

Educational Development Process Analysis of American For-profit Universities

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Abstract

The development of higher education in the United States has always been under the dual influence of the government and the market, showing that "freedom and control depend on each other, control and checks and balances follow, and both incentives and constraints are emphasized." American for-profit universities have experienced four interaction mechanisms: "weak government, strong market", "weak government, weak market", "strong government, strong market", and "strong government, weak market", and a continuous "pendulum phenomenon" has appeared. The loose policy environment and strong market demand have a strong driving effect on American for-profit universities. On the contrary, the development of for-profit universities will face obstacles. Undoubtedly, whether the government and market forces are ebb and flow, or the two advance and retreat together, they have a huge chain effect on for-profit universities, affecting and even determining the destiny of for-profit universities. For American for-profit universities to get out of the development dilemma, they need to reconcile the tension between the government and the market.

Keywords: For-profit universities, Development process, Pendulum phenomenon, Educational logic, Market logic

1. Introduction

As a typical resource-dependent organization, the university has always been inextricably linked with the outside world since its birth. "The university is an organization deeply influenced by the internal and external environment. The changes of the times, the ups and downs of the country, the ups and downs of the market, and the stability of the society all strongly influence the behaviour of the university, and it is also shaping the development concept of the university [1]." Look, whether it is the University of Bologna, Salerno, and the University of Paris in the early days of Europe, the University of Berlin, which is a leader in modern universities, or the University of Wisconsin, known as the "Social Service Station", its birth and development are all affected by government policies. From a horizontal perspective, both public and private universities have a considerable proportion of research funding and student funding from government funding. Throughout the history of American higher education, whether it was the traditional single-college period before the Civil War, the public-private and multi-layered period of higher education after World War II, or the

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coexistence of for-profit and non-profit, physical and virtual, the government, on the one hand, donate land, allocate funds, and issue loans to promote the development of higher education. On the other hand, through the enactment of the Education Bill, the intervention and accountability of higher education are implemented. At the same time, the influence of market and privatization forces on American higher education is increasing day by day, and it radiates many areas of higher education. Burton Clark believes that "the special function of the market is to promote and protect the freedom of choice from the standpoint of internal employees, customers and institutions, thereby indirectly promoting the flexibility and adaptability of the system" [2]. In general, the development of higher education in the United States has always been under the dual influence of the government and the market, showing that "freedom and control depend on each other, control and checks and balances follow, and both incentives and constraints are emphasized.

2. Dual driving factors for the development of American higher education

2.1. Different levels of government's intervention and supervision of higher education

As a product of the combined effects of the political system, historical tradition, and social culture, American higher education management implements decentralized management. The Tenth Amendment to the Federal Constitution stipulates that all the powers not granted to the United States by this Constitution and not prohibited from exercising by the states shall be reserved by the states or people. Even so, the influence of the U.S. federal government on higher education has always existed. From the land grant bill in the 19th century to the student loans that began in the 20th century, and to funding universities for scientific research in the mid-20th century, the federal government has always played an important role in the development of American higher education and exerted a profound influence. The issue of the responsibilities of the federal government and state governments in the field of education caused heated controversy in Congress and was finally determined in the amendment to the Higher Education Act passed in 1972. The policy resolution is that the general responsibility of sponsoring school institutions should continue to be borne by the state government [3]. The most direct and far-reaching role of the U.S. government in higher education is embodied in the policy of subsidizing college students. Robert H. Fenske divides American college student funding into 12 types according to type, method, source, and purpose [4], most of which come from government funding. In general, the federal government and state governments have their division of labour in the process of performing higher education responsibilities: the state government performs the main responsibilities of higher education, focusing on providing regular education funds for public universities; the federal government focuses on those that have an important impact on national interests Fields, including allocating research funding, providing student funding and formulating tax policies, etc. [5].

