Chapter 2

WALKING ON THREE LEGS: CENTRALIZATION, DECENTRALIZATION, AND RECENTRALIZATION IN CHINESE EDUCATION

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1. INTRODUCTION

China has clearly set itself on a path to become not only a regional but also a world leader. But in order to do so, its leaders are convinced that China's power is linked to producing and retaining the best and brightest students and to reforming its educational system (Lu, 2000). A major feature of the current educational reform movement to achieve these goals is the focus on decentralization. China's educational leadership has been struggling with the issue of centralization and decentralization almost since the founding of the People's Republic in 1949. Terms such as "walking on two legs" (combining both centralized and decentralized approaches to education) and *minban* schools (community-run schools), once again in vogue, date back several decades (Hawkins, 1973). In the latter years of the commune system, communes, and production brigades were being urged by provincial authorities to run rural primary and junior middle schools independently, raising funds through their own efforts, and hiring teachers in a competitive manner (Xin, 1984). These early efforts to shift authority from central to local levels did not represent, however, a national decentralization policy of the scope we are witnessing today.

Nevertheless, there is a history of experimentation with different levels and degrees of decentralization, always against the background of a highly centralized political economy, and often followed by a recentralization as authorities retrench fearing loss of control (the paradoxes of state-led decentralization are convincingly argued in Tatto (1999)). As Hanson (1993) and Bray (1999) correctly note, in general, there are no clear examples of completely decentralized educational systems, but rather one finds mixtures of centralization and decentralization. These processes are fluid and in motion and change over time. It is also important to remember that there are differing definitions of what constitutes decentralization. In this volume, Hanson offers a useful general definition that is appropriate for the China case: "Decentralization is defined as the transfer of decision-making authority, responsibility, and tasks from higher to lower organizational levels or between organizations" (p. XX). He and Bray (1999) also note three basic kinds of decentralization: (1) Deconcentration (transfer of tasks and work but not authority); (2) Delegation (transfer of decision-making authority from higher to lower levels, but authority can be withdrawn by the center); (3) Devolution (transfer of authority to an autonomous unit which can act independently without permission from the center). Privatization is another form

Christopher Bjork (ed.), Educational Decentralization, 27–41.

which, however, is not always decentralized. As we shall see, in the case of China, several of these exist at the same time.

In the remainder of this chapter we will examine the various stages of the educational reform movement begun in 1985, focus on what motivated the reforms in the context of China's unique political culture, explore some specific features (finance, curriculum, management, etc.) of China's efforts to decentralize the precollegiate level, and finally, comment on the strengths and weaknesses of these efforts.

2. THE REFORM ENVIRONMENT

As the economic reforms of the 1970s began to take hold it was soon discovered that the educational system was woefully inadequate to contribute to the new economic opportunities. Thus, in May of 1985, the Communist Party of China (CPC) convened a conference to address this issue. Out of these deliberations came a series of general policy guidelines meant to begin a process of educational reform and gradually align the educational system with the newly emerging marketization of the economy (Reform, 1985). General principals focused on linking education to economic reforms, implementing the 9-year compulsory educational system, decentralizing finances and management, increasing vocational and technical education, and increasing the number and quality of teachers.

More specifically, it was stated that:

- Government control of schools was too rigid and management inefficient
- Authority should be "devolved" to lower levels
- Multiple methods of financing should be sought
- Devolution of authority for the 9-year compulsory system should be gradual, based on a regional approach in the order of: coastal cities, developed interior regions and cities, and less developed interior
- "The power for administration of elementary education belongs to local authorities" (Reform, 1985, p. 9)
- Secondary schools will establish tracking, either toward higher education or vocational–technical education combined with some devolution of authority and financing
- The central level (State Education Commission—SEC, later replaced by the Ministry of Education, MOE) will continue to monitor the process and provide basic guidelines, but "subordinate units" will have more power and bear financial costs (Reform, 1985, p. 20).

