

School Voucher Program and Its Enlightenments to the Education Reform in China

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Abstract: This article roughly retrospects the idea of school voucher program proposed by Milton Friedman, lately developed by Peacock, Wiseman and Jencks. The reasons like privatization in education, deterioration of public schooling and school choice promote this program. Then taking a simple look at the ramification of voucher program and its value inclination and the practice of school voucher program in the USA and the problems existing in America. Finally, this paper introduces the school voucher program practiced in China and the enlightenments that school voucher program can offer to the education reform in China. With the idea and practice of school voucher program, the introduction of the market mechanism benefits the innovation of education fiscal system, the competition between schools, improvement of the education quality and parents' needs of school choice; it benefits the development of non-governmental education; it helps to build a better school governance situation. We should use two forms of constitutional transformation to ensure the widespread of school voucher program in China.

Key words: school voucher education reform enlightenments

1. What's School Voucher?

Economist and Nobel laureate Milton Friedman is generally cited as the first to propose the voucher system in the United States. In 1955, he made the case for a “de-nationalized” educational system that would remove government involvement from almost every aspect of primary and secondary education-except its financing. He contended (and continues to do so) that a universal voucher program would create a competitive marketplace in which low-performing schools would close (for want of students) and every school would be driven to improve (for fear of losing students and the voucher money that accompanies them).¹ Where Mr. Friedman wants to head is toward a system in which all families can get vouchers equal to the public schools' per pupil budget, letting them shop among public and private schools. That concept, the report asserts, is “the gold standard of educational choice in America.”²

In summary, a voucher scheme represents a specific way of funding education. Instead of allocating subsidies directly to the providers of education, the government is distributing the subsidies through the consumers. The former—object subsidies—represents the most common way of allocating public money to education. The latter represents a way of subsidizing the producers (schools, universities), while the financial resources are distributed through the subjects (parents, students) who can only spend the money on education. A voucher, in fact, is an

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¹ Erik, C. O. (2002). *Taking the “Public” Out of Our Schools: The Political, Constitutional and Civic Implications of Private School Vouchers*. *Journal of Church and State*, 44(4),717-747.

² Caroline, H. (2004). *Friedman's Foundation Rates Voucher Plans*. *Education Week*, 23(27),5.

object-subject subsidy, because unlike in the case of unrestricted money transfers made to individuals, the receivers of the vouchers do not experience an increase of their free disposable income.³ The voucher question boils down to how societies feel politically about the responsibilities and role of the state in education.⁴

2. The Aims of School Voucher

The crucial aspect of the voucher idea is *freedom to choose* and this, according to Barr (1998), would require that education is not just provided by public institutions but also—or at least in part —by *private* institutions. So, students would be allowed to cash their vouchers also at private institutions that -- just like the public ones -- comply with minimum quality standards.⁵ One of the most potent rhetorical tropes in voucher proponents' arguments is a broad-based claim for equality in choice about education. Well-to-do parents can choose between sending their children to public and private schools.⁶ And this free-market model would force substandard public schools to improve so they can compete with private schools.⁷ This implementation will raise student academic proficiency levels, increase parental involvement local neighborhood school districts, and serve as a much-needed catalyst for widespread educational reform. In addition, the teacher expertise will increase, student interest will grow, and public education itself will be forced to either “shape up” or go out of business.⁸ While the nonpublic schools receiving public funds “should be required to accept students from a wider range of backgrounds and academic ability levels than is now generally the case” and “should be accountable to the state in the way public schools are accountable”.⁹

School vouchers are also directed at low-income and ethnic minority populations—populations who have the most tangible interest in the equalizing effects of a public education.¹⁰ Many low-income parents, if given the chance, would send their children to private and parochial schools, and that the exodus would achieve a breakup of the educational “ghetto” that afflicts inner cities with a vicious cycle of scholastic underachievement, poor job prospects, low self-esteem, drug taking, and crime.¹¹ So, voucher programs gained support, particularly among the urban African American community, because they were seen as ways of addressing the problem of failing schools. The Ohio program in Zelman exemplifies the modern version of voucher programs.¹² A voucher program ought be maintained only if it can improve the quality of public education (for those not receiving vouchers) while providing enhanced educational opportunities for the most disadvantaged students. This is in fact the central claim of many voucher advocates, and coincidentally the most legitimate reason to try a voucher program.¹³

3. The Reasons of School Voucher

³ Ben, J., Jos, K.(2000) *Vouchers for Higher Education? A Survey of the Literature Commissioned by the Hong Kong University Grants Committee*. Internet document: www.ugc.edu.hk/english/documents/reports/Voucher_report.html#2.1.

