poland came to China joining a national project on higher education reform. The reform turned the higher education system towards a more centralised and standardised model (Hayhoe, 1999).

The restructuring of higher education after the establishment of the People’s Republic of China in 1949 was largely influenced by the Soviet Union’s model, characterised by central planning mechanisms, such as “governments allocating higher education resources, appointing university leaders, assigning graduates jobs and deciding enrolment numbers for individual institutions” (Cai, 2004, p. 158). Other examples of incorporating Soviet thinking can be seen in the higher education mergers in the 1950s. The emphasis was to regroup and realign higher education institutions and faculties by specialisation lines (Cai, 2007, p. 8). However, the degree systems basically followed the models developed during the old regime. For instance, the 2-3 year short-cycle vocationally oriented higher education programmes remained, although such programmes were not available in the Soviet Union.

Since the late 1970s, China has launched continuous reforms together with the introduction of an “open door” policy, especially in the economic sphere. Over this period, China has been transformed from a centrally planned economy to a market-oriented one. To meet requirements arising from this economic restructuring, China has initiated a series of higher education reforms, especially since 1993 when the “Outline for Education Reform and Development in China” (Outline) was issued.
Basically, two reform strategies have been used: “to introduce market forces to liberate education, create impetus for change, and encourage competition for improvement”, and “to use legislation to regulate new social relationships, practices and behaviour arising from the first strategy” (Law, 2002, p.579). The reforms between 1993 and 2010 are in general underlined by these strategies with emphases on decentralisation, liberalisation, and privatisation. The major legislative and policy documents on higher education reforms issued during this period include:

- 1993 Teachers’ Law
- 1995 Education Law
- 1995 Interim Provisions on Chinese-Foreign Cooperation in Running Schools
- 1995 The Various Opinions on Deepening Higher Education System Reforms issued in 1995
- 1996 Vocational Education Law
- 1996 Temporary Provisions for Charging Tuition Fees in Higher Education Institutions
- 1998 Higher Education Law
- 1999 Decision on Deepening of Education Reform and Advancement of Qualification-Oriented Education in an all Encompassing Manner
- 2002 Private Education Law
- 2003 Regulations on Chinese-foreign Cooperation in Running Schools

The reforms mainly address the following themes: transformation of governance in higher education, restructuring of higher education institutions, ‘massification’ of higher education, building world class universities, and quality assurance.

3.2. Transforming governance models in Chinese higher education

Chinese higher education was traditionally a centrally planned system. Since 1978, the government has initiated a series of economic reforms to restructure a centrally planned economy in the direction of a market-oriented one. With the aim of bringing society in line with economic transformation, social reforms have taken place in a variety of sectors, including higher education. Realising the inappropriateness of the old education governance model, the Chinese government started to review its education system and has since called for resolute steps to reform the higher education administration system. The governance reforms can be divided into three stages (C. Li, 2007): the preparation stage (1978-1984), the experiment stage (1985-1992), the massive implementation stage (after 1993).

The first stage was in the period between the Third Plenary Session of the 11th Central Committee of the CCP held in December 1978 (a benchmark of China’s reform era) and the First National Education Conference convened in 1985. This period saw a rapid expansion of higher education system in China. In the meantime, there had been an increasing number of critiques of a centrally controlled higher education administration system and demands for institutional autonomy. In 1979, an article titled “Giving More Autonomy to Higher Education Institutions” written by several
renowned university rectors on the People’s Daily, resonated strongly within the higher education community, and played an important role in promoting the reform of higher education administration system. Against this background, a number of pilot reform programmes were initiated with the encouragement of the MOE. Nevertheless, the relationship between the government and higher education remained based on the old model.

The second stage of the reform was signalled by the “First National Conference on Education” in 1985. The conference recognised and discussed fundamental areas for reforms in connection with implementing the CCP Central Committee’s the “Decision on Reforming the Education System” (Decision) in the same year. The Decision pointed out that centralised control and stringent rules would constrain the initiatives and dynamics of individual educational institutions, and that the key to restructuring higher educating lies in eliminating excessive government control over universities and colleges. Consequently, the reform at this stage was intended to expand higher education institutions’ management and decision-making power, and to strengthen their ability to service economic and social development. Specifically, the governance transition took place mainly in three aspects. First, the State allowed local governments increased autonomy and flexibility in terms of student enrolment, job assignments for graduates, and personnel management. Second, the establishment of private higher education institutions was allowed. Third, a tiny portion of fee-paying students were enrolled as “ultra-plan”, implying that the intake of these “self-supporting” students was beyond the state plan. Despite such changes, the reform during this period suffered from ineffective approaches and insufficient regulations The reforms were, to some extent, hobbled by the Tiananmen Square Affair in 1989, as the government withdrew power from higher education institutions. This retreat ended in 1992 with a reaffirmation of the overall reform program, symbolised by Deng Xiaoping’s “Southern Tour Speech”. Deng tried to solve the problems concerning the relationship between socialism and a market oriented economy that had obsessed the Chinese leaders. It was Deng’s ideas that ushered economic development into a new phase, “a socialist market economy with Chinese characteristics”.

The reform entered into the third stage in 1993, when the “Outline for Education Reform and Development in China” (Outline) was issued by the Central Committee of CCP. Since then, major reforms have been massively implemented (R. Yang, 2000). According to the MOE’s official statement, the overall objectives of higher education reform are to streamline the relationship between government, society and higher education institutions, with the aim of developing a new system in which the State is responsible for overall planning and macro management, while higher education institutions follow legislation and exercise autonomy in providing education according to the needs of society (Chinese Ministry of Education). In general, the changing patterns of governance can be observed in the following three areas, namely privatisation of educational provision, financial diversification and decentralisation of administration.

**Privatisation in educational provision**

Recognising the fact that the State alone can never meet growing educational needs, the Chinese government has deliberately devolved responsibilities to other non-State sectors to engage in educational provision and development. The “Outline” indicated a renewed effort to encourage
“people in all walks of life” to run schools, and invited international cooperation toward that same end. In 1995, the Education Law was promulgated, reconfirming that the State would give full support to enterprises, social institutions, local communities and individuals to establish schools. The State Council’s enactment of the “Regulations on the Social Forces Running Educational Establishments” in 1997, and the promulgation of the “Law for Promoting Private Education” in 2002, put the governance of private higher education on a more solid legal footing. By 2008, China had 640 private universities and colleges (with degree-granting status) and the enrolment in the sector reached around 20% of total higher education enrolment (Ji Zhou, 2009, p.8).

Financial diversification

The growth of private higher education institutions shows the shift of financial responsibility from the state to non-state sectors. The 1990s reform further transferred financial responsibility to individuals and families, with the introduction of a “fee-paying principle” (K.-H. Mok, 2005, p.228). By 1997, all university students had to pay tuition fees. The state has been even more motivated to diversify funding sources under the financial constraints aggravated by dramatic enrolment expansion since 1999. As a response, universities have been encouraged to engage in business and market-like activities to generate more income. In sum, there are three major funding sources for Chinese higher education institutions: government funds, tuition fees paid by students, and commercial income from university owned companies and entities.

Decentralisation of administration

The reform since 1993 is characterised by both functional and territorial decentralisation (K.-H. Mok, 2001). While the State exercises macro control through legislation, funding and planning, individual institutions are granted much more autonomy and decision-making power in education matters. The decentralisation also includes devolution of power gradually from the central government to provincial governments. In 1998, the national government structure was significantly changed. Many central ministries were shut down, and the rest were re-organised. The colleges and universities which had originally been under these ministries were either transferred to the MOE, or the provincial educational authorities.

3.3. Re-structuring higher education

The higher education system of the People’s Republic of China was established in the 1950s. The construction of the socialist higher education system in that period was entirely based upon the Soviet pattern of a highly centralised and planned model. Among other things, mergers were used as an important policy tool to restructure the higher education system. The emphasis of that round of merger was to regroup and realign higher education institutions and faculties in order to reduce needless duplication. It included the geographical reallocation of higher education institutions and regrouping of faculties (departments). For example, the departments of architecture of all the universities in Shanghai were integrated into Jiaotong University, while the automobile specialisations of all the universities in the country were annexed by Tshinghua University. As a result, early higher education institutions developed primarily along specialisation lines, while only a
few multi-disciplinary universities were retained. In addition to the MOE and provincial governments, other ministries (central industrial administrative departments), in keeping with the tenets of central economic planning, ran higher education institutions to cultivate professionals for their own respective fields.

However, since the market economy was adopted at the end of 1970s, the system characterised by narrowly specialised professional institutions proved incapable of adapting to the new challenges.

Among the major flaws were: Bureaucratic barriers erected by excessive central, local and departmental administrative controls; conflicting departmental interests; extremely narrow range of curricula; small school size; needless duplication among universities and faculties; non-communication between production, study and research; and heavy-handed government control that proved excessively manipulative. (L. Li, 2004, p.69)

In line with the new requirements arising from social transformation and the shift towards a market oriented economy, the government launched a new round of reforms to restructure higher education. The restructuring followed the guidelines of joint construction, transfer of jurisdiction, cooperation, and merger. In 1998, the former vice premier Li Lanqing reformulated the principles of restructuring of higher education in eight Chinese characters, namely “gongjian” (joint jurisdiction), “tiaozheng” (adjustment or transfer of jurisdiction), “hezuo” (cooperation) and “hebing” (merger) (Y. Zhou, 2002, 15 Dec.). This was merely a rhetorical change. “Joint jurisdiction” means that central government departments and local authorities should cooperatively administer higher education institutions, although one party normally takes on more responsibilities than the other depending on a bilateral agreement. The first example of this change dates back to 1992 when the MOE and Guangdong provincial government agreed to co-administrate Zhongshan University and Huanan University of Science and Technology.

“Transfer of jurisdiction” can be understood as a by-product of the governmental institutions reform. In this reform, most ministries are not allowed to run higher education institutions, and consequently, the colleges and universities originally affiliated to these ministries have either been decentralised to local authorities or handed to the MOE.

