

China's Contemporary Trends of Trade in Educational Services and Its Countermeasures under the Opening Environment

TENDANCES DU SECTEUR DE SERVICE EDUCATIF DE LA CHINE ET SES CONTRE-MESURES DANS UN ENVIRONNEMENT OUVERT

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Abstract: While China is opening its educational market to the outside world, the main international trends of trade in educational services are: the developed countries are still the chief exporters while the developing countries are increasing their involvement; aside from the overseas consumption there is also remarkable development in other forms of educational service trade. This text analyzes the main trends of China's educational service trade under the opening environment, which include: there is a progressively increasing population of overseas students; the number of overseas students whose schooling is paid by themselves is increasing, so is the returning rate; China becomes more and more attractive to foreign students by its unique advantages; Educational mid-organizations have been developing rapidly and other forms of educational service trade have also been experiencing a considerable development. To deal with these trends, we may take several measures as follows under the opening environment: to carry out researches into the law of development of trade in educational services; to standardize the domestic intermediary market; to perfect relevant laws and regulations.

Key words: trade in educational services/educational service trade, trend, countermeasure

Résumé: Lors de l'ouverture du marché éducatif de la Chine vers l'extérieur, les tendances principales du secteur de service éducatif sont : les pays développés restent encore les exportateurs essentiels alors que les pays en développement augmentent leur part. En plus de la consommation étrangère il y a encore un développement remarquable sous d'autres formes du service éducatif. Cet article analyse les principales tendances du secteur de service éducatif de la Chine dans un environnement ouvert, qui englobent : la population des étudiants étrangers s'agrandit progressivement ; le nombre des étudiants étrangers dont la scolarité est à leur charge augmente, d'où le taux de retour ; la Chine devient de plus en plus attractive pour les étudiants étrangers grâce à ses avantages uniques ; les intermédiaires éducatifs se développent rapidement et d'autres formes du service éducatif connaissent aussi un développement considérable. Face à ces tendances, on peut prendre dans un environnement ouvert des mesures comme suite : effectuer des recherches sur la loi de développement sectoriel du service éducatif, standardiser le marché intermédiaire domestique, perfectionner les lois et réglementations concernées.

Mots-Clés: secteur du service éducatif, tendance, contre-mesure

The GATS (the General Agreement on Trade in Services) formulated in the series of multilateral trade negotiations of Uruguay Round in the end of 1994 has officially brought service trade into the scope of jurisdiction of the WTO. According to the relevant stipulations under GATS, except for the teaching

activities that are entirely subsidized by each member country's government, like the military colleges and universities, any teaching activity that collects tuitions and carries commercial nature belongs to educational services, especially the higher education, adult education, vocational and technical training. And any

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*Received 23 March 2006 ; accepted 20 August 2006

member country of WTO can participate in the competition for educational services. As a member of the WTO, China will open its educational market step by step, which is bound to bring certain opportunities and challenges to the nation's education. At present, every country the world over attaches great importance to the development of trade in educational services, and "boundless education" is increasingly prevailing across the globe. In order to adapt our country's education to this macro-environment, we must get a more accurate understanding of the global and domestic trends in educational service trade.

1. GLOBAL TRENDS OF TRADE IN EDUCATIONAL SERVICES

Since the 1990s, international trade in the service sector, particularly the trade in educational services, has gained pace in its development, and the international and inter-regional trade in educational services mainly out of economic purposes has become an important component of international trade. Through more than a decade's development, the world trade in educational services shows the following trends:

1.1 Developed countries are still the chief exporter of educational services

At present, taking advantage of their economic strength and educational resources, the main developed countries are attracting foreign students from every corner of the world, especially from developing countries, and they become the main exporters of educational services. The English-speaking countries with a top high human development index announced by the United Nations Development Plan Office are the main exporters of educational services, while the main exporters of students are the countries with an intermediate human development index (CEC/UKCOSA2000).³

In the mid-1990s, of the 16 countries whose universities and colleges had the largest enrollment of foreign students, the USA got the first place; following it were the UK, Germany, France and Australia. Except for Italy and Lebanon, the number of overseas university students in these 16 countries had increased, especially remarkable in Australia, Britain, and Japan. In Britain, Australia and Belgium, the number of overseas students accounted for 10% of the total university enrollment. The proportion even reached as high as 16.3% and 22.4% in Swiss and Lebanese. In Vatican's colleges and universities, all students were overseas students.

