

Hong Kong higher education in the 21st century

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Abstract

Higher education, which comprises public and private universities together with self-financed community colleges, is an important component of the education in Hong Kong. Comprehensive reviews and reforms on higher education have been carried out in Hong Kong since the 1990s when it witnessed the processes of both quantitative expansion and qualitative consolidation, which led to several significant changes facing the higher education system. Some of the most remarkable issues include the institutionalization of quality assurance mechanisms, the reorientation of the government-university relationship, the growth of private higher education institutions, and the internationalization of higher education to cater for Hong Kong's strong intention to become a regional education hub. Examining the major developments of higher education in Hong Kong in the twenty-first century, this article analyzes the ways higher education has been transformed by the aforementioned four trends.

Keywords

higher education, quality assurance, internationalization, government-university relationship, private universities

1. Introduction

Hong Kong is not immune from a global trend of higher education reform which aims at improving the quality of education and maintaining its relevance to socio-economic needs in the age of globalization when market forces and competitions are the core values. Globalization has been considered a strong rationale for restructuring the existing higher

education sector with the injection of new ideas of governance and management, which adhere to the business-oriented culture and practices prevailing in the private sector in response to the deep influence of public sector reforms spreading. The image of being ivory tower can no longer be sustained for universities as they are expected to make more contributions to research and development in order to enhance their international ranking and reputation.

The development of higher education has aroused widespread concerns among stakeholders of the sector, including university leaders, academics and students. Various stakeholders have made their voices heard concerning the changing environment facing higher education in recent years when there has been ever growing social expectation on education outcomes by admitting more students on one hand and by producing a larger pool of well-educated and skilled manpower for socio-economic needs on the other. While universities are supposed to be more adaptive (Sporn, 1999), enterprise-oriented (Marginson & Considine, 2000) and entrepreneurial (Clark, 1998, 2004), both Lucas (1996) and Readings (1998) warn against a crisis looming to the higher education sector for universities have been under growing political pressure for reform in face of more acute competition for public or government resources which have become more limited as a consequence of more stringent budgetary control. In fact, as what Kennedy (1997) suggests, universities are controversial places, and they have drawn intense public scrutiny on their obligations and duties in order to regain public trust. Under this circumstance, academics' work turns out to be more demanding for they have to teach, publish, serve, and even risk change.

For higher education, many changes have been observed in the sector since the 1990s when it witnessed the process of massification or the rapid expansion of higher education with a significant increase in the numbers of both students and degree-awarding higher education institutions. This article analyzes the ways higher education has been transformed by identifying major issues facing higher education that are affecting the development of higher education in Hong Kong. These issues include the institutionalization of quality assurance mechanisms, the reorientation of the government-university relationship, the growth of private higher education institutions, and the internationalization of higher education to cater for Hong Kong's strong intention to become a regional education hub. There are four sections following this introductory section. The article commences by an analysis of the policy context of higher education in Hong Kong since the 1990s. The next section examines major issues facing higher education in Hong Kong. The penultimate section discusses major trends shaping the development of higher education in Hong Kong. The final section concludes the discussion.

2. Policy context

Globalization has significant impacts on how higher education to evolve and transform. Closely associated with higher education is the cluster of aims, values and general ideas, including the pursuit of truth and objective knowledge, research, liberal education, institutional autonomy, academic freedom, a neutral and open forum for debate, rationality, the development of the students' critical abilities, autonomy, and character formation, the provision of a critical centre within society, and the preservation of society's intellectual culture (Barnett, 1990). The university is a place of teaching universal knowledge where persons of broad knowledge, critical intelligence, moral decency, and social sensitivity are produced (Newman, 1996). It is expected to serve as the protecting power of all knowledge and science, fact and principle, inquiry and discovery, and also experiment and speculation. Modern universities have been developed following the Humboldtian model in Germany with more emphasis placed on science, research, graduate instruction, and the freedom of professors and students (Kerr, 2001). They have to strive not only for survival but also performance and resources for their sustainable development. In the age of supercomplexity, universities no longer monopolize the production of knowledge, but they continue to be a major producer of new frameworks for understanding through more vibrant research activities. What universities do is to prepare the students to cope with the world of supercomplexity, which is partly a result of globalization and the information technology revolution, with the qualities of self-reliance, adaptability and flexibility. Moreover, universities need to reconsider its enlightenment role in advancing the level of general understanding in society. It is a must for universities to adapt to new demands which would require radical changes in management and leadership (Barnett, 2000a, 2000b). Moreover, universities should ensure different views, ideas, and voices to be exposed to wider audiences (Barnett, 1997).

