Restructuring through Mergers: The Chinese Experience

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The Chinese higher education system was established in the 1950s, fully based upon the Soviet pattern in the context of a highly centralized and planned economy. However, as the market economy was being implemented, the system characterized by a large quantity of inefficiently run and narrowly specialized professional colleges proved incapable of adapting to the new challenges. To change the system became a matter of strong public interest and concern. Sticking to the guidelines of gongjian (joint administration), tiaozheng (adjustment), hezuo (cooperation), and hebing (merger)—the main target of reform was to change the obsolete pattern under which universities were owned and run by a variety of central ministries, so as to establish a fairly decentralized, two-tiered management system in which administrative powers would be shared by both central and local governments, but with the local governments being required to play a major role.

After painstaking efforts, in 2000 the vice-premier of the Chinese government announced “the optimization of the administration structure of higher education has been basically and successfully fulfilled.” During the restructuring, 452 institutions have gone from central to local control, only 71 flagship universities are still under the jurisdiction of the Ministry of Education, and some 50 special professional institutions are temporarily under their corresponding ministries. Although the merging of universities and colleges is the most difficult course of action, a total of 612 higher institutions have been merged into 250. (It should be noted that some of these actions have been rather perfunctory.)

Hebing, or merger, as a way for improving economies of scale and creating strong, comprehensive universities, was also most controversial and eye-catching. The full-scale restructuring movement started in 1998 with a push from the campaign of government to change its own role in the market economy. Departments of the State Council were reduced in size; ministries, except for the Ministry of Education, were no longer permitted to hold and run higher education institutions. Instead, institutions were required to detach from their originally affiliated departments and find their own means of survival. Responsibility for these institutions devolved upon the localities, or was transferred to the ministry, mainly through mergers with universities already under direct ministry administration. In this period, 1,232 institutions were radically changed through decentralization and amalgamation. About 406 universities have been restructured and pared down to 171 since 1996. The process of merging universities and colleges was accelerated. In just the first half of 2000, 778 institutions, formerly affiliated with 49 departments under the State Council, were restructured.

Mergers were thought to be the shortcut to producing world-class universities. Such institutions, it was believed, should be comprehensive, large enough to handle increasing
established in 1994 to evaluate study programs in higher education. At first, board members acted also as the reviewer; however, since 1999 reviews take place through peer review, while the board acts only as policymaker and supervisor. In the beginning, the board was a unit operating under the director general of higher education (DGHE), but since 1998 the board has functioned as an independent unit directly under the minister of national education. Because of government regulations, the budget still goes through the DGHE. A proposal to corporatize the board is still under review by the government.

The accreditation system is based on program accreditation. Due to technical difficulties the first round of accreditation involved primarily the evaluation of human and material, the learning-teaching process, and the quality of its products (graduates, research, and service). Basically, accreditation of an institution involves the evaluation of these three aspects.

At present, higher education policy in Indonesia is aimed at improving quality by focusing on relevance, academic atmosphere, institutional management, sustainability, and efficiency. Known by its acronym, RAISE, this policy was aided by a new paradigm in higher education management—one aimed at quality enhancement through increasing autonomy, improving accountability, periodic self-evaluation, and accreditation.

As part of the implementation of the new paradigm, a 20-member National Accreditation Board for Higher Education (NAB) was established in 1994 to evaluate study programs in higher education. A New Paradigm

The quality of higher education can be controlled through internal control of academic programs, government regulations, market mechanisms, and accreditation. The quality of an institution of higher education is determined by the resources (human and material), the learning-teaching internal control of academic programs, government regulations, market mechanisms, and accreditation. The quality of an institution of higher education is determined by the resources (human and material), the learning-teaching