While guaranteeing policy supply, the US government uses the terms "common defense" and "universal welfare" to intervene and regulate higher education. Although the federal government and state governments have different responsibilities for higher education in law, there are obvious overlaps and even conflicts between the two levels of government in the specific implementation process. In the 19th century, the federal government mostly provided land donations and financial donations for higher education through the intermediary of the state government, which was an indirect intervention model. By the 20th century, this indirect intervention model was broken with the federal government's direct participation in higher education subsidies. Especially in the mid to late 20th century, the federal government

allocated all financial and student loans directly to higher education institutions or individual students. As the federal government and state governments have "separated" and "mixed goals" in their participation in higher education management, the development goals of higher education have shown a "discrete-state". Following WWII, the US federal government's intervention and influence in higher education grew gradually, particularly in the 1950s and 1960s, in response to the emergence of poverty in America's "affluent society," the black affirmative movement, the widespread education crisis, and the US-Soviet struggle for hegemony. [6]. Other domestic and foreign crises have provided a realistic basis for the federal government to directly intervene in higher education. Since then, with the continuous increase in the number of state higher education institutions, the size of students, and education funding, especially in the 1980s, when the number of students enrolled in public colleges in the United States accounted for 80% of all registered personnel, American higher education began to enter the "state government stage". In the theory of public policy, public products, externalities, natural monopolies, and information asymmetry are the four recognized manifestations of market failures, and they provide the traditional economic theoretical basis for the government to intervene in private affair [7]. Therefore, the legal basis for government intervention in higher education lies in higher education as a quasi-public product. The government, out of the needs of the national public interest, intervenes in universities to strengthen the public attributes of universities. As Clark Kerr put it, "Universities are required to meet the purpose of citizens and regions, and to meet the purpose of the country to serve humanity and to pass on knowledge to an unprecedentedly broad mass of people [8]."

2.2. The driving and influence of diversified market factors on higher education

Compared with Europe, American universities tend to be more market-oriented and have constructed a three-dimensional higher education system through a stratification system. Martin Trow believes that it is the market environment that has created the unique organizational structure and management model of American higher education [9]. Most of the American universities in the colonial period belonged to corporate non-profit entities. Although the state government was responsible for issuing school permits, it rarely had substantial financial support. Most universities at this time were self-reliant and responsible for their profits and losses. After the mid-nineteenth century, the state government began to attach importance to higher education and invested in the establishment of universities. The state government's financial allocation to universities in the region continued to increase, which lasted until the mid-20th century, and then declined. After the 21st century, the proportion of public university funding from state governments only accounts for one-tenth [10]. In recent years, in the face of stretched education finances, many states in the United States have continued to compress education expenditures. Among them, many universities in California have to lay off staff due to tight education funding. The former president of the University of Michigan, James J. Duderstadt, once said in his prophecy about 21st-century universities that a series of major changes will take place in universities in the new century, and most of these changes are driven by the market [11]. In other words, the market's influence on higher education is continuing to strengthen, including university research investment, patent conversion, commercial sponsorship, organizational and personal donations, etc. The increasingly tight public finances force university leaders to develop new markets with an entrepreneurial spirit. "The rise of academic capitalism has promoted

extensive changes in higher education. Universities are paying more and more attention to applied research, emphasizing academic application transformation and economic benefits."

The direct impact of the market on higher education lies in the commodification of knowledge, which intensifies the differentiation between the symbolic value and exchange value of knowledge. In the past, there was no essential difference between intellectual work and artistic production work; now, market forces and social demands are reshaping higher education in unexpected ways and speeds. Market culture is pervasive, and market hegemony is rampant. As a result, market value has become the core standard for measuring all educational activities. Thinking of ideas as property and introducing profits to drive royalties, rather than pure love for discovery, will make the soil of human wisdom a barren land [12]. "The BayhDole Act promulgated in 1980" makes the research patent originally sponsored by the government-owned by the university, and this inspires the university to hold the patent and pursue the maximization of profits. Derek Bok, the former president of Harvard University, pointed out that many universities provide technical support to small and medium-sized enterprises by setting up technology centers, or provide funds and advice for mature incubators, or setting up venture capital departments to help professors start companies [13]. However, strong profit motives will bring adverse effects and even risks to higher education, including researchers engaging in research that violates social ethics, cooperative companies requiring priority and ownership of research findings, and so on. Excessive market penetration of higher education induces "dehumanization" and "market paradox". Roger Geiger pointed out in the book "Knowledge and Money" in general, the market has brought more resources to universities, better students, greater capacity to advance knowledge, and A more productive role in the American economy. However, he is also keenly aware that (the market) has also reduced the sovereignty of universities' activities and weakened their mission to serve the public. The growth of commercial disputes has at least undermined their potential as a specific role as a neutral arbiter of knowledge [14].

