

Equity Planning in China, Focusing on Education

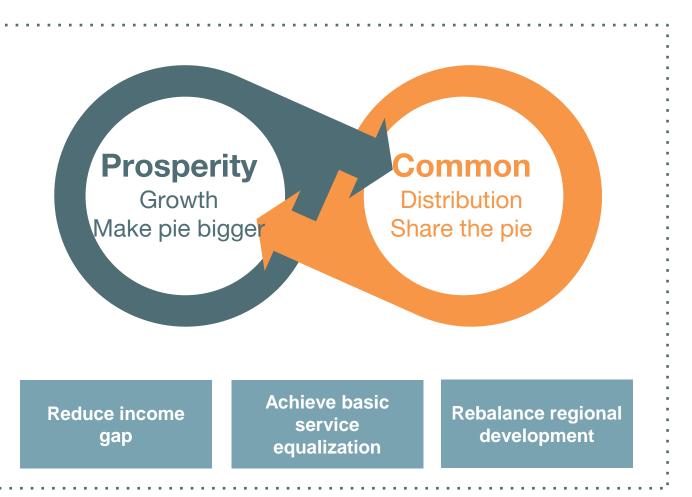
Xiao Tan, Ziyu Zhao CRP Economic and Community Development Workshop, Cornell University 2022 Instructor: Mildred E. Warner

Common Prosperity

Equity Planning under Chinese Context

- It is a process of co-construction and shared development to improve the quality of life for every one.
- Growth & Distribution
- **Zhejiang province** has been chosen as the pilot zone in 2021.







Common Prosperity

% Urban

GDP PPP

New Priority for Economic Development

 1978, "Get Rich First" 2000, environmental protection, people-centered approach 2021, common prosperity 16% Population \$90 1953: Movement of Agricultural Cooperation 1978: Opening-up "Get Rich First"

2021: Common Prosperity Major Events 1949: PRC founded 2001: Joined WTO 2013: New Urbanization Socialist Market Economy **Planned Economy** Economy **People-centered** focused on Economic development only **Environment** protection MAO ZEDO DENG XIAOPI

61%

\$10434

Common Prosperity

New Path Elevating Rural Prospetiry

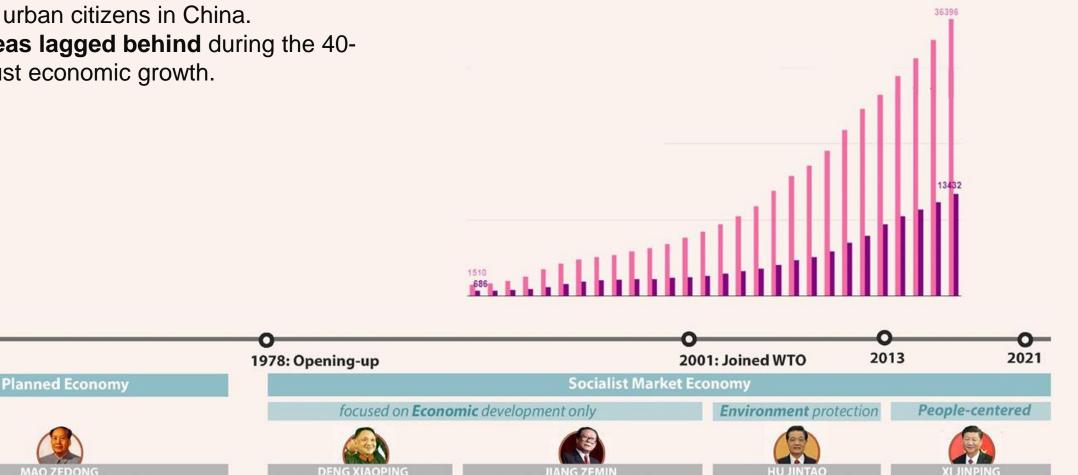
- The Hukou, a governmental household registration system, divides residents into rural and urban citizens in China.
- Rural areas lagged behind during the 40-year robust economic growth.

