

Higher Education Fees of Master Programs for International Students in China and Britain

Zhen Sun

University of Glasgow, Glasgow G12 8QQ, Scotland.

Abstract: Higher education is an essential part of society and tuition is a significant public concern for students. Universities face increasing pressure that they need to provide good-quality education services for students and help them prepare for future careers. Therefore, tuitions affect both students' school choices and universities' missions, goals and future. This paper focus on what kinds of education British and China universities could provide and what tuition makes up of in the two counties separately. It also analyses the connections between government policies and the fees of universities.

Key words: tuitions of master programs; international students; comparative; China; Britain

Introduction

In the past decades, the number of international students goes up dramatically. The statistics of UNESCO show that there are about six times as many international students as there were in 1975 ^[19]. It is a common global phenomenon that many countries see an expansion in the number of international students in the 21st century. The international mobility of students could contribute to the internationalization of universities. Higher education all over the world is becoming more and more international, which in some way is a response to economic globalization. International students are often depicted as subjects who are acted upon in the context of the study and it is essential for international students to be familiar with this knowledge of globalization ^[14].

A Master degree is considered to be the most popular one among both students and employees because no matter at the entry level or in the mid to long term, a master degree could bring financial and promotion advantages to these groups. However, nobody has ever publicly acknowledged that 'the value for money', a lot of people would try to do a mater program as a long-run investment to get more opportunities ahead of their peers ^[1]. When people with master's degrees are qualified to enter job markets, they will get higher payment than undergraduates and non-graduates, especially in China.

With the ongoing development of globalization and internationalization, more and more students choose to study abroad. As a result, international communication becomes increasingly frequent among students. As a country which is famous for its quality education and elite training mode, Britain is the world's second-largest international students receiving country. It has made significant economic benefits, especially from its taught master programs that have become the top choice because of its time-saving educational system and high-quality education. Private returns are higher than social returns and most of the gains from higher education still go to individuals in the United Kingdom ^[6]. Driven by the expectation of social status, financial return and high quality of education, a large number of international students, most of them are from developed countries choose to study in the UK.

In China, higher education institutions such as universities are usually founded and supported by central and local governments. They have no purpose for profits. Most expenditure comes from financial allocations from governments. Because universities are quasi-public goods, they should be shared by the government and markets theoretically. But the fact is that governments cover the majority of education costs. Even for international students, which group is less likely to have public goods attributes, the Chinese government is still a priority sponsor. The government adopts a "per-student

comprehensive quota allocation policy” for international students, and the allocation ratio is much higher than that of domestic students. To attract more foreigners to study in China, the Chinese government has increased economic subsidies and set up various forms of scholarships. So, although the education of international students as a private product has been affirmed, the pricing strategy of the university tuition has not been liberalized and determined by the market mechanism^[5].

Literature review

With the number of international students has greatly increased, the role of government as a direct sponsor in sending and receiving students has transformed into a manager and facilitator. The role of market playing in supply and demand is becoming more and more important. Nowadays, a lot of students go to study abroad at their own expense. To some extent, international student mobility now can be seen as trade rather than aid. Besides, the importance of cultural exchange as a motive has declined while the importance of economic development has risen^[11].

From the perspective of economics, both public welfare and profit-making activities pursue the efficiency of resource allocation^[12]. The main trend of international students is usually from developing countries to developed countries^[11]. With the promulgation of the British Post Study Work Visa (PSW), it is expected that more and more students from other countries would choose the United Kingdom to do their master degree^[18], which means it will bring a large income for British universities.

The quantity and quality of international students, as a characteristic focus group, directly affect the internationalization level of colleges and universities. International students who study in China can be divided into self-funded students and scholarship students. In the current phase, the majority of them are scholarship students which means the Chinese government pays all the training costs^[12]. It brings unprecedented opportunities for the development of China’s international education, but also exposes some problems and challenges, one of which is education cost sharing. No matter from the governments’ or universities’ perspective, the issue of the allocation of scholarships and grants for international students should be reevaluated to improve the financial support system because scholarships can directly attract some international students. However, the current allocation policy in China distributes unequally and consternates on special groups^[5].