Both of the above strategies have largely reinforced the role of higher education institutions in regional development by mobilising the enthusiasm of local authorities. Though these jurisdictional changes are not directly linked to inter-institutional cooperation, many of the higher education institutions concerned have been involved in organisational alliances and mergers later on. For instance, in 1995, Tongji University was co-administrated by both the State Education Commission (renamed the MOE in 1998) and the Shanghai Municipal government. Subsequently, the university merged with the Shanghai Institute of City Construction and Shanghai Institute of Construction Material Industry in 1996 and continued to merge with the Shanghai Railway University in 2000. This is the so-called “Tongji” model.

“Cooperation” can be interpreted in two ways in this context. Firstly, it refers to inter-institutional cooperation among higher education institutions geographically close to each other. Cooperation is
usually arrived at voluntarily, albeit requiring approval by the competent authorities of all partners. This scenario differs from mergers in that participating institutions are independent entities. Secondly, it describes collaboration between higher education institutions and non-education organisations. With enterprises and research institutes taking part in higher education provision, the relationship between higher education institutions and society is strengthened.

Among those strategies, “merger” as a means of improving economies of scale and creating strong comprehensive universities brings the most substantial change in higher education. Even though some pilot merger projects started in the mid-1980s, the essential steps were not taken until the early 1990s.

The primary reasons for utilizing mergers during the initial reforms included realising economies of scale, lowering costs, achieving greater efficiency, and improving academic quality in higher education. The belief was that mergers could achieve cost-effectiveness and increase efficient use of educational resources by increasing student-teacher ratios, reducing staff redundancy, and sharing facilities (F. Zhao, 1998). To a large extent, it was related to Professor Min Weifan’s scholarly proposal on the preferred model for Chinese higher education development. Min received his Ph.D. in Economics of Education from Stanford University in 1987 and joined the faculty of Peking University in 1988. Min Weifang is currently the Party Secretary of Peking University.

The period between 1977 and 1985 saw an expansion of higher education in China. The number of institutions increased from 404 to 1,016, and the number of enrolled students increased from 625,319 to 1,703,115 (Hao & Long, 2000, p.614). Despite the rapid growth, the average enrolment number per institution remained less than 2,000, and more than a third of the institutions had a student enrolment of less than 1,000 (Min, 1994, p.7). This sparked a theoretical debate about the best way to improve the higher education system. Min identified two development models, namely an external expansion (waiyan) model and an internal enhancement (neihan) model (Min, 1990). In the first model, expansion of higher education was to be achieved mainly by establishing new institutions. This model reflected the development of higher education in the 1980s. According to the second model, higher education would be developed by exploiting internal potentialities within existing institutions and increasing internal efficiency. The second model attaches importance to economies of scale and cost-effectiveness. As quoted by Min from a survey, “higher education institutions with enrolments of 2,000 or less had average unit costs considerably higher than those with enrolments of 4,000 students or more” (Min, 1991, p.158). Min considered the model of internal development much more suitable to China’s reality.

Min’s proposition drew special attention from the Ministries of Education and Finance, because the idea of internal development seemed to have the potential to solve the dilemmas confronting the on-going reforms, particularly the tension between higher education expansion and financial constraints. Consequently, the governmental reforms on higher education in the 1990s followed the internal development model (H. Wang, 2000). As the Outline for Education Reform and Development in China put it: “the development of higher education must be carried out in the way of internal development in order to improve internal efficiency”. In 1994, the Implementation Opinions of “The Outline for Education Reform and Development in China” further stressed this model as the primary strategy to optimise higher education structure and distribution. Mergers have
also been considered as an important means in implementing relevant governmental policies, such as “Project 211” concerning building first-class universities, “enrolment expansion” and “government administrative reforms” (Wan, 2003).

Since 1990 there have been more than 400 mergers in China, involving nearly 1000 public colleges or universities (The number of mergers taking place each year are described in Figure 4). Almost 1/5 of public universities and colleges are post-merger institutions (Q. Zhou, 2003).

Source: Chinese MOE (www.moe.edu.cn)

Figure 4 The numbers of mergers from 1990 to 2005

3.4. Massification of Chinese higher education

Chinese higher education experienced a dramatic expansion from the elite status to the massification stage in the late 20\textsuperscript{th} and early 21\textsuperscript{st} century. After Chinese economic reform in 1978, the average growth rate of enrolment had been kept as 8.5% (National Center for Education Development Research, 2001). In 1998, the Chinese government announced the massification of higher education as a goal of its policies. Enrolment in higher education has increased significantly since 1999. The expansion of student enrolment is accompanied by a growth in the number of higher education institutions and the average scale of enrolment per institution. Table 4 shows the changes in the scale of the regular higher education institutions in China between 1998 and 2010.
Table 4 The development of regular higher education in China between 1998 and 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of regular higher education institutions</th>
<th>Average student number/institution</th>
<th>New intake of undergraduate students (1000)</th>
<th>New intake growth rate over the previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>1,022</td>
<td>3,335</td>
<td>1,083.60</td>
<td>8.32%</td>
</tr>
<tr>
<td>1999</td>
<td>1,071</td>
<td>3,815</td>
<td>1,548.60</td>
<td>42.91%</td>
</tr>
<tr>
<td>2000</td>
<td>1,041</td>
<td>5,289</td>
<td>2,006.10</td>
<td>29.54%</td>
</tr>
<tr>
<td>2001</td>
<td>1,225</td>
<td>5,870</td>
<td>2,682.80</td>
<td>33.73%</td>
</tr>
<tr>
<td>2002</td>
<td>1,396</td>
<td>6,471</td>
<td>3,037.60</td>
<td>13.22%</td>
</tr>
<tr>
<td>2003</td>
<td>1,552</td>
<td>7,143</td>
<td>3,821.70</td>
<td>25.81%</td>
</tr>
<tr>
<td>2004</td>
<td>1,731</td>
<td>7,704</td>
<td>4,473.40</td>
<td>17.05%</td>
</tr>
<tr>
<td>2005</td>
<td>1,792</td>
<td>7,666</td>
<td>5,044.60</td>
<td>12.77%</td>
</tr>
<tr>
<td>2006</td>
<td>1,867</td>
<td>8,148</td>
<td>5,460.50</td>
<td>8.24%</td>
</tr>
<tr>
<td>2007</td>
<td>1,908</td>
<td>8,571</td>
<td>5,659.20</td>
<td>3.64%</td>
</tr>
<tr>
<td>2008</td>
<td>2,263</td>
<td>8,931</td>
<td>6,076.60</td>
<td>7.38%</td>
</tr>
<tr>
<td>2009</td>
<td>2,305</td>
<td>9,086</td>
<td>6,394.90</td>
<td>5.24%</td>
</tr>
<tr>
<td>2010</td>
<td>2,358</td>
<td>9,298</td>
<td>6,617.60</td>
<td>3.48%</td>
</tr>
</tbody>
</table>

Source: Statistics communiqué of national education development 1998-2010

The main objectives of the reforms on massification of higher education policy are to meet demands arising from a rapidly growing economy, to alleviate the problem of urban unemployment, and to promote the development and utilisation of China’s human resources (B. Wu & Zheng, 2008). However, these were not regarded as the real reasons for the adoption of this policy, since these issues were already taken into account by previous policies. For instance, in the 1998 Action Plan for Vitalizing Education for the 21st Century, the Chinese government planned an enrolment increase to 11% of the appropriate age cohort in 2000, and 15% by 2010, which is the internationally acknowledged threshold of mass higher education (Trow, 1974). However, in 1999 the enrolment growth rate reached 47.4% over 1998, and the gross enrolment rate already went up to 15% in 2002.

Many scholars (Kang, 2000; W. Li, 2001; Project team of Beijing University, 2001; Zha, 2009) have argued that the driving force behind the rapid expansion of enrolment was a concern for economy, in response to the economic stagnation following the Asian economic crisis in 1997. In 1998, China’s
The economy was characterised by stagnation with deflation. Generally speaking, China’s economic growth relies on three major factors, namely, exports, government investment and domestic demand. After the 1998 Asian economic crisis, Chinese exports suffered a catastrophic slump. For investment, since a framework of buyers markets had already been developed and investment channels had become more diversified, government investment was unlikely to kick-start the economy effectively. Against this background, more emphasis was placed on stimulating economic growth through domestic demand. While commodities in China seemed to be overstocked, education remained the exception. Only higher education, analysed by some economists, was still a seller’s market. It was the economists’, rather than educationalists’, suggestions that drove the State to deliver this policy (W. Li, 2001). The assumptions underlying the experts’ suggestions were as follows: firstly, the deposit for education is becoming one of the main motivations for people to save money and it is estimated that the potential residents’ deposits could reach 250 billion yuan per year; secondly, the rapid increase in enrolment together with charging tuition fees could not only solve the universities’ financial crises, but also indirectly drive the consumer market, thus spurring the domestic economy (Project team of Beijing University, 2001).

Despite its economic purpose, the massification policy has achieved its goals in terms of enrolment ratios (Figure 5). In China, the gross enrolment rate in higher education had never exceeded 4% until 1992. In 2010, the rate had already reached 26.5%. Despite this achievement, the rapid growth of enrolment has generated a number of problems, particularly a decline of education quality, inequality of access to higher education, and high unemployment rate of graduates.

![Figure 5 1990-2010 Chinese higher education gross enrolment rates](image)


**Figure 5 1990-2010 Chinese higher education gross enrolment rates**

### 3.5. Building first-class universities

One important aspect of Chinese higher education reforms has been to strive to increase China’s competitiveness in the global marketplace. However, top Chinese universities were not good enough by international standards up to the mid-1990s. To improve the prestige and quality of Chinese
higher education, the Chinese government successively launched “Project 211” in 1995 and “Project 985” in 1998 by focusing its financing resources on developing top Chinese universities.

“Project 211” is the Chinese government’s endeavour initiated in the 1993 Outline with an aim to strengthen about 100 higher education institutions and a number of key disciplinary areas in terms of teaching, research and administration as national priorities for the 21st century. The figures of 21 and 1 within “211” are from the abbreviation of the 21st century and approximately 100 universities respectively. The project has been implemented since 1995. In addition, these institutions are expected to become the basis for training high-level professionals and solving major problems confronting the country’s economic and social development. Many of these institutions are also expected to play a key and exemplary role in adapting to regional and sectional development needs. (Chinese Ministry of Education).