These general policies began a process of decentralization but somewhat ambiguously continued to stress the "guiding" and "monitoring" role of the central authorities with respect to "major policies, principles, and general plans" (Reform, 1985, p. 9). Also, the exact degree of decentralization at the subprovincial level was to be determined by centrally administered areas (provincial, autonomous regions, municipalities). A reformed tax system was to allow for more flexibility to apply special surcharges to support the financial base for schools (Tsui, 1997).

Eight years later it was necessary to restate many of these policies in a more detailed manner. In March of 1993 after 4 years of preparation, the "Program for China's Educational Reform and Development" was issued by the State Council (Cui, 1993; State Education Commission, 1994). A six part, fifty article document,

this policy statement clearly articulated that it was necessary for China to shift its primary focus from economic development and marketization, to human resource development. Despite previous reforms, it is noted that China's economy remains backwards, inefficient, and noncompetitive, largely because of the low educational level of China's workers. And despite previous educational reforms, problems still remained with the institution of the 9-year compulsory educational system, the tracking of secondary students into appropriate fields, the fight against illiteracy, and the overly centralized management and financial structure of education (Cui, 1993; State Education Commission, 1994). In an effort to clarify the ambiguity of the 1985 reform document, it is stated more specifically that: "The system to run schools will also witness great changes with the government monopoly to be broken. While the focus remains on state schools, encouragement will be given to the gradual establishment of community sponsored schools. At present (1993) basic education must be achieved mainly through local government schools" (Cui, 1993, p. 16). Nonstate operation of schools by groups and individuals (along with overseas donations) is also to be allowed but only in the context of existing government laws and regulations.

This reform document provides enough space for local levels to take more responsibility for basic education both in terms of management and finances but also clearly specifies that the "state" remains the arbiter of rules and regulations, and as the "state" is extended to local governments, the primary provider of basic education. Nevertheless, the architecture for a less centralized educational system begins to emerge. The different government levels from the central to the county are encouraged to work together to develop a feasible structure for the management and financing of precollegiate schooling, with a gradual deconcentration of authority.

More recently, however, officials have taken steps to reassure the bureaucracy and population that the state sector still has a critical role to play. This is particularly true in the area of higher education. A refinement on the earlier reform policies stresses the merging of smaller universities into larger, more comprehensive institutions, the goal of which is to form a national system of higher education including community colleges. Very little is said in this document about privatization or the devolution of authority to university presidents (Wu, 2000). It appears that Zhu Rongji's "fifth wave" reform package, which includes several decentralization proposals, has stalled not only as a result of foot dragging by the bureaucracy, but also because of some concerns about national security (Zweig, 2001). This is also true of overall control of the national economy; while the nonstate sector is important, the state sector "should dominate" (Jiang, 2001, p. 1). Particularly with respect to science and technology, the Minister in charge of the State Development Planning Commission has stressed that this area requires a centralized state level effort and should not be devolved to lower levels (China Minister, 2001).

Another area of concern for China's leaders is the unintended impact of decentralization that has resulted in a significant "brain drain." As the central authorities cut budgets to higher education, one result was higher cost of higher education and lower quality, thus prompting the best and brightest individuals to go abroad for higher learning, many, not to return (Current Issues, 2001). And finally, discussion of educational decentralization has occurred somewhat in isolation from other centralization issues. For example, there has been significant rural migration to China's cities and while this is now allowed, migrants do so without the *hukou* or urban residency status.

Thus they are cut off from many social services including education. As Solinger (1999) points out, this produces the possibility of social instability.

