

China

Towards a Strategic and Sustainable Engagement
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Population	1,313,973,713
GDP	US\$ 1,649,329,000,000.00
GDP Per Capita	US\$ 1,262.59 (#115th in the world)
GDP Growth Rate	9.9%
Administrative Divisions	23 Provinces
	5 Autonomous Regions
	4 Municipalities
Political	Chinese Communist Party or CCP [HU Jintao]



Towards a Strategic and Sustainable Engagement

Beijing

- Population
15.81 million
- GDP 2006
12% growth, US\$ 99.9 billion
- Per Capita Income
US\$ 6,210



Towards a Strategic and Sustainable Engagement

Shanghai

- Population
18,670 million
- GDP 2006
12% growth, US\$128.8 billion
- Per capita income
US\$ 7,000



Towards a Strategic and Sustainable Engagement

Guangzhou

- Population
7 million

- GDP 2006

14.4% growth, US\$ 80 billion

- Per capita income
US\$ 10,000



Towards a Strategic and Sustainable Engagement

New Zealand

- Population
4,143 million
- GDP 2006
1.9% growth,
US\$ \$98.77 billion
- Per capita income
US\$ 24,705.58



Towards a Strategic and Sustainable Engagement

- Scale
- Strategy
- Sustainability



Chinese Government Education Policy

Challenges

- equity of educational access and quality
- effectiveness and relevance of the teaching-learning process
- a market-oriented economy operating within a socialist political system



Chinese Government Education Policy

Reforms – 1990s

- A dramatic shift from elite towards mass higher education.
- Increased decentralisation
- Facilitation of private sector initiatives in higher education
- Introduction of cost-sharing system with increased responsibility on students

Result - an unprecedented expansion in opportunities for higher education.



Chinese Government Education Policy

Questions

- How to balance expansion and quality?
- How to properly share administrative authority?
- How to regulate private initiatives?



Chinese Government Education Policy

The Legal Framework

- *The Law on Higher Education 1998*
 - 452 institutions from central to local control
 - 72 flagship universities under the control MOE
 - 612 narrowly specialised institutions merged into 250 comprehensive universities
 - Higher education institutions reduced from 1,984 to 1,319



Chinese Government Education Policy

The Legal Framework

- *The Law on Promoting Privately-Run Education 2002*
- *A traditional bias against private education*
- *The Chinese government needs partners to share burden of educating and skilling the Chinese people*



Chinese Government Education Policy

Private Education 2005/06

- 86,200 private institutions = 21,681,000 students
- 68,800 private kindergartens = 6,680,900 children
- 4,608 private middle schools = 3,724,200 students
- 25 private vocational middle schools = 14,900 students
- 3,175 private high schools = 2,267,800 students
- 2,017 private secondary vocational schools = 1,541,400 students
- 252 private higher education institutes = 1,051,700



Chinese Government Education Policy

Investment in Higher Education

- **1% of GDP in 1998 to over 3.2% of GDP in 2004**
- **Total research funding increased from RMB 3.21 billion in 1993 to RMB 34.4 billion in 2004**
- **China 5th in the world for Government R&D expenditure**
- **BUT tuition and other fees have tripled in the period 1995-2004**



China's Education System

Three major sectors

- School Education
- Technical education
- Higher education



China's Education System

Main Features

- The *1986 Compulsory Education Act* extended compulsory schooling to nine years, covering primary and lower middle school
- The medium of instruction is Mandarin.
- The academic year runs from September to July, divided into two semesters.
- The system follows a pre-primary and 6+3+3 pattern.



