

Self-financed Higher Education: The Hong Kong Experience

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Abstract

This paper examines the challenges faced by private higher education in Hong Kong. The historical developments of private higher education in Hong Kong demonstrate some of its limitations and obstacles. Nevertheless, the importance of private forces in higher education is increasing globally. Successful private higher education requires policy support from the government, in addition to committed financial resources from the patronage bodies of the private higher education institutions. Public universities and private higher education institutions have issued calls for differentiation.

Keywords: higher education, private universities, Hong Kong

Introduction

Higher education in Hong Kong is at a crossroad. Facing skyrocketing operating costs and scant government funding, public universities in Hong Kong have increasingly turned to private sources for support. Public universities are receiving substantial resources from non-government sectors. For example, for the 2012-2013 academic year, The University of Hong Kong (HKU) received 51.6% of its income from government subventions, a decrease from the 57.5% it received during the 2004-2005 academic year.¹ This decrease demonstrates that private sources are becoming more important to higher education.

Table 1 compares HKU's income sources for the 2004-2005 and 2009-2010 to 2012-2013 academic years. Although tuition and programme fees constituted around 17% of the University's total income for the reported academic years, tuition fees increased by 97.3% from 2004 to 2012, and government subventions increased by only 77.5%. Given that undergraduate student tuition was kept frozen during these academic years, the large increase in tuition income arrived along with an increase in self-financed programme fees. HKU's experience is not unique. Indeed, the increasing importance of non-government funding sources is becoming more prominent. It demonstrates that tuition income from private programmes (more commonly known as 'self-financed' programmes in Hong Kong) contributes to the large increase in public university income, and reflects the growing importance of non-government support to higher education in Hong Kong.

Table 1: Comparative Income Figures of the University of Hong Kong

	Academic Year 2004-2005		Academic Year 2009-2010 to 2012-2013								Percentage Increase from 2004 to 2012
	Amount (HK\$ Millions)	Percentage of Total Income	2009-2010		2010-2011		2011-2012		2012-2013		
Amount (HK\$ Millions)			Percentage of Total Income	Amount (HK\$ Millions)	Percentage of Total Income	Amount (HK\$ Millions)	Percentage of Total Income	Amount (HK\$ Millions)	Percentage of Total Income	Amount (HK\$ Millions)	Percentage of Total Income
Total Income	4,443.5	100.0	6,022.2	100.0	6,820.7	100.0	5,351.3	100.0	8,686.2	100.0	95.5
Government Subventions	2,526.4	57.5	2,793.7	46.4	3,089.7	45.3	3,201.8	59.8	4,483.7	51.6	77.5
Tuition, Programmes and Other Fees	758.5	17.1	1,033.8	17.2	1,102.6	16.17	1,201.2	22.5	1,496.4	17.2	97.3

* This is the double cohort year, in which the number of first-year undergraduate places was doubled. The double cohort increased the amount of government subventions.

The importance of private funding in higher education is a global trend. The increased involvement of the private sector has become important to higher education on a global scale. The UNESCO 2002 Report discusses this issue thoroughly (Belfield and Levin, 2002). Banya (2010) also critically examines the effects of globalization on the demand for private universities. The general view is that private universities can introduce both more benefits and concerns to society.

Private university development in Hong Kong is relatively lagging from an international perspective. Shue Yan University did not officially obtain its 'University' title until 2006, when Hong Kong society began to recognize the roles played by private universities. Some later developments favoured the development of self-financed higher education institutions in Hong Kong. The Government has recently been more supportive of the development of self-financed education programmes. For example, the Report of the Phase Two Review of the Post-Secondary Education Sector recommends that Hong Kong should develop more self-financing degree-awarding institutions and private universities (Education Bureau, 2008).

Despite this increased involvement of the private sector in higher education at the local and global levels, private higher education has not gone without criticism. Some undesirable outcomes such as rising costs and concerns over academic quality at the expense of financial considerations have also arisen (Tilak, 2006; Li, 2009). Private universities have been perceived as profit-making institutions that compromise academic quality in the face of cost and income considerations. For a long time in Hong Kong, education was considered a form of social welfare and a government investment in human resources. Hence, the provision of government resources for education is both essential and desirable, and particularly important in the higher education sector.