3. MOTIVES

Identifying motives for educational decentralization in China must be considered in the context of China's unique political culture and broader decentralization in both political and economic realms. China's distinct form of state-led growth, what Oi (1995, p. 1132) calls "local state corporatism," provides the environment in which educational decentralization must be viewed. Regime change is not necessarily a prerequisite for reform and growth. Decentralization from the center to the periphery, still within "state" boundaries, has produced in China a unique form of "state" decentralization (Oi, 1999). China's current transitional status has retained key elements of the Maoist period—elements of a Leninist state—that has decentralized control and administration to a point that it is now qualitatively different from the earlier Maoist period. While privatization is growing, it is not leading the growth and change that is occurring. Rather, government at the local level, counties, townships and village enterprises are acting as the real entrepreneurs and change agents. Decollectivization and fiscal reform were the two major incentives to encourage local governments to become entrepreneurial. The county functions somewhat as the corporate headquarters, the township as the regional headquarters, and the villages as companies within the larger corporation. Each is a profit center, fiscally independent and expected to maximize its performance. The Maoist framework has thus been adapted to account for economic liberalization and local decentralization. Unlike other Leninist states in transition, ". . . China evolved into a distinctive decentralized form that, when coupled with proper incentives, allowed its local officials quickly to play an entrepreneurial role" (Oi, 1995, p. 1147).

Thus, the broader fiscal and economic reforms of the 1970s led to later efforts to decentralize education, always within the context of a state that was consciously retreating from being the sole provider of social services (Mok, 1997). In the educational system, this retreat and shifting of financial and management authority to the local level was most evident first in higher education (Hawkins, 1999; Mok, 1997). As we will see, the precollegiate level followed next but in a much more cautious manner. Motives for decentralization in education were principally fiscal (Bray, 1999), and as Cheng (1997, p. 393) notes, ". . . in the case of China, improvement of the quality of the modern school has not been a primary motive for decentralization."

Yet, while the central state might have retreated from paying all of the costs for education, there remained a belief that by empowering local authorities with responsibility for running the schools, they will better be able to serve their clients, improve educational efficiencies, and respond more rapidly to the new market forces being unleashed as a result of economic liberalization (Mok, 1997). Thus, it can be said that educational decentralization was part of a broader economic liberalization that was occurring, within a modified Maoist–Leninist system, and was motivated by a desire to disengage the state from being the sole provider of educational services. A much hoped for outcome would be an educational system that would more nimbly respond to economic needs. As the reforms unfolded, it was also realized that the state had to remain engaged particularly in the rural areas where decentralization has

caused hardships on poorer counties and villages. As a result, public spending has been increased in the area of primary and secondary education (Fang, 2001). At the upper end of the educational system China's leaders are clearly motivated by a desire to be both a regional and world leader.

Thus, reform initiatives like Project 211 (2001) have become showcases for educational innovation that involve joint state, local, and university financing and administration.[1] It is hoped that all of these reforms will result in China taking its place among the developed nations of the world as a leader in education, science and technology. It is too early to judge if this will indeed be the case.

4. DECENTRALIZATION IN ACTION

There are diverse aspects to educational decentralization in China. It is clear that in some areas the central authorities have no intention of decentralizing responsibility to local authorities or the private sector. National exams are one such area. Recent announcements make it clear that national unified exams are necessary to choose elites and assure that the state supply of highly trained personnel will continue (Xinhua, 2001b). However, in a variety of other areas from the hosting of private college presidents from the United States to help China explore how private higher education works, to the privatization of dormitory and food services, to the formation of educational internet portals linking the mainland with Taiwan (NetBig.com), China's authorities are experimenting with devolution of power and authority in ways they have not in the past (China & Taiwan, 2001; Minnesota, 2001; Xinhua, 2001a). Here we will focus on three broad areas that are central to the reforms occurring in China: fiscal reforms, management of schools, and the always-sensitive area of curriculum reform.

4.1. Fiscal and Management Reforms

As has been noted, fiscal decentralization was one of the key reforms effecting educational decentralization. As the central government began to reduce subsidies for local schools, educational officials at the county, township, and village level pursued alternative sources to fund basic education. This resulted in a much more diversified funding structure for education using local taxes, tuition, overseas donations, local fund-raising, income from enterprises, and modest subsidies to fill in the gaps left by the central government (Mok, 1998). The reform documents specified six methods for funding precollegiate education: (1) Urban and rural educational surcharges levied by local governments; (2) Contributions from industry and social organizations; (3) Donated funds from community organizations and individuals; (4) Tuition fees from students; (5) Income from school-run enterprises; (6) Central authorities (State Education Commission, 1994). At this time it was estimated that roughly 40% of precollegiate funding was provided from nongovernmental sources (State Education Commission, 1994, p. 11).