The impact of globalization on the policy context of higher education has been widely attended. Globalization refers to a set of processes leading to a rapid integration of the world into one economic space through increased international trade and the internationalization of production and commodity culture with the *laissez-faire* principle (Bottery, 2000; Stromquist & Monkman, 2000). It is closely associated with neoliberalism which "sees the market as the most effective way of determining production and satisfying people's needs" (Stromquist, 2003, p. 25). According to Carnoy (2000), the relationship between globalization and educational change can be revealed not only from the expansion of higher education to cope with economic restructuring but also from the strong emphasis on the quality of education which is translated into quantifiable and measurable performance indicators to be compared at the international level. Certain reforms of higher education are finance-driven as universities are allowed more flexibility and autonomy in exchange for greater accountability. Higher education is not surprisingly

subject to financial constraints as a consequence of the shift towards neoliberalism and the rise of economic globalization (Bottery, 2000; Schugurensky, 2003). In this global context, universities are linked to the market and become more customer-oriented. They are under greater pressure to produce consumer satisfaction with an emphasis on market-oriented effectiveness. The role of university management has been strengthened with the cultivation of entrepreneurial culture within universities. The adoption of quality assurance and performance indicators comes with competition among universities for revenues and resources and the application of business principles and practices in university administration (Currie & Newson, 1998; Peters, Marshall, & Fitzsimons, 2000; Stromquist, 2003; Stromquist & Monkman, 2000; Taylor, Rizvi, Lingard, & Henry, 1997). Putting this global context to Hong Kong's higher education, performance indicators have become more important when the allocation of public funding is not only based on student enrollments but also the competition for performance-based research funds. The General Research Fund under the Research Grants Council, which is part of the University Grants Committee (UGC), is a competitive funding scheme that enables academics to compete for research funds based on their own track records and the originality, merit, contribution and significance of their research projects. The overall successful rate of applications to General Research Fund between 2008 and 2012 was around 30-40 percent. For instance, in 2011-12, when a total of HK\$557.5 million were allocated, the success rate was 31 percent, which is 10 percent lower than 2008-09 when HK\$512.5 were allocated (Research Grants Council of Hong Kong, 2012). Moreover, there is the Research Assessment Exercise (RAE), which was first conducted in 1993-94, to assess the research output performance of the UGC-funded institutions. The proportion of the active researchers at each cost centre is treated as a factor in determining the allocation of research funding for the next triennium. The second round of RAE was conducted in 1996 and the third in 1999. The fourth round was carried out in 2006 when the UGC decided to have the exercise undertaken at six-year intervals instead of three years after the third RAE in 1999. The RAE in 2006 served as the basis for distributing of block grants for research among the eight UGC-funded institutions in the triennium of 2008-11 (University Grants Committee [UGC], 2004). The fifth round of RAE has been scheduled in the academic year 2014-15.

Apart from the development of performance-based funding mechanisms in the higher education sector, universities have to cope with the influence of managerial globalization which refers to the professionalization of management in tandem with the adoption of the more directive and assertive management style commonly found in the private sector. More professional managers are expected to play a more important role to lead universities and also to learn from other countries or institutions for the best practices of management (Bottery, 2000). Under the pressure for being more efficient, universities like other public sector institutions have to become more businesslike and incorporate good

practices of business management whilst professional managers should be innovative, dynamic, flexible, transparent, customer-centred, and strategic (Whitty, Power, & Halpin, 1998). Moreover, the language of efficiency, empowerment, rationality, and transparency dominates the ongoing processes of education reforms and restructuring in most parts of the world (Apple, 2001). Outcomes and outputs are measured against the goals, roles, and objectives set by universities and higher education institutions (Taylor, Rizvi, Lingard, & Henry, 1997). The notion of “fitness for purpose” has been emphasized for higher education in Hong Kong. For university governance and management systems, it is necessary to strike a balance between individual ability, institutional excellence, and adequate resources (UGC, 2002). While universities have to comply with the principle of public accountability, the collegial forms of decision-making have been considered an obstacle to managerial rationalities (Bok, 2003).