⁴ Martin, C.(1997). *Is Privatization through Education Vouchers Really the Answer? A Comment on West*. The World Bank Research Observer, 12(1),105-116.

⁶ Mark, T.(2002). *Vouchers after Zelman*. Supreme Court Review,1-39.

⁷ Pamela, P.(2001). *School Vouchers*. American Demographics,23(9),26.

⁸ Simplicio Joseph, S. C.(1996). *School Vouchers - Panacea or Pandora's Box?* Education,117(2),213-216.

⁹ Edd, D.(2000). *School Vouchers: No End in Sight*. The Humanist, 60(6),44.

¹⁰ Margaret, G, & Vicki, L. (2002). *Entering the Debate about School Vouchers: A Social Work Perspective*. Children & Schools, 24(4),207-221.

¹¹ Paul, E. P.(1999). *Do School Vouchers Work?* The World & I, 14(2),64.

¹³ Erik, C. O. (2002). *Taking the "Public" Out of Our Schools: The Political, Constitutional and Civic Implications of Private School Vouchers*. Journal of Church and State, 44(4),717-747.

3.1 Privatization and Competition

Privatization, defined broadly, refers to the delegation of public functions to the private sector (Gibelman, 1998). Prevailing social values provide the impetus and context for this push to privatize: a distrust and dislike of government-run programs, a preference for the private marketplace, particularly in a results-oriented booming economy, and growing impatience with “tinkering” education reform strategies that have failed to produce the intended outcomes. The proscriptio is to “let the private market do it”.¹⁴ It is no coincidence that an administration that favors vouchers also favors the privatization of Social Security, Medicare and other social programs.¹⁵ The vouchers can promote rapid privatization only if they create a large demand for private schools to constitute a real incentive for entrepreneurs to enter the industry. The privatization of schooling would produce a new, highly active and profitable private industry that would provide a real opportunity for many talented people who are currently deterred from entering the teaching profession by the dreadful state of so many of our schools.¹⁶

How the public and private schools can best work together for the national good is the real education and public-policy question. A variety of schemes for tuition vouchers are before many state legislatures. As a matter of public policy, voucher plans should be calibrated to bring maximum benefit not to those who can already afford private schools, but to those who cannot.¹⁷

3.2 Deterioration of Schooling

The quality of schooling is far worse today than it was in 1955. There is no respect in which inhabitants of a low-income neighborhood are so disadvantaged as in the kind of schooling they can get for their children. About 90 percent of our kids now go to so-called public schools, which are really not public at all but simply private fiefs of the administrators and the union officials. These changes in our educational system have clearly strengthened the need for basic reform.¹⁸ Advocates for the school voucher program assert that large government bureaucracies are inefficient in running schools and should be dismantled; they prefer accountability through market forces rather than extensive state regulations. In short, through a consumer approach to education, the competition among schools will force inferior schools simply to go out of business because they will not attract students.¹⁹

3.3 School Choice

“School choice” has been the rallying cry for those who opposed to what they call the state monopoly on school funding.²⁰ In the lexicon of educational reform, “school choice” refers to any initiative designed to allow students to attend a school other than their traditional local public school. The most common type of school choice program allows students to choose from among any public school within their district, or (less frequently) public schools in a neighboring district. These are usually referred to as “public school choice” programs, and they enjoy fairly broad support among the American public.²¹

“Good schools are the lifeblood of our cities” says education researcher Denis Doyle, “save the schools and we save our cities”, “The people leaving the city are those the city needs most to retain its vitality, namely,

¹⁴ Margaret, G., Vicki, L. (2002). *Entering the Debate about School Vouchers: A Social Work Perspective*. Children & Schools, 24(4),207-221.