Similar reforms are occurring in the higher education sector. Although so-called *minban* or private colleges and universities are being allowed, the government has concluded, according to the President of People's University, that "education is a public cause which should not be commercialized" (Ji, 2000, p. 1). Students are

expected to contribute about 25% of per pupil cost, and the state should play a heavy role in subsidizing higher education. The financial structure is now much more diversified through a mixture of fees, state subsidies, interest-free loans, and a variety of other mechanisms. However, a cultural reluctance to borrow money combined with the fact that students are required to repay their loans soon after graduation, has resulted in a large number of defaults thus reducing the effectiveness of educational loans (Ji, 2000). Higher education has historically been underfunded since 1949, and it is therefore likely that the *minban* institutions will pick up much of the slack, especially for vocational–technical education (even though only 37 out of a total of 1,207 such institutions are authorized to grant any kind of certificate or degree) (Fu, 2001).

For a period, fiscal decentralization allowed local governments great discretion to set taxes, target surcharges for education, and generally manage their financial affairs. For wealthy regions this worked quite well and the quality of schools and teachers was high. For poorer regions, the opposite was often true; disparities began to appear in the system. For a variety of reasons, including issues of equity, the central government, in 1994, began a process of recentralization, removing certain tax authority from the local governments (Bahl, 1998). This revealed how fragile China's decentralization process remains. As Bahl notes: "The biggest difference between China and the decentralized systems of the west is the absence of popular representation. Local councils must be popularly elected and local chief officials must be locally appointed for the efficiency gains from decentralization to occur" (Bahl, 1998, p. 72). Local governments now may not set tax rates or borrow for capital projects. This, however, does not mean that the central authorities will get back into the business of completely subsidizing education. Quite the contrary, now local governments must be even more creative in finding alternative sources for funding schools, which in fact may produce a more genuinely decentralized system. While the localities are not able to set tax rates, they have been encouraged to set surcharges on top of commercial and industrial taxes, which "must" be devoted exclusively to education. But they are not required to do so, and many local villages have opted to use tax funds for purposes other than education (NPC, 2001; Xin, 2001). The situation has reached such a critical stage that the government is once again stepping in to play a more central role in funding precollegiate education, especially in the poorer rural areas. No less a figure than Zhu Rongji has joined the chorus of those lamenting the state of rural basic education now that the tax base has changed (Vice Premier, 2001).

New investment mechanisms are being constructed to assure that parents do not have to pay for both textbooks and basic education for their children. Inequities in uncritical decentralization is now being reported in the press (Education reform, 2001). Central authorities continue to fund teacher salaries and certain capital projects, but these are funds that are collected at the local level, rerouted to the central government, and then reallocated back to teachers (a process called "the center hosts the banquet and the local foots the bill") (Cheng, 1997, p. 395).

This blend of central and local governmental financial support along with donations, fund-raising, enterprise support, and community participation creates an appearance of more decentralization than may actually be taking place. The State Education Commission itself has taken pains to defend its position as the primary

financial supporter of China's vast educational system: "It is a mistake to think that most of China's education funding comes from donations" (Xinhua, November 25, 1997c,d, p. 1). Vice Minister Cheng Zhili states that 74% of all educational funding comes from state revenues (up from the 40% figure cited 2 years earlier), and while he encourages local levels to seek diversified sources of funding, the amount that is raised in this manner is "peanuts compared to government appropriations for education" (Xinhua, November 25, 1997c,d, p. 2). He is referring, of course, to government at all levels, China's "state corporatism," but in this view, government is government, whether it is at the village level or in Beijing. As was demonstrated in the 1994 tax recentralization, what has been granted to the localities can be quickly withdrawn.