However, this thought is not entirely consistent with the historical developments of education in the Chinese culture. In the past, both state and private forces jointly provided education to the people. The general public was taught virtues through the education they received at government-run schools. Si shu (private-run schools) were

also common,² and provided the public with complementary education opportunities. Apart from teaching virtues, the private-run schools offered different types of education. For instance, the courses they provided ranged from short courses covering basic written characters to long courses covering literature, which prepared students for civil servant examinations. Even before 1949, China was home to many famous private universities. Notable examples include Yenching University in Beijing (燕京大學), St. John's University in Shanghai (上海聖約翰大學) and the Private University of Nanking in Nanjing (金陵大學).³ History has clearly shown that education provided by the state alone is inadequate, and that education provided by the private sector is important. Private higher education institutions are currently providing degree programmes. The current dominance of public universities in Hong Kong's higher education sector is a rather recent development in the Chinese education system.

Despite the dominance of public universities, private higher education institutions have been booming. In the international setting, private higher education institutions are most prevalent in North America, as state schools must serve government needs and cannot respond to the specific needs of different sectors.⁴ In addition, patronage bodies such as churches apply specific ideologies and directions to their brand of schooling. Furthermore, many wealthy families have decided to set up charitable foundations to establish schools free from state control. These schools collectively provide higher education to meet their own teaching philosophies. For example, in the U.S., some small private colleges with religious backgrounds may require students to enroll in a prescribed number of biblical studies courses, and others may require students to volunteer in their neighbourhoods.

Concerns over the perception of private higher education have arisen. To a large extent, many consider private higher education as 'secular, demand absorbing, vocationally and commercially oriented' (Agarwal, 2008). This perspective is particularly prevalent in societies in which public universities once dominated the higher education sector. Due to this tradition, people tend to have skeptical views of private higher education, and many still believe that education should be a non-profit activity provided by public resources. Considering the Ethiopian experience, Alemu (2010) finds that many people are concerned that profit-driven private higher education programmes may compromise education quality. In short, many studies such as the one by Klees (1999) do not accept the idea that education should be linked with private institutions.

This paper discusses the issue of private higher education in Hong Kong. Business education is used to exemplify the points and arguments developed herein, a justifiable approach gives that Hong Kong is a major international financial centre and business education is in high demand. Of the eight government-funded universities in Hong Kong, seven provide business programmes at the undergraduate and postgraduate levels. However, the Hong Kong Government decided not to subsidize taught programmes in business at the postgraduate level a decade ago. Since then, the postgraduate business

programmes offered by government-funded universities have operated on a full-charge basis. In this sense, postgraduate business programmes are indeed run by the private units of public universities. Such business programmes are popular in Hong Kong. Private schools also actively supply business programmes. An understanding of how these programmes operate may help clarify the mechanism of private higher education. This study aims to shed light on the future development of private higher education in Hong Kong.

The remainder of this paper is organized as follows: next section provides a brief history of the development of private higher education in Hong Kong. This historical account is useful, as the development of private higher education in the past decades provides a background and helps clarify the challenges faced by private higher education institutions. Then, it discusses the operation of the self-financed programmes offered in Hong Kong. Next, it explores the challenges faced by private higher education programmes and their future directions. The final section concludes the paper.

Historical Developments of Private Higher Education in Hong Kong

Hong Kong is unique in the development of its higher education sector. After Hong Kong was established as a British colony, its education system was initially based on the British system. However, at that time, higher education was not a major concern and no government support was provided. The situation changed in 1911 when the British government decided to set up a university it intended to be the Oxbridge of the Far East. This objective was not set purely on academic grounds. Rather, the aim was to educate young Asian men in British traditions so that British influence in the region could be ensured. HKU was therefore established out of colonial interests.⁵ Nevertheless, the effects of these colonial interests have decreased over time. After a century of development and excellence, HKU has evolved into an internationally respected research university. The point to note is that higher education in the colonial era was considered a tool to strengthen the imperial rule of the British Empire. It aimed to train an elite social class, and produce capable civil servants who would serve colonial interests and strengthen British influence in the Far East. Private higher education was highly restricted, as evidenced by the deficiencies of the relevant legislature applied to establish universities and colleges. Even today, there remain severe restrictions on the use of the terms 'University' and 'College'.⁶ The provision of private higher education in Hong Kong was originally highly restrictive with minimal development.

The situation changed dramatically during the Chinese civil war between 1945 and 1949, and with the establishment of the People's Republic of China in 1949. During this period of political turmoil, many Chinese people flooded to Hong Kong to escape the war and social turbulence. The influx of people not only increased Hong Kong's population, but also led to calls for services such as education.

