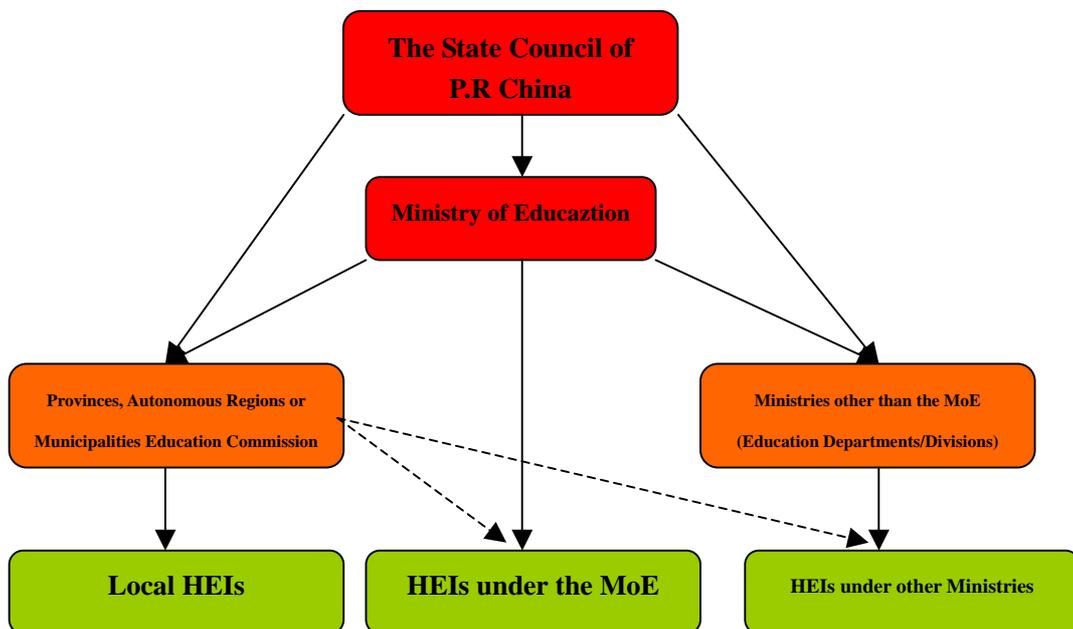


# Governance of Chinese Higher Education Administration System: Current Situation, Challenges and the Future

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## 1. Current situation of Chinese higher education administration system

In China, the administration over higher education is shared by the central and provincial governments with the latter shouldering more work. (As shown in Graph 1)



Graph 1: Governing and administrative structure of higher education

### 1.1 A Functional Administration System

Ministry of Education works as the major functional department of the State Council in higher education. It is responsible for the national wide educational work and development planning; the approval of academic degree conferring institutions; formation of higher education related regulations and policies; and education quality guarantee.

Provincial level education departments or education commissions and education departments directly affiliated to other ministries coordinate and administrate the higher education institutions.

## **1.2 Two basic levels**

The first level is the state administration. The state council and its affiliated ministry – MoE – provide macro-guidance to provincial governments and other ministries in terms of educational principles, policies, education budget allocations, and development planning.

The second level is the provincial administration. The provincial governments and ministries affiliated with the State Council other than the MoE are accountable for the direct administration and management of higher education institutions.

## **1.3 Three major chains.**

The first administrative chain is the State Council – the provincial government – local institutions either affiliated with provincial / city governments or privately-run institutions; the second is the State Council – the MoE – the institutions affiliated with MoE; the third is the State Council – the ministries other than the MoE – the institutions affiliated with those ministries.

## **1.4 Autonomy of higher education institutions**

According to the Higher Education Law enacted in 1998, higher education institutions shall meet the social requirement, conduct educational activities independently, and manage internal affairs democratically.

## **2. Background Information about the formation of current higher education administration system**

The original Chinese higher education administration system was formed in 1950s which was to accommodate the highly centralized plan economy when P. R China was founded. The central government conducts the planning and the national level and local level governments perform direct administration. Higher education institutions are categorized into “chain” (higher education institutions founded by various ministries) and “block” (higher education institutions founded by provincial and municipal level governments). Under that macroeconomic environment, such education system ensured the sufficient investment to higher education institutions; the efficient process in cultivating talents and promotion of the industrialization and

economic development.

With the economic and social progress, highly centralized education system has showed more weakness and to certain extent impeded the further development of higher education. For example, the strict planning has limited higher education institutions' motivation, capability, and vitality; education run by different level government departments led to reiteration of disciplines and waste of resources; too many single discipline colleges caused difficulty in cross field coordination and the students were with narrowed knowledge base and unable to adopt easily with the society. Since mid 1980s, Chinese government started to pilot in reforming this administration system.

