

## CHAPTER 1

### PURPOSES OF POST-SECONDARY EDUCATION

1.1 It is important to stress the great significance of the post-secondary education sector (and more particularly of higher education) for Hong Kong today, and thus the appropriateness of this review. Some of the reasons for this have to do with economic considerations. There are also a number of important factors that have to do with Hong Kong's particular situation in the world, and the more general implications for local society. Finally, more universal values are involved, and historical experience demonstrates that these cannot be diminished without damage to the health of a society.

1.2 Hong Kong's position has long given it importance as a principal site for the interface between Asia (and more especially, China) and the rest of the world. The changing local economy, Hong Kong's return to China in 1997 and the effects of globalisation have modified the exact nature of that interface and continue to do so. However, its function has not changed, and the emergence of China as a major global actor has accentuated the opportunities for Hong Kong. The implications of the interface and its changing character for higher education inform important parts of this review's conclusions, as will be made clear later in the report.

1.3 Globalisation involves a process of continuing economic, political and social integration around the world. It features a growing interconnectedness of markets, an increase in the mobility of capital, labour and knowledge, and a transformation of regions in terms of production, trade and association for common benefit. This has contributed to increasing specialisation as countries seek their international comparative advantages through developing their particular strengths. For many countries over the last two decades, this has meant the promotion of innovation as a central stimulus to economic growth. In turn, there has been a drive to concentrate on knowledge, creativity and innovation as the foundation of competitive advantage in a globalised economy where knowledge-intensive, high value-added goods and services provide the leading edge. The Pearl River Delta provides a classic illustration of this move (as described in *The Outline of the Plan for the Reform and Development of the Pearl River Delta (2008-2020)* [E1]).

1.4 Such an analysis clearly underlies the Chief Executive's Policy Address of 14 October 2009 ("Breaking New Ground Together"), in which he emphasised Hong Kong's need to enhance its global competitiveness

particularly through the development of a high value-added, knowledge-based economy, driven by innovation and knowledge-based industries. That policy vision defines the transition of Hong Kong towards a high-quality provider of services. We heard this vision widely echoed in our consultations and interviews in Hong Kong during the preparation of this report.

1.5 It is self-evident that an economy which depends upon skills of the mind, upon knowledge and its applications, requires an educated population. More particularly, it requires a diversified, well-supported and creative post-secondary sector. Investment in education – especially in post-secondary education – is an investment in the fundamental economic health of a society. In the highly competitive globalising environment, many countries have invested significantly in education, especially higher education, as a self-evident competitive necessity. It is for this reason that education is listed amongst the six strategic industries identified by the Hong Kong Government.

1.6 It is thus a prerequisite for success in the competitive global economy that Hong Kong should have a population sufficiently capable of operating at the level of skill required. As knowledge-based economies drive rapid evolution and self-transformation, this population needs to be agile (and to be able to access support for re-skilling over time). Moreover, one consequence of economic globalisation is that Hong Kong needs an adequate supply of citizens capable of working productively in non-local environments. At the same time, there is a need to increase specialisation to maximise particular strengths, which has been a recent focus on Hong Kong policy. Post-secondary education thus needs to include at its various levels the adequate provision of requisite skills for those particular desired strengths. With seven million people, Hong Kong is a relatively small society. Its advantage must reside in the capacity of its citizens. That in turn emphasises the importance of well-considered strategy for and investment in education at every level.

1.7 Notwithstanding some of the foregoing emphasis, one should not conclude that educational strategy and investment in the post-secondary and higher education sectors should be driven simply by currently perceived local economic targets. Later we make the case for other perspectives. Here, it is sufficient to state that in a fast-moving environment profound change is always to be expected. Perceived objectives and required skills can be expected to change. The general capacity to produce thoughtful, self-reliant, adaptable and contributing citizens throughout the whole cycle of education must not be restricted.

1.8 These perspectives bind together the functional importance of the whole post-secondary sector for Hong Kong. Different functions are

distributed across different elements of the sector – for example, the Vocational Training Council (VTC) provides vocational education and training together with opportunities for those wanting a different path, Associate Degrees are delivered in quite a wide variety of public and private institutions, lifelong learning is developing across the sector, different institutions cater to different ability levels, and so on. Furthermore, individuals are acquiring these skills in the context of on-going attention to “whole-person education”, which the school sector promotes from the beginning. At all levels, the post-secondary system seeks to awaken in people a lifelong desire to learn and to be active participants in an evolving knowledge society. Post-secondary education in Hong Kong should be considered as a whole system, and no single element should be examined without understanding the context of that system.

1.9 Within post-secondary education, universities stand as the prime providers of complex skills, agility and creativity, and innovation. A society devoid of a vigorous university sector is a society deficient in one central condition of future success. As our survey of higher education since the 2002 Review Report (Chapter 3 and Annex D) demonstrates, the Hong Kong Government has made significant commitments to this sector in recent years.