The higher education sector in Hong Kong has similarly experienced rapid expansion and also more keen competition for funding, students, and academics since the 1990s. These changes also gave rise to the introduction of quality assurance systems with certain key performance indicators on teaching, research, and management (Postiglione, 1996). Performance-based funding mechanisms were introduced to boost the research performance among the UGC-funded institutions. These policy initiatives were made to ensure the universities to be more efficient, more accountable to the public, more cost-effective, and more responsive to socio-economic needs (Schugurensky, 2003). Changes like the development of Hong Kong as a regional education hub, the admission of a larger number of non-local students, and the restructuring of the university academic and curriculum structures are bringing many changes to higher education practitioners and stakeholders (Postiglione, 2002). Moreover, there are also widespread concerns about preserving the core values of academic freedom, institutional autonomy and internationalism (Postiglione, 1997).

As discussed earlier, the policy context of higher education is influenced by globalization, which points to the rise of neoliberalism with the supremacy of market forces. This also denotes a reorientation of the relationship between universities and government for the latter is not a service provider but a service purchaser to allocate resources according to the former’s performance and achievements which are demonstrated through various quality indicators on the teaching, research and management aspects. With a strong emphasis on market competition among institutions, the notion of “quality” is understood from the educational and business perspectives. In order to maximize the value for money and improve cost-effectiveness and market relevance, the higher education sector is subject to much closer external scrutiny under the government’s funding body or the UGC, which performs its role as a service purchaser to ensure the quality of service providers. In addition, with the rise of managerialism, collegiality has

gradually been taken over by corporate rationality in the decision-making processes in universities (Schugurensky, 2003).

3. Major issues of higher education

In this policy context, certain issues facing the higher education sector in Hong Kong have emerged and become dominant in the twenty-first century. These issues include the institutionalization of quality assurance mechanisms, the reorientation of the government-university relationship, the growth of private higher education institutions, and the internationalization of higher education to cater for Hong Kong's strong intention to become a regional education hub. This section examines these issues and their impacts on higher education development.

3.1 Institutionalization of quality assurance

The UGC defines quality assurance as “the maintenance of the highest possible standards, both in teaching and learning and in research, which are commensurating with an institution's agreed role and mission” (UGC, 2002, p. 18). Universities are responsible for upholding the quality of education and research in order to maintain their competitiveness in the global market competition in higher education. Meanwhile the UGC has introduced and managed a series of quality assurance mechanisms covering three major areas of higher education institutions, namely research, teaching and learning, and management. As mentioned in the previous section, the allocation of research funds is subject to performance-based assessments and competitions. Apart from assessing the research performance, several reviews on the teaching and learning quality assurance processes and the institutional management were carried out. Teaching and Learning Quality Process Reviews (TLQPR) were carried out twice in 1995-97 and 2001-03. The objectives of TLQPR were to focus attention on teaching and learning, to assist institutions to improve their teaching and learning quality, and to enable the UGC and the institutions to discharge their obligation to be accountable for quality (UGC, 1999).

Furthermore, Management Review (MR) was conducted in 1998-99 by the UGC to ensure individual institutions having the capacity and effective processes to manage devolved funds and resources to achieve their aims and objectives in face of financial reduction of 10 percent of the higher education budget between 1999 and 2001 (French, 1999, January). MR was aimed to support the institutions in enhancing the quality of management, to discharge the UGC's accountability for ensuring that devolved funds and resources are managed appropriately, and to enhance the effectiveness of institutions' internal resource allocation, planning and financial processes. The review was also aimed to promote the sharing of experiences and best practices by the institutions in the areas of internal resource of allocation, planning and financial processes relative to the institutions' academic plans and objectives.