Nevertheless, even a 24% level of nongovernmental funding represents a significant shift for China's educational establishment (up from 19% in 1993—*Chinese Education* (1994, p. 2)). And, although the bulk of the funding comes from state sources, the central government's role has been considerably reduced. With increased fiscal responsibility has come a diversified administrative structure for China's schools. Prior to 1991, there were virtually no laws governing education. Now laws and regulations have been drafted at both the central and local levels:

- 1991: "Law of Compulsory Education" covering thirty provinces, autonomous regions and municipalities
- 1993: a whole series of laws regarding teachers, the handicapped, community-run schools, vocational and technical education, higher education, educational finance, fund-raising, and science and technology (State Education Commission, 1994).

Supervision of education, once a matter solely for the central authorities, now is applied through a hierarchy whereby government agencies above the county level, supervise, evaluate, and examine authorities at lower levels. There are multiple layers of educational supervision: (1) The National Educational Supervision Agency operates centrally and is made up of a Supervisor General, 2 deputies, and 61 supervisors invited from relevant ministries, commissions, provinces, autonomous regions, and municipalities; (2) Local governments have corresponding organs at different levels down to the county level. Currently about 97% of all cities and prefectures have such agencies, as do about 90% of the counties (Ma, 2005; State Education Commission, 1994).

The supervisors are responsible for assuring that the various laws and regulations are followed by local authorities and educators. As for the schools themselves, village government has been given responsibility for running primary schools (60% of China's primary school cohort resides in the over 700,000 villages throughout China), and county government has responsibility for running secondary schools (Cheng 1997; Cui 1999c, January 4). This means that they have responsibility for finding financing for the schools, for appointment and retention of teachers, and limited authority over the curriculum. Nevertheless, China's central educational authorities, the State Education Commission and later the Ministry of Education, continues to help "guide" decentralization as in past efforts to establish pilot programs in Shanghai, Tantai, and Dalian to promote "quality based education" (China Daily, September 4, 1997a, p. 1; China Daily, September 19, 1997). Selected schools develop programs to serve as models of quality education for local decentralized schools; the central authorities thus do not order locally run schools to behave in a certain manner but

rather demonstrates how to do so by experimental model (Ma, 2005; Xinhua, May 27, 1995).

While the government or state-run primary and secondary schools (by far the largest educational sector) have been variously decentralized, a variety of nongovernmental, or semi-private, precollegiate schools have been allowed to emerge. In 1994 it was estimated that there were more than 40,000 private schools in China (Kwong, 1996). At the 1992 14th Congress of the CPC, the principal of "creating a favorable environment for the emergence of private education" was endorsed (Mok, 1998, p. 258). Initially focused on higher education, by 1993 private schools included basic primary and secondary education as well as kindergartens. And, as recently as June 1999, Premier Zhu Rongji affirmed that as long as nonstate-run schools operate in the context of relevant state laws and regulations, they should be encouraged (China Daily, June 21, 1999b).

The government still avoids the use of the term "private" when discussing these schools and generally uses the term "nonstate run" or "*minban"* to describe what are essentially private schools. Mok (1997) notes that it is difficult to differentiate precisely between *minban* (run by citizens) and private. In the former, funds are provided by communities or collectives and in the latter by individuals or enterprises. The principal distinction between them and government schools, however, is that these private initiatives are basically self-supporting utilizing a variety of funding mechanisms (tuition, overseas Chinese support, enterprises, debentures, etc.) and, as we shall see, are able to deviate from the state curriculum.

One outcome of the emergence of private schools is that family saving and spending habits are changing. In Guangdong province, for example, it is reported that over the past 3 years average family educational expenditures have grown by 12% annually (China Daily, July 3, 1999a). This is higher than spending patterns for entertainment and travel. Savings rates are also growing with funds earmarked for education (China Daily, July 3, 1999a).

As in other areas of decentralization, much of the impetus for allowing a more flexible policy toward private education had to do with the fiscal retreat of the state from public education. At a recent conference in Beijing, it was noted that public schools are not capable of handling all of the educational needs of the city, fund cuts had caused problems of educational quality and there has been an increased public demand for educational alternatives (Tang, 1999). It was urged that private schools be accepted on the same level as public schools, present their graduates with recognized certificates, investors in such schools should be able to reap a profit, and municipal government should assist private efforts by providing buildings and facilities creating a kind of "education industry" (Tang, 1999, p. 1).