Policy response

China has dramatically expanded its international students since the 100,000 Strong Initiative Programme was launched in 2010. The Chinese government has increased economic subsidies and set up various forms of scholarships to attract international students to study in China. The Chinese government is still the primary undertaker of international students’ tuition. Although students’ education is affirmed as a private product, the payment policy of college and university has not been liberalized by the market mechanism. In addition, the government adopts a quota allocation policy for international students who study in Chinese colleges and universities, and the proportion is much higher than that of domestic students^[21]. Compared with the United States, Australia and the United Kingdom, China’s education economy is still in deficit^[5].

International students’ mobility is a core component of the internationalization of higher education. It has a very important financial and academic meaning to the world^[11]. That is because international students do not just learn and absorb knowledge but also bring it in and create new knowledge^[17]. However, as a developing country, China does not have enough educational resources to attract international students. In order to increase its global influence, the Chinese government has mobilized the initiative of all parties and set up a financial aid system through multiple channels to meet the needs of students from countries along the Belt and Road to study. At present, many universities have set up university-level scholarships for international students, such as Fudan University’s and Peking University’s Scholarship for excellent international students. However, the funding amount of university-level scholarship is low and the coverage is narrow. So, Chinese universities continuously strengthen their contact with outstanding enterprise groups, governmental organizations and even individuals to encourage them to set up various special scholarships^[22]. Compared with more developed cities such as Beijing, Shanghai, international education in the middle of China is relatively backward. So, a higher scholarship is set up in these places. The scholarship that Chinese government provides could not only cover the tuition fees of students’ postgraduate programs but also support a quality life for these intentional students.

Higher education funding has been an important issue for British governments since the 1960s. The United Kingdom government has transformed the system that taxpayers pay for all the costs of higher education into one that university students pay the tuition themselves. This so-called cost-sharing has been controversial from the start. Citizens believe that this system would decrease the participant rate of universities, especially among the group of people whose families are not well off^[4]. Many people believe that from the perspective of efficiency and equity, it is students' responsibility to pay higher education tuition themselves rather than the public because a master degree could bring them a lot of financial benefits and promoting advantages^[6]. These returns are very individual. The coalition government of Britain has raised the cap on tuition fees and that lead to great controversy and massive student protests. But the controversy and debate over funding for higher education in the United Kingdom are constantly under discussion^[4].

The importance of international higher education to the United Kingdom economy is indisputable. The United Kingdom charges a lot of money for international students and regards them as part of its core business, so it accepts a large number of students from all over the world^[3]. Therefore, it is surprising that the policy of the British government had never valued higher education as an export industry in the past decades. In fact, it was not until Mr. Blair's PMI broke the British department of education's silence on international affairs^[20]. The higher education industry of the United Kingdom has undergone massive expansion in recent decades. Although the number of students has risen sharply, yet university funding has not. In addition, the scholarships for international students of taught master programs are not enough^[2].

Different universities have different cost structures, and as there are more universities and a more comprehensive range of subjects, the gaps in fees can vary sharply. From Greenaway and Haynes calculation, it shows that even if universities operate flexibly under the top fee system, raising the maximum price to £2,000 would generate an additional £1 billion in recurring revenue. In comparison, a full cost of £4,000 would create more than £3 billion in recurring revenue^[6]. The current arrangements mean that students' contributions have nothing to do with the quality of the teaching, cost infrastructure, or the expected return on a degree but lead to greater market discipline. In this case, international students who want to do a taught postgraduate program to acquire a master degree in the United Kingdom, they would spend more money on their education.

Issues analysis and discussion

The internationalization of higher education leads to students' mobility. Impacted by the economy and policy of their home countries and driven by the expectation of higher payments and quality education, a lot of students choose to study abroad, and most of them are from developing countries^[15]. Usually, students select their destinations and universities based on the university's academic reputation, quality of teaching, adaptability and future job prospects. Moreover, the programs they want to take should be better than that in their home countries. They desire to gain greater ability to obtain specific courses of study, more opportunities to experience foreign culture and to be exposed to available migration opportunities^[1]. As a program that provides sufficient educational resources and has limited restrictions, taught postgraduate programs become the top choice of many students^[10].

