# Reform of Rural Compulsory Education under The Perspective of Public Finance Equalization

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#### **Abstract**

In the public services provided by the government, education plays an important part. Providing equal educational service is the basic function of public finance. In terms of equalization of public service, this article remounts to the system changes of rural compulsory education, investigates the practice of the protecting investment in rural compulsory education reform, which now is in the stage of government-supported compulsory education, and objectively evaluates the complicated effect of the reform. Furthermore, some measures on the reform of rural compulsory education are presented.

Keywords: Public service, Equalization, Rural compulsory education, Reform

Education service play an important part in government to providing public service, providing an equal education service is the basic responsibility of public finance. As being urban and rural dualistic structure and having more village population, the importance of compulsory education in countries is obvious. "The compulsory education is a biggest public utilities in country". The meaning of equalization of providing public production in village compulsory education realm is reflected: only to guarantee the public production of education's equalization, can make sure that more farmer receive fair and justice in the aspects of existing and developing. The village compulsory education has stronger public production characteristic, in building China into a moderately prosperous society in an all-round and building a harmonious socialist society, it is fundamental, overall. The spread and strengthen of village compulsory education, is the assurance of carry out the strategy of invigorating the country through science, technology and education and the strategy of reinvigorating China through human resource development; is the action of carrying policy "the industry returns nurturing to parents the agriculture, the city supports the rural", push forward education equity and society equity, make sure the large people share the results of the development. It is also the public service which enhances a government's service to the village, extend the inevitable request of scope that the public finance overlays village. With the development of our country in economy, especially the central public finance income, public service is turned up on the agenda. As the important part of public service, village compulsory education will receive more attention and focus in public service. Since the end of 2005, the reform measure brings the village compulsory education into the public finance system and the central finance provide budget to village compulsory education, the compulsory education in our country was turn to the history that "the government do" from "the people do".

#### 1. Practice advancement of the rural compulsory education reform

To promote the Public services even equalization, reduces the regional disparity of the compulsory education, the funds safeguard mechanism reform of rural compulsory education the spring term 2006, to divide the year, to divide the area to implement gradually. In order to balanced regional disparity, the central support focus on the central and western regions, some of the difficulties with an appropriate balance of the eastern region. Previous two years in carrying out, latter three years again in consolidated.

### 1.1 The gradual promotion of the step of the reform

pubic services' even equalization request collective services in the opportunity, the process and the result aspect should be roughly equal. But the rural compulsory education's regional disparity is most prominent between the east and west. Therefore the spring term starts from 2006, the new mechanism first in the western 12 provinces, the Xinjiang Construction Corps and middle enjoys the western treatment Tujia-Miao Autonomous Prefecture of Xiangxi of Hunan, Tujia-Miao Autonomous Prefecture of Enshi of Hubei, the Jilin Yanbian Korean National Minority autonomous prefecture to start to implement, in Hainan's 8 counties, Hunan 3 counties and Anhui 2 counties carries on the experiment site. The fall term starts in 2006, further expands the experiment site scope, in the middle Hebei Zunhua, the Jilin Dongfeng County, the Heilongjiang Yi'an County, the Shanxi Huairen County, the Henan Fugou County, the Hubei Shayang County and Jiangxi Ji'an County altogether 7 counties carries on the experiment site. And already 8 provinces

Vol. 4, No. 7

Asian Social Science

have exempted from the rural compulsory education students' tuition and incidental expenses of stage since spring or autumn of 2006 separately in the eastern area. At the beginning of the year in 2007, the rural compulsory education funds safeguard mechanism reform work make the deployment of 2007 in eastern area 15 provinces. And includes: Hainan Province, Fujian Province, Hebei Province, Hunan Province, Shandong Province, Anhui Province, Heilongjiang Province, Liaoning Province, Guangdong Province, Zhejiang Province, Jiangxi Province, Henan Province, Shanxi Province, Jilin Province, and Hubei Province.

## 1.2 The reform mentality is defined

First, the majority of places has formed the reform work leading group, drew up and has consummated the reform implementation plan generally, from the organization, the management strengthened safeguard to the reform work.