The selection approach of Project 211 institutions combines aspects of open competition and political consultation (L. Wang, 2008, p. 37). In the open competition process, a number of candidate institutions which meet the basic criteria set by the Chinese government are assessed by an expert group, which culls those not qualified. However, in the final decisions the government is also involved mainly in keeping a reasonable balance between regions. For instance, universities in western regions of China would not be selected as Project 211 institutions in the nation-wide competition when following a unified standard. To keep the higher education development in balance between the eastern and western regions and promote the role of key universities in regional development, the selected Project 211 institutions are basically distribute all over the country. For this reason, simply using the list of project 211 institutions to justify the quality of Chinese higher education institutions is not very accurate. Some universities not included in the project list may be stronger in terms of research and teaching than some of those (often in the west) in the project 211 list.

During the Ninth Five-Year Plan period (1996-2000), a total of 18.6 billion yuan (2.8 billion yuan from the central government) was invested in 99 universities. During the 10th Five-Year Plan period (2001-2005), another 18.8 billion yuan (6 billion from the central government) was spent on 107 universities. In the 11th Five-Year Plan period (2006-2010), the central government spent 10 billion yuan. Currently there are 112 universities in the project 211. Although these universities make up only around 6% of China’s regular higher education institutions, they are responsible for training 4/5 of doctoral students, 2/3 of graduate students, 1/2 of international and 1/3 of undergraduates. They account for 85% of the country’s key subjects, 96% of national key laboratories and 70% of scientific research funding. (L. Zhao & Zhu, 2010, p. 121).

“Project 985” is a national project for founding world-class universities in the 21st century, launched after Present Jiang Zemin’s speech on May 4, 1998, who declared that “China must have a number of first-rate universities of international advanced level”. Different to the Project 211, the selection of Project 985 institutions is not based on concrete prerequisite and selection criteria. Rather, the institutions in the project result from negotiations between the MOE and individual universities. Sometimes regional governments are involved in the negotiation process. In the initial stage, only two institutions, Peking University and Tsinghua University received the Project 985 status. It was announced by the MOE in 1998 that the two universities would each receive 1.8 billion RMB within
three years (1999-2001) from the central government as special development funds in addition to normal government financial allocation. During 1999-2003, 33 additional universities were listed as Project 985 institutions through a mode of co-financing between the central government and regional governments. Among these institutions, 11 universities are allocated special funds of 600 million yuan or more from the central government and the others receive 100-400 million yuan. (L. Wang, 2008, pp. 35-36). In 2006, 4 more institutions were added to project 985. The Project 211 and Project 985 institutions are respectively listed in Appendix 1 and Appendix 2.

3.6. Quality assurance

While the reforms in the late 1990s and the early 2000s mainly emphasised research rather than teaching quality, the Action Plan for Invigorating Education 2003-2007, promulgated by the MOE with the approval of the State Council, shifted the focus towards teaching and teaching quality as well as quality assurance systems. The Action Plan stipulates a twelve-point framework for developing quality assurance in Chinese higher education (Y. Li, 2010, p. 63):

- Carrying out further reform on teaching and educational structures with help of information technology;
- Encouraging professors to teach undergraduates courses;
- Offering a number of top-quality courses via the Internet to students all over the country;
- Further improving the standards and methodology of teaching English to students of non-English majors;
- Enhancing quality evaluation of higher education institutions, with five years as an evaluation cycle;
- Establishing a series of national teaching bases and experiment bases via the facilitation of the Internet;
- Further developing vocational education to meet the needs of the market economy;
- Further improving the structure of disciplines at Chinese higher education institutions with a focus on tertiary vocational programmes;
- Promoting reform in medical education;
- Building more efficient e-libraries and improving the quality of textbooks;
- Enhancing students’ ideological, ethical and cultural development;
- Inviting top-quality teachers both at home and abroad to teach at Chinese higher education institutions.

The structure of quality assurance systems in Chinese higher education consists of both external quality assurance systems and internal quality assurance systems, as shown in Figure 6.
Figure 6 The structure of quality assurance systems in Chinese higher education

China’s higher education quality evaluation is led by the government through two agencies. One is the Academic Degrees & Graduate Education Development Centre, which started operation in 2003 and is responsible for the assessment of graduate education. The other is the Higher Education Evaluation Centre, which was established in 2004 and is responsible for organising and implementing the evaluation of undergraduate education, including both bachelor’s degree programmes and associate degree programmes. Both agencies are under the MOE and are funded by the State. In 15 provincial and municipal educational departments, there are regional higher education evaluation organisations. Most higher education institutions also set up their own quality assurance departments for internal evaluation. In November 2010, the National Association for Higher Education Quality Assurance and Evaluation Organisations Agencies was established, with the aim to coordinate various quality evaluation organisations in the country, to promote experience sharing and to enhance self-discipline in the field (Z. Li, 2011).

Following the Action Plan for Invigorating Education 2003-2007, the first round of nationwide undergraduate education evaluation has been carried out during 2003-2008. According to a national survey of more than 4,000 respondents from higher education institutions and regional educational administration departments, the most successful results of the evaluation at the institutional level are (Z. Li, 2011):
• It helped the institutions to clarify their orientations and characters (87% respondents agreed);
• It established the central status of undergraduate education and enhanced the concept of quality (87%);
• It improved management standards and quality control system of undergraduate teaching in higher education institutions (83%);
• It increased the institutions’ quality requirement on teaching and bachelor’s degree theses (81%);
• It improved the teaching condition and optimised the structure of teaching resources (72%).

The first round of external quality evaluation shows that the evaluation process of higher education has been undertaken in a systematic and professional manner. It has certainly made a significant contribution to the development of higher education in China. Nevertheless, the evaluation has been also criticised with the following arguments (Y. Li, 2010, p. 71):

• Quality evaluation is an intrusion into institutional autonomy. Institutions only go through the formalities in the process of conforming to top-down quality evaluation.
• Institutions emphasise the infrastructure and formal systems, but overlook the essence of educational quality.
• There is a great need to improve the external quality evaluation approaches and procedures.
• The unified standards ignore the diversity of higher education institutions.
• Some institutions’ practice of falsification in preparing the quality evaluation is very harmful.
• It is too costly.

3.7. Challenges and problems

Regardless of the reform achievement, a number of problems have arisen mainly as a result of the expansion of higher education (Cai, Kivistö, & Zhang, 2011, p. 12; Y. Li, 2010, pp. 61-62; Y. Wang & Liu, 2009). First, along with the rapid growth of student enrolment and greater scale of higher education, there is a lack of sufficient resources and measures to ensure quality. Of course, broader entry into universities has lowered the entry level of students to higher education, and therefore the quality of enrolling students is not as good as before. However, this should not be used as an excuse for the declining quality of university graduates. The major problem lies in the shortage of funding resources and qualified teachers in higher education. On the one hand, the rapid increase in student numbers leads to a decrease in resources per student. Although the government expenditure on higher education has kept increasing, the growth rate is slower than that of higher education development. To fill the financial gap, most higher education institutions try to expand their student numbers in order to charge more tuition fees, while the quality issue is not seriously considered. On the other hand, the higher education expansion results in very large class sizes and excessive responsibilities for existing teachers, which has limited the capacity to develop sufficient teacher-student interaction. To overcome this challenge, many institutions have recruited new teachers.
However, many of these have received their doctorate within the past 10 years, and it is commonly accepted that the quality of doctoral education has been deteriorating in the past decade (Shi, Ma, & Natsume, 2009). Therefore, the quality of these new teachers cannot be assured.

Second, the education model in Chinese higher education is stereotypical and universities lack the capability to cultivate top-notch innovative talents. Graduates are criticised for lacking innovation, practical abilities and social responsibility. In 2005, when Premier Wen Jiabao visited the father of China’s space scientist Qian Xuesen (who passed away at the age of 98 in 2009), Qian raised the question, ‘why our higher education institutions can hardly cultivate first class talents’. He told the Premier that none of our universities were running in the right model of cultivating excellent talents and were not innovative enough. He believed that the lack of scientific spirit was where the real problem lay. In 2009, 11 professors from Anhui University jointly issued an open letter to Yuan Gui Ren, the new Minister of Education and the national educational circles: Let’s face Qian Xuesen’s question! Some questions in the letter may hit home on some problems facing Chinese higher education.

*It is no surprise that our schools always fail to nurture outstanding talents. With so many universities competing to build luxury school buildings, who is to create an open and free academic atmosphere? With so many experts and scholars spouting for extra income, who is to engage in scientific research? If people issue their papers just for completion of task, who will be immersed in further exploration of issues? When so many professors are striving to become leading members, who will regard science as the basis of all issues? So, when the executive power is always above the academic power in schools, when the executive order is much higher than academic freedom, when quick success is much better than forethought, our schools will impossibly nurture outstanding talents, but just regretfully become the source place of outstanding talents for the United States and other countries.*

Third, there is a lack of diversity amongst Chinese higher education institutions. Smaller colleges attempt to model on the structure of comprehensive universities, and vocational schools seek to evolve into research institutions. The homogenisation of higher education institutions is due to the current practice whereby institutions are measured by a single set of criteria and institutions tend to define themselves by rank (Zha, 2009, p. 56). Such an homogenous structure of higher education does not meet the requirement of economic development or needs of the labour market.

Fourth, there is a rise of unemployment amongst university graduates. In 2008 about 30% (more than a million) of university graduates were unable to secure employment at the end of study (M. Zhou & Lin, 2009). Although the media reports that the current employment rate has reached 90%, it has been alleged that some higher education institutions employ measures to force students to forge employment claims (B. Wu & Zheng, 2008, p. 11). There are more serious pressures from disadvantaged social groups.

Fifth, there are unbalanced distributions of higher education resources between regions and unequal access to higher education between different social groups. Disparity has been a major issue associated with the past 30 years of economic development in China. There are regional disparities, disparities between urban and rural areas, and disparities in household incomes. According to per capita GDP levels, four tiers of regions can be divided. The first tier refers to a small
number of economically well-developed cities, such as Shanghai, Beijing and Shenzhen. In the second tier are some large and medium-sized cities and coastal areas in Guangdong, Zhenjiang, Jiangsu, Fujian and Liaoning provinces. The third tier includes areas in north and north-east China. The last tier consists of poverty-stricken areas in the west and central China, minority regions, remote and rural areas. As regional governments take on important financial responsibility for higher education institutions under their jurisdiction, the differencing economic state of regions naturally leads to unequal conditions for higher education development between regions.