¹⁵ Julianne, M.(2003). *School Vouchers: A Wedge Issue for African Americans?* Black Issues in Higher Education,20(22),31.

¹⁶ Milton, F.(1995). *Public Schools: Make Them Private*. Internet document: www.cato.org/pubs/briefs/bp-023.html

¹⁷ Anonymous.(1996). *School Vouchers*. *Commonweal*,123(7),5-6.

¹⁹ Martha, M. M.(2000). *What Is the Verdict on School Vouchers?* Phi Delta Kappan,81(5),371-378

²¹ Erik, C. O. (2002). *Taking the "Public" Out of Our Schools: The Political, Constitutional and Civic Implications of Private School Vouchers*. *Journal of Church and State*, 44(4),717-747.

working and middle-class families with children”.²² On one hand, public education has traditionally been the great equalizer in America. Public education provides access to opportunity. Equal opportunity, in turn, is the precondition for the exercise of freedom.²³ On the other hand, the performance of today's urban public schools makes the idea of private school tempting. As the public schools have become poorer and smaller, disquiet has grown among members of the white middle class.²⁴ So, more and more people turn to the “private school choice”, once public funds for private schools are available, these parents may be less willing to pay.²⁵ Meanwhile, the law is overwhelmingly benefiting children of white, middle-class parents, many of whom had been paying to send their children to out-of-district schools before the law was passed.²⁶ They think that the private schools can offer their children better education and a higher chance to enter famous universities which will bring them into a better position in the future career. In addition, the Bush administration firmly supports vouchers (or what some advocates term “school choice”)—a variety of tax subsidies and rebates that would enable parents to put tax dollars normally allocated to their local public education institutions toward payment for private school tuition.²⁷ And this drive will indefinitely accelerate the move of “private school choice”.

4. Categories of School Voucher

4.1 Privately Funded Vouchers & Publicly Funded Vouchers

From the source of the funding for the vouchers, we can roughly divide the voucher programs into the privately funded vouchers & publicly funded vouchers. Privately funded vouchers are more common and less controversial, while publicly funded vouchers are relatively rare and extremely controversial. Both types of vouchers give students the opportunity to attend private or parochial schools at little or no cost to their parents. In this sense, they are functionally equivalent for the parents. Privately funded vouchers are essentially tuition scholarships, of the sort that civic groups, churches, and philanthropic organizations who have been awarding needy students for many decades. What makes the recent surge of privately-funded vouchers controversial—to the extent that they are controversial—is the intent behind the money itself. Whatever else privately funded voucher programs are intended to achieve, they are also explicitly intended to spur public school reform by offering incentives for students to attend private schools. The two types of voucher programs (namely, privately-funded and publicly-funded) also fall into completely separate legal categories, since private individuals and institutions can spend their money largely as they see fit, while governmental expenditures are constrained by the First Amendment's religion clauses.²⁸

4.2 The Market Model of Friedman & the Income-Linked Market Model of Peacock and Wiseman

Friedman (1962) advocates freedom of price fixing (i.e. the setting of fees) by the institutions. The value of t voucher is the same for each child, and it can be spent in any school that has been approved to take part in the system. This would include both privately and publicly owned institutions. The schools are allowed to charge

²² Steven, H.(1999). *The "Neighborhood Effect" of School Choice*. Policy Review,93,47.

²³ Margaret, G., & Vicki, L. (2002). *Entering the Debate about School Vouchers: A Social Work Perspective*. Children & Schools, 24(4),207-221.

²⁴ Phi, D. K.(1993). *School Vouchers: The Latest California Joke*. Children in American Schools,75(1),61-64.

²⁵ Angela, S. R.(2001). *Eliminating Options through Choice: Another Look at Private School Vouchers*. Emory Law Journal,50(1), 363-395.

²⁷ Pamela, P.(2001). *School Vouchers*. American Demographics,23(9),26.