In the early 1990s, China initiated socialism market economy, the education system should comply this change. The State Council published "Outline for Chinese Education Reform and Development" on February 1993, and "The Suggestions on Implementation of Outline for Chinese Reform and Development" in 1994. It was clearly stated that higher education should gradually adopt the system that state and provincial, autonomous regions or municipality directly under the jurisdiction of the central government shall share the responsibilities of administration and the provincial level government plays major role.

In 1998, the MoE addressed the guiding principle in administration system called "co-building, adjustment, coordination, and merger". Co-building is to weaken the single line administration relationship and turn the segmentation into cooperation and co-build the institutions to support the institutions' development. At the same time, the institutions shall expand the service base which is to serve both the state and industries, and the local economy and development. Adjustment means adjusting the direct administration by central government departments and delegates such responsibility to local government. Coordination refers to the various formats of coordination between institutions, between institutions and research institutions, and between institutions and enterprises. Such coordination makes it possible to share the resources to complement each others and to progress together. Merger is the merging of higher education institutions which enables better allocation of the resources and

enable the establishment of more comprehensive universities. From 1999, a large scale of co-building, adjustment, coordination, and merger has taken place which involved more than 900 higher education institutions.

Among the regular higher education institutions, except some institutions which may influence the national wide development and those highly specialized ones that require administration from departments of the State Council, most of the higher education institutions originally administered by the State Council departments have been transferred to provincial government administration. Together with the adjustment of administration system and institutions' merger, from 1992 to 2001, the net number of higher education institutions reduced by 324. Through merger, a batch of more comprehensive universities appeared with more strength and better quality.

Higher vocational education system has taken profound changes. With authorization from the State Council, in 1999, provincial governments are fully authorized to develop higher vocational education. Provincial governments may approve the establishment of higher vocational education institutions on their own and the enrollment plan for such institutions is determined by provincial governments as well. Such changes have accelerated the development of higher vocational education. The central government adjusted its function and strengthened its macro administration at the same time encouraged all forms education and mainly promotes the local outstanding features.

**Table 1: Changes in Affiliation of Nationwide Regular HEIs in 1997-2006**

Year	Number of HEIs	Number of HEIs affiliated with ministries		Number of Local HEIs	Privately-run HEIs
		The MoE	Other ministries		
1997	1020	35	310	655	20
1998	1022	45	218	734	25
1999	1071	46	202	786	37
2000	1041	72	44	888	37
2001	1225	72	39	1025	89
2002	1396	72	39	1154	131
2003	1552	73	38	1268	173
2004	1731	73	38	1394	226
2005	1792	73	38	1431	250
2006					

### **3. The Effect, Issues and Trend of Higher Education Administration System Reform**

The reform of higher education administration system led to establishment of the education administration structure with two levels of administration and local government shares more responsibility. Such reform has achieved historical breakthrough as follows:

#### **3.1 Basic achievements**

First, it has improved the segmentation problem and to certain extent solved the problems of reiteration of institutions, dispersion of resources and low efficiency.

Second, it has reduced the redundant institutions and broadened the institutions' academic structure which in turn provided possibility for amalgamation of different disciplines and provision of comprehensive study. It, therefore, will enable the cultivation of high quality talents and conduction of high level research.

Third, it has improved the institutions' overall strength, the international competitiveness and capability of serving the social and economic development. It has also established solid foundation for China to build the world wide top level universities and disciplines.

Fourth, it has advanced the internal management reform in higher education institutions. It facilitated the formation of better faculty and more efficient internal management system which may result in a management system that can meet the modern HEI requirement.

#### **3.2 Major Issues**

Although some basic achievements have been made in the reform of higher education administration system, there are still some issues unattended to.

Firstly, the issue of higher education institutions' autonomy. Although Higher Education Law stipulated the autonomous rights of higher education institutions, there are still many issues in government and institutions relationship not settled or not fully settled which in consequence weakened the supervision to higher education institutions. According to a survey regarding higher education institutions' autonomy,

more than 50% of the correspondence claims that the institutions are independent only on faculty employment. All other seven subjects are not fully independent to the institutions, namely, the enrollment, discipline readjustment, internal structure, financial resource allocation, evaluation of academic qualification, income allocation, and managers' appointment and removal. This reflects the fact that HEIs are still not fully autonomous in some aspects. Therefore, the atmosphere should be further optimized; the provincial government should be trusted with more authority; the HEIs' rights and responsibilities should be better defined. With all these effort, the HEIs will become more independent and autonomous legal entities.

Secondly, the issue about the relationship between the HEIs and government. In the original higher education administration system which was formed in 1950s, interaction between government and HEIs is defined as superior and subordinate relationship and the relationship itself is bureaucratic. Up to today, changes are taking place in such bureaucratic relationship. In Higher Education Law the autonomy of higher education institutions is defined fully. For instance, the president of a HEI is an independent legal person and run the HEI in his own right. However, in certain aspects the color of such bureaucratic relationship is still strong, which no doubt influence a HEI how to conduct its autonomy fully as well as its provision of higher education under market economy independently. So, weakening the bureaucratic relationship and building such relationship on the legal foundation would be the major issues that the reform of higher education administration system must deal with.