Second, defined the funds share the proportion. According to "funds provincial level overall plan" the request, Unified locally had actually determined in the province all levels of financial funds shared the proportion, and has implemented "the province took the big part" the principle well. Has carried out the reform funds which the place undertakes. According to digital statistics which the previous period reported, below the eastern area province determine the arrangement the safeguard mechanism reform funds 229,700,000,000 Yuan, including middle area 79,600,000,000 Yuan, eastern area 150,100,000,000 Yuan. The overall, the eastern area provincial level finance undertakes the proportion has surpassed half close, the middle area nearly 70%.

Third, unified the actual research to determine the policy implementation scope. Each region according to State Council's request, studied as circumstances permit had determined the policy implementation scope, quite part of provinces also suitably expanded the scope where have exempted the miscellaneous school fees. Provinces Jiangxi, Anhui, Hainan, Zhejiang and so on exempted the miscellaneous school fees completely to the city and rural compulsory education stage student, Jiangsu, Guangdong, Zhejiang also accept into the Voluntary school student the policy scope. Hunan Province fills in a form is "the city" the rural student the statistical caliber reason, as well as undertook the compulsory education school duty, the execution to handle fairly the education charging criterion in the Voluntary school rural students to accept into the scope.

Fourth, starts the school building service transformation persistent effect mechanism comprehensively. Statistics indicated that below the eastern area province all levels of finances altogether arrange the school building service transformation funds 49,400,000,000 Yuan, including provincial level 22,500,000,000 Yuan. Various provinces had determined according to the province sentiment the school building service transformation's specific pattern, and adjusts the rural Boarding school construction as well as the rural weak school building transformation with the elementary and middle schools layout unifies. Specially province Heilongjiang, Fujian, Guangdong and so on, centralism financial resource plan with one to two year eliminate the extant D level dangerous house completely.

Fifth, eastern area had the condition will implement the reform ahead of time in 2006. The reform's enthusiasm in eastern area is very high. in 2006, 8 provinces have exempted the rural compulsory education stage student's miscellaneous school fees in the entire province scope, altogether arranges the funds 107,700,000,000 Yuan, the profiting elementary and middle school students achieve 32,800,000 people. And, Guangdong, Fujian, Tianjin, Shanghai start from the spring term to carry out exempt the miscellaneous school fees policy.

Sixth, drawn up the necessary document and the policing method, a lot of areas have made the incidentals, public funds, school building of exempting and maintained the relevant management which transforms the funds. Hubei Province after-cropped specially has implemented the school wealth bureau tube's notice about the entire province rural elementary and middle schools funds, has been clear about the school wealth bureau tube's configuration of organization. Each region also in the elementary and middle schools budget drafting, the cleaning up standard rural elementary and middle schools charge, increased aspects and so on propaganda dynamics, strengthening control inspection, development training to do the much works, shoved open comprehensively for the reform builds the foundation.

## 1.3 Reforming funds provide and implement

The public service means to take public finance as foundation, needing a government to provide public finance support. So the new mechanism of village compulsory education can carry out smoothly was decided by education reform funds provide and implement. On January 7,2006, the public finance subordinate said in 2006 spring, the west region and central part to be made experiments for semester absolution village compulsory education stage in the region the student learn miscellaneous fee and exaltation Mr. to use the level funds of the budget guarantee budget to control count 36900,000,000 dollars. In 2007, the central public finance planned single row City and Xinjiang to produce construction large unit to prepare to stir toward 27 provinces (autonomous region, direct jurisdiction city), 3 cities in the whole country, the spring semester absolution learn miscellaneous fee and level funds 9,200,000,000 dollars in 2007, among them we know that a miscellaneous fee subsidy a funds that not needed is 7,500,000,000 dollars, use the level funds of the budget guarantee 1,700,000,000 dollars. In the meantime for insure in 2007 spring to school begins, medium the

Asian Social Science July, 2008

village compulsory education stage of region in the west the poor family student can be free to get hold of national provision the textbook of the course, The central public finance prepared to stir 2007 spring free textbook in 2 beginning of the months item particularly funds 142,500,000,000 dollars, will be 22 provinces(autonomous region, direct jurisdiction city) and Xinjiang to produce construction large unit 34,000,000 stage poor family primary school of the village compulsory educations living free provide a textbook. In addition, national minority compulsory education with more than 100,000 population stage student will all bring into a free textbook to issue scope.