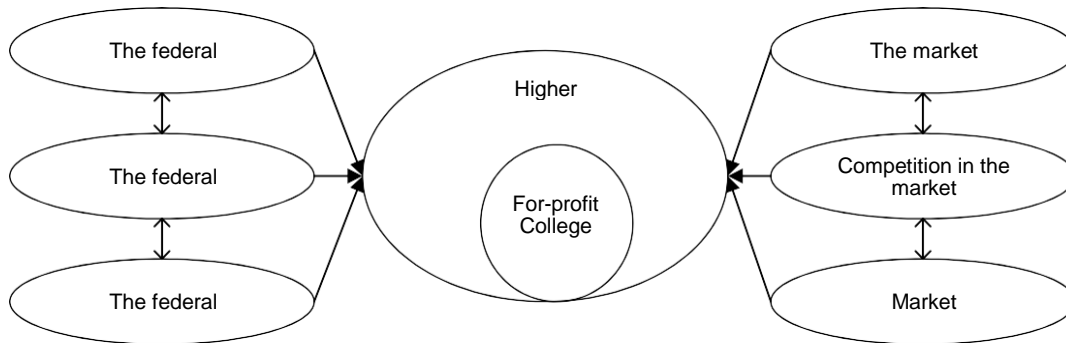


Figure 1. The influence of government and market on higher education

3. The interaction mechanism of government and market on American for-profit universities

The government's intervention and intervention in higher education have their limits, and corresponding principles must be followed. The US federal government and state governments must follow the principles of public welfare, necessity, and legitimacy when intervening in higher education. The US federal government's mechanism for higher education is mainly reflected in the promotion of the country's overall strength through funding scientific research, the provision of student loans for college students to expand

access to higher education, the provision of financial support for teachers and students to participate in international exchanges, and the maintenance of freedom of speech on campuses. The state government mainly exerts influence on higher education by promulgating policies and regulations, providing financial assistance, adjusting management institutions, implementing quality assessment, and formulating strategic plans. The state government's responsibility for higher education is to improve the quality of higher education, expand higher education admission opportunities and improve the higher education environment. In the United States, the market mechanism plays a decisive role in almost all economic activities, and its essence lies in responding to the three key questions of "what to produce, how to produce, and for whom". The market mechanism's impact on higher education is mainly reflected in three aspects: market demand, market competition, and market revenue. Market demands at different stages induce higher education's competition for educational capital, student resources, and academic talents, which in turn affects the individual, university, and society's income.

Since its inception, American for-profit universities have always been affected by the interaction between the government and the market, and the impacts in different periods are not the same. The different combinations of government and market have produced four mechanisms of action: "strong government, strong market" (M1), "strong government, weak market" (M2), "weak government, weak market" (M3), and "weak government, strong market" (M4). The four mechanisms of action lead and even determine the development trend of American for-profit universities. The emergence, stagnation, rise, and crisis of American for-profit universities are all affected by the interaction between the government and the market.

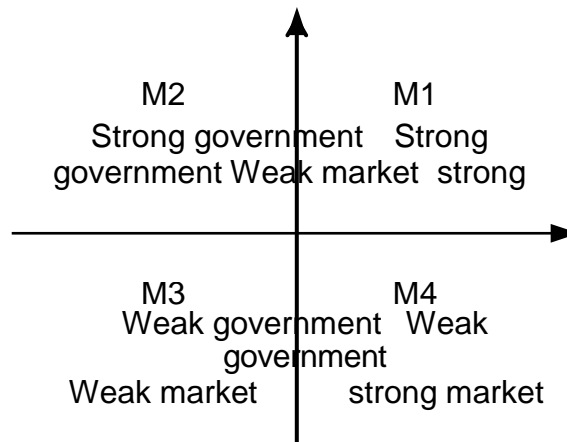


Figure 2. The mechanism of the government and the market on American for-profit universities

(1) "Strong government, strong market" (M1) means that both the government and the market have a significant impact on the development of for-profit universities in the United States. The "strong government, strong market" mechanism is specifically manifested in the government's strong intervention in the development of for-profit universities in the United States by issuing a series of policies and regulations and strengthening the supervision and

review of for-profit universities. At the same time, companies and individuals have a strong interest in for-profit universities that can provide vocational training. Demonstrating strong demand, for-profit universities have demonstrated strong market competitiveness and achieved good market benefits. At this time, for-profit universities often show a good momentum of development.