### **3.3 Trend of the Reform**

Firstly, the central government governance shall be continuously strengthened.

Under the condition that the nation wide policy shall be persisted, guidance to higher education shall be provided in accordance with the regional and category differentiation. To China, whose regional development is extremely unbalanced, it is more important. The transformation of government function including transferring the direct bureaucratic administration into methods like legislation, financial allocation, planning, information provision, policy guidance and necessary administration

instruments will facilitate governance in planning and development of higher education; in budgeting and allocating financial resources; in controlling education quality, education facility and conferring of academic degrees. As a consequence, it will adapt to the requirement of social and economic development, continuously improve the comprehensive efficiency of higher education and confirm the HEIs' legal status in serving the society independently.

Secondly, authority and decision making rights shall be reinforced on provincial level.

Reinforcement on regional education decision authority is an important subject in systemic reform of Chinese higher education. Along the confirmation and development of Chinese market economy, the deepening of political system reform accelerated the regional economic development by promoting regional high quality resources. Therefore, higher education must progress to accommodate such development and cultivate talents to serve the regional advancement. From the aspect of economic development, globalization has changed people's understanding about industrial geography and regional economy. Under the background of global economy, the new world is not divided by nations but categorized by regional competitiveness. The growth of regionalization has in turn promoted the globalization process and contributed to the advancement of global economy. The localization and regionalization trend in social and economic development placed higher education at the outstanding position in the regions it locates at. Due to the level of economic development in China, the authority of provincial government in higher education planning and determination shall be further reinforced. As most of the HEIs are under the administration of local governments, it is very important to strengthen the provincial governments' control over HEIs. That will not only improve the local governments' obligation in HEIs' development and reform and increase financial assistance, but also strengthen the connection between the two and stimulate the HEIs to serve the community and boost the regional social, economic and scientific development.

Thirdly, the HEIs' autonomy should be realized and enlarged.

The reform of higher education in operation system and administration system shall change the subordinate relationship, more importantly transforming the government function; enlarging the institutions' autonomy in serving the society and operating under legal guidance. Although the Higher Education Law stipulated 11 aspects of autonomy for HEIs, it is not pertinent and hard to practice. In terms of the trend of higher education development, the popularization and internationalization of higher education; the comprehension of talents cultivation; the socialization of higher education system and capability to serve the market all require the realization of autonomy to HEIs. Such autonomy will allow the higher education institutions to place themselves into a virtuous cycle of market competition.

To realize and enlarge the autonomy of HEIs, in priority, Higher Education Law should be further specified to improve practicability. Next, the relationship between the state, the government and the institutions should be clearly defined. A system in which the government provides governance and institutions conduct education activities on their own should be established. Institutions should be authorized to conduct on their own such activities as recruitment, international communication, building of disciplines, academic qualification evaluation, and faculty recruitment. Lastly, the educational authorities should transfer their responsibility into macro guidance, coordination, policy making, and supervision. Chinese higher education should be brought to the track of regulated, legalized and sound progress through legislation and establishment of supervision system.

Lastly, the internal controlling system of privately-run HEIs' should be improved.

The controlling system is the core of system building for privately-run HEIs. A well established internal controlling system will balance the interests and aims of different parties and systematically settle the conflicts between profit driven and public service; financial resources and quality control. It will in turn speed up the healthy, continuous and efficient development of privately-run HEIs. Two approaches shall be adopted in settling such issues.

- Through perfection and consummation of legal representatives' property right system; allocation system; financial management system and

supervision system, the property right could be clearly defined. It will protect the legal status of privately-run HEIs.

- Through establishment and consummation of directorate system; definition of the board and president's responsibility; establishment of appraisal committee and supervision committee, the president responsible system under guidance of the board should be consummated which will clarify the responsibilities of decision making, implementation and supervision.
- The government function should be transformed from direct administration to macro governance through legislation, financial allocation, planning, information provision, policy making and necessary administration instruments.
- Consummating and promoting non-governmental public bodies to get more social involvement and convert the traditional unilateral governmental administration into multilateral administration by government, society and individuals.
- A system facilitates financial contribution to public education should be established and consummated to encourage the social contribution to privately-run education.

In conclusion, consummation of internal controlling system and administration environment is the necessity in establishing modern system for privately-run institutions and reserve their sustainable development.

The ultimate goal in reforming the operation system and administration system of higher education is to encourage all levels and all categories of HEIs to highlight their own characteristics; to promote harmonious development of higher education; to meet the requirement of social and economic development and improve the comprehensive efficiency of higher education.