In 2007, the Quality Assurance Council (QAC) was set up as a semi-autonomous non-statutory body under the aegis of the UGC to carry out external quality audits targeting on the quality of teaching and learning in place of TLQPRs. The first audit was carried out on a four-year cycle between 2008 and 2011. The main objective of QAC audits is to assure the quality of student learning in UGC-funded institutions and ensure the UGC-funded institutions can deliver on the promises they make in their mission statements in line with the notion of “fitness for purpose” especially in the area of teaching and learning. What the QAC concerns is about the quality of student learning rather than research and managerial activities, which are only covered in the audit when they affect the quality of teaching and learning (Quality Assurance Council, c. 2007). The audit reports on individual UGC-institutions were released between 2008 and 2011 whereas individual institutions’ progress reports in response to the audit reports’ recommendations were released between 2010 and 2013. The second round of QAC audits, which would be carried out over a two-year period, would focus on promoting the enhancement of teaching and learning, and on assessing the strengths and weaknesses of current academic practice. More attention would be given to institutional strategies and policies for global engagements on the ways how students can participate in an increasingly global community, together with more specific coverage of taught postgraduate programmes and research training programmes (Quality Assurance Council, c. 2011). These developments reveal an irreversible trend of institutionalizing performance-based assessments and quality assurance in the higher education sector. However, the imposition of these quality assurance mechanisms has been criticized as a means not to improve the quality of education but incur much greater pressure for academics and university managers to comply with numerous quantifiable performance indicators.

3.2 Reorientation of government-university relationship

The transition from quantitative expansion to qualitative consolidation since the 1990s has come with a more prominent role played by government in setting the direction of higher education development in Hong Kong. The UGC, as the government’s funding body and also policy adviser on higher education, has put more pressure on universities to modify the governance and management systems in order to improve their accountability. For instance, the University of Hong Kong (HKU) was the first UGC-funded institution underwent the governance review in 2003. One of the most significant changes was that the faculty deans would no longer be elected by academics. Instead they would be appointed by the top management according to the vice-chancellor’s recommendation (University of Hong Kong, 2003). This reflects the changing relationship between government and universities as the former has been more eager to look into higher education policy matters partly because of the policy to develop Hong Kong into a regional education hub. Furthermore, the rationale behind the government’s more proactive role in higher education is to ensure the public money for higher education being

spent smartly and wisely, and the universities can serve the political, social and economic needs. Apart from this, a few controversial incidents have aroused widespread concerns over the changing government-university relationship over the first decade of the twenty-first century.

Since 1997, Hong Kong has been run according to the “one country, two systems” principle. According to the Basic Law of Hong Kong, all educational institutions, including universities and higher education institutions, should be allowed to preserve institutional autonomy and academic freedom (National People’s Congress, 1990, Article 137). Inherited from the British model and tradition of higher education, both institutional autonomy and academic freedom remain the most sacred values upheld by the academic community in Hong Kong. Whether institutional autonomy and academic freedom can be preserved in Hong Kong has drawn widespread concerns after 1997, when there were a few incidents triggering controversies over political interference in academic work. The first of such incidents happened in 1999 when the opinion polls on the popularity of the government conducted by a HKU’s research centre headed by Robert Chung were not welcomed by then Chief Executive Tung Chee-Hwa, whose aide paid a visit to HKU’s vice-chancellor to seek for his promise for not proceeding to opinion polls targeting on the performance of the government. The incident was resulted in the resignation of the vice-chancellor and the removal of the aide of then Chief Executive. Moreover, the incident was considered an infringement of the core academic value of academic freedom in a sense that academics should bear zero tolerance over political intervention into research and teaching (Currie, Petersen, & Mok, 2006; Postiglione, 2002).

The second incident, which took place in 2002, is concerned about the merger plan between the Chinese University of Hong Kong (CUHK) and Hong Kong University of Science and Technology (HKUST) as put forward by the former Secretary for Education, Arthur Li, who served as CUHK’s vice-chancellor in 1997-2002, to integrate the two universities into a strong comprehensive world-class university in Hong Kong. Nevertheless, due to the strong resistance of academics in both universities in response to the merger plan, the idea of having a merger between the two universities was not pursued in place of other viable initiatives of institutional collaboration and integration (UGC, 2004). The government subsequently proposed an idea of merging CUHK with Hong Kong Institute of Education (HKIED) so as to strengthen the latter’s research capacity and also its reputation. Rather than a merger, a deep collaboration approach was deemed more appropriate and thus adopted. As a consequence, both institutions engaged in offering some joint undergraduate programmes with an aim of improving the quality of teachers’ training in Hong Kong. These two merger proposals were perceived as attempts by the government to intervene directly how certain universities should be run and to impose important policies with a top-down approach regardless key stakeholders’ responses and

reactions. In short, what the government did turned out to be violating the principle of institutional autonomy.

