

The debate over education spending raises passions among parents and educators as the government looks for ways to cut costs. Will Hong Kong have to sacrifice academic quality? And who will pay the price?

EDUCATION CUTS | JOSEPH CHENG

A recipe for wiping out Hong Kong's competitive edge

Secretary for Education and Manpower Arthur Li Kwok-cheung, recently proposed increasing the tuition fees for senior high school and tertiary students. The initial public response has been relatively low-key; but if the proposal is to be implemented, the government has to anticipate strong opposition.

From the macro point of view, the budget deficit of \$70 billion demands cutting costs and increasing revenues. This means a re-distribution of government resources, and everyone's interests will be affected.

However, the government has done little consultation on measures to reduce the budget deficit, and it has not presented an overall plan. Hence, occasional announcements of proposals to raise certain fees or cut certain services are bound to generate criticisms and opposition. One wonders why the government still has not learned its lessons.

Chief Executive Tung Chee-hwa has said education is a top priority and he will spend

generously on education. Raising school fees contradicts that stand.

Education has always been the most important channel of upward social mobility in Hong Kong. Its contribution to the maintenance of social stability cannot be overlooked.

The challenges of globalisation have increased the importance of developing human resources. Globalisation has widened the gap between rich and poor, and this exacerbates social divisions. Hong Kong's low taxation rates limit the government's latitude for redistributing income. The government's role in providing opportunities for education, therefore, becomes more prominent. One expects Professor Li to be well aware of the political and social impact of his education policy: he should not test the waters lightly.

Family spending on education has risen sharply in recent decades, including tuition and other costs – as families with school-age children are acutely aware. The burden of paying for education has become heavy for

many in lower income brackets; such parents worry that their financial situation may handicap their children's education.

In the current academic year, 41,173 tertiary students applied for financial support, according to government statistics. Of these, 32,409 were successful and received an average of \$46,203 in bursaries and loans. In 2001-2002, 24,019 applications for low-interest loans from tertiary students were approved without means tests. These figures demonstrate the widespread difficulty of paying for education among our tertiary students.

Many tertiary students complain about their debt burden. Upon graduation, most of them owe the government more than \$100,000. If they do not exercise restraint in their daily spending, they can incur substantial credit-card debts as well. At the same time, finding a job becomes increasingly difficult; even if one is fortunate enough to secure a job, the average monthly pay is only about \$9,000, and it may be as low as \$5,000-\$6,000. After paying for normal expenses, their ability to repay their loans is

limited, and the debt burden can be very depressing.

The government is expected to maintain its high regard for education so nobody will have to sacrifice learning because of financial difficulties. Higher tuition fees will mean more bursaries and loans for tertiary students. It seems highly doubtful that the government can make substantial cuts to education spending.

Tuition fees constitute only 18 per cent of the total revenue at our tertiary institutions. Raising tuition fees by 10 per cent (probably the maximum increase the government can impose on students) will only increase revenues by 1.8 per cent.

If the government is willing to be more realistic, there are still ample ways to cut expenditure. It may have to postpone its ambitious objective of making a small number of our universities into world leaders.

Why create more worry for most Hong Kong parents?

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ESF PROS | ALBERT CHENG

Just merits

The government is desperate to contain its runaway deficit. Secretary for Education and Manpower Arthur Li Kwok-cheung has played his part obligingly by presenting various ways to axe expenses under his portfolio. He is so keen to cut costs that he seems ready to shoot indiscriminately at any moving target. The English Schools Foundation (ESF) has been singled out as the latest object of Professor Li's zeal.

He has already announced, among other measures, his intention to raise university tuition fees, despite Chief Executive Tung Chee-hwa's supposedly unwavering commitment to education, irrespective of Hong Kong's economic woes. The entire education sector is now haunted by the constant threat of cuts.

Against this background, some people argue in favour of cutting the ESF subsidies, while the foundation is, of course, fighting the proposal. It is reportedly prepared to challenge any cuts in the courts.

It is necessary to look at history to make sense of the issue. In 1962, the government began a review on English education that produced a white paper three years later. It affirmed the importance of English education to the community and decided to provide the same subsidy to ESF schools as received by local schools, to provide a modern education with English as the language of instruction.

The ESF was set up in 1967. Its first schools were the Island School and the Beacon Hill School; by 1977 the system had grown to five schools. In 1979, the Education Department transferred six other schools to the ESF's management. The ESF is now made up of five secondary and 10 primary schools, together with a special school. The latest addition is the Bauhinia School, in Kwai Chung.