British higher education is highly sought after by international students and this is because of the excellent quality of British's higher education. The number of students who have registered in universities and colleges in the United Kingdom in the 2013-2014 academic year was more than two million. In the above total number of students, British students account for 81%, international students from EU countries account for 5%, international students from non-EU countries account for 14%. At the level of postgraduate education, non-EU students account for 46% of the total number of full-time master's students. In other levels and learning styles, British students account for a large proportion^[13]. Recruiting and attracting more international students to study British universities is significant to the United Kingdom in many ways. Firstly, they provide opportunities for students who aspire to get higher education but are not interested in the programs that their home country offers. Secondly, by increasing the diversity of the students, cross-cultural and international interactions could be strengthened. Last but not least, for quite a long time, international students' tuition makes an outstanding contribution to its finance^[20].

In the global talent competition, the United Kingdom attracts a large number of international students from other

countries with its high-quality master's education programs. These postgraduate students can easily integrate into their own domestic society and labour markets with the knowledge and abilities that they learnt in the UK ^[9]. Usually, the full-time taught master program only takes only one year to finish and that is very effective for students who want master degrees as a bargain for promotion and a better job. The non-UK residents' option is usually based on the trade-off between competitiveness in labour market and the tuition of higher education. But normally, the tuition is not the factor that determines international students' decision of where to study but the quality of education and the opportunities they will get. Such effective higher education attracts a large number of overseas students to study in the United Kingdom and also brings considerable economic income to the British education market.

Generally speaking, universities' fees are mainly based on two principles: the principle of obtaining benefits and paying ability ^[8]. The high fees paid by international students are a significant source of funding for UK higher education. International students provide a vital fund to support every aspect of universities. However, there is also a chance that some universities' operation patterns might over depend on international students that if the government changes visa rules for international students, these universities will experience loss of students and a decline in funding.

The expansion of China's higher education system is accompanied by the increasing differentiation of institutions within the system. In the years of universities' development, the Chinese government has supported a plan to improve the quality of higher education. However, due to the limited funds available, the government has identified the country's top universities and key disciplines, decided to allocate funds selectively to some universities for the improvement of their academic reputation and competitiveness, such as China's 985 and 211 projects. These two projects form a clear distinction between the top universities and the rest, making it very competitive to get into the top universities. So, students who are able to afford the tuition of other countries would choose to study abroad so that they can get a better education and more opportunities. In 1981, the first group of self-funded students were allowed to study overseas. The Chinese government further relaxed the restrictions on students who were self-funded and encouraged them to study abroad and go back home to construct their motherland from the 1990s. With China's entry into the World Trade Organization (WTO), Chinese economy is growing dramatically. So, the need for skilled professions who could speak foreign languages is further increasing. China has the most significant number of overseas students now ^[7].

Internationalization is a development trend of education in China and has become one of the mainstream characteristics of higher education. Although China sends a large number of students to other countries, especially developed countries such as the United Kingdom, the United States, Australia and Canada, the number of international students who study in China is still small. Some respondents believe that postgraduate education programs in China are very limited and the course structures are not competitive internationally. They also indicated that getting a higher degree at some stage is considered vital to career aspirations, but the quality of postgraduate courses in China is not very good. While the United Kingdom provides taught postgraduate programs, which is expensive but it has good quality and more competitive all over the world. Besides, Chinese graduate programs offer breadth rather than depth of knowledge ^[1]. That is why the students choose famous intuitions and universities rather than spend less money studying in China.

Conclusions and implications

Higher education tuition policies vary from country to country due to political systems and courses ^[16]. International education is the most commoditized program in the educational area, so it is suitable to introduce a market mechanism for commercial operation ^[12]. Students who come from wealthy families would prefer to pay higher tuition for better education. If students are not very rich, higher payments and personal prospects will drive them to study abroad ^[8].