Although private initiatives represent a small percentage of all precollegiate schooling in China, they are particularly important in the rural areas where government cutbacks have resulted in setbacks for the educational reform efforts initiated in 1985 and 1993. They represent an alternative to the low quality and high cost of government schools and are playing a significant role in realizing the 9-year compulsory education policy in rural areas (Lin, 1997). At the other end of the spectrum, well-endowed private schools boasting to be schools for "aristocrats" and elites and charging high fees or debentures also offer high quality alternatives for China's new elites (Mok, 1997). While these efforts clearly represent a significant form of

decentralization for China's vast educational system, it is also clear that the central government is carefully watching and monitoring these developments.

4.2. Curriculum Reforms

Control over the content of schooling is usually one of the last areas that central authorities are willing to decentralize. This is as true for centralized, democratic states such as Japan, as it is for centralized, Leninist states such as China. The central educational authorities in China keep close watch on school leaving qualifications, textbooks, and curriculum; and while there is some tolerance for diversity, it is quite limited (Bray, 1999). Much more leeway is allowed in higher education (Hawkins, 1999; Mok, 1998). Within the 9-year compulsory cycle the Ministry of Education maintains central control in core subject areas and areas where they have a particular interest (such as moral–political education) (Hawkins, 1999; Hawkins, Zhou, & Lee, 2001). A nationwide curriculum framework was drafted in 1992 and implemented in 1993. Most courses are compulsory with some options at the junior secondary level. While this effort was principally carried out by central authorities, certain components were developed jointly between central and local authorities under the policy that "local authorities will also undertake some responsibility" for curriculum development (State Education Commission, 1994).

Despite efforts to engage in joint curriculum development, criticism has mounted in recent years that the overcentralization of academic programming is damaging China's efforts to provide innovative and up-to-date courses particularly at the precollegiate level. At a recent OECD (Organization for Economic and Cultural Development) conference in Hong Kong mainland academics openly complained that the rigidity with which the Ministry of Education maintains control over course content and the curriculum in general is setting China back in the areas of science and math education. They maintain that the MOE maintains central files of all courses, and that making any sort of change in the curriculum is a long and arduous process (Yeung, 2001). Course content, class timetables and even the printing of diplomas are all controlled by the MOE. According to one scholar at the conference, "this shows the government has no confidence in our institutions" (Ready, 2001, p. 1).

What decentralization has occurred has been in the context of a shift in focus for precollegiate education, away from the exam centered model, the 100 mark system of grading and toward what has variously been described as "quality education" (Xinhua, July 16, 1997a; Xinhua, November 25, 1997c,d). Flexibility to introduce new subjects at the local level appear to be limited to aesthetic education programs such as art, music, singing, sports, vocational skills, and, of course, anything to do with computers (Cui, June 2, 1999a, June 3, 1999b; Xinhua, November 23, 1997b). Even so, the central authorities sets standards and provides guidance on how these new subjects should be developed (Xinhua, July 16, 1997a).[2] Partly in response to criticism that the system is too rigidly controlled by the MOE, a new national curriculum is in the works that allows for slightly more input from teachers, students, and other stakeholders (MOE maintains control over 80% of curriculum, allowing local schools to innovate on 20% of courses) and will introduce more interdisciplinary courses and flexibility for teachers to innovate (Curriculum reform, 2001; Curriculum system, 2001). At the very least, China's educators hope that these new measures will

result in a curriculum interesting enough to keep students awake in class (Yeung & Cheung, 2001). And finally, the newly developed private schools appear to be able to deviate further from SEC approved curricula but again, primarily in selected areas (computers and foreign languages) (Mok, 1997).