³ National senior educational administration institute: "Chinese and foreign university principals forum world higher education: The reform and the development tendency" in July, 2002 publish.

After many years, development, trade in educational services, as an important form of international trade, has brought comparatively high trade capital flow to the several major export countries. In 1998, because of enrollment of overseas students, the export output of service trade of OECD's member countries was approximately 30 billion USD, equivalent in value to 3% of the total OECD trade in services. Australian scholars estimated that the trade has amounted to 50 billion USD in the international educational market in 2000. In the same year, the benefits the USA, UK, and Australia obtained from the international higher education services were 10.28 billion USD, 3.758 billion USD and 2.155 billion USD, respectively. In Australia, New Zealand and the United States, educational service trade has reached such a scale that it has respectively become their third, fourth and fifth exportation industry, and the educational exports accounted for 11.8%, 4.9% and 3.5% respectively of the total domestic exports of service trade.

In value. 4In 2000, the number of overseas students that received the higher education the world over reached 1.62 million, and there was a population of 1.52 million in the OECD countries.

The data originated respectively from the statistical yearbook of the United Nations UNESCO in 1972, 1984 and 1996

Requoted from Xiong Qingnian, Wang Xiue "Formation and Division of Higher education International trade Market, Educational development Research 2001.09." ⁵

Just because it can bring great benefit to a nation's economy, politics and culture to develop vigorously the educational service trade, the developed countries take advantage in this respect and set up a monopoly competitive market.

The above table shows that the developed countries always dominate the world market of trade in educational services by relying on their absolute advantages over the rest of the world. The developed countries will remain the chief exporter of educational services in the future as education advances towards further internationalization and globalization.

⁴ National senior educational administration institute: "Chinese and foreign university principals forum world higher education: The reform and the development tendency" in July, 2002 publish.

⁵ Xia Hu, Manqing, Opens the popular election: "Higher education internationalization: From political influence to service trade "," Education Development Research" in 2004 2nd issue.

Table1 comparison of market share in overseas students among the several main host countries unit: person

| Country | 1970s | share % | 1980s | share % | 1995s | share % |
|--|--------|---------|--------|---------|---------|---------|
| The USA | 144708 | 30.20 | 311882 | 33.50 | 453787 | 28.30 |
| England | 24606 | 5.10 | 56003 | 6 | 197188 | 12.30 |
| Germany | 31119 | 6.50 | 88585 | 9.50 | 759894 | 10.00 |
| France | 34877 | 7.30 | 110763 | 11.90 | 138191 | 8.20 |
| Russia | 17400 | 3.60 | 62942 | 6.76 | 67025 | 4.20 |
| Japan | 10471 | 2.20 | 6543 | 0.70 | 53847 | 3.40 |
| Australia | 7140 | 1.50 | 8777 | 0.90 | 478.4 | 3.00 |
| Above seven national totals | 270285 | 56.40 | 645495 | 69.4 | 1117766 | 69.40 |
| the total amount of 50 host countries accept | 477837 | 100 | 930183 | 100 | 1600000 | 100 |

1.2 There is an increasing percentage of involvement of developing countries in educational service trade

Because of their high level of economic development, developed countries have always played an active role as the exportation side in the world trade of educational services. Accordingly the developing countries are the main importer because of their relative backwardness.

The several main countries that exported their students to the OECD member countries in 1999 were basically developing countries, with the major market share occupied by the newly emerging industrialized countries. In some countries and regions like China, South Korea, Chinese Hong Kong, Singapore, Thailand and so on, the proportion of student exportation had reached 17%, of which China was the largest exporter, with its exportation accounting for 7% of the total overseas student enrollment in the OECD.⁶

The several main exporters of trade in educational services include the USA, the UK, France, Germany and Australia. In these countries, the yearly enrollment of overseas students has already exceeded 1.2 million, with the students mainly from China, India and some other developing countries in South Asia and Africa. Since the beginning of this century there has been a steady increase in the number of overseas students that are exported from developing countries, whose higher education is still at the stage of elitism or at the early stage of popularization, to developed countries, whose higher education has reached the middle or late stage of popularization or has become a universal education. In addition, in recent years, several countries and regions such as South Korea, Chinese Hong Kong, Singapore and China, have also become exporters of higher education, with an ever-increasing enrollment of overseas students. These developing countries have gradually increased their involvement in the world trade of educational services, and have become an export market of education for which the developed countries compete intensely with each other.