There are 11,000 ESF students, with 2,000 applicants on the waiting list. Only a minority are British. Most are children of either Hong Kong returnees or South Asian families in Hong Kong. Their parents are not only bona fide Hong Kong residents, but also taxpayers. It will be grossly discriminatory to deny their rights to education subsidies.

In any case, most ESF graduates will further their studies overseas. Only about 10 per cent will pursue their university education in Hong Kong. They absorb a relatively small portion of the SAR's education resources.

On average, about 50 per cent of ESF students are Chinese. In the case of Shatin Heights, as many as 90 per cent are Chinese. The Chinese-language press still refers to ESF

schools as schools for British children, which is incorrect. ESF schools are poles apart from the other international schools, let alone the old stereotype of schools for British children. They are, in essence, local community schools that offer an alternative mode of education from the mainstream. It is by no means a privileged enclave or a leftover from the colonial era catering just to the special needs of British dependents.

If the name ESF has generated any misunderstanding, because of its association with Hong Kong's British interlude, the government may as well declare it is no different from the other directly subsidised local schools and treat it the same.

In 1999, the government capped the annual ESF subsidies at \$300 million, which translates into a \$30,000 subsidy per student and is smaller than that for the other local schools.

The ESF has increased class sizes above 30 students to save costs, and has also used debentures and other fund-raising strategies to finance new projects. School fees range between \$47,300 and \$78,600 a year. Removing the government subsidy might lead to fee increases of up to 40 per cent, presenting a serious hardship to many parents.

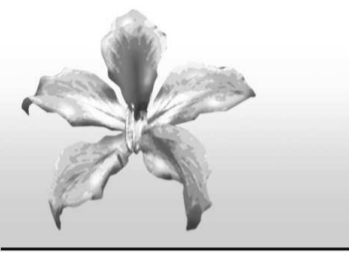
The proposal to cut ESF subsidies has been fuelled by anti-British sentiment and to some it will seem to be a politically correct move. But it will undermine Hong Kong's reputation as an international city. The ESF system has provided a valuable choice between local subsidised schools and privately-funded international schools.

In a sense, ESF schools are comparable to the government-funded Catholic Anglo-Chinese schools which used English as their medium of instruction. The authorities have invested considerable time and resources towards the objective of raising English standards in Hong Kong, and ESF schools ought to play a major role.

As the Chinese saying goes, education is an endeavour of a hundred years. Hong Kong has too few educational institutions of international repute. The ESF system is one of the few. If its foundation is shaken, the damage would be irreparable.

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HONG KONG VOICES



Debates on English Schools Foundation (ESF) funding overlook one important issue – the separation of local students from international students. This is

unjustifiable on cultural, educational and, most least of all, financial grounds. How can Hong Kong call itself a world city when local students have virtually no contact with their international counterparts?

International schools exist to serve their own nationals, and that is bad enough, for it is a vote of no confidence in local schools. Their proliferation is an unmistakable certification of Third-World status, educationally speaking. But for the government to subsidise further fragmentation is the height of folly.

In pre-ESF days, local students in elite schools rubbed shoulders with students from mixed international backgrounds. These days, it is rare. And there is hardly a non-Chinese face among local students. English dialogue comes awkwardly.

This much is clear: the government's overriding concern must be the improvement of local schools. The government should reduce ESF funding, review it continually and eventually phase it out. It should subject subsidies to a means test. The government has no business subsidising the rich and the super-rich. Second, the ESF has an obligation to share its educational wisdom with local schools. Each ESF school should adopt a local school, with shared programmes.

Quality local schools should, meanwhile,

ESF CONS | PHILIP YEUNG

Favoured enclave

open their doors to international students. In contrast to the United States, Hong Kong offers safe campuses, geographical proximity and lower costs. Hong Kong could position itself as an outstanding centre of language learning. As a middleman economy, Hong Kong should model itself after European countries such as Holland, where students are required to learn French, German and English in addition to Dutch. These language skills have served them well.

Instead of discontinuing French and German courses at tertiary level, Hong Kong should extend foreign language learning to primary and secondary levels. By offering foreign languages, international students will not be shut out of local schools and universities. To attract international students, we must first internationalise our teaching programmes and staff. The integration of international students and teachers into local schools would act as a powerful catalyst to reform.