The area of teacher education is another that has experienced limited decentralization. Several teacher education institutions have responded to the educational reforms by altering the methods of preparing teachers, for example by introducing the 3 + 1 approach (3 years of academic discipline oriented education and 1 year of teacher training) and by developing "hot" programs and topics such as accounting, business administration, foreign languages, tourism, and business communication (Shen, 1994). But as one insider noted, "the Commission on Education has no intention of giving up the independent teacher education system (normal universities, *shifandaxue*) and believes that the latter is still an effective mechanism to train teachers" (Shen, 1994, p. 68). It thus appears that while the dominant political–economic climate is moving toward marketization, and significant progress has been made in educational decentralization, the areas of teacher preparation and curriculum control remain rather highly centralized. One result is that prospective teacher applicants are moving on to other opportunities rather than entering the teaching profession (Ma, 2005; Shen, 1994).

5. STRENGTHS AND WEAKNESSES

As has been noted above, fiscal decentralization was a prime motive for educational decentralization. However as Cheng notes, "The beauties of decentralization—participation, community involvement, local sensitivity, and all that—have occurred in the Chinese reform. However, such benefits often occurred independent of intent" (Cheng, 1997, p. 396). Even the fiscal elements of decentralization have been in some cases costly. One major study concluded that, "We find that a higher degree of fiscal decentralization of government spending is associated with lower provincial economic growth over the past fifteen years. This is a significant and robust finding" (Tao & Zhou, 1998, p. 221). Variation in provincial resources has a strong effect on the benefits of fiscal decentralization. Decentralization seems to be working well if the locality is already doing well economically. Poorer areas are wishing that the state were more involved. Articles have appeared that call for the county and central authorities to pick up more of the cost and management of education, which would represent a major reversal of decentralization leading to recentralization (Cheng, 1994, p. 268). In higher education, another form of recentralization is occurring through the institutional amalgamation and national consortium efforts. Creating larger and more sophisticated institutions has required a greater degree of central control thus negating some of the earlier higher education decentralization practices. Problems include partners being put together against their will, academic drift as a result of smaller colleges being absorbed by larger institutions, narrower range of teaching and research activities to achieve economies of scale, and lower staff morale and academic quality (Fang, 1998). The Chinese state appears to be caught between a centralist, corporatist ideology (Leninism) and an economic market movement toward decentralization, which is dragging other social sectors, such as education, along.

This contradiction has been recognized at the very highest levels and among educators. Zhu Rongji has stated that there remains a continuing problem of disengaging the huge government bureaucracy from local management decentralization reforms (Xinhua, July 23, 1999). Government cadres continue to meddle in local reforms in efforts to hang on to power. "Delegating power and conceding profits" has clearly resulted in some economic gains but also has created economic fiefdoms and regional protectionism (Inside Mainland China, 1997, p. 1). CPC cadres are being charged with attempting to "recover planned economics style power" and basically recentralizing power at the local level (Inside Mainland China, 1997, p. 2). This has resulted in the creation of redundant bureaucracies with numerous laws and regulations that in fact inhibit individuals and enterprises seeking to take advantage of the devolution of power and authority by Beijing in such areas as education.

Educators have also spoken out on the lack of progress in educational decentralization. At a conference held in Beijing by the Chinese People's Consultative Conference, it was noted that the SEC was the "most conservative of all the ministries and commissions" (British Broadcasting Corporation, 1998, p. 2). The SEC is characterized as being backward and rooted in the planned economy mode, basically maintaining a monopoly on educational matters. It was noted that "the scale of enrollment and details of specialties, teaching materials, and curricula of all schools are managed and controlled uniformly" (British Broadcasting Corporation, 1998). The Ministry of Education, which replaced the SEC has been more open to change but is also regarded as conservative (Ma, 2005).