## 2. The reform preliminary result and the operation contradictory

## 2.1 The preliminary result

Since the implementation of the new mechanism in the western and the middle area, the start has been smooth, the opening has been fine, has got notable achievement Guarantee mechanism reforms western region in 2006 rural area compulsory education funds already obtained the preliminary result.

First, the fund gradually arrives, the farmers' burden is eased off further. Up to June, 2006, altogether carries out the western area rural compulsory education funds safeguard mechanism reform fund 46 .500 million Yuan, central fund 36.900 million Yuan, the place fund 9 .600 million Yuan, cover the rural compulsory education stage student 48.8 million people. The mechanism the school building is kept in repair reforming the long effect starts all round, the central finance has issued this year school building service transformation fund budget to the mid-west area to control several 28 .3.6 billion Yuan. Exempt school from this one incidental expenses , western region Spring term is ascertained dispense with the incidental expenses fund is close 4 billion yuan, favor and more than 48,800,000 rural area compulsory education stages students, every pupil alleviates burdens 140 yuan , the junior high school student alleviates burdens 180 yuan averagely; Now that but enjoying the textbook free of charge, enjoy the poor boarder that cost of living subsidizes, the pupil alleviates burdens 510 yuan averagely , the junior high school student alleviates burdens 620 yuan. (Note 1)

Next, public rural area middle and primary school funds guarantee population level have had rise, the phenomenon educating an arbitrary exaction of fees from enterprises has been got keep within limits. Funds gets rural compulsory education in 2006 in time appropriate, reform area school functioning normally. Rural area middle and primary school travel funds that the whole nation public county rural area middle and primary school funds having almost 1/3 seldom, is "zero allocation of funds" depending on collecting incidental expenses, budgetary allocations mainly before putting new mechanism into practice. All rural school has all got the public funds that the government appropriates in the western part after putting new mechanism into practice, has ensured the school regularity moving round, a little area that are impoverished rural school funds increases by several times. The strict norm charges everywhere since reformation, behavior, the arbitrary exaction of fees from enterprises falls off

obviously. Most school has wasted the outside except receive the textbook fee and boarder accommodation as an agent, aspect has all been "charge for zero" other, charge for education has

appeared many local "zero complaint". 24 work at a selected spot county's the personnel charges by knowing school standard and checking 480 students, 490 family are in progress to work at a selected spot to interview and investigate by sampling to find that, put new machine-made working at a selected spot into practice not collecting besides school composes in reply originally a boarder accommodation fee except that "system-consuming" standard receive the textbook, school assignment as an agent according to one" to the student, other any cost.

Once more, impelled the government department function transformation, promoted the school administration standardization, and enhanced the government and the school administration level. The new mechanism strengthened the government from the system stratification plane to the compulsory education responsibility, brings into line with school all revenue and expenditures the government budget management, impelled the government department function transformation, promoted the school scientific management, the democracy to manage finances. The rural elementary and middle schools generally reflected that, at same time in 2006 the finance budgetary revenue has the increase compared to 2005, the majority of schools can maintain the normal work, the school each month financial subsidy income are basic and the disbursement quite.

Finally, the rural compulsory education funds safeguard mechanism reform safeguarded the rural child from the system to accept the compulsory education the opportunity, the problem that the rural area compulsory education stage goes to school difficultly, to go to school the expensive question basically is solved. According to the preliminary statistics, the western area approximately has the child which 200,000 discontinues studies to return to the campus. The elementary school graduate proportion of students entering schools of a higher grade by 2005 98 .4% rise to 2006 100%, this is still born in the year of in our country in history first. Nearly 200,000 rural discontinue studies the student to return to the school, for many years continuously has puzzled the rural compulsory education discontinuing studies rate high question to obtain alleviates, because the problem that out of school for poor basically is solved.