The government spends \$500 million annually so local students can have a 30-minute lesson once a week from a native English teacher. This is far too little time. Students should get at least a year of teaching at each level.

By internationalising local schools, the government could save \$710 million annually in the colonial anachronism of overseas educational studies. Such subsidies have undermined the will of civil servants to reform local schools. The problems of local schools affect other people's children, not their own. No other government in the world pays its civil servants to send their children to study abroad. Such subsidies also represent a vote of no-confidence in local schools. Of those who choose to remain, 1,000 are enrolled, tuition-free, at ESF schools. How is it possible to justify running a government on the basis of such blatant favoritism?

If the government was to blend overseas educational and ESF funding with the big budget for native English teaching, it would have more than \$1.5 billion annually to invest in improving local schools. The government's ultimate goal should be to integrate the ESF schools into the local mainstream schools. The operative word should be internationalisation. This is the sensible way forward. But first, the colonial hangovers of overseas educational benefits and ESF funding must go, or at least be reduced.

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THE NEW SECURITY LAW | MICHAEL DAVIS

Ten ways to keep civil liberties from harm

The Hong Kong government is due to present the draft Article 23 legislation to the Executive Council next week. It will then, presumably, go to Legco and be released to the public. The recent consultation revealed that a large sector of the public doubts the need for such legislation. I share this scepticism.

Hong Kong has never posed a threat to China's national security and already has a variety of laws on the books that would adequately constrain any such threats. Hong Kong's current level of political development and the design of the "one country, two systems" model indicates a strong commitment to civil liberties and rights.

If the government is determined to go forward, then clearly what is needed is a minimalist approach that would give the highest regard to civil liberties.

In what areas should we look for further improvement to the legislation? The many expert opinions that have been offered provide a minimal list of safeguards for the protection of civil liberties, and may serve as a yardstick to measure the acceptability of the proposed legislation.

First, the test for sedition should not be the mere intent to take unlawful action. The statute should require that such unlawful action be imminent and that it be likely to occur. This is essentially the requirement of both the US's "clear and present danger" test and the Johannesburg Principles on human rights.

The government argues that it should not have to wait until the action is imminent before apprehending the speaker. We must bear in mind that we are talking about speech, the most protected of civil liberties in a free society.

Second, neither the press nor ordinary citizens should be subject to laws designed to protect government confidentiality – state secrets. As the US Supreme Court said in the Pentagon Papers case, it is the duty of government officials to preserve state secrets. When they fail, they should not go after the press.

Academic research should be similarly protected. In a free society, the press and researchers are committed to informing the public. A minimal protection should be the idea of serving the public interest.

Third, there should be no presumptions that groups based in Hong Kong will be banned because of a connection to mainland groups suppressed for national security reasons. Such a threat should be judicially determined in Hong Kong.

Further, there should be no presumption of criminal prosecutions against members of a group being banned. Given the huge gulf between Hong Kong and the mainland over the boundaries of liberty and national security, this is precisely the kind of risk to Hong Kong that the "one country, two systems" model aims to avoid.

Fourth, there should be no searches without a warrant. In its concessions, the government merely "promoted" the power to authorise such searches to the chief superintendent. A search warrant is one of the most fundamental protections of personal integrity under the common law. If the police on the beat can go to the chief superintendent for authorisation, they can certainly go to a judge for a search warrant.

Fifth, the crime of secession should be confined only to specific acts where a state of

secession has been declared based on war. From the government's proposals, it is unclear whether the Taiwan government or the Tibetan government-in-exile are now in a state of secession. The reality of these two situations has been established for too long to hold ordinary Hong Kong people, academics or the local press, accountable for research concerning, reporting on or even support of such entities.

Sixth, the charge of subversion should relate only to extreme acts of violence and the waging of war. Ambiguous legislative language about what constitutes aiding and abetting such crimes may create doubt as to the bounds of such crime. A concession to drop language concerning the "threat of force" has not clarified that ambiguity.

Laws on subversion and sedition have the greatest potential to silence opposition to the Hong Kong and mainland governments. At stake is the critical role of Hong Kong society in the political development of Hong Kong and the mainland.

Seventh, the offence of treason should apply only to aiding the enemy during a publicly declared war or a state of hostility. The proposed crimes of sedition, secession and subversion adequately cover any other treasonous acts.

Eighth, the full jurisdiction of the courts – and judicial determinations of both law and fact – must in all cases be upheld. Several dangers lurk here.