⁶ Zhang Minxuan, Australia: the great nation of education exportation with rapid rises, education development research, 2003, vol. 11.

1.3 Aside from consumption abroad, other models of trade in educational services have also developed remarkably

According to the stipulations of GATS, trade in educational services may be conducted in the following four ways⁷: (1) cross-border supply, the provision of a service where the service crosses the border (does not require the physical movement of the consumer), for example, providing education service through internet and distance learning; (2) consumption abroad, the provision of the service involving the movement of the consumer to the country of the supplier, such as study abroad and academic visit; (3) commercial presence, the service provider establishes or has presence of campuses commercial facilities in another country in order to render service, for example, enterprises or schools of a county set up single ownership or joint venture schools in other countries directly; (4) presence of natural persons, persons traveling to another country on a temporary to provide service, for example, foreign teachers come to China.⁸

Of the four models mentioned above, cross-border supply is always the main form of trade in educational services, and goes far beyond the other three in scale and level. Though the proportion structure of these four models is not likely to change in the short run, yet other models have also experienced great development:

1.3.1 International marketing of courses and academic projects mainly in the form of cross-border supply and overseas branch campuses develop greatly.

With the development of distance curriculums and dummy universities, many college courses come to be available to overseas students, which give rise to transnational distance learning. Some developed countries, such as the USA, the UK and Australia, start

⁷ Raymond Sanera and Sylvie Faselb Negotiating Trade in Educational Services within the WTO/GATS Context Aussenwirts chaft, 59.Jahrgang (2003), Heft II, Zürich: Rüeegger, pp.275-308.

⁸ Hu Xia, Manqing, Opens the popular election: "Higher education internationalization: From political influence to service trade "," Education Development Research" in 2004 2nd issue.

to offer cross-border distance learning to other countries through distance learning and on-line education training. Statistics show that the output amount of America's training and educational testing over the overseas staff through distance learning is 408 million USD while the input amount is 175 million USD.⁹

1.3.2 Cooperative projects of educational institution between different countries manifested by commercial presence will increase greatly.

Establishing commercial facilities (commercial presence) abroad by suppliers of education is a form of supplying trade in educational services that has grown quickly in recent two years. Australian universities set up overseas campus districts and other cooperative teaching projects in South Africa, Persian Gulf States and Malaysia. There are 27,000 foreign students studying in these overseas schools outside Australia and the number of students increases rapidly.

Along with the deepening of liberalization of trade in educational services and application of high technology to education, there will be a steady increase in the input of educational service trade in the form of commercial presence, and education suppliers will get institutional safeguard in developing different kinds of cooperative teaching abroad. This will be a huge challenge confronting the developing countries.

1.3.3 Exchange of disciplines existing in the form of presence of natural persons and among researchers increases constantly

In view of the important role of scholars in modern society and national development, every country takes measures one after another to attract foreign scholars meanwhile retaining their domestic scholars. On the other hand, they enhance trade barriers to education so as to limit the freedom of scholar flow. For example, Japan is revising relevant laws and policies to increase foreign teachers and attract fine-quality experts.

The report of World Bank and the special work team of Higher Education and Society of UNESCO shows the phenomenon of and the reason for scholar flow.¹⁰ There is research indicating a trend that cross-border scholar flows occur in such a way as mainly from developing countries to developed countries and from poor countries to rich countries. Therefore, the most developed countries undoubtedly have absolute advantage in the division of scholar flow market; some industrialized countries and the many developing countries are still in a disadvantageous position.

1.3.4 Besides the above-mentioned forms, the import and export market of various educational commodities

and educational products is forming in recent years. Data indicates that there is an ever-expanding international market as regards educational commodities or educational products.

2. CHINA' S TREND OF TRADE IN EDUCATIONAL SERVICES

2.1 The trend of study abroad in China since the reform and open-door policy

Ever since 1972 when Chinese government restored the government-sponsored program of sending its students to go abroad to study and carry out exchanges, studying abroad has already passed more than 30 years. According to public data, the number of Chinese students studying abroad has exceeded 810,000, and nearly 200,000 have returned. In recent years, there has been a progressive increase in the population of studying abroad; the population of going abroad to study at their own expenses has increased; the returning rate has steadily increased. These market trends of studying abroad are shown in Table 2 and Figure 1.