²⁸ Erik, C. O. (2002). *Taking the "Public" Out of Our Schools: The Political, Constitutional and Civic Implications of Private School Vouchers*. Journal of Church and State, 44(4),717-747.

supplementary fees on top of the value of the voucher and have complete freedom in their choice of pupils and organization of waiting lists (entry requirements, selection mechanism). According to Friedman the advantage of his voucher scheme is an increase of more effective competition between schools, resulting in an efficiency improvement, less claims of private schools on governmental financial assistance, and better opportunities to control governmental expenditure for education. Friedman or Chubb and Moe (Chubb and Moe's claim that universal "school choice" is a panacea) proposed this market-based voucher system, since the lack of democratic oversight that is its hallmark is also its greatest flaw. So the British economists Peacock and Wiseman modify the Friedman's model according the income of the family.

A well-known amendment of Friedman's scheme is the voucher model of Peacock and Wiseman (1964). Although in their model freedom of choice for consumers of education is also a central issue, at the same time, they are aware of the importance of access to education. Accessibility may become an issue whether consumers, as a consequence of the right of schools to set their own tuition fees, have to pay higher fees than the value of their vouchers. Access to education then may become income-linked. The principal element in this model is that the value of the voucher is higher for children from low-income families by making the voucher value subject to income taxation. However, although Peacock and Wiseman acknowledge the equality of opportunity as an important social objective, they explicitly opt for a liberal market approach.

4.3 The compensatory Market Model of Jencks

Jencks is the most articulate representative of the social policy approach, which emphasizes the equality of educational opportunity as a policy objective. In Jencks' opinion, vouchers would offer an alternative for the failing public schools and would favor the relatively poor parents. The model he proposed has three main characteristics: It favors the market and competition among suppliers, but market competition ought to be regulated to become effective. It introduces a compensatory element in order to avoid economic, religious and racial barriers and to promote social mobility between classes. Schools where demand exceeds supply must allocate at least half of their places by ballot. The Jencks scheme has more of an equalizing effect on expenditure. Both exponents of the liberal market approach (e.g. Friedman) and the social policy approach (e.g. Jencks) are concerned with consumer sovereignty and efficiency, but proponents of the social policy approach, like Jencks, place more emphasis on distributional goals.²⁹

5 The Value Inclination of School Voucher Program

The spirit of educational equity can be seen in the market model of Friedman, the income-linked market model of Peacock and Wiseman, and recently in the compensatory market model of Jencks. But the former two models stress on the efficient or market equity of education while Jencks' model focuses on the social equity of education. Through the retrospect of voucher plan and its practice in the different countries in the world we may indicate that the social equity of education has become the main value inclination of voucher plan.

6. School Voucher Practice in the USA.

School vouchers have garnered increased attention as more states have adopted programs allowing families

²⁹ Ben, J., & Jos, K.(2000). *Vouchers for Higher Education? A Survey of the Literature Commissioned by the Hong Kong University Grants Committee*. Internet document: www.ugc.edu.hk/english/documents/reports/Voucher_report.html#2.1

to have a choice of private or public—rather than just public schools. The idea of school choice traces its history at least as far back as political essayist Thomas Paine, who, in *The Rights of Man* (1791), proposed providing financial support to parents who could use those funds to send their children to private schools.³⁰ For five years started in 1972, the Alum Rock School District near San Jose, Calif, took part in a federally financed "voucher" experiment that wound up involving only public and no private schools.³¹