One danger is that when groups are banned for reasons of national security, the government may try to pre-empt judicial findings on national security, claiming a lack of judicial expertise.

ASIA BEAT



TOKYO

Steven Herman

Taxi wars

Once upon a time, in the bubble era of the late 1980s in Tokyo, anyone out after the trains and subways had stopped running found it very difficult to get home. Taxis, especially at weekends, were so scarce that it was considered prudent to flag a passing cab by holding up three fingers – signalling a willingness to pay triple the meter fee (in addition to the after-hours surcharge). Even then, many drivers were still choosy, eschewing women and foreigners. Women were assumed to be going only short distances, while foreigners were just plain scary.

Today it is a different story. Japan's economic woes and deregulation have tipped the balance in favour of the passenger, while many an office worker has moved into the front seat, a descent considered so shameful that many lie to their families about their new source of income.

Deregulation has put hundreds more cabs on the street and the fares are dropping.

Since February last year, when laxer regulations came into effect, more than 135 companies nationwide have applied to enter the taxi business. Dozens more firms applied to expand service areas and nearly 2,000 companies filed to add more cabs to their fleets.

To lure passengers, more taxis are installing television sets, karaoke machines and tele-text news tickers. The tabloid magazines gossip about a new breed of female drivers who offer their male passengers more than a ride home. Even the once-shunned foreigner is welcome on the lace-covered back seats.

As the recruiting pool increases, the quality of drivers diminishes. Unlike their urban counterparts in other countries, who have enough local knowledge to get passengers to their destinations without quizzing them for directions, the green Tokyo cabbie can be clueless.

Most roads in Japan do not have names, and the typical journey is a winding maze of narrow back streets. The customer should not expect the driver, who may have only the most rudimentary training, to know the route.

One Tokyo cab company owner, in a bid to make his fleet stand apart from the legions of Nissans and Toyotas, has leased a fleet of silver and blue S-model Jaguars. He had wanted to go with Cadillacs, but the dealer refused, worried that Cadillac taxis would taint the brand's image in Japan. That is a pretty low blow considering that Cadillacs here are known as the preferred mode of transport for *yakuza*, or gangsters.

WASHINGTON

Jim Wolf

Dogfight danger

The Bush administration is seeking to organise war games with India that would pit for the first time the top United States fighter aircraft against a Russian-designed competitor being bought in large numbers by China.

The joint training drill would be the first between the US and India involving fighter planes. A date and venue has still to be set, but the plan is to fly America's F-15C Eagle against the Sukhoi Su-27 Flanker or its variant, the Su-30. A version of the highly manoeuvrable Su-27 is the most modern aircraft in China's inventory.

"We are still in the early planning stages of this exercise," said Major James Law, a spokesman for the Hawaii-based headquarters of the US air force in the Pacific.

"We requested those aircraft because the US air force already participates in exercises with countries that have Jaguars, Mirage and MiGs – other aircraft the [Indian air force] flies."

Pakistan, which has fought three wars with India since partition in 1947, criticised the planned drill, with Foreign Minister Khurshid Kasuri saying: "We would not be happy at all."

The fighter exercise would deepen co-operation on the security front between India and the US, which has notably flourished since the terrorist attacks on America on September 11, 2001. The India-US Defence Policy group – moribund since India and Pakistan's tit-for-tat 1998 nuclear test blasts and ensuing US sanctions – was revived in late 2001. The equivalent Pakistan-US body was revived last September following Pakistan's help in US-led operations against al-Qaeda and the Taleban in Afghanistan.

India and China fought a brief border war in 1962, and a border dispute still becomes tense sometimes. Pakistan and China, on the other hand, have enjoyed warm ties; the US has alleged that China has transferred banned missile technology to Pakistan in the past. Pakistan, for its part, is said by US intelligence to have shipped uranium enrichment know-how to North Korea in exchange for ballistic missiles capable of reaching targets in India – a charge Pakistan denies.

The planned US-Indian fighter exercise is "standard practice for the US military with friends and allies around the world", said a Pentagon spokesman, navy Lieutenant-Commander Jeff Davis. "We have significant military activities with both India and Pakistan, but neither is directed at the other."

In the article, Is Tibet a wake-up call for Taiwan?, published yesterday, a reference was made to the central government's practice of regarding Tibetans as "people of the mainland". The reference should have been to the Taiwanese government's practice. We regret the error.