In conclusion, in order to increase international influence, Chinese governments attract foreign students with sufficient scholarships and inexpensive tuition. However, different from China, Britain is favoured by international students because of its high-quality higher education and world class study resources.

References

- [1] Bamber. What motivates Chinese women to study in the UK and how do they perceive their experience? [J]. Higher

Education, 2013, 68 (1): 47-68.

[2] Barr, N. and Crawford, I. Financing Higher Education: Answers from the UK [M]. London and New York: Routledge, 2005.

[3] Brown, R. and Carasso, H. Everything for Sale? The Marketisation of UK Higher Education [M]. Abingdon: Routledge, 2013.

[4] Dearden, L., Fitzsimons, E. and Wyness, G. The impact of tuition fees and support on university participation in the UK [J]. IFS Working Papers. 2013,11(17).

[5] Dervin, F., Du, X. and Härkönen, A. International Students in China, Education, Student Life and Intercultural Encounters [J]. Switzerland: Springer International Publishing AG part of Springer Nature, 2018.

[6] Greenaway, D. and Haynes, M. Funding Higher Education in the UK: The Role of Fees and Loans [J]. The Economic Journal, 2013, 113: 150-166.

[7] Iannelli, C. and Huang, J. Trends in participation and attainment of Chinese students in UK higher education [J]. Studies in Higher Education, 2013, 39(5): 805-822.

[8] Johnstone, D. B. Cost Sharing in Higher Education: Tuition, Financial Assistance, and Accessibility in a Comparative Perspective [J]. Institute of Sociology of the Czech Academy of Sciences, 2003, 39(3): 351-374.

[9] Lange, T. Return migration of foreign students and non-resident tuition fees [J]. Journal of Population Economics, 2012, 26(2): 703-718.

[10] Larsen, K. and Vincent-Lancrin, S. The learning business: can trade in international education work? (Education) [M]. OECD Observer. Paris: OECD Publications and Information Centre, 2002.

[11] Li, M. and Bray, M. Cross-border flows of students for higher education: push-pull factors and motivations of mainland Chinese students in Hong Kong and Macau [J]. Higher Education, 2007, 53(6).

[12] Li, X., Sun, L. and Li, B. Study on Attribute of Education Cost, Structure and Particularity of Accounting of International Students in Universities [J]. Educational Review, 2015, 6.

[13] Ma, W. and Kuang, J. Challenges Chinese students might encounter in UK under the international flow [J]. Peking University Education Review, 2016, 14(2).

[14] Madge, C. and Raghuram, P., & Noxolo, P. Conceptualizing international education [J]. Progress in Human Geography, 2014, 39 (6): 681-701.

[15] Naidoo, V. Research on the flow of international students to UK universities [J]. Journal of Research in International Education, 2016, 6 (3): 287-307.

[16] Pollitt, C. and Bouckaert, G. Public Management Reform: A Comparative Analysis. 3rd ed [M]. Oxford: University Press, 2011.

[17] Singh, M. Using Chinese knowledge in internationalising research education: Jacques Ranciere, an ignorant supervisor and doctoral students from China [J]. Globalisation, Societies and Education, 2009, 7.

[18] Trevena, P. Post Study Work Visa Options: An International Comparative Review [M]. Edinburgh: the Scottish Government, 2019.

[19] United Nations Educational Scientific and Cultural Organization [M]. UNESCO, 2021.

[20] Walker, P. International Student Policies in UK Higher Education from Colonialism to the Coalition [J]. Journal of Studies in International Education, 2013, 18(4): 325-344.

[21] Zhang, Z. Study on education cost sharing for international students in colleges and universities [J]. Studies of Finance and Accounting in Education, 2019, 30(3).

[22] Zheng, G. and Ma, L. The Belt and Road Strategy and Education of Overseas Student in China: Based on the Data from 2004 to 2014. Education and Economics, 2016, 4: 77-82.