Among the people who came to Hong Kong in the late 1940s and early 1950s were established and respected scholars like Ch'ien Mu (錢穆), Tang Junyi (唐君毅) and Mou

Zongsan (牟宗三). These scholars established schools, and provided higher education to the Chinese people who came to Hong Kong in addition to local young people. A large number of private post-secondary colleges began to emerge. For example, New Asia College was founded in 1949, Chung Chi College in 1951 and United College in 1956.⁷ The former Chu Hai University in Guangzhou moved to Hong Kong and renamed itself as Chu Hai College. Other post-secondary colleges such as Baptist College (1956), Lingnan College (1967) and Shue Yan College (1971) were also founded.⁸

Other less prominent post-secondary colleges such as Hong Kong Buddhist College (1969) and the Hang Seng School of Commerce (1981) were also founded. The idea of setting up private higher education institutions in Hong Kong was nothing new. However, the majority of the programmes offered by the private higher education institutions were conducted in Chinese and not English, which was the official language in Hong Kong.

As explained previously, the Hong Kong Government was not supportive of private higher education. Private post-secondary institutions could not use the name 'university', and the Government did not recognize the qualifications they conferred. The Government was also concerned about the institutions' use of Chinese as their medium of instruction. Government support for private higher education was virtually zero at the time. Although these private higher education institutions produced the human resources required to meet society's needs, they operated in a period of financial hardship and difficulties.

The situation changed dramatically when some of the institutions decided to accept government subsidies and offer government-subsvented programmes. Higher education initially followed the British model, with a three-year university curriculum being the norm. However, many private higher education institutions operated according to the traditional Chinese system of a four-year university curriculum. The acceptance of government subventions also implied the need to change the four-year curriculum over to the British system of a three-year university curriculum, and to follow government rules and regulations. The institutions receiving government subsidies became public institutions and lost the independence of their operations.

The entire private higher education landscape changed when the first Fulton Report was published in 1961, recommending the establishment of The Chinese University of Hong Kong. New Asia College, Chung Chi College and United College subsequently became member colleges of The Chinese University of Hong Kong. Baptist College and Lingnan College have received government funding ever since. Only Shue Yan College and Chu Hai College continued as independent private higher education institutions, and were the major players left in the private higher education sector.

Based on the preceding discussion, it is important to note that private higher education in Hong Kong actually began to grow in the early 1950s. The advent of a

diversified higher education sector in the 1950s alerted the Government, which began to regulate private higher education by providing financial resources and thereby directing institutions to follow its roadmaps. Needless to say, private higher education is not on the radar of government policies. The recent wave of privatization in higher education is a global trend, and the Hong Kong Government has responded by encouraging the development of private higher education.⁹

Self-Financed Higher Education Programmes in Hong Kong

As mentioned in Section II, the Government has influenced higher education institutions through subventions. This has given private higher education institutions little room to develop, as it prevents them from competing with public universities over financial resources and student intake quality. However, developments in three major areas, including the lower proportion of government subventions in relation to the total incomes of public universities, international competition and the advent of new educational qualifications, have triggered a new wave of private higher education development in Hong Kong.

The first area worth noting is the decline in the proportion of government funding provided to public universities. This is by far the most important factor influencing the development of private higher education, particularly in business programmes. The Hong Kong Government once subsidized public universities that offered postgraduate programmes in business. Because of this government subsidy, postgraduate business courses charged tuition fees that were similar to those of Government-funded undergraduate programmes. The amount was around HK\$42,100 (US\$5,400) per year, far below the international standards for similar programmes. The Government later decided that because students in postgraduate business programmes had better financial backgrounds and received additional benefits from these programmes, they should be charged the full cost instead. In view of this big change, local public universities began to collect different tuition fees for the postgraduate business programmes. The programmes offered are known locally as 'self-financed' programmes, and their fees vary by programme and university. Nevertheless, a price tag of over HK\$200,000 (around US\$26,000) is not uncommon.

From this perspective, self-financed programmes are actually programmes offered by private units of public universities. Operating in a full cost-recovery mode, self-financed programmes reflect the full cost of higher education. Students did not support the initiative at first. They argued that because students enrolled in the self-financed programmes helped to improve the human capital of Hong Kong, the Government should provide the necessary funding. Nevertheless, the resulting developments suggest that the general public began to accept the concept of self-financed higher education programmes. This was a major breakthrough, as the idea of charging the full cost of higher education to students was not easy to accept. The market began to accept this change and help promote the idea of private higher education.