The third incident happened in 2007 when the senior management of HKIEd, after the contract of its president Paul Morris was not renewed, disclosed that then Permanent Secretary for Education, Fanny Law, filed a complain to the institution against a few academics who critics and commentaries published in the local press had obstructed the smooth implementation of education reforms and policies. Moreover, Arthur Li was accused of posing a threat to the HKIEd's senior management on cutting the number of student enrollments if the merger plan with CUHK was not accepted. Meanwhile, the senior management was also asked to issue a statement condemning a group of surplus teachers and a teachers' union for protesting against the government's refusal to secure those surplus teachers' jobs in primary and secondary schools. In face of these controversies between government and HKIEd, then Chief Executive Donald Tsang appointed an independent commission to inquire into these allegations in relation to HKIEd in the same year. While the two allegations against Arthur Li and the government's improper interference with institutional autonomy of HKIEd were not established, the one against Fanny Law on her improper interference with academic freedom enjoyed by a few academics working in HKIEd was established (Yeung & Lee, 2007).

These incidents as mentioned above inevitably aroused widespread concerns, not only in the academic community but also the society, about the preservation of academic freedom and institutional autonomy by universities and higher education institutions. Meanwhile, the government's more proactive role in higher education development cannot be denied.

3.3 Growth of private higher education

The first decade of the twenty-first century witnessed the emergence and growth of private higher education in Hong Kong, which has long been dominated by the publicly-funded universities and higher education institutions. This is a result of a major policy shift to have a more diversified higher education system which is expected to comprise not only the UGC-funded institutions but also other private or self-financed higher education institutions with different strengths and specialties to cater for the ever growing demands for higher education in and out of Hong Kong, especially the Chinese mainland which is now a dominant source of non-local students for higher education in Hong Kong. It is believed that private higher education can not only diversify the sector but also provide more choices for students to choose from and also provide alternative pathways for students to receive higher education without relying overwhelmingly on the few UGC-funded institutions.

In line with the policy of encouraging more private higher education institutions or even universities to run in Hong Kong, a breakthrough development took place in 2008 when Shue Yan College was eventually granted the university status and formally upgraded to be the first private university. Other privately-run or self-financed local post-secondary colleges have planned to develop as private universities in the future, such as Chu Hai College of Higher Education, Hang Seng Management College, and the Caritas Francis Hsu College, which is run by the Catholic Diocese in Hong Kong. Some existing universities also involve in providing self-financed degree programmes. In 2012, Centennial College was set up by HKU to provide four-year self-financed degree programmes in humanities, social sciences and business studies to local and non-local students. In addition to these privately-run local higher education institutions, the government has also looked for renowned overseas universities to set up branch campuses in Hong Kong. For instances, the Savannah College of Art and Design (SCAD), which was founded in 1978 in the United States, set up its first Asian branch campus in Hong Kong in 2011 to offer undergraduate and postgraduate programmes in the field of art and design. Another example is drawn from the Booth School of Business of the University of Chicago, which has set up its first Asian branch campus in Singapore for 10 years, decided to move its Asian campus from Singapore to Hong Kong in 2014 to offer mainly taught postgraduate programmes in business management. The move implies that Hong Kong has much better competitive advantage than Singapore for the former's close proximity with the ever growing market of higher education in the Chinese mainland. The emergence of overseas universities' branch campuses in Hong Kong, to a certain extent, suggests the good potential for Hong Kong to be developed as a regional hub of higher education.