Milwaukee firstly conducted the school voucher program in 1990 allowing 1000 students from low-income family to choose public or private school, but the program excluded the religious schools. The Cleveland Scholarship and Tutoring Program, initiated in 1995, allows roughly 3,800 students to use vouchers worth up to \$2,250 to attend the public, private, or parochial school of their choice.³² Florida has passed statewide voucher legislation. Colorado is on track to become the second state to offer private school tuition vouchers to students in low-performing public schools, with legislation creating the program. The vouchers will be paid as a percentage of district's per-pupil funding, with high school students getting 85 percent.³³ Till 2002, over 80 percent of the current school vouchers are financed by philanthropic individuals or foundations, and the few publicly-funded vouchers that exist are concentrated almost exclusively in two cities, Milwaukee and Cleveland. None of the nation's largest cities have implemented voucher programs, and while at least twenty-five state legislatures are currently considering voucher plans.³⁴ The US Senate gave final congressional approval to a school voucher initiative for the Washington state. The Senate passed the \$14 million program of private school vouchers as part of an omnibus spending bill that cleared the chamber on Jan 22 by a vote of 65-28. Children from low-income families in the District of Columbia will be eligible for tuition aid of up to \$7,500 to attend religious or secular private schools in the city under the bill, which President Bush said late last week that he looked forward to signing. Adopted as a five-year pilot, the initiative is the first federal program to finance private school vouchers.³⁵ Mr. Friedman predicted that the District of Columbia program would add to the momentum for more voucher initiatives. "I trust it will be copied all over the country."³⁶

7. Problems Existed in the Voucher Practice in the USA.

7.1 Was It Constitutional?

The US Supreme Court Justices are considering whether a school voucher program is an "establishment" of religion or a constitutional exercise of choice. In the balance is whether the Court will uphold the voucher program as religiously neutral because of parental choice, or strike it down as violating the establishment clause because of the program's actual effect of providing millions of public tax dollars to the coffers of religious schools. Arguing that Cleveland's school voucher program violated the establishment clause due to the flow of public tax money to private religious schools.³⁷ In December 1999, a U.S. District Court judge threw out Ohio's voucher program holding that the program violated the constitutional separation of church and state.³⁸

³⁰ David, F. S.(2003). *Funding School Choice Programs*. USA Today,132(2702),24.

³¹ Caroline, H.(2004). *Federal Plan For Vouchers Clears Senate*. Education Week,23(20),1-2.

³² Erik, C. O. (2002). *Taking the "Public" Out of Our Schools: The Political, Constitutional and Civic Implications of Private School Vouchers*. Journal of Church and State, 44(4),717-747.

³³ Anonymous.(2003). *Colorado Poised to Launch Statewide Voucher Program*. Board & Administrator; for Superintendents Only, 17(3), 7

³⁶ Caroline, H. (2004). *Friedman's Foundation Rates Voucher Plans*. Education Week, 23(27),5.

³⁷ David, C. S.(2002). *School Vouchers Battle*. The World & I, 17(6),60.

³⁸ Angela, S.R.(2001). *Eliminating Options through Choice: Another Look at Private School Vouchers*. Emory Law Journal, 50(1),363-395.

The two keys to creating a constitutional school voucher program are neutrality and indirection. States must make sure that the aid is available to all eligible students. Receipt of the aid cannot depend on which school the child intends to attend. States must also find a way to ensure that the aid reaches sectarian schools in an indirect manner. If these two primary requirements are met, a state is well on its way to creating a school voucher program that does not offend the Establishment Clause of the Federal Constitution.³⁹

7.2 Do Students Who Participate in Voucher Programs Do Better Than Their Peers in Public Schools?

More than a decade after the first publicly funded voucher program began, there's no obvious evidence that vouchers do a better job of educating children than public schools. Students in Cleveland's private-school voucher program, which the U.S. Supreme Court upheld last year, do not have higher standardized test scores than their peers who stay in public schools, a new study says.⁴⁰

7.3 Does Private School-Voucher Really Promote Competition and Help Public Schools?

The widespread adoption of voucher systems will have negative consequences for the democratizing function of public schools. Under marketplace models of schooling the state abdicates its obligation to protect the welfare of children and to ensure an educated citizenry. The school privatization movement has tremendous potential to alter the nature and role of public education in the United States.⁴¹ Individually rational producers of public education may then become less, not more, efficient.⁴² Teachers' unions and education advocacy groups argue that vouchers will instead lead to an inferior education for children who are left behind in public schools, and ultimately to the demise of the public school system.⁴³

