

Abstract

The private higher education in China has developed very rapidly since 1980. The development is, however, asymmetrical from one region to another. Some local governments have more incentive policies for private higher education, so the developments in these regions are faster than others. Because of such phenomenon, the relationship between the underlying policy and the development of private higher education is explored. Taking Beijing, Shanghai, Guangdong, Jiangsu, Zhejiang and Shaanxi as examples, the essential policies of private higher education, the regional differences, and the influence of policy on the development of private higher education in each area are all investigated in this study. Understanding these issues should be beneficial to the further development of private higher education in China.

The results of this research show that in regions whose policies are best understood with human capital theory, such as Guangdong, Shanghai, Jiangsu, Zhejiang and Shaanxi, the ratio of students in private higher education institutions grows steadily; the ratio of educational financing is also largely private. On the contrary, in the regions where cultural capital theory best justifies their political implications, such as Beijing, the ratio of students in private higher education institutions decreases because of the “increasing assess of higher education” program in public sector. At the same time, the private financing of higher education continues to shrink in proportion. The reduction of government finance in higher education has effectively stimulated the development of private higher education. As for the design of programs of study, local policy has little effect, and the market demands become the determining factor.

In conclusion, following suggestions are made from this research:

1. The role of private higher education in the future needs to be specified to allow fair competition in the higher education market.
2. Local governments' policies need to be consummated in the development of private higher education.
3. To ensure an equal opportunity to higher education, a sound financial assistance scheme is required. This includes: (1) expanding the coverage of educational loans; and (2) providing equal opportunities to receive educational loans among students of public institutions and private institutions.
4. The programs of study of private higher education institutions are decided by the market demands, so the government can allocate funds to help develop basic programs in public higher education institutions. By doing so, the development of the higher education system's "dual track" can be enhanced.