Apart from private universities, there has been also rapid development of community colleges which provide associate degree programmes for secondary school leavers since the early 2000s, when the government decided to ensure more opportunities of higher education by not expanding subsidized universities but by encouraging the private sector to run self-financed community colleges (Tung, 2001; Yung, 2002). While some of these self-financed community colleges are affiliated with the UGC-funded institutions, others are run by local charitable organizations like Tung Wah Group of Hospitals and Po Leung Kuk. It is not surprising to see competition between community colleges for student enrollments for they are market responsive by focusing on professional and vocational training programmes. In face of the rapid growth of such self-financed community colleges and associate degree programmes, the UGC recommended in its third major review of higher education in 2010, as what the UGC's higher education review in 2002 suggested, to set up a single oversight body such as Further Education Council to oversee the quality of the non-publicly funded higher education institutions, including self-financed community colleges (UGC, 2002). The UGC also expressed its concerns about the credibility of self-financed associate degree programmes for which a clear identity

and character should be constructed together with a more stringent quality assurance mechanism to strengthen the public confidence on the sector (UGC, 2010).

3.4 Internationalization for education hub

Internationalization is without doubt a popular issue widely discussed in many countries (De Wit, 2002; Knight, 2004). With reference to the higher education sector in Hong Kong, the concept of internationalization can be analyzed from two dimensions. On one hand, internationalization suggests a significant rise in the number of non-local or international students studying in Hong Kong's universities. In 2003-04, there were 2,871 non-local students enrolled in the UGC-funded institutions. This was about four percent of the overall student enrollment. In the academics years 2011-12 and 2012-13, the numbers of non-local students studying in the UGC-funded institutions increased to 10,770 and 13,661 respectively. There were in total around 14 percent of non-local students enrolled in the UGC-funded institutions in both academic years. There had been much more non-local students studying in Hong Kong's universities as the number of non-local students had grown fourfold from 2003 to 2013. Moreover, a majority of non-local students were originated from the Chinese mainland with a much higher percentage at over 80 percent as compared with those from other places in Asia or the rest of the world. In 2003-04, 2,536 students or about 88 percent of non-local students were from the Chinese mainland. Most of those mainland Chinese students enrolled in research postgraduate programmes (Trade Development Council, 2005). In both 2011-12 and 2012-13, slightly above 80 percent of non-local students were from the Chinese mainland which contrasts with around 12-15 percent from other places in Asia and 4-5 percent from the rest of the world (UGC, 2013, p. 82). These figures demonstrate that Hong Kong can attract a significantly large number of the mainland Chinese students to further their studies in Hong Kong's universities. Nevertheless, although there had been an increase in the number of non-local students from outside the Chinese mainland, there is still much room for the UGC-funded institutions to strike a better balance between the proportion of the mainland Chinese students and the ones from Asia and other parts of the world. A possible reason for more non-local students to study in Hong Kong's universities is that they are allowed to stay in Hong Kong for employment for one year after graduation (UGC, 2010).

On the other hand, internationalization means more than the recruitment of non-local or international students. It also refers to the integration of the universities in Hong Kong into an active network of relationships with international counterparts. One way to do is to demonstrate their "world-class" performance through international rankings. Certain universities in Hong Kong have been ranked high in several international league tables on higher education, including those compiled by Times Higher Education Supplement and Quacquarelli Symonds (QS). Some universities made use of their institutional reputation to explore their markets for higher education outside Hong Kong, especially in the

Chinese mainland. They have been exploring opportunities of having collaboration with the Chinese universities to jointly offer self-financed taught postgraduate programmes and courses in China (Trade Development Council, 2005). Local universities can also make use of their own institutions' international prestige and reputation to build up overseas partnership in offering programmes and in undertaking collaborative research projects.

Moreover, internationalization is a process for making Hong Kong a regional education hub, which has been a policy goal since the mid-2000s (Tung, 2004). The competitiveness of Hong Kong lies on the provision of high quality of higher education by a number of top quality or internationally recognized world-class universities to non-local students, who are attracted to come to study in the city. These non-local students can possibly become valuable talents to contribute to Hong Kong's long-term socio-economic development if they opt to work in the city after graduation. In this sense, the development of Hong Kong as a regional education hub as a goal of the internationalization of higher education policy is to create a large pool of local and non-local talents to keep the city on the track of sustainable development in the long run. Meanwhile, internationalization also implies a fundamental change of the character of higher education which is not just a public good to be guaranteed by the government but also a commodity for economic exchange as the cases shown in the United Kingdom, the United States, Australia, Canada and Singapore. This denotes the movements of some UGC-funded institutions to provide higher education outside Hong Kong like the case of CUHK which set up its first branch campus in Shenzhen in September 2014. Meanwhile, as mentioned earlier, there have been overseas renowned universities to come to Hong Kong like SCAD and Chicago's Booth School of Business, all of which may help boost the city's image of being a regional education hub in face of keen competition from other neighbouring countries like Singapore, Malaysia and the Chinese mainland, where they are also competing for more collaborations and partnerships with overseas world-class universities. However, one problem facing Hong Kong universities to be solved is to encourage not only the Chinese mainland students but also more students from Asian countries and other parts of the world to enable a greater diversity of nationalities and cultural backgrounds (UGC, 2010).