Table 2 and Figure 1 together shows that there has been a rapid growth in the population of studying abroad since our entry into the WTO, for opening the educational market played a significant role in promoting studying abroad, particularly in self-sponsored studying abroad. There has been little change, even a slight reduction, in the number of government-sponsored and unit-sponsored overseas students for the recent ten years. Judging from the per capita GDP tendency curve, economic growth has also contributed to the development of self-sponsored studying abroad.

The UNESCO surveys estimated there were 2.7 million students going abroad to study in the world, about 108 countries received overseas students, main exporter of foreign students is China, India and Korea. Among them, the number of Chinese overseas students has been ranking first in the world in 2005, has reached 930,000. Above all the foreign students studying in Germany, Chinese students accounted for 8.9%, twice in 1990.

Since reform and open up to date, Chinese population of overseas students has risen sharply in the mid-1990s, the annual growth rate was less than 3%, but at the beginning of this century the annual growth rate has reached nearly 50%. For the impact of Asian financial crisis, overseas students had a slight decline, and increased in the next few years, broke through 10 million / year. Although population has improved slightly in 2003 and 2004, but is only a temporary phenomenon; the total number of overseas students was over 12 million in 2005.

In fact, the incensement of overseas students is mainly

⁹ International Trade in educational services special study team, International Trade in educational services Newest Progress, Education Development Research 2002 7th issue.

¹⁰ Raymond Sanera and Sylvie Faselb Negotiating Trade in Educational Services within the WTO/GATS Context Aussenwirts chaft, 59.Jahrgang (2003), Heft II, Zürich: Rüeegger, pp.275-308.

from growth of self-financed student studying abroad. And the amount of state-funded student has been paced back and forth continuously in 6000-9000, only just exceeded 10,000 in 2004. In 1993, deputy director of the National Education, Wei Yu, proposed relevant policies and spirit about management of study abroad at one's own expense, developed a "national management system of study abroad at one's own expense" in 1994, management and embarked of study abroad at one's own expense went on a systematic examination and standardized way. Along with Chinese economic strength and households paid capacity enhanced, more and more families and students will chose study abroad. Currently, students paid by teasels account for about 93% of the total studying abroad since 2001, and exceed 100,000 people for four years in succession. According to some scholars' quantity research on relationship between demand of studying abroad and economic development level, concluded that , when economy develops to a certain level, there will be domestic demand in study abroad; when the per capita GDP

reached 3,000 USD, study abroad population will increase. However, development of Chinese students studying abroad advanced in economic market level, in recent years, for the rapid incensement of China economy level and emergence of wealthy class; more and more families can pay the cost for their children studying abroad.

Another development trend of going abroad to study is return rate has incensed, China's comprehensive strength is strong and entrepreneurial opportunities increases, so return rate of studying abroad present the good momentum of rapid incensement. Table 3 indicated that return rate of studying abroad once reached 41%, although it has declined, but in recent years has begun to pick up, which demonstrate that Chinese attractiveness to talent is growing. In recent years, the return rate of state-funded student studying abroad can be achieved about 93%, while the return rate of pay their own way just less than 10%, but it increases progressively at more than surpass 13% speed year by year at present.

Table 2 statistics on studying abroad and return in our country

| year | Go abroad to Study | Study at one's own expenses | Learn return | The balance of go abroad and return | return rate | Per GDP (Yuan/person) |
|-----------|--------------------|-----------------------------|--------------|-------------------------------------|-------------|-----------------------|
| 1978-1994 | 66569 | * | 26211 | 40358 | 39.37% | * |
| 1995 | 20381 | * | 5750 | 14631 | 28.21% | 4854 |
| 1996 | 20905 | 13600 | 6570 | 14335 | 31.43% | 5576 |
| 1997 | 22410 | 14720 | 7130 | 15280 | 31.82% | 6054 |
| 1998 | 17622 | 11443 | 7379 | 10243 | 41.8% | 6308 |
| 1999 | 23749 | 17884 | 7748 | 16001 | 32.6% | 6551 |
| 2000 | 38989 | 32293 | 9121 | 29868 | 23.4% | 7086 |
| 2001 | 83973 | 76000 | 12243 | 71730 | 14.58% | 7651 |
| 2002 | 125179 | 116400 | 17949 | 107230 | 14.34% | 8214 |
| 2003 | 117307 | 109090 | 20152 | 97155 | 17.18% | 9111 |
| 2004 | 114682 | 104281 | 24726 | 89956 | 21.56% | 10561 |
| 2005* | 120000 | * | 35000 | 85000 | 29.17% | 13794 |