The second major area of change is international competition. International competition has several dimensions, one of which is the exercise of international rankings. Many international media have published school rankings based on prescribed methodologies, in which the internationalization of the student body is an important factor. To survive in the ranking game, public universities must diversify their student intakes and strive to enroll more international students. Accepting more international students in government-subsidized programmes raises the issue of subsidizing overseas students. Local students complain about being deprived of their opportunities to enter into these programmes. Hence, taking more international students at the undergraduate level is not feasible. However, self-financed postgraduate programmes do not need to operate according to government directions. Unlike government-funded programmes, self-financed postgraduate programmes have no specific quota set aside for local students, and can accept any number of international students as desired. To the public universities, self-financed postgraduate programmes are not only new revenue sources, but also vital paths toward international competition and academic excellence. Table 2 shows the student headcounts of HKU's government-funded and self-financed programmes. Although the growth rates of the government-funded undergraduate programmes decrease, so do the number of self-financed undergraduate places. On the contrary, the self-financed postgraduate programmes exhibit considerable growth. As a result, more self-financed programmes develop and become the major source of postgraduate student intakes. This in turn helps to promote the idea of private higher education.

Table 2: Student Headcount of The University of Hong Kong's Government-Funded and Self-Finance Programmes across Academic Years 2009-2010 to 2012-2013

Panel A: Programmes Funded by the Government					
	Academic Year				Average Growth Rate
	2009-2010	2010-2011	2011-2012	2012-2013	
Undergraduate Programmes	10,296	10,307	10,619	14,316	—
Growth Rate of UG Students (%)	0.58	0.11	3.03	34.82	8.78
Postgraduate Programmes	3,604	3,609	3,697	3,744	—
Growth Rate of PG Students (%)	4.01	0.14	2.44	1.27	1.95
Panel B: Self-Financed Programmes					
	Academic Year				Average Growth Rate
	2009-2010	2010-2011	2011-2012	2012-2013	
Undergraduate Programmes	1,293	948	871	911	—
Growth Rate of UG Students (%)	-25.04	-26.68	-8.12	4.59	-14.75
Postgraduate Programmes	6,946	7,396	7,846	8,034	—
Growth Rate of PG Students (%)	11.58	6.48	6.08	2.40	6.59

International competitions accompany the offshore programmes offered by overseas universities. As mentioned earlier, the Government once subsidized postgraduate business programmes. One direct effect of government subsidy is that the programme sizes are limited due to government-determined quotas. When the supply cannot meet the demand, many overseas universities offer offshore programmes in Hong Kong. In response, local public universities address the challenges involved in offering competing self-financed programmes. In turn, the society begins to accept private higher education.

The third area that promotes public higher education is the advent of new educational qualifications, or associate degrees. Associate degrees used to declare educational qualifications as conferred by two-year community colleges in North America. In the early 2000s, the Hong Kong Government decided to upgrade the public's educational qualifications and encouraged both public universities and private higher education institutions to launch associate degree programmes. After students obtain their associate degrees, the majority wish to further their studies and finish their bachelor degrees. Although the demand is great, local public universities cannot meet it due to the government-imposed quotas. Many overseas universities have offered top-up bachelor degree programmes in Hong Kong. These top-up programmes are self-financed at the undergraduate level, and have helped the society come to accept private higher education. From this perspective, private higher education also has its roots in top-up programmes. Some of the local public universities also offer top-up bachelor degree programmes on a self-financed basis. Compared with government-subsidized bachelor degree programmes, self-financed bachelor degree programmes usually have higher tuition fees. In this way, private higher education emerges within the government-funded universities. Indeed, self-financed programmes are essentially private higher education programmes operating within the public universities.

This wave of self-financed programme development has met with its share of criticism and drawbacks. Reports have suggested that some public universities must offer self-financed programmes to generate extra income that will compensate for the insufficient government funding. When the general public associates self-financed programmes with revenue earnings, it comes to doubt the quality of the education provided. This perception is consistent with the findings of Agarwal (2008). In other words, the offering of self-financed programmes leads to questions of quality control.¹⁰ When self-financed postgraduate programmes become cash cows for some universities, their education quality becomes suspect.

Discussion

A comparison of the developments of self-financed programmes in Hong Kong reveals that the concept of private higher education existed long before the establishment of private higher education institutions. Indeed, many public universities offer private higher education. The real issue is whether the term 'private' is mentioned

in the process. Private higher education institutions clearly state that they are independent from the Government and that they offer higher education programmes on their own. As discussed in the previous section, public universities also operate self-financed programmes. The Government has recognized the idea of 'privatization within nationalization', but does not seem to consider it a potential problem, as the majority of self-financed programmes are offered at the postgraduate level. Indeed, the Government is more concerned about private higher education at the undergraduate level.