4. Discussion: Major trends of higher education

Having examined the major issues facing the higher education sector in Hong Kong, this section shifts its focus on generalizing the trends shaping the future of higher education. It argues that the role of government in the development of higher education in Hong Kong has become more important with special reference to the cultivation of world-class universities and the transformation of Hong Kong as a regional education hub.

Similar to other public services, higher education is undeniably under the strong influence of the notion of public accountability. Universities are under constant pressure to be more relevant and responsive to market needs. While institutional autonomy in making decisions on academic matters and resource allocation entitled to universities is largely respected, there has been stronger emphasis on the importance of external scrutiny in the forms of quality assurance and audits to be institutionalized in the higher education sector in line with such prevailing ideas as “value for money” and “fitness for purpose”. Teaching, research and management have been regularly subject to the external scrutiny. The allocation of resources, especially those on research activities, has been pegged with the results of external audits as a means to stimulate better performance delivered by the publicly-funded universities.

Universities have been encouraged to use resources more prudently and also look for alternative non-government sources of revenues to “decentralize” the financial responsibilities of higher education which has long been shouldered by the government. For instance, the Matching Grant Scheme was introduced in 2003 to cultivate a culture of social donations for publicly-funded universities (Leung, 2003). The cost of higher education to be shared in the society by motivating the establishment of community colleges and self-financed higher education institutions to provide non-subsidized programmes. While the government takes a step back from financing higher education with an excuse of uncertainty in economic performance, it has strengthened its role through the UGC to scrutinize and evaluate the performance and quality of public universities in order to protect the public interest in higher education.

The universities in Hong Kong are at the crossroad between competition and collaboration. It is undeniable that universities are constantly competing with each other for famous and outstanding professors, talented students, research funds, international reputation, and social donations. While competition among universities is encouraged to stimulate institutional improvement, institutional collaboration is of equal importance to prevent unnecessary wastage of resources by eliminating and avoiding duplication of teaching and research efforts. Competition and collaboration are not mutually exclusive but they are complementary to each other to ensure a healthy development of higher education. It is especially true for Hong Kong where the higher education sector has long been suffering from the lack of collaboration that has resulted in unnecessary resource wastage. A two-pronged strategy of competition and collaboration among the universities should be adopted to ensure continuous self-improvement and more effective use of limited resources simultaneously.

Internationalization as a strategy leading to the making of Hong Kong as an education hub comprises core elements like exchanges of academics, students and knowledge across national boundaries, the recruitment of non-local or international students, the export of higher education by local institutions outside Hong Kong, and even the import of higher education from overseas universities in Hong Kong. Apart from getting more non-local students, especially those from the Chinese mainland, to study in Hong Kong, local universities have in recent years embarked on constructing collaborative relationships with the counterparts in the Chinese mainland in the forms of joint teaching and research projects as well as academic exchange programmes. A large number of the Chinese mainland students have been recruited to study in research and taught postgraduate programmes in Hong Kong's universities since the late 1990s. The Chinese mainland has become the most important market of higher education for the eight UGC-funded institutions. The opening of CUHK's branch campus in Shenzhen is an example to imitate and follow for exporting higher education from Hong Kong.