Vol. 4, No. 7

Asian Social Science

#### 2.2 Operates contradictory

certainly, the rural compulsory education funds safeguard mechanism reform unfolds from 2007 from the partial experiment site to the national mid-west area, inevitably will have all sorts of oversights, this including the policy propaganda, the budget establishment, the funds will appropriate and so on .

First, propaganda that to safeguards the new mechanism to the rural compulsory education funds is insufficient. In the reform area, so far some rural elementary and middle schools did not know the standard of the country compensates, the constitution of the funds, and the expense understanding which the school may gather after the new mechanism implementation is unclear. Even appears the phenomenon that the education randomly to collect fees. Affect the practice effect that rural area compulsory education funds guarantee mechanism reforms gravely.

Next, budget works out a problem. Show mainly in the respect of three: 1) The part school budget student number does not agree with actual school student number when does budget, sometimes does not is that the budget student number is over higher than actual student number; 2) partial school is not ready for because of budget, existence is burning diverting some parts of the insufficient condition coming to make up another part of funds, stigmatism is short of an unification to entire school funds planning and preparing; 3) budgets in the establishment, the partial goals funds gap is serious. After putting new mechanism into practice, this cost is over insufficient although allocating 5% be used for teacher training of funds under regulation, there exists certain difficulty in teacher training and rise.

Three is the problem of the funds allocating. Because the process of allocating funds is more than the correct or required number when causing every middle and primary school to get funds already late such affects the regular teaching of rural area middle and primary school job gravely till 2 moon time. Four is the problem of teachers treatment improvement. Consolidated teaching and administrative staff's wages safeguard mechanism is the rural compulsory education funds safeguard mechanism reform important constituent. Teaching and administrative staff's wages cannot obtain the safeguard; the rural compulsory education funds cannot calculate completely carries out arrives. After the implementing of the new mechanism, the school only can charge the correlation fee according to the stipulation, the school does not have the fund to carry out the subsidy and the reward to the teacher, also does not have the fund to use for to balance because the work load difference and the teacher in charge and so on the special post carries on the subsidy, has dampened teacher's enthusiasm in the certain degree.

Finally, the problem of rural compulsory education debt repaying. The problem mainly is in "two bases" the time, rural area middle and primary school builds for school basis, by the fact that forms such as collecting money for, getting a loan is in debt. Moreover, at the time of transforming the dangerous house, the country and the province truthfully appropriate the fund, according to the facts, require that local rural area needs to give supporting fund, since local finance is difficult but at the same time, will have produced debt. These debt is put into effect in rural area compulsory education funds guarantee mechanism afterwards, because of dispense with the incidental expenses fund can not be used to repay a debt ,repays a debt therefore school will have no an ability, such definitely affects regular school travel. Therefore the current solution of rural elementary and middle schools' debt question becomes the major event.

## 3. The countermeasure and suggestion that push forward rural area compulsory education reforms

In the process of public service equaling ionization, what appeared and been confronted with problem is hit by rural area compulsory education funds guarantee mechanism in being put into effect, some are the history leaving over if the problem, being in debt; Again has some is, like the fund which creates as a result of the system flaw is detained and so on;; Still having a few is to reform the new problem appearing middle, must reinforce supervision inspection, waits for a problem if the fund diverts. Should be important being resolving these problems starting with several the following aspect.

First, strengthen ensuring new machine-made propagating to "Compulsory Education Law" and compulsory education funds by going a step further, messenger school knows rural area compulsory education funds guarantee mechanism budget preparation in being put into effect, funds formation waits for every aspect content. Enable the teacher regarding the teacher treatment, the student right to have a more profound understanding and the assurance, safeguards the new mechanism the smooth implementation. At the same time, for reduces the time delay which the funds appropriates the adverse effect which brings for the rural elementary and middle schools revolution, suggested strengthens the system construction, establishes each kind of compulsory education funds use the detailed rules and regulations as well as the auditing system. Further strengthens "the school wealth bureau tube", suggested the establishment county level education funds accounts settlement center, the disbursement uniting whole county educational appropriations accounting, cutting down a personnel, reinforces supervision and control of educational appropriations and is put into use.