In addition, one important issue concerning vouchers is their impact on public-sector revenue. Voucher programs drain critical funds from public schools, for example, the Cleveland program is far more costly than it may appear. In fact, it has been estimated that Ohio spends more state tax money per voucher student than it does for nearly 90 percent of the state's public school children. From 1991 through 1998, the state appropriated more money for its private schools (\$1.1 billion) than it did to refurbish its public schools (\$1 billion).⁴⁴

7.4 Major Restrictions That Voucher Programs Are Likely to Impose on Participating Private Schools

Vouchers will make "private" schools into a new kind of "public" institution, subject to all the political pressures and demands of the public sector. Because of their relative freedom in curriculum, admissions, and employment decisions, religious schools are able to offer a unique product to parents who are willing to pay for such a specialized education. A. Decreased Autonomy. B. Equal Protection. Voucher programs do not always provide funding equal to private school tuition of most private schools. Students from low-income families likely cannot afford to send their children to a private school that costs more than the amount of the voucher. These students will be forced to remain in public schools, Families with more financial freedom, can supplement the voucher amount to send their children to even more exclusive schools. This may exacerbate the gap between "good" and "bad" schools and "rich" and "poor" students. C. Students with Disabilities. The private schools that accept vouchers will have to implement individual education plans and accommodations for each participating student with

³⁹ Jamie, S. K.(2000). *Neutral and Indirect Aid: Designing a Constitutional School Voucher Program under the Supreme Court's Accommodationist Jurisprudence*. Georgetown Law Journal, 88(4),739-771.

⁴⁰ Anonymous.(2003). *Study Finds No Clear Gains from Cleveland Vouchers*. Education U.S.A.,45(5),2.

⁴¹ Martha, M. M.(2000). *What Is the Verdict on School Vouchers?* Phi Delta Kappan,81(5),371-378.

⁴² Peter, R.(1997). *Competition and Private School Vouchers*. Education Economics,5(3),245-263.

⁴³ Pamela, P.(2001). *School Vouchers*. American Demographics,23(9),26.

⁴⁴ *Myths and Facts About School Vouchers*. Internet document: www.pfaw.org/pfaw/general/default.aspx?oid=1436

a disability. These costs would be exorbitant and could cause tremendous strain on the individual private schools.⁴⁵

7.5 Do African-Americans Support Private-School Vouchers?

Generally, voucher programs gained support, particularly among the urban African American community, because they were seen as ways of addressing the problem of failing schools.⁴⁶ In fact, African-Americans chose “educing class size” over vouchers by a 7-to-1 margin. The nonpartisan Teachers Insurance Plan commissioned a poll by Opinion Research Corporation in 2001, which found that 61% of blacks and 59% of Latinos would rather see more funding “go toward the public schools than go to a voucher program”. Perhaps the most important “poll” is the ballot box. In November 2000, voters in Michigan and California handily defeated school voucher referenda. In both states, black and Latino voters rejected the voucher proposals by at least a 2-to-1 margin.⁴⁷ The report-the final installment of a state-commissioned evaluation-also found that students receiving vouchers were more likely to be white and Hispanic, while those in public schools were more likely to be African-American. In addition, voucher students were less likely to come from low-income families than their peers in public schools.⁴⁸

7.6 School vouchers Destroyed The Diversity of Schools

Today’s private school students are less racially isolated than their public school peers.⁴⁹ However, school vouchers have a inclination to bring students of the similar family background to certain kinds of schools. Even the voucher program has created various kinds of school choices, the inclination mentioned above would destroy the cultural or philosophical diversity. And the diversity of the co-existence of different students in the same room is indeed a valuable treasure to education. While the importance of the loss of this diversity is really uncountable and will has a chronic vicious influence when relating this to the aim of the public education.⁵⁰ But the argument for diversity in schooling must not rest on free exercise or autonomy rights alone. The state's interest in an educated, informed, and engaged citizenry is compelling.⁵¹