China's Education System

- **Decreasing enrolments in compulsory education (primary, middle school)**
- **Increasing graduations in higher education, including universities and vocational institutes**



China's Education System

Higher Education (age 18 to 22)

- **1,792 higher education institutes**
 - comprehensive universities
 - academies
 - teacher education
 - specialised universities and institutes
- **Admissions based on National Examination**
- **National Quota on enrolments**



Summary

- ***Less* students are entering the education system, but *more* are going on into Higher Education.**
- **Chinese Government is achieving its policy objective to popularise higher education.**

BUT

- **No increase in the National Quota allocations for university placements.**
- **In 2005, approx 5 million students did not receive a university placement under the National Quota.**



Implications

- ***Problem*** – *public expectations for access to higher education cannot be met by the domestic system alone.*
- ***Solution*** – *international education*
 - Direct recruitment
 - Sino-foreign partnerships
- **Two-fold Strategy**
 - Deal with overflow
 - Improve quality and resources of domestic institutions.



Internationalisation of China's Higher Education

- Agreements with **19** countries (incl NZ)
- Education exchanges with over **160** countries
- Over **800** Sino-foreign educational joint ventures.
- **372** qualification conferring joint programmes.
- Top four partners USA (**23.5%**), Australia (**22.3%**), Canada (**11.3%**) and Japan (**8.9%**).



Internationalisation of China's Higher Education

- **2000/01 - China number one source of international students**
- **2004 –Chinese students going abroad plateau at 114, 682**
- **Currently 500,000 Chinese students abroad**
- **91% self-funded**
- **Approx. 900,000 remained overseas after graduating**
- **32% in the USA, 28% in Europe, 25% in Asia, 14% in Oceania**



Chinese Government International Education Strategy

Two Main Objectives:

- Encourage foreign investment
- Ensure quality of engagement – for students and Chinese institutions



Chinese Government International Education Strategy

Regulatory Framework

- ***Regulations of the PRC on Chinese-Foreign Cooperation in Running Schools, Sept 2003*** - the basic set of Chinese government rules on establishing joint schools/programmes.
- ***Guidelines on the Implementation of the Regulations on Chinese-Foreign Cooperation in Running Schools, July 2004*** - an additional set of rules to build on and clarify the 2003 Regulations.



Chinese Government International Education Strategy

Regulatory Framework

• *China MoE Directive to Provincial Education Committees Regarding Sino-Foreign Joint Programmes, February 2006.*

- high-quality foreign educational resources
- enrolment incorporated into the National Admission Plan
- curriculum plan and delivery content not lower than standards and requirements of the foreign partner's country
- qualifications identical with those conferred by the foreign education institute in its own country, and recognised in that country
- all or major part of education activities implemented in China
- high-quality foreign education resources into China
- 1/3 of core courses delivered by teaching staff from the foreign country
- controlled tuition fee charge



Chinese Government International Education Strategy

Registration and Re-Registration of Sino-Foreign Joint Programmes

- China MOE initiative, Sept 2004
- Re-registration of all existing Sino-foreign joint programmes
- Approval and Registration of all new Sino-foreign degree conferring programmes.
- [Sub-degree level joint programmes approved and registered at provincial level].
- 1 Jan 07, MOE website published “partial list” of registered Sino-foreign joint programmes.



China – Emerging Regional Education Hub

International Students in China

- Large number of scholarships
- 2004 - 110,000 international students in China, from over 170 countries.
- 2005 – 27.28% increase to 141,087.
- Korea, Japan, USA, Vietnam and Indonesia.



China – Emerging Regional Education Hub

Enhance Chinese Language and Culture in the West

- **Confucius Institutes – around 100 world-wide**
- **NZ, Feb 2007 –University of Auckland/ Fudan University**



China – Emerging Regional Education Hub

Creation of World-Class Universities

- **Project 211**
- **Project 985**
- **Project 111**



Western Development Strategy

- China's main socio-economic priority
- East-West Universities “Brotherhoods”
- Tripartite Mentoring Programmes



Summary

The China Education Market

- **Competitive market**
- **Traditional Competitors – USA, UK, Australia, Canada, NZ**
- **New and Emerging Competitors – the EU: France, Germany, Netherlands**
- **Regional Competitors – Singapore, Malaysia, Korea**



Summary

The China Education Market (continued)

- A level playing field
- No country-specific trade barriers
- No major country-specific agreements or other favourable treatments

BUT

- Complex regulations and administrative measures



Summary

The China Education Market (continued)

- Other factors
 - attractiveness of host country
 - personal security
 - immigration policies
 - cost of living
 - cohesiveness of the industry
 - strength of quality assurance and accreditation processes
 - portability of the qualifications
 - marketing
 - quality of student support services



Implications

New Zealand's Approach to China must include

- **Strong and positive official-level education relationship**
- **Reputation of high quality education and pastoral care**
- **Highly visible and positive public profile**

New Zealand education sector (Govt and Industry) should project cohesiveness, stability and commitment to strategic partnership with China.