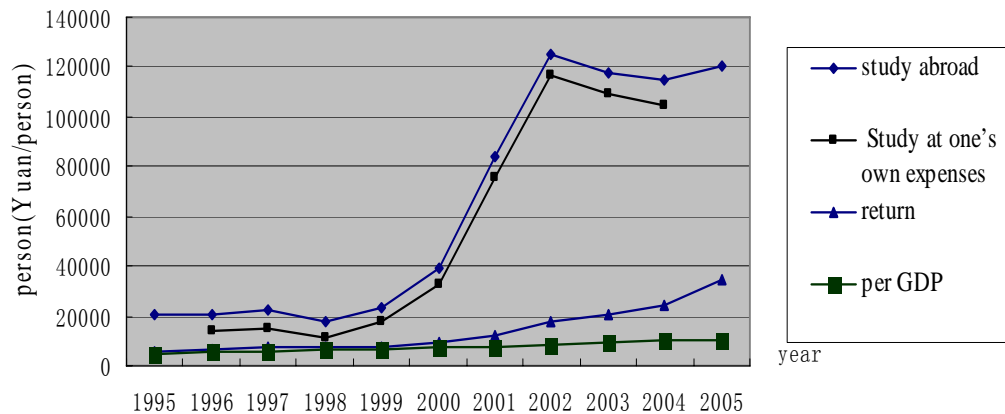


Fig1. The circumstance of studying abroad and return

Data source: 1." Statistical Yearbook of China in 2005", Chinese statistics publisher, 2005
 2. "Educates Statistical Yearbook of China", 1996-2005, people education publisher.
 3. The data of 2005 comes from <http://www.6318.Cn> estimated.

Table3 the relationship between talent flows and level of economic development

| stage of talent flow | per capita GDP (USD) | The talent flow |
|----------------------|----------------------|--|
| The first phase | Below 1500 | The brain drain is serious, the return rate is smaller than 5% |
| The second phase | 2000-3000 | The brain drain tendency is weakened, the talent return starts to grow |
| The third phase | More than 4000 | The talent return grows in large scale |
| The fourth phase | More than 6000 | the big tide of the talent return appears |

Some foreign scholars have researched the relationship between talent flows with economic development level, got a conclusion that the level of economic development determined the flow of talent to a large extent,¹¹ the relationship between them shown in the table 3.

The table contents indicate that the talents return rate in our country is ahead of time trend, Chinese per GDP has just exceeded 1,000 USD, but return rate has reached nearly 30%. It reflects that our talent backflow advanced in the case of developed country in a certain degree and explained that Chinese rapid economic development and policies of implementation has won initial success in attracting the talent.

2.2 We are attracting overseas students to our country depending on own superiority

In Sui and Tang dynasties, China's culture education has been in the leading position of the world, and attracted many overseas students to our country, which made these countries get great progress in science, medicine, literature etc. After new China established, we accepted 33 overseas students, the first batch of students coming from Eastern European country in 1995, until 2002, China had accepted approximately 530,000 overseas students with different class and different level who came from 170 countries. Before the policy of reform and open, the overseas students was provided scholarship by government which was the national education communication, but recently, the overseas students paid by their own rises largely, in 2002, only 1,879 overseas students attained government scholarship among 85,829 overseas students of our country, accounts for 7% of all. And the majority of them came from South Korea, Japan, American, Indonesia and Vietnam. In the conference of UN Educational, Scientific and Cultural Organization in 2005, Premier Wen indicated that China government provides scholarship for 6,700 overseas students every year, and the developing country accounts for 2/3. From 2006, we will increase the quota of China government scholarship to 10,000 each year in 2006, and enhance the fund standard accordingly. This also will promote

¹¹ Study net: The curriculum transforms scientific theory or principle analysis: The nature, the function and the process, Feb 10, 2005 issued

education exportation of our country.