The rapid economic growth in China has widened the gap between rich and poor in society. Currently, the Gini coefficient — a commonly used measure of inequality of wealth — has reached 0.47, overtaking the recognised warning level of 0.4 (Jia, 2010). The introduction of tuition in Chinese higher education after the middle 1990s not only poses financing college as the biggest difficulty for those disadvantaged groups, but also perpetuates the established social hierarchy. Despite the progress made in equalising access by urban-rural and strata origins at the mass higher education era in China, disadvantaged groups retain their unfavourable status in accessing higher education (Yao, Wu, & Su, 2008).

Last but not the least, the reforms face tensions between Chinese and Western ideologies. Chinese higher education reforms reflect an influence by Western reform ideologies. While the Chinese government wishes to obtain economic benefits from the international economy following global reform tendencies, this does not mean that the government takes a laissez-faire attitude towards all associated ideologies. The issues concerning ideology and politics become sensitive and, in some way, restricted. Higher education, considered by the central authorities as an important ideological battlefield, is always in the front line of conflicts between Western ideas and the Party’s principles. China’s practices of importing foreign models in the development of a modern higher education system as well as in current reforms have followed a theory of borrowing from the West what was useful without losing the essence of Chinese values. However, as the philosophies and ideas underlying Western higher education systems are often alien to Chinese traditional culture or ideology, the development of Chinese higher education may inevitably confront paradoxes and challenges. Because of the deeper ideological concerns, some old functions of higher education administration have not necessarily been terminated. For instance, some recent studies on Chinese higher education indicate strong hierarchies in higher education (Vidovich, Yang, & Currie, 2007, p. 103) and a distinction between the policy rhetoric on decentralising government controls and the reality of constraints that universities and academics continue to experience (R. Yang et al., 2007).
4. Reform tendencies in the next decade

Realising the aforementioned problems and challenges, the government started to prepare a new reform plan including all levels of education in August 2008 by setting up a working committee, with Premier Wen Jiabao as the chairman and 14 ministries involved. After two years investigation, discussion, planning, and collection of opinions from society, the Outline of China’s National Plan for Medium and Long-term Education Reform and Development (2010-2020) was issued in by the State Council in July 2010. The Outline is for education at all levels and based on the ideology that “education is the cornerstone of national rejuvenation and social progress, and a fundamental way to improve citizens’ quality and promote their all-round development, bearing the hope of millions of families for a better life”. The executive principles of the outline include: 1) giving strategic priority to education development, 2) regarding putting the cultivating of people before everything else as the bottom line for education, 3) treating reform and innovation as a mighty driving force for education, 4) making equal access to education a basic state policy, and 5) considering quality improvement as the core task for education reform. The new plan marks a wave of reforms in Chinese education, including higher education, for the coming 10 years. While the higher education reforms in the past decade can be characterised by the expansion of higher education mainly in terms of quantity, the reform in the next decade will engage in quality improvement across all aspects.

4.1. Goals in 2020

The major goals of higher education reform and development in the next decade are:

- To accelerate the transition from a country with a huge education system to a country with a strong education system,
- To improve the quality and level of education, research and service,
- To build world-class universities,
- To form a modern higher education system with both Chinese characteristics and world standards.

Some key figure of changes 2009 to 2020 are shown in the Table 5.
Table 5 major goals for higher education development from 2009 to 2020

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Units</th>
<th>2009</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total enrolment</td>
<td>Million</td>
<td>29.79</td>
<td>33.5</td>
<td>35.5</td>
</tr>
<tr>
<td>Number of university/college students on campus</td>
<td>Million</td>
<td>28.26</td>
<td>30.8</td>
<td>33.0</td>
</tr>
<tr>
<td>Number of postgraduates on campus</td>
<td>Million</td>
<td>1.4</td>
<td>1.7</td>
<td>2.0</td>
</tr>
<tr>
<td>Gross enrolment rate</td>
<td>%</td>
<td>24.2</td>
<td>36.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Number of people with higher education</td>
<td>Million</td>
<td>98.3</td>
<td>145.0</td>
<td>195.0</td>
</tr>
<tr>
<td>Percentage of those in working age (20-59) having received higher education</td>
<td>%</td>
<td>9.9</td>
<td>15.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Percentage of those newly-added members of the workforce having received senior middle school or higher education</td>
<td>%</td>
<td>67.0</td>
<td>87.0</td>
<td>90.0</td>
</tr>
</tbody>
</table>

**4.2. Policy trends in the next decade**

Following the medium and long-term reform plan, the main policy trends of higher education reforms in the next decade include the following aspects. First, higher education will substantially raise the quality of talent cultivation. As higher education performs the important task of cultivating high-level professionals, developing science, technology and culture, and promoting the socialist modernisation drive, raising quality is at the heart of this task. By 2020, the structure of higher education will become more balanced and distinctive, and it will also go up a notch in talent or professional cultivation, scientific research and social service as a whole. The key measures include:
to build a new mechanism of cooperation in education amongst universities, research institutes, industries, and enterprises to guarantee practical experiences of students, to reform the curriculum and teaching methods with an emphasis on research-based methods, to improve learning evaluation so as to fully stimulate the enthusiasm and initiative of students and encourage students to study hard, and to accelerate the development of professional degree graduate education.

Second, the role of universities in innovation systems will be enhanced. The State emphasises the role of higher education institutions in the national and regional innovation systems by encouraging them to contribute to innovation in knowledge, technology, national defence, and to regional innovation systems. To this end, the levels of research and service need to be improved.

Research in all fields will be carried out in depth. While serving national objectives, higher educational institutions will also give their researchers a free hand to explore the unknown, and intensify basic research. Research in applied sciences will also be strengthened, with the main thrust directed at major practical issues. Higher educational institutions, research institutes and enterprises will be urged to share scientific and technological resources. Higher educational institutions will be encouraged to rethink their organisational patterns, cultivate interdisciplinary teams that combine research and teaching, and promote interaction between them. Construction of crucial college research and innovation bases and science-technology innovation platforms will be strengthened. To achieve these ends, mechanisms promoting innovation and quality-oriented evaluation of research results will be ameliorated.

Higher educational institutions are expected to foster a willingness to take the initiative to serve society in all dimensions. Integration of production, scholarship, research and application will be promoted, and transfers of scientific research results into productivity will be speeded up. The development of university-run enterprises will be regulated. Universities and colleges must provide continuing education services to citizens.

Third, a new classification system of higher education institutions will be established with an emphasis on preventing the tendency towards homogeneity. With the new classification system, higher education institutions will be encouraged to foster distinctive administrative philosophies and styles, distinguish themselves at different levels and in different fields, and strive to be the best. Meanwhile, the higher education structure will be optimised to meet national and regional socioeconomic development needs. The optimisation of disciplines and sequences of courses, and the restructuring of faculties will be focused on promoting disciplinary crossing and integration, on expanding the cultivation of professionals with applicable expertise and versatility, and on accelerating the development of degree-granting graduate studies in specified fields.

Forth, higher education development between regions will be balanced. A special fund will be established in support of local higher education development especially in central and western China. New college enrolment quotas will be tipped in favour of central and western regions that are poor in higher education resources, and eastern colleges’ enrolment in central and western regions expanded. Eastern colleges will be urged to redouble their support for their western counterparts, and east China will be encouraged to take the lead in developing higher education.
Fifth, the building of first-class universities and faculties will be accelerated. Project 985 will be carried out in innovative ways on the basis of establishing crucial disciplines and faculties and a platform for innovation in advantageous disciplines. Project 211 will move on, and projects devoted to distinguished and advantageous disciplines will be initiated. College governance will be improved, competitive mechanisms introduced, performance evaluation conducted, and dynamic management carried out. Higher educational institutions will be urged to open their best faculties to the world, and to participate in or set up collaborative international academic organisations or global science plans; they will also be encouraged to join top-notch education and research institutes abroad in establishing united research and development centres. The building of world-class and high-level universities will pick up speed, so as to cultivate top-notch innovators and world-class disciplines, achieve original results at an advanced level globally, and contribute to the effort to raise the nation’s comprehensive strength.

Sixth, the decentralisation of higher education administration system will be pushed forward. The key measures include: to improve the education administration system with strong coordination and well-defined rights and responsibilities, 2) to step up overall planning for education under provincial administration, 3) to change government functions on education, 4) and to promote the rule of law in education.

Finally, a university culture emphasising academic freedom and individual development will be strengthened. Of course, it is also the objective of the reform in the next decade to strengthen international exchange and cooperation by encouraging joint educational programmes, enhancing cooperation with international organisations, attracting more international students to China, etc. The international dimension will be discussed in details in the following three chapters.
5. Internationalisation of higher education in China

When it comes to the concept of internationalisation, it is unavoidable to talk about globalisation. The two concepts are interrelated but not the same (Altbach & Knight, 2007, p. 290). Among many efforts to distinguish internationalisation from globalisation, Altbach and Knight (2007) define “globalisation as the economic, political, and societal forces pushing 21st century higher education toward greater international involvement” (p.290). In this context, internationalisation can be understood as a response to the impact of globalisation. As Altbach and Knight further explain, “globalisation may be unalterable, but internationalisation involves many choices” (p.291). Following this understanding, internationalisation of higher education can be implemented differently among countries depending on the local contexts and national interests.

In China, the internationalisation of higher education is an inevitable result of China’s integration into the global economy as well as an essential measure to improve its higher education system. The process of internationalisation started as early as 1978, when China opened its door to foreign investment. The current practice signifies an integration of Chinese higher education with the international community, as part of the governmental strategies for building “world-class” Chinese universities and strengthening national economic competitiveness. The concrete activities can be observed in the following major aspects, namely student mobility, international dimensions in teaching and research, as well as joint education provisions.

