

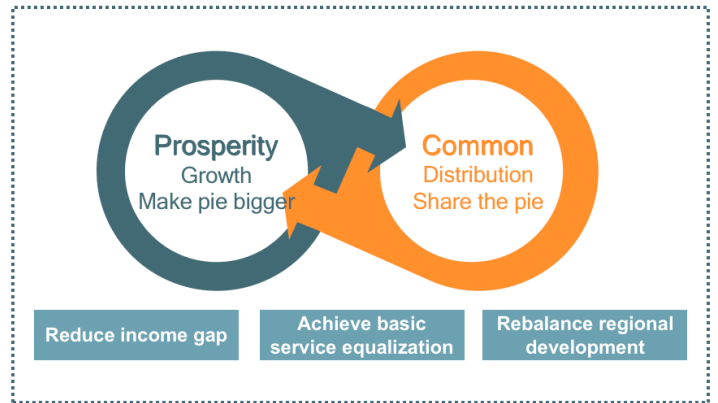
# Equity Planning in China, Focusing on Education

Since 2021, China has pushed “common prosperity” as the new priority for development, to reduce the income gap, rebalance regional development, and equalize basic services. This project reviews the history of Chinese basic education services and identifies what factors caused the disparity historically and what can be done.

## Common Prosperity is ...

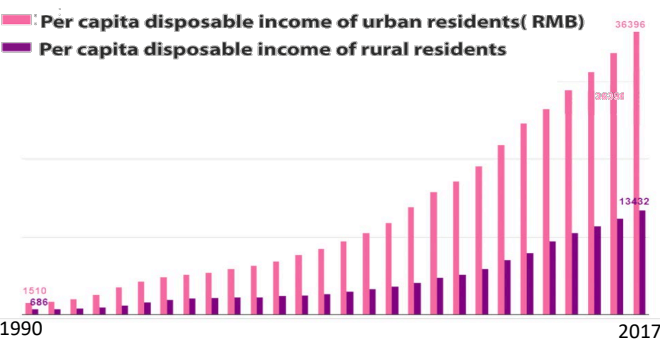
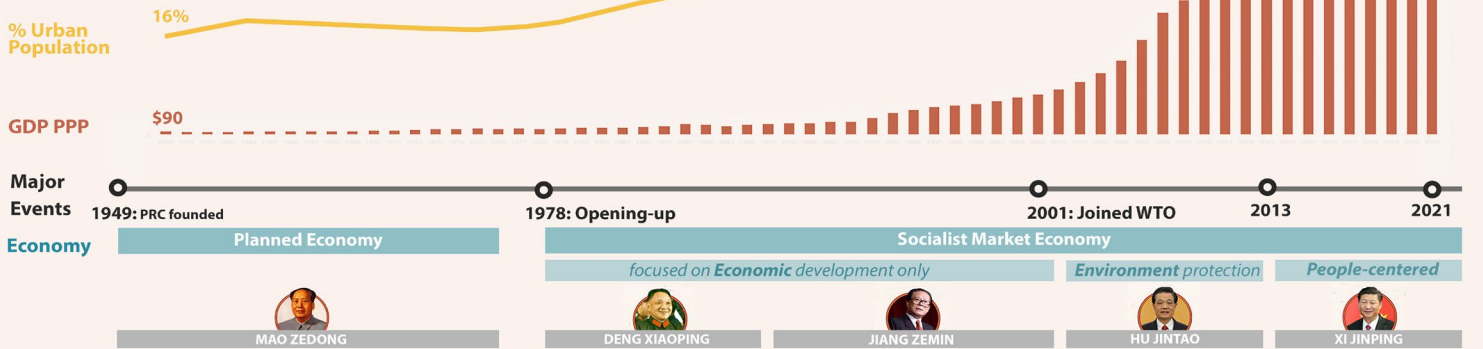
### Equity Expression in the Chinese Context

Common Prosperity is a process of co-construction and shared development to improve the quality of life for everyone. It includes two parts: growth and distribution. **Make the pie bigger and share it equally.** The targets of Common Prosperity include reducing the income gap, rebalancing urban and rural development, and narrowing regional differences.