The degree programmes currently offered by independent private higher education institutions must be scrutinized and accredited by The Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). When comparing the development of private higher education after 1949 with the current situation, it becomes clear that the government did not support private higher education in the past. The provision of government subventions to private higher education institutions in the past originated from the intention to regulate the higher education sector, rather than promote private higher education.¹¹ Hence, the factors mentioned in Section III lead to a boom in private higher education opportunities. Global trends also favour the development of private higher education. Although the environment is now more favourable, certain issues must still be addressed.

The quality of private higher education is the first and foremost concern, and quality assurance must be addressed adequately. The HKCAAVQ is the current statutory quality assurance body that accredits programmes offered by private higher education institutions. It performs the role of gatekeeper and ensures that the degree-granting institutions are of an acceptable quality. Although this is a necessary step in terms of quality control, the quality assurance process must be improved to facilitate the development of private higher education. One oft-mentioned area in need of improvement is the lengthy accreditation process. A typical accreditation process requires substantial preparatory groundwork and involves many administrative hassles. The entire process typically takes nearly one year to finish, not counting the preparatory work. However, the changing external environment of private higher education requires a more proactive approach in the accreditation process. A balance must be struck between quality control and administrative complexity.

Second, the Government has identified education as one of the six industries in which Hong Kong has a niche, and has mentioned plans to develop Hong Kong into an education hub. The opening of more private higher education institutions and plans to invite overseas universities to open offshore campuses in Hong Kong will no doubt place new demands on teaching staff.¹² Hong Kong's competitiveness over attracting the required quality teaching experts is concerning. Nevertheless, the success or niche of the local private higher education institutions relies on the relevance of the education that can be delivered. In other words, private higher education institutions must focus on the areas in which they can excel. If private higher education institutions in Hong Kong were to compete with government-funded universities on the grounds of research

and ranking, the former would not have much of a chance to succeed.

For illustrative purposes, business education is used as an example. There has been strong international competition over recruiting qualified business doctorates. Many new recruits of the private higher education institutions are doctorate graduates from local public universities. Although these young business doctorates are mainly trained to conduct academic research, they have weak connections with the external business sectors. Worse still, not many of the doctorates who graduated from local universities have local backgrounds. Take the business doctoral programmes of the Hong Kong University of Science and Technology (HKUST) as an example. Table 3 shows the distribution of non-local candidates in HKUST's business doctoral programmes.

As shown in Table 3, HKUST had 80 PhD candidates in its business doctoral programmes during the 2010-2011 academic year. It is clear that non-local candidates constituted the bulk of the doctoral students. It is logical to suggest that these candidates would have attempted to enter the local academic market, and that many would have gone to private higher education institutions upon graduation. Although being a non-local doctoral graduate does not necessarily imply that the graduate's education lacked local relevance, it presents a genuine concern. The industry has voiced its concern over the lack of local relevance provided by local public universities. Hence, the hiring process of non-local doctoral graduates should focus on the ability to teach, rather than the ability to produce top-tier research outputs. Internally, private higher education institutions should have clear reward system for quality teaching. Also, it should be emphasized that good research is to supplement quality teaching, and research should not come first at the expense of teaching. Private higher education institutions in particular cannot ignore this voice, as their success relies heavily on the quality of the education they deliver.

Table 3: Distribution of Non-Local Candidates in HKUST's Business Doctoral Programmes During the 2011-2012 Academic Year

	Number of Doctoral Candidates	Number of Non-Local Candidates	Percentage of Non-Local Candidates
Accounting	11	11	100
Economics	9	9	100
Finance	17	15	88.24
Information System and Operation Management	18	15	83.33
Marketing	12	12	100
Management	13	13	100

Third, Hong Kong is characterized as an expensive city with large operating costs and high land prices. Compared with overseas universities, Hong Kong universities are small in terms of both scale and space. Even the government-funded universities are limited by the amount of land granted. Compared with public universities, the private higher education institutions do not have enough land resources to develop. Given this important constraint, private higher education institutions cannot be expected to emerge as comprehensive universities. This means that they must specialize in certain areas rather than try to excel in every area. The most obvious areas to be specialized in are likely to be in business and humanities. Because of these specializations, private higher education institutions are likely to excel in liberal studies and in business studies. These can be the areas for the positioning of private higher education institutions.