Along with the enhancement of comprehensive strength and international status, China enters the time in which population of overseas students grows fastest. Table 4 is statistics data of overseas students from 1950 to 2004. From table 4, we knew that the school quantity of accepting overseas students increased unceasingly broke through 100,000 in 2004.

The population of overseas students in Beijing, Tianjin, and Shanghai reached climax for several years. According to statistics data, overseas students of Tianjin were nearly 6,000 in 2001, increased 50% compared to 2000. There were more than 1,500 overseas students in Nankai University and Tianjin University. The overseas students in universities of Shanghai reached more than 6,300, postgraduates were 153 and master degree students were 296, increases 4 times compared to 1980s, reaches to the highest record. Moreover, China is no longer favored by developing countries of Asia and Africa, European and American countries' students are also have dream of studying in China. The majors are no longer limited to Chinese, Chinese medicine and drama, it is expanded to application fields of technology, economy, management and law, the population of accepting education increased year by year, and the population of studying for master degree and doctor degree also grow fast. The growing fastest countries of studying in China are Japan, South Korea, American, France and Canada.

Table 4 the population of overseas students from 1950 to 2004 (unit: person)

| year | 1950-1978 | 1990 | 2002 | 2003 | 2004 |
|---------------------------------------|-----------|-------|-------|-------|--------|
| population | 12800 | 12000 | 85829 | 77715 | 110844 |
| state-funded student studying abroad | 12800 | 8200 | 6000 | 6213 | 6715 |
| self-financed student studying abroad | 0 | 3800 | 79829 | 71502 | 104129 |

Data origin: "Statistical yearbook of Chinese Education" from 1997 to 2005¹²

According to the latest statistics, since 1999, the quantity of overseas students has increased by average 20% each year. In 2004, overseas students surpassed 110,000 (overseas students with China government scholarship were 6,715, self-supporting overseas students were 104,129), the population increased 42.63% compared to 2003, is the largest year of increasing rate in latest 10 years, covered 420 universities and teaching-researching institutions of 31 provinces and cities and equal to students abroad for the first time. But the scale of overseas students was not big enough, and the level was not high enough, among them, the population of accepting short-term education was

¹² Statistical yearbook of Chinese Education from 1997 to 2005.

34,358, accounted for 31%. In 2004, 110,000 persons came to China, but the students received certificate only

accounted for 28.5%.

Table 5 Population of overseas students paid by themselves with different major from 1996 to 2004 (unit: person)

| | 1996 | 1997 | 1998 | 1999 | 2002 | 2004 |
|-------------|-------|-------|-------|-------|-------|-------|
| humanities | 31745 | 33178 | 35588 | 36401 | 68483 | 83266 |
| science | 203 | 253 | 674 | 425 | 393 | 555 |
| engineering | 313 | 458 | 1742 | 1724 | 2442 | 3519 |
| agriculture | 80 | 68 | 497 | 303 | 267 | 298 |
| medicine | 3509 | 4134 | 4004 | 4973 | 6713 | 10971 |
| P.E | 663 | 428 | 196 | 229 | *** | 708 |
| art | 391 | 516 | 383 | 656 | *** | 1291 |

Data origin: "Statistical Yearbook of China Education" from 1995 to 2001 year(Statistical yearbook of Chinese Education, form 1995 to 2001), *** means the data loss

2.3 The fast development of domestic education intermediary market

Since the reform and open policy, along with our country economic and society development, the common people has delivered the children to go abroad, growth of the demand promote study abroad market to develop, many students and parents would choose the intermediary service organization when going abroad to study. On November 12 in 1999, since the Ministry of Education, public security official's department, the bureau of national industry and business administration management promulgated "management stipulation on intermediary service of study abroad on one's own expense" and the implementation details, about 246 mid-organizations in the country have been qualified. The service market of study abroad has transformed from services such as traditional consultation and visa...etc.into developing new service item, including domestic language training, students assess compliance with the study conditions, program selection, school application and the academic accreditation after return to country, and improved quality of services to ensure that the qualified students to be enrolled in schools abroad. Nowadays, some brand overseas intermediary institutions in the market have the fore, and some poor quality, inadequate institutions will be gradually eliminated.