5.1. Student mobility

Although China had already sent students to the former Soviet Union and other former socialist countries, the new era of studying abroad began from the end of 1970s. At the time, China had just started reforming economically and had launched the open-door policy. However, a major challenge faced by the country was talent scarcity, as the higher education system had been dismantled during the Cultural Revolution period (1966-1976). Therefore, human resource development became a national priority. It was against such a background, that in 1978 the Chinese government decided to expand the scale of sending students and scholars abroad. Since then, work related to students’ and scholars’ studying abroad has seen rapid development, and now serves as a window on China’s reform and opening up as well as a medium of cultural exchange between China and other countries. Although China has been pouring huge investments into building schools and universities, it cannot keep up with the surging demand from its youth for higher education. The number of students pursuing study abroad has dramatically increased in the last three decades. By 2009, a total number of 1.62 million Chinese students and scholars had studied in 110 countries and regions all over the world, covering almost all disciplines (Chinese Ministry of Education, 2010c). According to statistics from 2005, their primary study destinations were America (32.1%), Europe (27.9%) , Asia (25.2) and Oceania (14.2%) (H. Wang, 2009, p. v). Currently students from China represent the largest international student group in the world (OECD, 2009), and they are going to continue to increase their domination of the international student market in the near future (Maslen, 2007). The increase of Chinese students pursuing education overseas between 1978 and 2009 is shown in Figure 7.
The growth of students studying abroad is due to China’s rapid economic development and encouraging policies. As a result of the economic reform, overseas education become affordable for more and more Chinese families, primarily from the emerging middle class. This has particularly resulted in a sharp increase of self-funded overseas students after 1999. To illustrate this, in 1998, the self-funded students accounted for 65% of the total number of Chinese students going abroad for study, while the rates in 1999 and 2000 were respectively 75% and 83%. Since 2001, the figure has been always above 90% (Zhuang, Xie, & Ren, 2008, pp. 127-129). Parallel with the improvement in economic conditions, this development is also attributed to the encouraging government policy. Among a series of guidelines and regulations, what fundamentally underlines current overseas study policies in China is the principle set by the Central Communist Party Committee in 1992. That is to encourage students to go abroad to study, support them to return, and allow freedom of exit and entry.

What do Chinese students expect when seeking to study abroad? One recent survey (INTO, 2009) on Chinese students’ opinions on studying abroad shows that the top three motivations for the students to study abroad are 1) to enhance their overseas experience (59% of the respondents), to improve employability (46.9%), and to improve language skills (38.6%). The survey also indicates that the students mainly intend to study in major Anglophone countries. For instance 44.8% of them said they would go to the USA, 34.5% to the UK, 29.1% to Australia, and 22.1% to Canada. With respect to Europe, 15.5% of the respondents want to study in Germany, 12.9% in France, 5.8% in Italy, and
5.2% in Ireland. Only 8.6% of them are interested in studying in other Western European countries. According to this survey, 14% of Chinese students make decisions on studying abroad under the influence of their parents. In another study (Bodycott, 2009), the parents’ opinions have been shown to be more important, confirming the role of the traditional relationship between Chinese parent and child originating with Confucianism. This relationship, characterised by filial piety, embraces the thought that children, even as adults, must respect and obey their parents, and in general, their elders. The study has surveyed both students’ and their parents’ ratings on the respective importance of factors identified as influential in the decision to study abroad and the choice of study destination. The results show that in many aspects the parents have different expectations than their children. The major difference is, for instance, that the parents pay more attention to employment on graduation and immigration possibilities, while the students care more about intercultural experiences and quality of education.

China also attaches importance to attracting international students to study in China. From 1978 to 1989, universities were permitted to accept self-paying international students, but due to the restriction on the enrolment quota provided by the State the number was small, for example, 300 in 1978 and around 2,500 in 1989 (J. Zhou, 2002). Since the 1990s there has been a boom in the number of international students studying in China. On the one hand, legislation has to a large extent transferred the power of recruiting international students to institutions (Shieh & Wang, 2007). On the other hand, the growing interest among many countries in cooperating with China and entering the Chinese market has driven many of their students to study in Chinese universities.

Compared with the outward flow of students, the scale of international students studying in China is relatively small, though with a steady growth (Figure 8). In 2009, the total enrolment of international students in Chinese higher education was 117,548, accounting for 0.4% of college students on campus (Chinese Ministry of Education, 2010a). Among the international students, the vast majority of them are enrolled in non-degree programmes. In 2009, 31.2% of new entrants took degree study programmes (bachelor’s degree programmes, 21.5%; master’s degree programmes, 7.8%; doctoral degree programmes, 1.9%). Most international students in China are studying in separate programmes without much interaction with domestic students.
The inward student mobility is also characterised by an unbalanced distribution of international students in terms of field of study and study institution. Based on the statistics of 2006, around 75% of enrolled international students in China were studying Chinese language, culture, art and medicine (Zhuang et al., 2008, p. 41). The language instructions in these programmes are mainly in Chinese. The majority of international students in China are from East Asian countries (See Figure 9).

Figure 8 Number of new recruited and total enrolled international students between 2004 and 2009

Figure 9 Entrants of international students in 2009 by regions
For international students coming to study in the programmes taught in Chinese, the Chinese Language Proficiency Test (HSK) is required. The HSK is the Chinese equivalent of TOEFL (The Test of English as a Foreign Language) or IELTS (the International English Language Testing System). To help international students in preparing for study in China, the Chinese government has implemented various measures to improve learning and living conditions. Meanwhile, various “Confucius Institutions” have been set up in foreign countries. In these institutions, the Chinese government will organise qualified Chinese teachers to teach Chinese language and culture. By the end of 2010, there were 322 Confucius Institutes and 369 Confucius Classrooms established in 96 countries (Hanban, 2011).

In terms of study destinations, international students are mainly attracted by developed areas and key universities. In 2004, Beijing and Shanghai alone hosted 53.45% of total international students in China. In the same year, about 41% international students were studying in 15 top universities, such as Beijing Language and Culture University (Beijing), Fudan University (Shanghai), Peking University (Beijing), Shanghai Jiaotong University (Shanghai), Beijing Normal University (Beijing), Tsinghua University (Beijing), East China Normal University (Shanghai), Nankai University (Tianjin), Tongji University (Shanghai), Zhejiang University (Hangzhou), Shanghai Foreign Language University (Shanghai), University of International Business and Economics (Shanghai), Beijing Foreign Studies University (Beijing), Xiamen University (Xiamen), Jilin University (Changchun).

5.2. International dimension in teaching and research

Since the late 1990s, the focus of internationalisation in China has changed from promoting student mobility to enhancing an international dimension in teaching and research. Of significant progress in this regard is the curriculum reform (Huang, 2007, p. 54). First, an increasingly number of original English-language textbooks, mainly from the US, have been either directly used in Chinese universities or translated into Chinese language versions. Second, there is a continuous effort in implementing instruction in English or bilingually (Chinese and English), together with an effort to strengthen foreign language (English in particular) skills among both teachers and students. Third, there is a dramatic expansion in the number of programmes for foreign languages/cross-cultural studies, which lead to international professional qualifications at the graduate level.

In addition, the internationalisation of the teaching profession has been strengthened (Y. Wang, 2008, p. 512). An increasing percentage of Chinese teachers has some learning or teaching experience abroad. Similarly, international experts in a variety of fields are invited to teach in Chinese higher education institutions.

Another significant development is concerned with international research cooperation. The Chinese government encourages Chinese universities and research institutes to develop joint research projects with foreign partners by obtaining support from various sources. The Chinese government has also signed an increasing number of bilateral agreements with different countries/regions. For instance, the Science & Technology Agreement between the EU and China in 1998 provides a legal basis for future cooperation on science and technology between the two sides. As a result, the EU has opened its research and technology development Framework Programme to China, which allows the participation of Chinese institutions. In turn China opened its National High Technology Research
One of the most important characteristics of the internationalisation of Chinese higher education in the 21st century is the development in Sino-foreign joint education provisions. Several foreign higher education institutions have already established cooperation agreements with Chinese partners in providing education services in Beijing, Shanghai and Tianjin as early as the late 1980s and early 1990s. However, clear policies regulating these activities were only created in 1995, when the Chinese MOE promulgated the Interim Provisions on Chinese-Foreign Cooperation in Running Schools (hereafter referred to as the Interim Provisions). In 2001, China became a member of the WTO. According to the WTO’s GATS (General Agreement on Trade in Services), any form of educational activity that charges tuition fees counts as commercial activity, except for educational services wholly subsidised by the government. According to China’s specific commitments to GATS’ four models on service trade, only two types of activities are possible for foreign universities engaging in education provision in China: 1) establishing joint schools and programmes with Chinese partners in China, and 2) providing education services in China through individual professors and scholars upon invitation by Chinese education institutions. It should be mentioned, China has not made a commitment to foreign provision of distance educational courses and services in China. To adopt the agreements of the WTO Protocol into Chinese domestic legislation, on 1 March 2003, the State Council issued the Regulations on Chinese-foreign Cooperation in Running Schools (hereafter referred to as the Regulations), in which the term Chinese-foreign Cooperation in Running Schools (CFCRS) has been explicitly defined as: “the activities of the cooperation between foreign educational institutions and Chinese educational institutions in establishing educational institutions within the territory of China to provide education service mainly to Chinese citizens” (Article 2).

Both the Interim Provisions and the Regulations contain the following stipulations: foreign institutions must partner with Chinese institutions; partnerships must not seek profit as their objective; no less than half of the members of the institution’s governing body must be Chinese citizens; the post of the president or the equivalent must be a Chinese citizen residing in China; the basic language of instruction should be Chinese; and tuition fees may not be raised without approval (Garrett, 2004, p. 21). When compared to the Interim Provisions, the Regulations have some important features, namely: extending governmental support of vocational and higher education; strongly encouraging Chinese universities to cooperate with renowned overseas higher education institutions in launching new academic programmes; improving the quality of teaching and learning by importing highly qualified overseas educational resources to local institutions; and relaxing the restrictions on profit-making (R. Yang, 2008, p. 275).