8. The School Voucher Practice in China

The education board of Changxing County issued the *Regulation on the School Voucher Program in Changxing County* in the light of the real situation and state of the county. According to the program, from 2001, the local school-age children receiving compulsory education were to be granted a school voucher of ¥500 for each. They could use this sum of money to go to the Qingquan Martial Art School (QMAS), a non-governmental one. The QMAS can cash the vouchers in the local education board, and the rest of the tuition must be paid by the students themselves. While, those who went to the public or vocational schools could also get a voucher of ¥300 for each. In 2002, the local education board had broadened the function of vouchers, from its original aim to aid the non-governmental and vocational schools to aid the students from low-income families. Under the new *Rules on the Utilization of Subsidizing Funds of the Underprivileged Students Aid Association*, from

⁴⁵ Angela, S. R.(2001). *Eliminating Options through Choice: Another Look at Private School Vouchers* .Emory Law Journal,50(1), 363-395.

⁴⁶ Mark, T.(2002). *Vouchers after Zelman*. Supreme Court Review,1-39.

⁴⁷ *Myths and Facts About School Vouchers*. Internet document: www.pfaw.org/pfaw/general/default.aspx?oid=1427

⁴⁸ Anonymous.(2004). *Evaluation: Mixed Results for Cleveland Vouchers*. Board & Administrator,17(12),7.

⁴⁹ Paul, E. P., & Jay, P. G.(1998). *Race Relations & Central City Schools: It's Time for An Experiment with Vouchers*. The Brookings Review,16(2),33-37.

⁵⁰ Kaneko, M.(2004). “Market”: *As a Method*. Tsinghua Journal of Education,25(1),4-10,34.

⁵¹ Anonymous.(1996). *School Vouchers*. Commonweal,123(7),5-6.

the fall of 2002 on, the underprivileged students in the elementary schools of the county could obtain a school voucher of ¥200 for each, and those underprivileged in junior middle schools could get a voucher of ¥300 for each.⁵²

Since the voucher program conducted, the students enrollments has increased relatively, and the general education and vocational education developed compatibly. The scale of the non-governmental schools had expanded, and the underprivileged students obtained subsidy from the government. The Changxing school voucher program has absorbed market capitals to invest in education which results in accelerating the development of vocational education and private education on one hand, aided the underprivileged students and equalized the education equity on the other hand. The program under the control of the government, not only offered a good policy guide of the cultivation of the education market, but also provided the students with a special right of school choice.

Since the fall in 2003, Zhejiang Province has started a provincial wide school voucher program to aid the underprivileged. Vouchers had been directly handed out to the parents in poor families to prevent their children from being dropped out of the schools. So far the province has distributed over 100 million RMB vouchers to aid 240 thousand students from primary and middle schools. The target students were mainly from low income family, revolution martyrs' offspring, minors guarded by the social well fare institutions and those stricken by disasters, diseases and sudden accidents etc. Some counties had widened the distributive targets according their real situation. Meanwhile, the provincial educational board also received the donation from all social circles.⁵³ Shandong Province also started a provincial voucher program to aid underprivileged students since the spring in 2004.

9. What Enlightenments School Voucher Brings to the Education Reform in China

9.1 Introduction of the Market Mechanism Benefits the Innovation of Education Fiscal System

The voucher program changed the traditional direct financing way into an indirect way through the parents' decision of attending private or public, secular or religious school with the vouchers granted from the government. This practice itself is indeed an innovation to the education fiscal system which is a good equalizer to solve the dilemma between equity and efficiency. It's an evident fact that China lacks a great sum of educational expenditure in the elementary education, so a effective investment system is a compound of governmental and non-governmental capitals. While school voucher itself builds a fulcrum to construct the balancing system between governmental and non-governmental investment. Through this system, the financial capitals absorb tremendous market money to invest in education, thus will indefinitely offer much education opportunities and ensure the education equity and enhance the utilizing efficiency of educational finance.

9.2 To promote the Competition between Schools, Improve the Education Quality and Meet The Parents' School Choice

The original aim of school voucher is to bring the competition into education and accelerate the privatization in education on one hand, and subside the underprivileged students through vouchers to guarantee the education equity on the other hand. The voucher makes schools improve their quality to compete for the parents' choice via vouchers. It's hard to imagine that a school can stand the intensive competition for students without offering excellent education in the school choice market. The voucher helps to change the relation between local

⁵² Quanlong Xiong.(2002). *Practice and Reflection of School Vouchers*. Beijing: China Education Daily,2002-1-20(4).