Fourth, the financial resources of private education institutions cannot compare with those of government-funded universities. If private education institutions were to rely entirely on tuition fees to support their operations, they would not be able to provide adequate resources to students and would find it difficult to retain and recruit qualified teaching staff. Based on overseas experience, the patronage bodies of the private higher education institutions must be financially viable and have strong and steady income flows from endowment resources. This observation is consistent with the results documented by Lee (2009), who examines 766 private colleges and universities in the US and concludes that capitalization rates, capital spending, endowments, tuition subsidies and revenue contributions are important success factors for private higher education institutions. It is recommended that the Government should provide more financial incentives like matching grants for private higher education institutions to build up their endowment funds. Matching grants provide the incentives for private higher education institutions to look for private donations. With strong endowment funds, the private higher education institutions can operate with adequate financial resources.

Fifth, the positioning of private education institutions should be carefully designed. Without proper positioning, these institutions suffer from an absent reputation due to their short histories and a lack of a strong alumni network. All of the best universities in the US are private schools. These top-notch universities are famous and highly respected in the scientific research field. Calls have been made to upgrade the research profiles of private higher education institutions in Hong Kong so that their rankings can be enhanced. Nevertheless, this would force the institutions to play the same ranking games as other public universities. The research emphasis may be a double-edged sword. Although it may raise the academic profile of the private schools, without proper postgraduate research programmes, private schools would need to devote many resources to a game they would probably not win. In other words, private higher education institutions should not position themselves as research intensive institutions, at least for the time being. Private higher education institutions should treat research as essential in improving teaching quality. When the public starts to recognize the philosophies of research activities conducted by private higher education institutions,

the private higher education institutions will be more accepted by the general public.

Conclusions

This paper outlines and critically evaluates the developments of private higher education in Hong Kong. These developments indicate that government support in the form of policy direction is the major factor affecting private higher education outcomes. In turn, government policy constructs some of the limitations and obstacles that confront private higher education. Given the growing importance of private forces in higher education worldwide, the Hong Kong Government should be more proactive in promoting its private higher education sector. For private higher education to be successful, financial resources committed from the governing bodies of the higher education institutions are vital, in addition to policy support from the Government. Calls have been made for the differentiation of public universities and private higher education institutions. Without proper positioning in the higher education sector, private higher education institutions will lose their identities and probably fail.

Notes

1. These figures are taken from various issues of HKU's Quick Stats.
2. In Chinese these are known as '私塾', which literally refers to private schools.
3. Yincheng University and St. John's University in Shanghai were broken up in the early 1950s. The majority of the Yincheng University faculties were incorporated into Peking University, Tsinghua University and Renmin University, and those of St. John's University were mainly incorporated into the East China Normal University and Fudan University. The Private University of Nanking merged with other institutions in the early 1950s to become Nanjing University.
4. American Council on Education (2004) provides a good summary and discussion of the problems and changes faced by American state universities.
5. Mellor (1992) provides a good account of the political objectives and origins of the founding of HKU. For a simple description of HKU's historical development, see http://en.wikipedia.org/wiki/University_of_Hong_Kong.
6. The use of the names 'University' (大學) and 'Hok Yuen' (學院) are restricted and regulated by the Post-Secondary Colleges Ordinance, more commonly known as CAP 320 in Hong Kong. Schools are not allowed to use the two terms freely.
7. These three colleges later become the constituent colleges of The Chinese University of Hong Kong.
8. Baptist College, Lingnan College and Shue Yan College, were renamed Baptist University in 1994, Lingnan University in 1999 and Shue Yan University in 2006, respectively.
9. Bray (2002) provides a good account of the recent trends in higher education privatization in Asia. Sivalingam (2006) summarizes higher education privatization in Malaysia. Mok (2003) compares the types of higher education privatization in Mainland China, Hong Kong and Taiwan.
10. For example, the Hok Yau Club, a Hong Kong-based organization that provides information for further studies, surveyed high school teachers in June 2010 and found that 86% doubted the quality of associate degrees. The Hong Kong media have also covered some negative news related to the revenue earnings of associate degree courses. (For example, see editorials by Wen Wei Po on 9 April 2008 and Mingpao on 22 December 2010).
11. The special role of the government and political forces in shaping higher private education is not restricted to the colonial era of Hong Kong. McLendon, Hearn and Mokher (2009) observe that in the US, political forces play an increasing role in influencing the choice of private higher education through state funding.

12. Lane (2011) provides two good examples of how offshore campuses affect a host country's education system and manpower demand.

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