Yang (2008) made a detailed analyses of the CFCRS based on the statistics of 2004. In 1995, there were only two officially approved Chinese and foreign cooperative programmes that could offer an overseas degree. By June 2004, the number of joint programmes had increased to 754, with 169 programmes qualified to award overseas degrees and 51,893 students enrolled in them. The degree programmes approved by the Chinese government are run in collaboration with 164 overseas
universities and colleges. Australia has the highest number of partnership institutions, followed by the USA, Hong Kong, Canada, France, and the UK (Figure 10). In terms of the levels of education, the master’s programmes overwhelmingly account for 68.3% followed by the bachelor’s level (27.5%), the postgraduate diploma (2.4%) and the doctoral level programmes (1.8%). By subject, most provisions are in the broad areas of business and management (61.0%), followed by IT (13.6%), engineering (7.3%), education (2.2%), law (1.7%), sports (1.7%), etc.

![Figure 10: Countries of origin of partnership institutions in 2004](image)


**Figure 10: Countries of origin of partnership institutions in 2004**

In 2007, the approved joint degree programmes numbered 200 (Lin, 2011, p. 28). Compared with the statistics from 2004, we see a rise of foreign higher education provisions in China from the UK and some other European countries such as France and Germany (Figure 11). Relatively speaking, Australia and the US have lost market share in China. One tendency in the development of CFCRS is that of bachelor’s degree programmes becoming dominating (73.5%). Since 2006, the MOE has in practice suspended the approval of CFCRS due mainly to quality concerns. During the past four years, several China-foreign cooperation programmes were discontinued due to poor management, dysfunction and/or poor quality.
Source: Lin (2011, pp. 28-29)

Figure 11: Countries of Origin of partnership Institutions in 2007

5.4. Administration of internationalisation of higher education

The responsibilities of internationalisation of education and research in Chinese higher education are distributed between national, regional and institutional bodies. At the national level, the major administrative organisations include the MOE, Chinese Academy of Sciences (CAS), the Chinese Academy of Social Sciences (CASS), the National Natural Science Foundation of China (NSFC), and the State Administration of Foreign Experts Affairs (SAFEA).

The MOE is responsible for international education affairs. For example, should a foreign university want to develop degree education provisions in China in cooperation with a local Chinese partner institution, the application is subject to the examination and approval of the MOE. It is also in charge of the administration of foreign student affairs in China, responsible for formulating the guidelines and policies concerning the enrolment of international students, administering the “Chinese Government Scholarship”, coordinating with and providing guidance for institutes of higher learning in all localities to enrol international students, and evaluating the quality of administration and education thereof. The enrolment of international students who are entitled to the Chinese Government Scholarship is subject to the examination and approval by the MOE. All applications for establishing a CFCRS offering programmes leading to academic qualifications at or above the bachelor level hall be subject to examination and approval of the MOE.

The Ministry has a few affiliate agencies that play different national coordination roles on education internationalisation. The China Scholarship Council (CSC) is the most important. The CSC provides financial assistance to Chinese citizens wishing to study abroad and to the foreign citizens wishing to
study in China in order to develop the educational, scientific and technological, and cultural exchanges and economic and trade cooperation between China and other countries. The China Scholarship Council is financed mainly by the states special appropriations for scholarship programmes. At the same time the CSC accepts donations from personages, enterprises, social organisations and other organisations at home and abroad. The MOE also entrusts the China Scholarship Council with the enrolment and specific administration of international students who fall within the state-planned quota.

Other agencies include *Hanban* (Confucius Institute Headquarters), and China Education Association for International Exchange (CEAIE). *Hanban* provides Chinese language and cultural teaching resources and services worldwide to meet the needs of foreign Chinese learners and contributes to the development of multiculturalism. It has been very active in setting up Confucius Institutes worldwide. Although it is affiliated with the MOE, CEAIE is officially registered as China’s nationwide non-governmental organisation conducting international educational exchanges. It plays a key role in China’s cooperation and exchange with education and research organisations in other countries in the non-governmental dimension.

CAS, CASS and NSFC are mainly involved in the internationalisation of higher education in terms of promoting international research cooperation through developing bilateral cooperation framework and joint funding with foreign counterparts.

The SAFEA is the administrative department of the Chinese government in charge of the national introduction of foreign intellectual resources from abroad and also in charge of sending Chinese technical and managerial professionals from government departments and enterprises on overseas training.

At the regional level, the administrative department of education of each regional government decides the enrolment of international students by each institute of higher learning, and is responsible for coordinating and administrating the enrolment of international students by institutes of higher learning within its administrative area. An application for establishing a Chinese-foreign cooperatively-run school offering associate degrees or for non-academic qualifications shall be subject to examination and approval of the regional education administrative department.

These days Chinese universities are becoming more independent in initiating and conducting activities on international education cooperation. Such activities include, but are not limited to, developing institutional bilateral cooperation frameworks, staff and student exchanges, joint research and teaching, recruiting international students, etc.
6. Challenges in the internationalisation of higher education

The major motivation for China to incorporate an international dimension into higher education lies in its desire to increase the quality of higher education and improve its international reputation. The government expects that an internationalised higher education will increase China’s competitiveness in the global economy. Thus, the internationalisation of higher education is not only an inevitable result of globalisation, but also a high priority in China’s development strategies. Throughout the efforts of the past three decades, internationalisation has had a significant impact on Chinese higher education development, in terms of the influx of high calibre international education resources, the import of advanced education and training models, and the development of a skilled labour force addressing the need for economic development. As a result, a number of Chinese higher education institutions have enhanced their visibility and recognition within the international community. In spite of these achievements, there is still much room for improvement. Chinese higher education faces the following challenges and dilemmas.

6.1. Ideological conflicts

The import of new educational concepts and ideas is limited by political and ideological reasons and considerations (Cai, 2004). As globalisation shapes the world by the logic of capitalism (Held & McGrew, 2000), China faces inevitable dilemmas embracing both socialist and capitalist ideologies. Issues concerning ideology and politics also become sensitive in the higher education sector. In his address to the 2001 Annual Education Working Conference the former Minister of Education, Chen Zhili stated, “we should distinguish the policy boundary for the openness of education and international cooperation after China’s entry into the WTO, in case of the socialist education being undermined by the influence of Western culture and values” (Chen, 2000). However, it is not easy to unravel Western ideologies from advanced Western education systems and educational philosophies. Such ideological concerns have remained on the agenda of Chinese higher education policy makers. As a consequence, China has to some extent limited its openness to the world. For example, select international websites (such as facebook, twitter, and wikipedia etc.) are blocked in China; online international education cannot be delivered to China; and the curricula and textbooks used in joint international education programmes must pass an approval examination by the authorities.

6.2. Low-quality foreign education resources introduced in China

There is a contrast between the governmental expectation on importing high quality foreign educational resources and the fact that many foreign higher education resources introduced to China are of lower quality. Some foreign universities involved in academic cooperation with Chinese partners are indeed renowned ones, but their actives mainly include staff exchange, research cooperation, guest lectures, and international seminars and conferences. When it comes to joint education provisions, it has been commonly agreed (Qin, 2007; Tan, 2009; J. Wang, 2005) that most of the programmes are in cooperation with unknown or newly developed foreign higher education institutions. There are only a very few exceptions. In many cases, foreign education providers come to China mainly for profit seeking purposes.
6.3. Unbalanced development

International education cooperation in China is not in balance between the developed coastal areas and western hinterland. China has had a discrepancy in the western and eastern regions in terms of economic development levels. The western regions comprise six provinces (Gansu, Guizhou, Qinghai, Shaanxi, Sichuan, and Yunnan), five autonomous regions (Guangxi, Inner Mongolia, Ningxia, Tibet, and Xinjiang), and one municipality (Chongqing), with a total population of approximately 370 million people, which accounts for 71.5% of the country’s total land area. To help the underdeveloped western regions catch up with the more prosperous eastern regions, China launched the “Western Development Strategy” in January 2000. Among many other measures, one important approach is to improve education in the western regions. Accordingly, the Chinese government encourages developing the CFCRS in the western areas of China. The recent statistics (Chinese Ministry of Education, 2009) show that almost 95% of the Chinese-foreign cooperative institutions and programmes are located in the eastern regions. In the western regions, only Sichuan, Chongqing, Shaanxi, Yunnan, Guizhou have some Chinese-foreign cooperative institutions and programmes, whereas the other seven provinces or autonomous regions have no such cooperative programmes at all.

6.4. Brain drain

While an increasing number of Chinese scholars and students go to study abroad, more remain in the countries where they study. According to the Overseas Chinese Study 2011 edited by Huaqiao (Overseas Chinese) University, from 1978 to 2009 only about 30 per cent of Chinese students have come back to the motherland after studying abroad (Gao, 2011). One particular dilemma is that the more internationalised/prestigious and better funded a Chinese university is, the more its graduates seek further studies abroad. When competing with foreign institutions on a global scale in attracting talent students, Chinese universities often find themselves disadvantaged. In the Chinese job market, there is also a pressing demand for internationally competent talents. Although it has been generally agreed that China’s relative economic success owes much to the tens of millions of overseas Chinese whether through their financial investments in China, their introduction of advanced ideas and technologies, as well as their cultural and business ties to the international community, there is a high expectation for more to return home. To address this, the Chinese government has taken a series of measures to attract overseas Chinese talents to return to China with the use of e.g. economic incentives (Welch & Cai, 2011, pp. 19-25).

6.5. Lack of degree programmes taught in English in broad areas

China has not developed a good international teaching environment for international students. Especially for many European students, one obstacle for them to study in China is the limited number of degree programmes taught in English. If an international student does not want to study Chinese language or participate in programmes where the language of instruction is Chinese, there are often few opportunities remaining for them in China. Nevertheless, there is a clear tendency towards an increasing number of English teaching programmes being established in Chinese
universities. More institutions are motivated and committed to strengthening their capacities in this regard.