Major Events

Economy

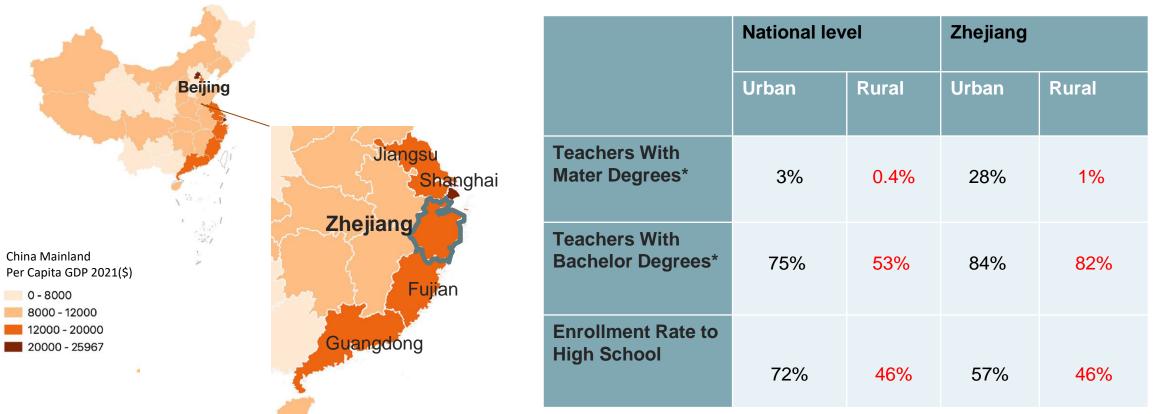
1949: PRC founded

- Per capita disposable income of URBAN residents (RMB)
- Per capita disposable income of RURAL residents



Inequity in Basic Services Disparity in Urban-rural Education

• Hukou system creates inequity in providing basic public services



* Data for primary school



Basic Educatio Supply	 Central Government Fully provide public facilities based on residential units, including housing, schools, hospitals. 		Local Government Fully provide nine-year compulsory education	Intergovernmental Collaboration all levels share compulsory education expenditure 	
			 Difference in Tax Revenue urban area increased because of housing commonditization, rural area decreased because of agricultural tax abolition The Lack of Transfer Payment Citizenship Obsacles rural migrants' children were not able to access basic education in cities. 		
	Equa	al	Create Inequity	Mitigating Inequity	
Major Events Economy	O 1949: PRC founded Planned Economy	O 1978: Opening-up 19	0 2001 Socialist Market Ecor	2005 2013 2021	
Leonomy	MAO ZEDONG	focused on E	Economic development only JIANG ZEMIN	Environment protection People-centered Image: HU JINTAO XI JINPING	

New Actions to Improve Equity







Improve rural education

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

Support rural migrant children

- Eliminate structural obstacles of rural migrant children to access basic education.
- **Expanding service population** to permanent residents.
- Reduce challenge of transferring residency statues from rural to urban.

Transfer Payment

- Enhance the provincial function in transfer payment to provide more accurate transfer in county level.
- Increase the amount of transfer payment.



Achievement

National and Provincial Achievement:

- The expenditure on rural students is over that on urban students.
- The students in the rural and urban areas enjoy similar facility resources and book numbers.

Provincial Achievement

- Coefficients of difference between schools of compulsory education at the county level are smaller than 0.3.
- 98.04% of new schools reach the construction standard during the 13th Five-Year Plan period

	National level		Zhejiang	
	Urban	Rural	Urban	Rural
Public Education Expenditure (per student)*	11357.37	12530.84	16816.77	20725.41
Books & Magazines in Libraries* (per student)	34.89	38.28	55.46	56.14
Number of computer for teaching* (per student)	0.11	0.11	0.17	0.21
Teaching facility Value* (per student)	0.2	0.16	0.3	0.35

* Data for primary school



Reflections

Institutional changes are needed.

- 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.

More focus on teacher quality and high school enrollment.





Questions & Comments

More Information: Equity Planning in China, Focusing on Education | AAP Labs (cornell.edu)

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