## New Priority for Economic Development

Common Prosperity was first mentioned in 1953 when China adopted a planned economy. After opening up in 1978, the priority changed from equal distribution to “Get Rich First”. After 2000, **environmental protection and a people-centered approach** became crucial in economic development.



## New Path Elevating Rural Prosperity

After opening-up (1978) and joining the WTO (2001), China has experienced skyrocketing per capita GDP and urban population growth. However, rural areas lagged behind during the 40-year robust economic growth. Therefore, one key task under common prosperity is to increase rural income and reduce urban-rural inequity.



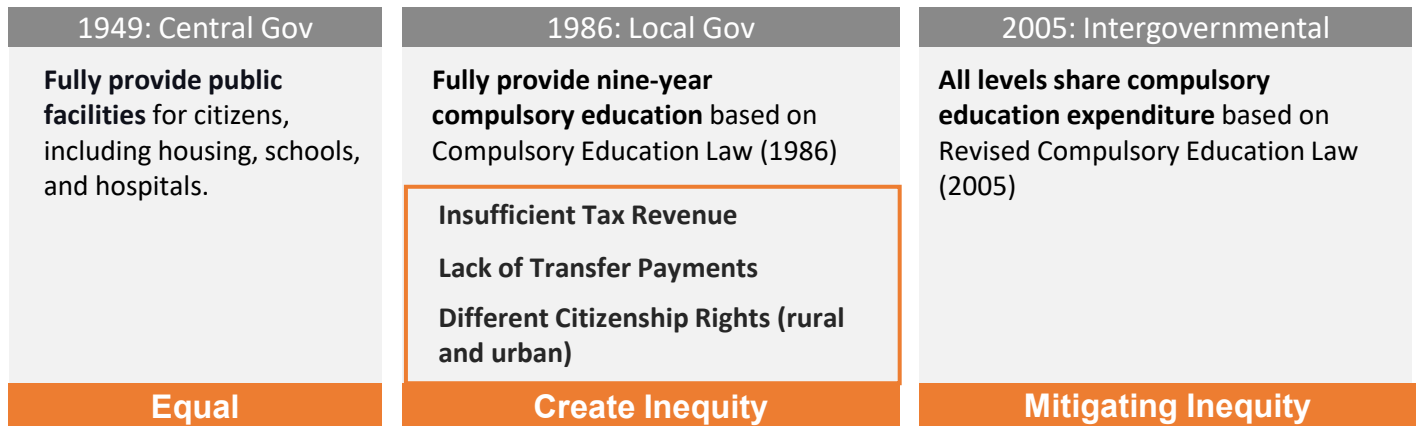
## Disparity in Urban-rural Education

**is caused by service responsibility transfer, insufficient transfer payments and obstacles in citizenship rights.**

Since 1986, the responsibility of providing basic education was fully transferred to local governments. Rural residents could not get high-quality education because of insufficient tax revenue and transfer payments. Also, the **Hukou citizenship limits rural citizens from enjoying education access in urban areas.** To equalize education service, in 2005, all levels of governments began to share education expenditures.

|                                | National level |        |
|--------------------------------|----------------|--------|
|                                | Urban          | Rural  |
| Teachers With Master's Degree* | 3.5%           | 0.4%   |
| Teachers With Bachelor Degree* | 75.5%          | 53.0%  |
| Enrollment Rate to High School | 75.5%          | 46.26% |

Basic Education Supply



## Actions for Equal Education since 2020

### Improve Rural Education

Form school collaborations to share teaching resources among urban and rural schools  
 Set the same construction standard for urban and rural schools.  
 Include equal development in performance appraisal

### Support Rural Migrant Children

Eliminate structural obstacles for rural migrant children to access basic education.  
 Expand urban service population to all permanent residents.  
 Reduce the challenge of transferring residency status from rural to urban.

### Transfer Payment

Increase transfer payments.  
 Enhance the provincial function in transfer payments to provide more equitable transfers at the county level.  
 Provide direct support for extremely low-income areas from the central government.

## Recommendations

More attention is needed on teacher quality and high school enrollment. Institutional change is required

- If the local government is the main responsible agency, urban and rural should have new revenue mechanisms to ensure balanced fiscal income resources.
- Alternatively, the central government should take more responsibility in rural education.