6.6. Rigid legislative and administrative environment

Policy and administration lags a bit behind the needs of practitioners. Admissions of international and domestic students in Chinese higher education have been operated by two separate systems following different admission standards. For example, Chinese domestic students need to pass national higher education entrance examinations in order to study in an undergraduate programme in a Chinese university. However, when recruiting foreign students, each institution can decide on its own criteria for admission. As the foreign students access the Chinese higher education institutions via a different path, they are ineligible to be granted the same kind of degree as that attained by Chinese domestic students, despite studying in the same institutions. By the same logic, Chinese domestic students cannot receive degrees from programmes offered to international students. This makes it impossible to have both Chinese and international students studying in the same degree programme. Of course, Chinese institutions are motivated to arrange domestic and foreign students studying in the same classrooms. Moreover, when establishing joint degrees with foreign institutional partners, Chinese universities must apply and get the approval of the MOE. However, the bureaucratic and time-consuming approval processes make many Chinese universities reluctant to take the initiative. It indicates that individual universities still lack autonomy in some matters related to internationalisation.
7. Future prospects of China’s internationalisation

In spite of the aforementioned challenges, both the Chinese government and universities have come to realise that only with practice at an international level can Chinese higher education become globally competitive and eventually gain world-class status (J. Wang, 2009, p. 67). In so doing, Chinese higher education should be more open to the outside world with further international cooperation and exchange of education resources. This has been clearly reflected in the Outline of China’s National Plan for Medium and Long-term Education Reform and Development (2010-2020) (Hereafter referred to as the Outline 2010-2020) issued by the State Council in 2010.

The underlying theme of the outline is to build the foundation for a learning society by modernising the current educational system in its entirety. The main goal of a modernised Chinese education system is to be able to provide globally competitive human resources to the working world. In order to intensify the internationalisation, the following measures are suggested:

- To continuously promote international exchanges and cooperation
- To invite high-quality foreign institutions to run joint programmes or joint schools in China
- To attract more world-class scholars and researchers to work in China
- To introduce international text books and teaching materials
- To facilitate mutual recognition of academic credentials
- To cultivate internationally competitive talents
- To admit more international students in China
- To develop more programmes and courses taught in English
- To establish overseas campus of high-quality Chinese universities
- To improve the legal and policy framework in line with international rules

The main instruments in implementing these objectives, include: 1) providing more financial support for both Chinese students studying abroad and international students studying in China, 2) streamlining administrative procedures with respect to international issues, and 3) improving the conditions of Chinese higher education institutions to attract renowned foreign higher education institutions and scholars. In light of the outline as well as the emerging trends in China and the world, the following development tendencies in the next 10 years can be projected.

7.1. Highly talented high school graduates tend to study abroad

The demand for study abroad will continue to grow but its nature will be changed in terms of the composition of the source students and study destination countries. In the past decade, a vast volume of Chinese students chose to study in undergraduate programmes mainly because they could hardly gain entry into higher education in China or get enrolled in good Chinese universities. To avoid severe competition in China, they tried to complete their higher education abroad. For instance, Australia has received many Chinese students with these motivations in addition to immigration intents (M. Yang, 2007). It’s often the case that many Chinese students travel overseas to avoid flunking Gaokao, a course of action facilitated by their parents’ wealth, possibly saving them...
While this situation will continue, an emerging trend is that many highly competent high school students, who have the advantage in securing a study place in top Chinese universities, also join the force of studying abroad but with a different motive; i.e. pursuing high quality education and in turn enhancing their employability. Therefore, their target study destinations are prestigious overseas universities, especially American universities. Compared to getting into Tsinghua or Peking University through *Gaokao*, there are more chances for them to get into a first class foreign university (Q. Wang, 2011). Instead of preparing for *Gaokao*, many of these students devote their time to the SAT (the US-based Scholastic Aptitude Test), needed for their application to higher education institutions in the US. Because there are no SAT test centres in China, candidates travel to Hong Kong or other countries to take the test. It has been reported that the number of students sitting for the SAT in Hong Kong rose from 200 in 2002 to 20,000 in 2010, and the student boom has already raised the admissions standards of many American universities (W. Wu, 2011). Nevertheless, the majority of high school students with plans of studying abroad only prepare for TOEFL or IELTS.

As the tests for studying abroad have a different orientation and focus from *Gaokao*, students need other kinds of training than the traditional curriculum in Chinese higher schools. To respond to these students’ needs, some Chinese schools, mainly in Beijing and Shanghai, have started to offer separate or special courses for those who intend to study abroad, including training for the SAT (Q. Wang, 2011). In 2010, even the MOE started to encourage high schools to assist students seeking overseas study options (N. Yang, 2011). Parallel with international classes and courses in public schools, students can receive additional support from private professional training agencies (W. Wu, 2011).

The Outline 2010-2020 re-affirms the policy of “supporting students to study abroad, encouraging them to return upon finishing their studies, and they are free to return or leave” and also states that “the services catering for those studying abroad will be improved”. Within such policy framework, the increase in the number of higher school graduates, especially high-quality ones, leaving to study abroad will continue to rise. Although a long-term demographic decline will reduce the pool of prospective students, it is unlikely that the absolute number of student studying abroad will diminish. In some higher schools in Beijing, more than half of the hundreds of their graduates received admission offers from foreign higher education institutions in 2011, a 40-50% increase from the previous year (Q. Wang, 2011).

In terms of study destinations, the traditional study destination countries, such as the US, the UK and Australia, will basically retain their positions. Their market share will be gradually taken by more European countries for two reasons. First, the Erasmus Mundus programme will increasingly enhance the visibility and reputation of European higher education institutions. Second, a number of European countries, including some traditional welfare states (Denmark, Finland and Sweden) have introduced a market approach to international higher education, with the aim of exporting higher education and improving the quality and competitiveness their respective ‘products’. Although many of these countries lack the same advantages as English speaking countries, motivated by competitive
pressures they will catch up in the international education market by promoting their own unique characteristics and attractiveness.

7.2. Influx of returned overseas students

A large proportion of Chinese students who seek higher education abroad will return to China to aid in building the country’s ever-increasing economy and enhance its global status. Compared with the competitive and limited labour market abroad, more job opportunities will be available at home. Some reports may remind one of a seemingly saturated graduate labour in China. For instance, the graduate employment rate stood at less than 70% in 2008 (M. Zhou & Lin, 2009) and 60% in 2009 (Nick, 2011). However, many employers find the problem is that they often fail in recruiting the graduates they want (Y. Wang, 2008, p. 506). This implies a substantial deficit of competent labour force factors in China, as pointed out by the Report on Chinese Talents (Chinese Ministry of Personnel, 2005). To fill the gap, the Chinese government always sees the overseas Chinese as an importance of source of supply. To attract overseas Chinese to work in China, a number of policies and funding programmes have been launched. The most recent one is the Thousand-Talent Scheme implemented in 2009, which is intended to tempt 2,000 academics and industrial leaders back to China in the next 5 to 10 years, by offering salaries at international standards. In addition to the domestic labour market, job opportunities are also provided by soaring foreign business operations in China. Foreign companies in China aim to employ more local talents than expatriates, but are experiencing a severe shortage of skilled professionals, especially managers with international experience and skills (Moody, Yang, Jing, & Yu, 2011).

7.3. New era of joint education provisions in China

There will be a rise of foreign higher education provisions in China in cooperation with local Chinese institutional partners. The Outline 2010-2010 has signalled that the Sino-foreign Cooperation in Running Schools will be encouraged and expanded. With an aim to provide policy advice for the government and train professionals needed in the practices of running joint programmes, the Research Institute on Sino-foreign Cooperation in Running Schools was established in 2010, jointly organised by Xiamen University and the University of Hong Kong. The government expects that through importing international educational ideas, curricula and teaching staff, more talent with international skills and perspectives will be cultivated in China to meet the needs of economic development. Having more foreign education in China is also considered by the government as a way to prevent brain drain. However, the government will raise the threshold, meaning only those prestigious and high-quality foreign partners can be granted permission to China.

7.4. Expansion of Chinese education export

China is going to grow as a major education exporting country. Chinese MOE has set a goal that China will host up to 500,000 international students (of which 150,000 degree students) in 2020, becoming the top destination for foreign students in Asia. There would be more scholarship available to international students as well. Meanwhile, China has ambitions of establishing more university campuses abroad, in addition to Confucius institutes.
8. Suggestions for Norway

In recent years, Norway has placed more emphasis on China, and the issues related to China have become a higher priority in its agenda for economic development. As such, the stakeholders of higher education, including both government and business sectors, are willing to exert influence on higher education through policy and financial intervention. The aim is to enhance the dialogue and cooperation between Norwegian and Chinese higher education entities at both governmental and institutional levels, in order to maximise potential economic interest in the Chinese market. Driven by Norwegian governmental initiatives and encouragement, the following activities on cooperation between Norwegian and Chinese higher education are especially expected.

- Sending more Norwegian students to study in China both to learn Chinese language(s) and study academic programmes,
- Recruiting high quality Chinese students to study in Norwegian universities, especially in those disciplines where the number of domestic applicants is insufficient,
- Establishing research cooperation with Chinese universities and top experts in the fields where Norway has the best expertise.

Currently, Norway has increased its activities in these areas and is tending to catch up with other European countries. In this regard, Norway has made visible achievements. Nevertheless, Norwegian government and higher education institutions can further develop their strategies on entering the Chinese education market and cooperating with Chinese universities. Here are some suggestions in this regard.

8.1. Towards harmonisation

From a strategic perspective, the success of Norway’s efforts in cooperating with China in higher education lies in its ability to harmonise Norwegian priorities and Chinese development goals. In short, China’s interest in the internationalisation of higher education lies in three key aspects, namely meeting local educational demand, improving the quality of skilled labour, and increasing its international reputation and competitiveness (Cai, 2011). However, the Chinese government is so far not satisfied with results in terms of the level of international cooperation and the quality of imported education resources. Therefore, China has shifted its focus from encouraging just any kind of international cooperation supporting Chinese universities to only working with high-quality foreign higher education institutions. Against this background, Chinese universities have become more rational in selecting their foreign institutional partners. Regarding why Chinese universities seek foreign university partners for collaboration, Willis (2006) conducted an investigation on the motivating factors behind a significant area of alliance activities and identified a range of reasons driving the Chinese Higher education institutions to form alliances with foreign universities. Among those, the top three reasons are as follows. First, Chinese universities were encouraged by the government to develop alliances so that they could offer a wide range of courses and programmes, which could speed up the economic development in China. Second, through cooperating with foreign institutions, the Chinese universities could enhance their image, status and competitive
position. Third, Chinese universities wish to internationalise themselves and to be part of a global academic community, by means of establishing alliances with foreign universities. All in all, the quality of foreign institutions must be high and the cooperation must serve local interests.