New Zealand's Education Engagement with China

Government-to-Government

- Back on a positive footing
- Nov 2006 New Zealand China Quality Assurance Workshop
 - NZ's education profile
 - NZ commitment to broad and stable relationship
 - public message *China trusts New Zealand*
- Vice Minister of Education
 - NZ China education relationship is now “normal”
 - NZ China education relationship a “model” for others



New Zealand's Education Engagement with China

Trade Commitments: China-NZ FTA

- **Prime Minister Clark and Premier Wen: “high quality comprehensive, and mutually beneficial”**
- **1-2 year timeframe; Round 10 just completed**
- **Into the tricky issues : education a sensitive issue for China**



New Zealand's Education Engagement with China

Trade Commitments: China-NZ FTA

Relevant to export education in three main ways:

- 1. NZ seeking improved education trade commitments from China**
- 2. Opportunity to add a high-level political dimension to existing issues**
- 3. Opportunity to leverage off the publicity and goodwill generated by the FTA**



New Zealand's Education Engagement with China

Institution-to-Institution Linkages

- **Small number of Sino-NZ joint programmes**
- **Confusion and uncertainty regarding the Regulations**
- **Main focus remains on student recruitment**
- **An emerging interest in academic and research cooperation**



New Zealand's Education Engagement with China

Strategic and Sustained Approach

- **MOE Strategy for China**
- **An Industry Strategy for China**
- **Regular High Level Political Engagement**
- **Sustained official cooperation**
- **Cohesive, all of sector, profile building of NZ education.**



New Zealand's Education Engagement with China

Looking ahead: a few questions to ponder on...

- ***Competitive Environment***
- New Zealand has historically competed on:
 - A. value for money
 - threat: increased competition
 - B. safety
 - threat: impressions can change rapidly
 - C. general desirability as a place to live
 - probably a constant, but we're not alone
 - D. accessibility – students not making the *gaokao* cut?

Putting revenue aside, what is the long-term effect of focusing on the demographic responding to factors A and D?



New Zealand's Education Engagement with China

Looking ahead: a few questions to ponder on...

- *West is Best?*
- China is “big-brand” conscious (niche not in vogue (yet))
- NZ not a first choice in major areas of study because brands matter in those areas (c.f. US, UK)
- But are emerging/edgy areas less subject to big brand decision-making?
 - Creative industries – e.g. film
 - Environmental protection



New Zealand's Education Engagement with China

Looking ahead: a few questions to ponder on...

- ***Brand Positioning – are we differentiating in the right way?***
- **“It is good for our students to study in your country because it is very beautiful”**
 - A very significant factor in decision-making – a good thing?
 - To the extent this is a good thing, can we co-ordinate better as NZ Inc – e.g. “Education Tourism”?
- **How successfully are we linking things we are internationally renowned for with the education underpinning that renown?**
 - Again – environmental protection, film, digital media
 - Agriculture – yes – but are Chinese seeing the complete picture (genetics vs farm-hands)



New Zealand's Education Engagement with China

Looking ahead: a few questions to ponder on...

- ***Long-term***
- Are we solving a problem for China?
 - China is already moving to focus on quality at home
 - 1000 professors from 100 top universities
- Will NZ's brand of education continue to solve China's problems in the long term?
 - Long-term, China's aim is to develop a domestic capacity to deal with its large numbers of students – what foreign programmes will continue to survive?
 - Institutions of international renown?
 - Programmes directly linking to employment (e.g. study plus internship packages)?
 - Niche education with a country-specific reputation?