(2) "Strong government, weak market" (M2) means that the government has a significant influence on for-profit universities, while the market has a relatively weak influence. The mechanism of "strong government, weak market" is specifically manifested in the government intervening in the development of for-profit universities in the United States by issuing a series of policies and regulations. The market's demand for for-profit universities is weak, competition is weak, and results are minimal. This is a difficult period for the development of for-profit universities.

(3) "Weak government, weak market" (M3) means that neither the government nor the market has a significant impact on the development of for-profit universities. The mechanism of "weak government, weak market" is embodied in the government's non-intervention or tacit attitude towards for-profit universities, allowing them to develop freely. At the same time, the education market does not show a clear preference for for-profit universities. At this time, it belongs to the "ice age" of the development of for-profit universities.

(4) "Weak government, strong market" (M4) means that the government has limited intervention in for-profit universities in the United States, and the market provides a strong impetus for the development of for-profit universities, including strong market demand, strong market competitiveness, and significant Market gains. At this time, for-profit universities rose rapidly.

4. The "pendulum phenomenon" in the development of American for-profit universities

As an important part of American higher education, for-profit universities are not subject to the restrictions and traction of the American government and the market for their emergence, development, obstacles, and crises. As the two forces of the government and the market ebb and flow, or resonate at the same frequency, the development of for-profit universities has shown a continuous "pendulum phenomenon."

4.1. Weak government, strong market: The rise of for-profit universities

As early as the colonial period, Dutch colonists provided vocational and technical training for handicraftsmen by setting up evening schools. The training evening schools mainly provided simple manual training for apprentices. They did not award degrees and realized profits by charging tuition fees, so there was no need for the government to provide education funding. Nor is it subject to government certification and supervision [15]. These training schools are mainly for working adults and adopt a night-time teaching mode. Early evening school training courses were not closely related to production practices. It was just that with the development of capitalist industry and commerce, there was a severe shortage of skilled labour, and practical knowledge and skills began to receive widespread attention. Driven by strong market demand, many successful evening schools have gradually developed into for-profit higher education institutions. At the same time, with the support of the government and religion, non-profit institutions of higher learning such as Harvard College, William and Mary College, King's College, and Philadelphia College were established one after another. Secular reform is still difficult to meet the needs of market development. The absence of practical

courses in non-profit universities provided an opportunity for the development of early for-profit universities. The rapid development of handicrafts during the colonial period had a strong demand for practical courses. In addition, the government during the colonial period was limited by its management and financial capabilities, and there was no time to take care of for-profit universities. Under the mechanism of "weak government, strong market", for-profit universities have emerged.

After the founding of the People's Republic of China, under the continuous influence of a "weak government and strong market", for-profit universities continued to develop. In the middle and late 18th century, with the rapid development of the agricultural economy, farm managers became more aware of the role of practical technology in agricultural development, and showed a strong desire and demand for agricultural science and technology to learn, hoping to improve agriculture by receiving practical technical education Productivity. At this time, most American colleges and universities offered academic courses, which could not meet the actual needs of agricultural economic development. In 1838, the New York State Assembly received a petition signed by 6000 people, which called on the state government to establish an agricultural college. Soon, this move triggered a chain reaction in the United States, and many states followed suit. However, the petition did not attract enough attention from the US government, and the first agricultural college did not appear until the establishment of Michigan State University in 1855. The "cooling effect" of the state government on the establishment of agricultural colleges has not affected the people's demand for agricultural technology but has become stronger. For-profit universities have keenly grasped this strong market demand, opened a large number of practical courses, and extensively expanded their skills training business. Driven by the strong market, for-profit universities reformed the form of ownership and derived a corporate partnership business model from the traditional family business model. In the early days of the founding of the People's Republic of China, the number of colleges and universities in the United States increased slightly, but the proportion of the right-age population dropped from 1% in 1775 to 0.75% in 1800. Roger Geiger even believed that the United States in the entire 18th century did not have any real history. On the contrary, for-profit universities not only provide timely and necessary skills training for the public but also expand higher education entrance opportunities. Those women who are rejected by "town schools", African Americans and people of color rejected by public schools, are People with disabilities who were rejected by regular schools were able to enter university schools, effectively promoting the democratization of higher education in the United States.