When Norway develops strategies on cooperating with Chinese universities and entering the Chinese education market, it must bear in mind what aspects of Norwegian higher education China can benefit from. In fact, Norway’s expectations and China’s interests on internationalisation basically supplement each other as shown in Table 6.

**Table 6 Norway’s expectations and China’s interests in internationalisation of higher education**

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<thead>
<tr>
<th>Norway’s expectations</th>
<th>China’s interests</th>
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<tr>
<td>• Recruiting Chinese students to study in Norway</td>
<td>• Meeting growing demands for higher education</td>
</tr>
<tr>
<td>• Education and research cooperation with Chinese universities</td>
<td>• Increasing international reputation and competitiveness</td>
</tr>
<tr>
<td>• Sending Norwegian students to study in Chinese higher education</td>
<td>• Attracting international students to study in China</td>
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8.2. Promoting the image of Norwegian higher education in China

While there is a good basis for cooperation between the two countries within higher education, one precondition is that the image of Norwegian higher education be perceived by the stakeholders in China (namely the government, universities, students and employers) as being of high quality. Although Norway is quite confident in its quality of higher education, the reality is that Norwegian higher education is in general not well known in China. Therefore, the key challenge for Norway lies in informing and convincing the Chinese people of the merits of the Norwegian higher education system. Once this objective is achieved, higher education cooperation between the two countries should proceed smoothly. Unfortunately, the true quality of education can hardly be measured, and in practice, Chinese students tend to use any form of information generated by the markets, such as university rankings, students’ awareness, and information available in public media, as arguments in their choices when pursuing overseas education (Marginson, 2006). In Norway, only the University of Oslo is among the top one hundred in the most popular international university rankings, whereas most of the rest of the institutions are disadvantaged in this regard.

Then how should Norway respond? They should think what aspects of Norwegian higher education may attract Chinese universities and students through influencing the information exchange in the markets. Attractiveness is not solely a matter of quality or reputation, but also concerns Chinese students’ interests and even the Chinese national interests. What are these elements? When seeking answers for this question, one should think beyond the higher education sector. For instance, attractive characteristics and the reputation of Norwegian society and industry can also be relevant here, if their relevance to higher education is acknowledged. Once these messages are developed,
they must be promoted in the market effectively. However, Norway has not yet systematically developed an awareness of the unique attractiveness of its higher education system amongst international students in general and Chinese student in particular. The promotion of Norwegian higher education in China is insufficient with respect to stated goals.

8.3. Attracting gifted Chinese students by using a tuition free policy

Among other things, tuition free education is certainly attracting many Chinese students to study in Norway. For the same reason, many Chinese universities are likely to cooperate with Norwegian institutions on student exchange programmes. With the introduction of tuition fees for non-EU students in Denmark, Sweden and Finland (still in the pilot stage), Norway is one of the few countries that do not charge tuition fees for international students in public higher education institutions.

The tuition free policy is a good marketing tool when promoting Norwegian higher education in China. It can in the first instance draw people’s attention as it has been taken for granted in China that overseas higher education is a big investment. Taking a degree programme in the USA and UK normally costs around 20,000-30,000 euros, including both tuition fees and living costs. Even though China’s growing middle class has provided a spur to the trend of outflow of students to these countries, for most Chinese students (including many gifted ones) this is not affordable. Norway should wisely utilise the advantage of free education, plus governmental scholarship, to attract first-class Chinese students to study in Norway. To avoid a situation in which only the less gifted students will apply, Norwegian institutions must remain active and invest in student recruitment. At the moment, Norwegian institutions are still quite passive in this respect. Student recruitment from China is still excessively student demand driven. Another challenge for Norway in attracting top Chinese middle school graduates is that there are a very few bachelor’s degree programmes taught in English.

It is obvious that Norway’s expectations of recruiting Chinese students are not driven by hopes of revenue generation. Rather, the exchange of international students between China and Norway is expected to enrich mutual cultural awareness and capacity building. For this purpose, the quality of students does matter. Recruiting foreign students for degree studies not only provides new opportunities for contacts between students, researchers and institutions, but also provides a firm basis for economic cooperation. Student exchange programmes between China and Norway can create immediate opportunities for Norway’s business with China. Long-term benefits for Norway’s business interests with respect to China will be achieved through the development of a mutual awareness and understanding. Due to the large differences in societies, ideologies and cultures, the two sides should make full use of their educational resources to expand cultural exchanges in order to boost understanding and friendship between their peoples.

8.4. More research links to China

To respond to the growing role of China in the world, Norwegian universities should adjust their study programmes and conduct corresponding research with links to China. Recruiting Chinese postgraduate students to Norwegian international PhD programmes will be one way of establishing joint
research groups and a way of creating sustainable research cooperation. The Fudan Centre is a good example of the joint Nordic effort to build up capacity for cooperation in the Chinese territory. The EU research framework can also be used to form research cooperation with Chinese universities.

8.5. Building Trust

In the building of relations with Chinese universities, trust and guanxi play a crucial role. Guanxi, roughly translated as a personal relationship or connection, is a specific term for Chinese relationships combining cultural characteristics in terms of social networks with the deliberate process of building a Chinese business network. Western people normally build transactions, and if successful, a relationship will be ensured. However, the Chinese believe that prospective partners should build a relationship first, and if successful, transactions or effective activities will follow. To build trust and cement relations, the best way is working with people. Norwegian universities should start with visiting staff and academic exchanges with Chinese universities. It is an effective approach to building relevant networks and trust. Only when trust is established, can Norwegian universities expect a substantive harvest. As written by the Netherlands Education Support Office in China (NESO, 2010, p. 37): “Institutional cooperation (in China) is not established overnight ... it requires a substantial amount of planning, exchange and commitment”.

9. References


10. Appendix 1: List of Project 211 institutions (Alphabet order)

1. Anhui University
2. Beijing Foreign Studies University
3. Beijing Forestry University
4. Beijing Institute of Technology
5. Beijing Jiaotong University
6. Beijing Normal University
7. Beijing University of Aeronautics and Astronautics
8. Beijing University of Chemical Technology
9. Beijing University of Chinese Medicine
10. Beijing University of Posts and Telecommunications
11. Beijing University of Technology
12. Central Conservatory of Music
13. Central South University
14. Central University of Finance and Economics
15. Chang’an University
16. China Agricultural University
17. China Pharmaceutical University
18. China University of Geosciences
19. China University of Mining and Technology
20. China University of Petroleum
21. China University of Political Science and Law
22. Chongqing University
23. Communication University of China
24. Dalian Maritime University
25. Dalian University of Technology
26. Donghua University
27. East China Normal University
28. East China University of Science and Technology
29. Fourth Military Medical University
30. Fudan University
31. Fuzhou University
32. Guangxi University
33. Guangzhou University of Traditional Chinese Medicine
34. Guizhou University
35. Hainan University
36. Harbin Engineering University
37. Harbin Institute of Technology
38. Hebei University of Technology
39. Hefei University of Technology
40. Hohai University
41. Huazhong Agricultural University
42. Huazhong Normal University
43. Huazhong University of Science and Technology
44. Hunan Normal University
45. Hunan University
46. Inner Mongolia University
47. Jiangnan University
48. Jiangxi Agricultural University
49. Jiangxi Normal University
50. Jilin University
51. Jinan University
52. Lanzhou University
53. Liaoning University
54. Minzu University of China (formerly known as the Central University for Nationalities)
55. Nanchang University
56. Nanjing Agricultural University
57. Nanjing Normal University
58. Nanjing University
59. Nanjing University of Aeronautics and Astronautics
60. Nanjing University of Science and Technology
61. Nankai University
62. National University of Defense Technology
63. North China Electric Power University
64. Northeast Agricultural University
65. Northeast Forestry University
66. Northeast Normal University
67. Northeastern University
68. Northwest A&F University
69. Northwest University
70. Northwestern Polytechnical University
71. Ocean University of China
72. Peking Union Medical College
73. Peking University
74. Renmin University of China
75. Second Military Medical University
76. Shandong University
77. Shanghai International Studies University
78. Shanghai Jiao Tong University
79. Shanghai University
80. Shanghai University of Finance and Economics
81. Sichuan Agricultural University
82. Sichuan University
83. South China Normal University
84. South China University of Technology
85. Southeast University
86. Southwest University
87. Southwest Jiaotong University
88. Southwestern University of Finance and Economics
89. Sun Yat-sen University
90. Soochow University
91. Taiyuan University of Technology
92. Tianjin Medical University
93. Tianjin University
94. Tongji University
95. Tsinghua University
96. University of Electronic Science and Technology of China
97. University of International Business and Economics
98. University of Science and Technology Beijing
99. University of Science and Technology of China
100. Wuhan University
101. Wuhan University of Technology
102. Xiamen University
103. Xi’an Jiaotong University
104. Xidian University
105. Xinjiang University
106. Xinjiang Medical University
107. Xizang University
108. Yanbian University
109. Yunnan University
110. Zhejiang University
111. Zhengzhou University
112. Zhongnan University of Economics and Law
11. **Appendix 2: List of project 985 institutions (Alphabet order)**

**Tier 1**

Goal: To become top universities in the world

1. Peking University
2. Tsinghua University

**Tier 2**

Goal: To become top universities in China and well-known in the world

3. Beijing Institute of Technology
4. Beijing Normal University
5. Beihang University
6. Central South University
7. Minzu University of China
8. China Agricultural University
9. Chongqing University
10. Dalian University of Technology
11. East China Normal University
12. Fudan University
13. Harbin Institute of Technology
14. Huazhong University of Science and Technology
15. Hunan University
16. Jilin University
17. Lanzhou University
18. Nankai University
19. National University of Defence Technology
20. North-western Polytechnic University
21. North-eastern University
22. Northwest A&F University
23. Nanjing University
24. Ocean University of China
25. Renmin University of China
26. Southeast University
27. Shanghai Jiao Tong University
28. Shandong University
29. Sichuan University
30. South China University of Technology
31. Sun Yat-sen University
32. Tianjin University
33. Tongji University
34. University of Electronic Science and Technology of China
35. University of Science and Technology of China
36. Wuhan University
37. Xi'an Jiao Tong University
38. Xiamen University
39. Zhejiang University
Center for internasjonalisering av utdanning