The trend of internationalization does bring about both opportunities and dangers to higher education sector in Hong Kong. Further expansion of higher education can be expected for an ever growing market of higher education in the hinterland, the Chinese mainland, where demands for world-class higher education, including publicly-funded undergraduate and research postgraduate programmes as well as self-financed taught postgraduate programmes run by UGC-funded institutions, would become more prominent. Nonetheless, in the meantime, the quality of higher education needs to be assessed and scrutinized with both internal and external audits to ensure the academic standards would not be compromised with an influx of non-local students. Moreover, more attention should also be paid on whether and how overseas institutions which set up their branch campuses in Hong Kong can survive on the self-sufficient basis in the long run for they can mainly rely on the tuition fees as their incomes. The challenge is how to increase the number of students who can afford over HK\$250,000 or US\$32,000 a year for tuition fees at SCAD as a big contrast to HK\$42,000 or US\$5,400 levied by the UGC-funded institutions. Even more critical issue facing the process of internationalizing higher education in Hong Kong is how to get in more non-local, non-Chinese mainland students to study in this emerging education hub. It is important to rectify the common impression that what has been achieved since the early twenty-first century in Hong Kong higher education is not about "mainlandization" or regionalization but genuinely internationalization.

5. Conclusion

Wang Gungwu, who served as HKU's Vice-Chancellor between 1986 and 1995, points out that there has been a general decline in the confidence of Asian universities for the past three decades. In the past, many believed that it was due to the lack of

funding and facilities which prevented universities for doing an excellent job. However, the focus has shifted to the inadequacies of university structures and on how to reform them in order to make sure of more efficient use of funds and facilities in order to make distinctive contributions and thus justify their existence. Although most universities aim at international excellence and reputation, they have met with frustration and have attributed this to the shortage of resources and also the lack of appreciation by their communities (Wang, 1992). In spite of these drawbacks facing most Asian universities, with no exception for the ones in Hong Kong, they are very much eager to strive for a world-class status as revealed from a series of international university rankings (Altbach, 2003). Clark (1998, 2004) suggests that the future of universities denotes the transformation towards the direction of “entrepreneurial universities”. The meaning of “entrepreneurial” in the context of higher education indicates “the attitudes and procedures that most dependably lead to the modern self-reliant, self-steering university” (Clark, 2004, p. 7).

When most countries put a strong emphasis on the development of quality assurance system, the changing university-government relationship, and the policy and strategies of internationalization, these issues have also prevailed in Hong Kong over the past two decades since massification took place in the 1990s. While Hong Kong is striving to be a regional education hub, it is not immune from global practices adopted from the process of policy borrowing and learning. As what Currie (2004) addresses, if universities are going to be a model of institutions for the society, it is necessary to shore up democratic collegiality against the rush to managerialize the decision-making processes in universities. Moreover, there is a need for caution against picking up the latest management fad blindly without consideration about the unique context and nature of higher education. It is more important to uphold the core values of scholarly integrity and professional autonomy in face of greater pressure for public accountability.

In conclusion, the first decade of the twenty-first century witnessed several fundamental changes in Hong Kong higher education. New policies and practices related to quality assurance, university governance, funding mechanism, private universities, community colleges, and internationalization were introduced. These policies came with the implementation of the four-year first-degree academic system from 2012 (Education and Manpower Bureau, 2005). These policies and practices have been institutionalized in the higher education system which has turned out to be more entrepreneurial or managerialist-oriented and business-like. Meanwhile, there are uncertainties arising from the emergence and growth of private universities and the extent of internationalization being accomplished in Hong Kong that should deserve further research at least through the second and third decades of the twenty-first century.

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21 世紀香港高等教育

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摘要

高等教育是香港教育中相當重要的環節。香港的高等教育體系，包括資助大學、自負盈虧的私立大學及社區學院。1990 年代以來，香港的高等教育體系經歷了普及化和急速擴張的階段，以及提升和鞏固教育質素的發展過程。與此同時，香港的高等教育界亦要面對來自全面檢討和改革政策的變革和挑戰，為不同的持份者帶來前所未有的衝擊。這些變革包括：質素評鑑制度的確立和制度化、政府與大學關係的變化、私立高等院校的湧現，以及為配合香港發展成為教育樞紐而推行的高等教育國際化政策。本文檢視香港高等教育在 21 世紀的重要發展，並分析和討論上述四項重要變革對香港高等教育長遠發展所帶來的影響。

關鍵詞

高等教育，質素評鑑，國際化，政府與大學關係，私立大學