4.2. Weak government, weak market': The difficult period of for-profit universities

During the Civil War, at the time of the Industrial Revolution, a large number of skilled industrial workers and advanced production technology flowed into the United States, which promoted the rapid development of industry, and the United States embarked on a path of modernization. With the rapid development of modern industries, emerging cities, and ever-expanding urban populations, the demand for technical education and vocational education has become unprecedentedly high. At this time, American higher education showed the typical characteristics of "not paying attention to the actual needs of industry and commerce" and "small benefits and huge waste", while many for-profit universities showed vigorous vitality. After the Civil War, at a time when there was strong social demand for for-profit universities in the United States, traditional public universities and non-profit private universities set off a wave of reforms. A series of factors such as progressive political

movement, public education reform movement, the promulgation of the "Morrel Act" and the medical education reform movement has promoted the rapid development of public higher education. Beginning in the 1920s, American community colleges experienced large-scale development. After "World War II", the rapid population expansion and the "national crisis theory" accelerated the development of higher education in the United States, and thus entered the "golden age". With the development of public higher education, a "trend against the development of for-profit universities" has begun to emerge in American society, especially Abraham Flexner's famous North American medical survey report-"The Flexner Report" made it clear Opposing the existence of for-profit higher education, the development of for-profit universities in the United States has encountered a "cold current".

In the middle of the 20th century, the rise of idealism and the "academic revolution" in American higher education further weakened the market demand for for-profit universities. In 1945, Harvard University released the "Harvard University General Education Report" that emphasized the significance of basic liberal arts and sciences for personal growth. Those universities that originally focused on practical courses immediately turned to academic education. In 1957, the successful launch of the Soviet satellite gave the United States a strong sense of shock and crisis. The US federal government immediately promulgated the National Defense Education Act, establishing a new type of cooperative relationship between the federal government and higher education. The former continues to provide the latter with a large amount of research funding, and directly allocates funds for campus construction and financial support for students. With strong government funding, American higher education has set off an "academic revolution": emphasizing the importance of basic theories and high-end frontier research. After the 1960s, students' interest in majors has changed. The number of students who have obtained a bachelor's degree in liberal arts and sciences has increased to 47%, reaching a historic peak [16]. At the same time, a large number of doctoral students who have received professional training have gradually moved to teacher posts after graduation, further strengthening the academic orientation of the university. Although the Veterans Act, the National Defense Education Act, and the Higher Education Act provide strong policy and funding support for American higher education, these "policy dividends" rarely benefit for-profit universities Even though the GI Act extends the scope of student loans to for-profit universities, overall, the impact on the development of for-profit universities is very limited.

4.3. Strong government, strong market": the period of the rise of for-profit universities

In the 1960s, on the eve of the US presidential campaign, Democratic and Republican candidates had a heated debate on the issue of student funding. After Democrat Kennedy took office, he believed in Keynesianism and implemented the policy of "big government": strengthening the federal government's intervention in higher education, expanding government spending, reducing personal income tax, and expanding employment. The Kennedy administration changed the role of the federal government only as a "night watchman" and expanded social demand and stimulated economic growth by implementing an "expansionary fiscal policy." In 1972, the federal government's "Higher Education Act" revised the establishment of "Federal Pell Grants." The Act stipulated for the first time that all types of colleges and universities should meet the relevant policy requirements of "Title IV". Students in difficulty can receive federal funding. The amendment of this bill allows for-profit universities to have the opportunity to compete fairly with other types of institutions, which has become a watershed for the development of for-profit universities. The federal government has more influence on student funding programs than other programs, and it has

become one of the most important ways for the federal government to intervene in higher education.

In the 1970s, with the outbreak of the oil crisis, the U.S. economy experienced a continuous decline and began to enter the "era of labor surplus." Excess labor force and economic recession have made colleges and universities a "haven" and "gas station" for young people. They hope to reserve knowledge and ability for future employment by receiving higher education. In 1975, the gross enrollment rate of higher education in the United States reached 51.01%, becoming the first country in the world to enter the stage of popularization of higher education. One of the characteristics of the popularization of higher education is the differentiated needs of students for higher education. "The contradiction between higher education quality assurance and scale expansion in the popularization period is the contradiction between high standards, strict requirements and richness and incentives." At this time, the quality of traditional higher education in the United States is encountering widespread criticism from the public, including undergraduate education being ignored, academic fraud and behavioral anomie incidents are frequent, academic value has been eroded, and the indirect cost of running universities continues to rise. With the urgent demand for practical skills in the labor market, the value of "excellence" has replaced the value of "equality", and traditional colleges and universities are struggling due to the substantial cuts in education finance.