⁵³Zhejiang distributed 100 million RMB school vouchers to aid over 240 thousand students. Internet document: www.finance.sina.com.cn/g/20040831/1914989791.shtml.

government, school district and parents and students. And in the new educational administration, the parents and students' rights must be carefully considered to meet their school choice demand.

9.3 It Benefits the Development of Non-Governmental Education

The non-governmental schools get a rapid development under the subsidizing funds from the governmental finance. In the past, the China's non-governmental education developed slowly, and has long been in a weak and disadvantageous position. Why this happened, the government's lacking of investment should be one of the reasons. Both the private and public schools offer the education product which has a great externality of neighboring effects to the whole society, the product is a kind of public good in a sense, so the government should subsidize both forms of education constitutions and especially change the partial attitude that the private education has no need of subsidizing and purely supporting the public education. And this change is really a manifestation of the resettled goal of the competition mechanism through the transformation of the public finance flow between the public and private schools.⁵⁴

9.4 It Helps to Build A Better School Governance Situation

Under the traditional conception of the public school is the foundation to build the social democracy, thus makes it granted that the education is the obligation that the government should bear and consequently think that schools should be nationalized. While this would cause the government in a compound position of subsidizing and offering education, thus will possibly lead government to monopoly and bureaucracy in education. In order to break up this situation, the competition and general adoption of the market principle caused by the school voucher program would help to build a better school governance when the parents and student's rights are considered in the school administration. In the construction of poly-center of powers, the core task of the government is to transfer and reappoint the powers monopolized by the government before, to formulate and regulate the rules to cooperate with other organizations and abide by these regulations, to form the long-term partnership relation with other units and individuals. And the role of the government should transfer from "steering and rowing" to "steering without rowing".⁵⁵

9.5 Two Forms of Institutional Transformation to Ensure The Widespread of School Voucher in China

The introduction and practice of the school voucher program in China cannot be the simple duplication of the western models, and it should be introduced and conducted in the light of the real situation and state of the economic strength and the scale of the government, economy, culture and other constitutional conditions. Namely, the local governments such as the local education board etc., implement the school voucher program under the lure of the visible interest of conducting the program itself. It's the so-called "luring institutional transformation" of voucher program. And the experiment should be conducted from certain regions and certain forms of education to a large scale and more domains of education. Finally, the state government legitimates a national wide act or law to conduct the practice compellingly throughout the whole nation to create better institutional environment for the program and the development of education. Thus is so-called "compelling institutional transformation" of voucher program. Under the soul of school voucher program, the program can be implemented from elementary education to secondary and higher education, from the general education to vocational and adult education, from the east regions to the central and west regions of China, from the subsidizing to students to the subsidizing to

⁵⁴ Youlu Shen.(2004).*On School Voucher System*. Education and Economy, 75(1),17-19.

⁵⁵ Bing Sheng.(2003). *Higher Education Governance: Reconstruct the Relation between Government, Universities and Society*. Higher Education Research, 25(2),47-51.

teachers, from the aids to the paid-off workers to the aids to the trainers etc.

9.6 Keep Parents and Students Well Informed

While the parents and students' school choice is based on the available information of economy and culture, especially those relate to the schools. So the government should accelerate its move to construct a better medium-organization to afford more and complete information about the price and quality etc. about schools to change the disadvantageous position of the parents and students in the school choice. Only in this way can parents and students choose better schools and promote the competition among schools and improve the quality of education.

References(omitted)

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7. Conclusion

The results of the statistical analysis of the scale data show that the subjects of the scale are suitable difficulty level and strong discrimination, and the whole scale has a relatively high reliability and validity. So this scale is dependable and effective in terms of differentiating the psychological predispositions of kindergartens teachers. The scale can diagnose the special psychological predispositions of directors, teachers and nurses of kindergartens, and afford a more scientific basis for the selection and training of teachers for kindergartens.

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