1.10 It would be a mistake, however, to regard universities exclusively in terms of a direct utility to the Hong Kong economy. Of course, it is true that research can and does result in solutions and innovations that are applicable specifically in Hong Kong. It is equally true that taught courses can be and are designed to produce particular complex skills appropriate to Hong Kong and its vision of its future. Nonetheless, a strictly utilitarian measure of the actions and outputs of universities would significantly fail to recognise the diverse ways in which they energise their society and advance its future.

1.11 Universities address big questions. This can be seen in both their research and their teaching of students. Academic research is designed to produce comprehension of the problems and phenomena that we do not yet understand. University teaching is designed to provide students with the tools to understand the complexities of knowledge and the world of which they do not yet have understanding. Students can be compared to athletes: we do not know what heights of achievement athletes may attain or what inner resources they may unlock to perform better, but we do know that they cannot do it without attentive, expert and focused training. As for research, if we already knew what we sought, we would not seek. The process of uncovering new knowledge and making new inventions is liable to produce accidental, unpredictable and wholly novel outcomes. Indeed, the record shows that we do not always immediately realise the implications and applications of new discoveries. No discovery can be planned, mandated or defined at the outset.

1.12 Research-intensive universities undertake research mostly at the leading edge of human knowledge, requiring the highest degree of intelligence, imagination and technical ability. They constitute new knowledge by either discovery or re-interpretation. Research and teaching are together the defining character of universities. Teaching transmits new and inherited knowledge. It should infuse each student with a capacity to identify and resolve problems, to become independently minded and to develop skills for the future in terms of employment and social responsibility.

1.13 Universities also undertake an important task beyond the transmission of academic, disciplinary or professional knowledge. Students should acquire a greater sense of the wider world and the moral or ethical tools with which they can contribute to that world. The experience of university should firmly root an individual's sense of personal and social responsibility. Time spent at university should also be time used to develop adults full of curiosity about life, conscious of their capacity to contribute to and be equipped with a personal and social value system appropriate to their time. All of these are qualities that a mature society requires in its citizens. More than that, universities operate on the basis of seeking to distinguish between the true and the seemingly true, of testing assumptions and values to discern what is sound and what is false. Society requires that its best-educated citizens bring this capacity to their civic engagement.

1.14 These activities are the mainstream business of universities, but they also serve a central function in the creation and preservation of culture. This certainly includes the study and advancements of the arts. More especially, however, universities provide one of the main routes by which we come to understand what all human beings share in common and what legitimately provides the specific expression of different individuals and societies. Universities serve as powerful vehicles for cultural memory.

1.15 Investment in universities and other forms of post-secondary education is for Hong Kong much more than an investment in general economic success and individual life-chances. There are certainly direct benefits of that kind: work in research and application directly relevant to local specialisation, productivity, skill creation, health, welfare and social progress, and the enhancement of each student's employment prospects. Equally important are the development of creativity and new ways of thinking. Investment in higher education is thus a prime contribution to the creation of Hong Kong as an "innovation society" – the formation of a population imbued with the appetite, confidence, skills and agility for the future. Furthermore, higher education produces not just knowledge-rich students but also citizens capable of social and

civic responsibility. Finally, universities are engaged in a globalising world of knowledge and education. It follows that high-quality research output and educational excellence can contribute to the general reputation of Hong Kong in international terms.

1.16 This places burdens on public universities. They need always to be mindful of the contributions they must make to the society that funds them. They need to ensure that they attain the outcomes noted here. In the pursuit of excellence universities do require independence in research and teaching, but they are not private islands. Transparency and responsibility demand a delicate balance for both those inside and outside these institutions.

1.17 The appearance of international university rankings during the last decade has made academics and governments around the world aware of comparative performance. The basis of these rankings may be contestable but they are now an established fact. With five universities placed in the top 200 according to one major survey in 2010, Hong Kong does well. Nonetheless, the consequences of falling behind are serious, and include the loss of local, regional and business support, declining capacity to recruit outstanding talent in staff and students, and the loss of potential for high-quality collaboration. We discuss this further in Chapter 4. The challenge to Hong Kong universities is clear – they must retain an enduring commitment to their core values of high-quality education and the creation and transmission of knowledge at the frontiers of human understanding, while showing the creativity, organisation and decisiveness to adapt to the highly competitive education environment.

1.18 Universities operate most productively in conditions of autonomy, with the ability to set their own strategies for meeting objectives and choosing the initiatives that best correspond to their particular strengths and interests. The content of teaching and the objects of research need to be freely set by the academics involved. This does not mean that universities owe no account for the public money they receive. They are not immune to questions about the quality of what they do, and individual academics have no entitlement to be funded for whatever project they may wish to undertake.

1.19 This sort of autonomy is the key to innovation and experimentation. Ultimately, it underpins the dynamism that transforms young minds in the classroom and generates new research discoveries. It is the precondition for all of the benefits that universities bring to their societies.

1.20 At the same time, we must recognise that this places a great responsibility on universities to recruit and nourish creative and engaged academics and to provide themselves with highly competent leadership.

Autonomy implies the risk of varying degrees of poor leadership and disengaged academics. The success of individual universities depends as much upon these internal factors as it does upon the environment and external stimuli to which they respond.