Driven by multiple factors such as the concept of marketization, privatization, and diversified needs, for-profit universities have won the opportunity for future development, and they have risen rapidly by market-oriented school-running concepts, group operation models, and commercialized curriculum positioning. During the rapid rise of for-profit universities, the following three characteristics have been shown: One is to keep up with market demand and tailor personalized courses for customers. In the mid to late 1970s, American society and individuals showed strong demand for higher education, which provided a broad market space for the development of for-profit universities. The second is to have a clear property right system. Clear property rights are a powerful guarantee for for-profit universities to carry out management reforms and market financing and are a prerequisite for an effective marriage with the capital market. The third is to take the initiative to achieve marriage with the capital market. In the absence of external funding channels such as government funding, social donations, and research funding, for-profit universities can only find alternative ways to use the capital market for financing in addition to charging student tuition. Apollo Group, Education Management, Devry, Strayer Education, etc. took the lead in seizing the education capital market and became the flagship of for-profit universities. In 1996, the United States had 669 for-profit universities with degree-granting authority. From 2005 to 2010, the number of newly accredited universities in the United States was 483, of which 77% were for-profit universities. In terms of the number of universities in the country, for-profit universities account for 26% of the country's total scale [17]. After more than two decades of exploration, for-profit universities have become an important part of American higher education.

4.4. Strong government, weak market: The crisis of for-profit universities

In 2012, the US Senate Committee on Health, Education, Labor, and Pensions released a survey titled "For-profit Higher Education: Not Enough to Protect Federal Investment and Ensure Student Success" based on a two-year survey of for-profit universities. The report pointed out the outstanding problems in the operation of American for-profit universities:

aggressive methods such as transitional marketing, inductive propaganda, and rewarding remuneration were adopted for enrolment, the continuously rising dropout rate, and the persistently high default rate [18]. In response to the chaos of for-profit universities, the Obama administration has strengthened its review and supervision of for-profit universities and introduced a series of "New Deals." First, revise the "paid employment" policy. The "New Deal" sets minimum standards for the debt-to-income ratio and loan repayment ratio of all aided colleges, including the on-time repayment rate of graduates not less than 30%, and the ratio of repayment to the total income of graduates not exceeding 12%. The repayment amount shall not exceed 30% of the graduates' disposable income. The Obama administration clearly stated that failure to meet the above criteria for 3 out of 4 consecutive years will be banned for assistance. Second, further, restrict "incentive compensation." The new regulations issued by the Obama administration require that "higher education institutions that receive federal grants must not use any subsidies, bonuses, or other incentive compensation forms to reward admissions officers or agencies, thereby protecting the interests of students as consumers and preventing the abuse of federal grants". Third, strengthen the evaluation and supervision of the quality of higher education. In response to the low graduation rate of for-profit universities, the Obama administration has raised the certification standards for for-profit universities, such as taking students' academic achievement and future economic strength as important evaluation indicators and strictly and clearly defining online teaching credits. At the same time, Congress transferred more power to the state government during the Obama administration, and the state government further strengthened the certification requirements and supervision of educational institutions such as for-profit universities.