The secondary, accurately surveys the school cost, make adequate arrangements for rural area middle and primary school funds budget. Needs to build rational science rural area compulsory education throwing into guarantee mechanism, the full amount must be arranged for educating funds budget, have accurately to establish the education

Asian Social Science July, 2008

funds budget to have the science determination compulsory education stage to live raises the cost, had determined raises originally can counts based on the student calculates a county (city, area) the compulsory education funds demand, and is brought into public property on this account. Determine the basis growing the equal public funds standard and student incidental expenses standard training cost equally being also accurate at the same time working out the rational life of science, train cost equally only when having ascertained a life, "the educational appropriations ability is resolved needs a number, county level finance can give a number, province level finance can add supplemental a number (transfer payment), is the problem collecting a number to the student's turn.

Once again, rural area middle and primary school debt problem already becomes the big

obstacles in restricting compulsory education being put into effect , is a big hidden trouble of the order affecting rural education and teaching. In the respect of resolving the rural area compulsory education liabilities problem, he country must act according to various provinces the situation to carry on the thorough check to the rural elementary and middle schools debt situation, finds out the rural compulsory education debt situation. Besides the various rural area compulsory education funds locking aggregate liability , allocating according to certain proportion from province city in responding to every year, make arrangements for repaying a debt separately special fund, pay off history debt due step by step. Reforming a fund at the same time in making a building in a state of disrepair known to lower levels, responds to the bearing capability according to the place , supporting fund lightening a place, completely eradicates rural area compulsory education debt thereby increasing by again.

Later, consummate the education law laws and regulations, establish the education investment surveillance mechanism. firstly, must formulate "Education Investment Law" as soon as possible and its the implementation regulation, stipulates all levels of governments with the legal method to the education work responsibility and the funds investment responsibility; Second, higher authority National People's Congress, same level National People's Congress must legally carry on the powerful inspection surveillance to the subordinate government and the same level government's education responsibility and the education investment, found the problem needs to charge the correction; Third, the provincial government educates the direction department to have to formulate the rural compulsory education funds safeguard and the use benefit appraisal target system, takes below the examination province all levels of governments investment and the school finance work concrete laws and regulations basis.

Final, reinforce financial control, bring return on investment into play. The area educates the department responsible for the work to have truthfully to establish the compulsory education annual budget, with various rural area compulsory education stage school income and expenses all be brought into budget administration, ensure that the full amount uses rural area compulsory education funds for middle and primary school, does not have to temporarily stop diverts. The rural elementary and middle schools must consummate the rules and regulations, the standard budget management, the implementation finance are public, strengthen the democracy surveillance, enhances the investment benefit. The auditing department must establish the special auditing system, prevented "eating the education" and "the education eating the education" the phenomenon. To wastes, occupies the fund the behavior to have strictly to process, appeases in no way.

In brief, there are 70 percent of population in the rural in Chinese, the compulsory education of rural are main body of our country elementary education, also is key point and the difficulty of our country education. Rural area compulsory education equaling is spent, in the process building new rural area and harmonious society forging ahead toward modern society, all-round in current our country from binary society, position, effect and effect having the basis, guide and overall situation. Should further, reform and perfect rural area compulsory education system currently, ascertain rural area that the compulsory education giving priority to develops strategic position conscientiously, fairness, high-effect and sustainable development promoting rural area compulsory education. Let the compulsory education sunlight take the lead in illuminating all places to every motherland's corner!

**Acknowledgments:** This research received the support of JiQuan Xiang Professor, Research Center of China Rural Affairs, Huazhong Normal University, Expresses the thanks.

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#### **Notes**

Note 1. The rural compulsory educational reform of west becomes effective 200,000 students return to the school.http://edu.people.com.cn/GB/5421682.html.2007,3,26.