

Will Merger Magic Work for Hong Kong?

By Gerard Postiglione

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Real and perceived globalization has deepened university participation in the knowledge economy and led universities to consolidate their advantages. This consolidation takes many forms, and Hong Kong is now examining the possibility of cross-institutional consolidation. While consolidation of departments and programs is not new to Hong Kong, its mainland parent has gone further in recent years by consolidating a large number of colleges and universities. By 2000, 612 colleges and universities on the Chinese mainland were consolidated into 250 institutions.

Some argue that economies of scale will not in themselves ensure quality, especially if the institutions that are being combined are themselves overstaffed with redundant personnel. These mega institutions have been labeled grand academies (*da xueyuan*), and doubts have been expressed about the benefits. It has been pointed out that the world's first-rate institutions of higher education are not produced by government projects of consolidation. In the light of a slowing economy, it looks as if Hong Kong is also set to move down the path of consolidating universities, despite major reservations being expressed by staff and university heads. The pressure to merge universities in some parts of the world depends greatly on the degree of state power over universities, and in the case of Hong Kong and mainland China, will determine to a large extent whether mergers actually occur.

Until mainland China began to merge its colleges and universities beginning in 1999, Hong Kong's main universities, each with about 10,000 students, were larger than over 90 percent of those on the mainland. Now, however, mainland institutions like Zhejiang University, with over 50,000 students, are increasingly common and have come to resemble giant state campuses in the United States. Tiny Hong Kong, with only two universities until 1990, added on four more universities before it reached the current total of seven by 1997. This ensured that 16 percent of the relevant age group could get a degree place.

Soon after Hong Kong's return to China, a review was made of the higher education system. Known as the Sutherland Report, this review took a hard look at the well-endowed university system within a period of economic decline. Knowledge economics called for a need to expand

postsecondary education even further, so the current enrollments could be doubled, but all through self-funded community college places. The Sutherland Report further suggested that Hong Kong work to concentrate its tertiary resources in a few institutions. Although the "M" word was not mentioned in the report, it was not long before merger scenarios were being floated. The most salient of these came from the then vice-chancellor of the Chinese University of Hong Kong, just before he was appointed as Hong Kong's first minister of education. On October 4, and again on October 7, he confirmed a merger of his old university with the Hong Kong Science and Technology (and the nearby Institute of Education—a sprawling campus also funded by the University Grants Committee). It is assumed that the merger will "result in a world-class university."

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Given the economic backdrop in Hong Kong and the emergence of Shanghai and Beijing as world-class cities aspiring to have world-class universities (staffed on a fraction of the Hong Kong cost), the need for some restructuring of higher education in Hong Kong is widely accepted. The move to merge is seen by some as a way to deal with budgetary constraints and pressures to increase quality. Yet, the manner in which the mergers are being planned in Hong Kong has met with strong opposition (see <http://merger.ust.hk/public/index.php>). While the mainland is accustomed to a command economy and centralized decision making, Hong Kong academics, most of whom have been trained overseas, easily find fault with such authoritarian tactics. Regardless of the potential merit, albeit doubtful, of the merger, the manner in which it was announced actually facilitated organized opposition—making further mergers highly unpopular. While the current educational reform in Hong Kong calls for school-based governance and promotes participatory methods and democratic development in the community, the decision to merge universities was made in a different spirit.

The issue of how two of Hong Kong's top universities will merge will probably take some time to unfold. This process will be important to follow because it relates directly to the question of university

autonomy and, more specifically, to the question of whether universities are established by law or by government. Hong Kong's universities (with the exception of the Open University) receive most of their funds from government.

Are Hong Kong colleges too quick to think merger? Is it a convenient solution, providing a corporate touch within this commercial enclave? Are there other alternatives, such as alliances and consortia? Without a careful assessment, can one make a sound judgment? It was no doubt uplifting to Hong Kong's pro-merger group that two universities in Britain (University College London and Imperial College) announced their intention to tie the knot at the same time that the Hong Kong announcement was made. Before long, however, the London merger was cancelled. In fact, it appears this is less the exception than the rule. After 20 years of hearing about the predictions of massive mergers across universities, few actually occurred. The record shows that planned mergers fail all the time. Cases include Stanford University and the University of California at San Francisco over the merger of their health systems. Alfred University and the State University of New York College of Technology at Alfred have also ended discussions of a possible merger.

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The fact is that mergers are a risky business. Among the most pronounced reason for exercising caution is the possibility of alienating alumni, donors, long-term friends and supporters. It will not be beneficial if they perceive the danger of their university losing its identity, or at least of some its autonomy, as well as possibly ceasing to exist. Hong Kong's oldest institution, the University of Hong Kong, plans to remain as it is, probably for these very reasons. Because it has a larger and more influential alumni, it can more easily raise funds and may even be advantaged in privatizing when the Hong Kong economy brightens again.

The motivation to merge as a way to reach world-class status is understandable, but how realistic is it? If the government is willing to push through such a merger, why not go further and merge all eight of its publicly funded colleges and universities, or go even further and invite Peking, Tsinghua, and Fudan Universities to join? ■

The Retired Academics Database

By Jocelyn Law

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The Association of Commonwealth Universities (ACU) is concerned with academic mobility at all levels. The ACU has just launched a new initiative, the Retired Academics Database (RAD), aimed at strengthening staff recruitment and retention specifically in the developing world.

Universities in developing countries have faced a number of problems in recent years. As the Association of African Universities itself recognizes, the rapid expansion of higher education in many countries has highlighted an increased need for good-quality teaching (www.aau.org/releases/declaration.htm). But these countries have steadily been losing promising students and staff to overseas universities and international companies. Universities have also had to face the major impact of the HIV/AIDS crisis, as reported in a March 2, 2001 article in the *Chronicle of Higher Education*.

RAD is a database of retired academics and university administrators drawn from around the world. We know that university staff are often keen to continue teaching after they have formally retired and that they relish the opportunity to work overseas. The service will match these academics to vacancies universities are encountering particular difficulty in filling; although this would not be a permanent solution, these academics and administrators will provide cover for between a semester and two years while a university seeks a permanent replacement.

Due to the international nature of the scheme, RAD is a web-based initiative. University staff wishing to work overseas can register by using an on-line form, making the process quick and easy, in whatever part of the world they happen to be living. The website also contains resources and links providing further information about the scheme and working abroad. Universities will submit a request for university staff through an on-line enquiry form or by fax, and the ACU will search the database for suitable matches. Details of relevant candidates will be passed to the institution, which will then select an applicant to appoint. Universities will have to pay a small fee to use the service in order to cover administrative costs.

Piers Pennington, who is head of the ACU's academic recruitment unit that is running RAD, stated that "RAD has the potential to make a real difference in universities that urgently need to fill key posts. At the same time, the scheme offers university staff a unique opportunity to continue teaching and to experience different countries and cultures."