The promulgation of the Obama Administration's "New Deal" and the continuous fermentation of its effects have severely weakened the role of the market mechanism in the development of for-profit universities. In terms of market demand, the number of students in for-profit universities has plummeted. "The total number of students in for-profit colleges and universities in the United States dropped from 1.8 million in 2008 to 1.1 million in 2016, a decrease of nearly 40%." In 2017, the enrollment of for-profit universities fell by more than 10%. In terms of different levels of for-profit universities, the number of four-year undergraduate enrollment has fallen the most, from 4.9% in 2015 to 10% in 2017, while the national average decline was only 1.5% during the same period [19]. In the market competition, many for-profit universities announced bankruptcy or were forced to close their doors. From 2011 to 2017, many for-profit universities have closed down or were forced to close their doors, including universities affiliated with several well-known listed education companies. In terms of the number of closed universities, there were 171 in 2015, and in 2016 it increased to more than 350. There is no shortage of well-known institutions among the closed for-profit universities. In 2014, the University of Corinth, a member of the G7 Group, declared bankruptcy. More than 100 campuses under it were forced to close, and 75,000 students were facing the dilemma of transferring or dropping out of school. In 2016, after the ITT Institute of Technology was investigated by the federal government and many state governments, more than 130 campuses were forced to close, more than 40,000 students were out of school, and 8,000 employees were unemployed. In terms of market returns, a series of investigations on for-profit universities have weakened the enthusiasm of investors, and the stocks of for-profit universities have plummeted, shaking their confidence in running schools. In 2014, the trading price of the Collins University Group's stock fell off a cliff, from its peak of 33 US dollars to 2 cents. The five listed education companies, APOL, STRA, EDMC, LINC, and ESI, experienced negative returns from 2011 to 2015, with an average annual rate of -83%. Although the Trump administration has implemented a relatively lax censorship

policy on for-profit universities, which has won the latter a respite, it is difficult to get out of the predicament of endangerment.

5. The enlightenment of the development of American for-profit universities to global universities

As a product of the marriage of higher education and the capital market, the rise and development of American for-profit universities have always been affected by the interaction between the government and the market. American for-profit universities closely follow the education market, are close to social needs, actively accept certification, pay taxes by the law, and use the federal government's funding policy as a lever to quickly rise. American for-profit universities actively participate in the interaction of the federal government, state governments, and certification agencies, seeking breakthroughs based on compliance with rules and regulations. The market mechanism, as the core driving force that influences the structural changes of American higher education, has an incalculable effect on American for-profit universities. Whether it is market demand, market competition, or market benefits, all have a profound impact on the development of for-profit universities. Compared with traditional public universities and private non-profit universities, American for-profit universities have formed their unique development path: under the background of almost no charitable donations, they can compete with non-profit universities in a commercial (civil) society with an entrepreneurial spirit. Form dislocation competition, assume greater risks from the capital market and the government provide short-term vocational skills training courses that are in short supply in the market, and conduct vertical management under the principal responsibility system under the leadership of the general meeting of shareholders.

From the colonial period to the present, American for-profit universities have experienced ups and downs under the action of the government and market interaction mechanism: the "strong government, strong market" mechanism during the colonial period and the early days of the founding of the People's Republic of China gave birth to the rise of for-profit universities, and the "weak government during the Civil War" The mechanism of "strong and weak market" puts for-profit universities in a deep predicament. The "strong government, weak market" mechanism in the 1970s allowed for-profit universities to rise rapidly, and the "strong government, weak market" mechanism once again made for-profit universities fall. Undoubtedly, whether the government and market forces are ebb and flow, or the two advances and retreat together, they have a huge chain effect on for-profit universities, affecting and even determining the destiny of for-profit universities. How to coordinate the conflicts between the government and the market, and how to bridge the tension between market logic and education logic, has become the key to the development of for-profit universities in the United States.

The well-known Icelandic economist Thran Egertson found through long-term research that "the underlying reason hindering economic growth is the inability or unwillingness to adopt appropriate social technologies." We need to uphold a forward-looking strategic vision and seek the "third way" between "profitability and non-profitability", that is, to promote the pilot reform of hybrid private colleges and universities. Only by shifting from "strong government, weak market", "weak government, weak market" to "strong government, strong market" or "weak government, strong market" interactive mechanism, can private colleges and universities gain development space and achieve sustainable and healthy development.

6. Conclusion

For a long time, American higher education has always developed in the interaction between the government and the market. American for-profit universities have experienced four interaction mechanisms: "weak government, strong market", "weak government, weak market", "strong government, strong market", "strong government, weak market", and a continuous "pendulum phenomenon". The loose policy environment and strong market demand have a strong driving effect on American for-profit universities. On the contrary, the development of for-profit universities will face obstacles. For American for-profit universities to get out of the development dilemma, they need to reconcile the tension between the government and the market. To improve the classification management policies of universities in various countries, it is necessary to make institutional breakthroughs and innovations in government supervision and policy supply, market vitality and market profitability, education logic, and market logic.

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