2.4 The other models of trade in educational services had greater development

In the commercial presence aspect, China's WTO accession commitments although did not allow the foreign organization alone to set up the school and other educational institutions in China, but in market access, it is the first time to allow Sino-foreign cooperative school, and allow foreign majority ownership, this pledge urged Sino-foreign cooperative school become the important form of Chinese education international cooperation and exchange. According to incomplete statistics of Education, up to the end of 2002, there were

a total of the 712 Sino-foreign cooperation school organization and projects in China, compared with the early 1995, increased more than 9 times, covered 28 provinces, autonomous region and municipalities. As far as region distribution been concerned, these organizations concentrated relatively in the economic, cultural and the more developed eastern coastal provinces and medium-sized cities, conformed to talent demand of these local economies and social development.¹³Sino-foreign cooperative school is the new thing in the education domain after reform and open policy in China, and played a positive part for introducing overseas high quality education resources, getting profits from beneficial teaching and the managerial experience, speeding up education reform and development, promoting international exchange and cooperation.

For presence of natural persons, in order to importing Chinese intellectual, learning advanced science and technology and progress culture, enhancing academic development, and improving the level and quality of scientific research capacity as well as training high-level talent, for many years, China took invited foreign culture and education expert as one of the important work for higher education teaching. Since reform and open policy for more than 20 years, especially from 1996, the importation number of specialized and foreign teacher increased quickly, the total amount attained 70677 people, only in 1998 the number of employed reached 13538, 94 times more than in 1979.¹⁴

The cross-border supply developed slowly at present. In this century, the greatest impact factor on education is network and digital, hypothesized education promoted the teaching form has fundamental transformation. The overseas organization is attempting to involve in our educational service domain through the network

¹³ Chinese Education Green book in 2002 China Education Policy Year Analysis Report, the education scientific publishing house in 2002 publishes.

¹⁴ Chinese Education Green book in 2002 China Education Policy Year Analysis Report, the education scientific publishing house in 2002 publishes.

education and the distance learning and other non-establishment way, our delivery schedules of cross-border does not make pledge for market access and national treatment commitments, it is a correct policy decision to protect national education.

3. CHINESE CORRESPONDING COUNTERMEASURE

3.1 Research the law of trade in educational services development

Currently, incensement of studying abroad makes our educational services confront of reality of growing trade deficit, our education export trade accounts for only 0.5% of the world trade in educational services quantity, which is very disproportionate with the forth international trade position of China in the world. This requires that we should study the law and characteristics of trade in educational services development, carry on the empirical research and analysis on Chinese trade in educational services, grasp the rule of the export-oriented talent demand, formulate corresponding policies explore the new way to develop education services trade in light of China's actual conditions,. The government should adopt the drive policy to urge the university develop the international market positively.

3.2 Standard our intermediary market

The development of our intermediary market of study abroad has past through several years development, basically have formed the troop with certain level, certain ability, which observe law and discipline, but there are still some problems affecting the healthy development of this market: the agency, managed by individual administrative department and the institution, still had unclear line between function of the government and enterprises, matter business did not

divide; illegal study abroad intermediary service still not to be ceased; the specialized level of agency jobholders are irregular; The facilitating agency lacks entire process service generally; the management and connection laws and regulations of agency should be consumed; the widespread social surveillance is not enough. Therefore we should take appropriate measures to regulate the intermediary market. Mainly have: serious agency management, constitute laws and regulations as soon as possible, strengthen intermediary service staff's training; improve review and investigation system of overseas intermediary advertisement; establish the intermediary suit center; at the same time summarize and promote the successful experience, set up the enterprise image of agency, establish the profession association as soon as possible and so on.

3.3 Perfect corresponding legal laws and regulations

Along with education market opening, the trade in educational services becomes the competitive trade domain for all quarters gradually. Follows the international enterprise, fund, technology is inrushing as well as the Internet information technology popularization, the overseas trade intermediary, cooperation schools ,distance education and any other forms related to trade in educational services are developing by the unprecedented speed and form. At the same time, in the process of education development, the law research and the policy formulation of education industry and education services trade are far behind the actually practice. It is necessary to enact, change, waste the existing relevant laws and regulations, prefect law enforcement and monitoring mechanisms, at the same time, maintain our education community education in the open market. In addition, some policies should be constituted to attract foreign students study in china, as to diversify the form of education export and promote the education export development.

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