How much decentralization reforms have contributed to a decline in attainment, literacy and other educational measures is also an area of debate. Some scholars have argued that the fiscal reforms may have had a negative effect on educational attainment as measured by enrollments, rural–urban disparities, and drop-out rates (Bakken, 1988; Lo, 1994; Pepper, 1990). A more recent quantitative study, however, suggests a more complicated picture (Tsui, 1997). Regional disparities indeed exist, "In the post-Mao era of fiscal decentralization there has been a strong incentive for local governments to invest in projects which can quickly earn profits and generate tax revenues . . . with the result that investment in education has been a low priority" (Tsui, 1997, p. 108). Yet, it does not appear that there has been an overall decline in enrollments and attendance in primary and lower-secondary schools. Nor is there any strong evidence to suggest that literacy has suffered as a result of the reforms although the Chinese government seems concerned about it (State Education Commission, 1994; Tsui, 1997). Tsui's study presents a complex picture of the effect of the fiscal and educational decentralization on educational attainment arguing that one must not deduce regional and interregional problems for national problems. Nevertheless, he concludes, "in absolute terms, there are still many children who cannot go to school for various reasons" (Tsui, 1997, p. 127). This is especially true for rural girls who are being kept out of school more than boys and who drop-out at a higher rate (China, 1999). That State Council has also demonstrated its concern that all is not well with the decentralization of basic education and has identified management, funding and teacher education as areas in need of improvement (State Council, 2001).

The rising number of private schools has also been a cause for alarm among China's educational leaders. In 1997, the State Council issued a document entitled: "Stipulations for Schools Run Through the Energies of Society" (Inside Mainland

China, 1998). Unwilling to use the term "private" schools, these schools were known officially by the rather awkward phrase: "schools run through the energies of society, and now by translating min ban to the phrase, " non governmental schools"." Among the problems identified by educational officials are that many of these schools are only for the rich, they deviate excessively from the approved state curriculum, school administrators do not follow the approved regulations, there is too much emphasis on turning a profit, and they follow a "patriarchal" management style (i.e. tyrannical) (Inside Mainland China, 1998, p. 3). This has been changing as a new, younger leadership group is emerging.

6. CONCLUSION

What can be said about China's educational reforms and decentralization effects? Have they been successful, unsuccessful? Going back to Hanson (this volume) and Bray (1999), it seems clear at this stage that China's decentralization fits the general definition of a transfer of authority (particularly financial) and decision-making from higher to lower levels, but it is less clear whether this is a complete devolution or more of a delegation of authority. Decentralization in China appears to have characteristics of both. The center keeps close watch on the changes that have taken place and in a corporatist political economy, with a single dominant party retaining Maoist and Leninist aspects, it is unlikely that a genuine devolution of authority can take place.

And one might question whether it should at this stage in China's development. China, unlike other socialist states in transition, has moved cautiously in all of its efforts to disengage the state from various aspects of Chinese society and as a result has avoided some of the catastrophic problems other nations have faced. Decentralization per se is not necessarily a good thing. There is a role for central government to play during a transitional period that helps maintain stability and resolve regional inequities. Yet, the reduced visibility and participation of the central state in educational matters has changed the way local citizens, particularly in the rural areas, view the state. The very term "state" is much more vague now, leading some scholars to conclude that the legitimacy of the state has eroded: "... the state is continuously undermining its old foundations of legitimacy. It is also continuously nurturing a new kind of legitimacy which makes decentralization irreversible" (Cheng, 1994, p. 267).

In the long run, this may be true. but as was shown in the recentralization of the tax process, the state can quickly reassert itself. There is mounting concern in Beijing about the quality of schooling, particularly private schools, and the Ministry of Education is defensive about a perception that decentralized education is superior to the former state-controlled model. The central authorities just do not have the financial resources any longer to run everything. What is emerging is a complex mix of precollegiate schooling opportunities with the state providing "guidance," rules, and regulations to the three tiered system: public–state supported schools, public–community-run schools (*minban*), and variations of private schools. And in higher education, so-called *minban* colleges and universities are increasingly playing a larger role in China's overall effort to expand higher education opportunities (Quddis, 2000).

Thus in a nation as large and disparate as China it is difficult to reach any specific conclusions as to what has worked and what has not worked in the current educational reform movement. Decentralization seems to be working in some selected areas and not working in others. The central authorities seem conflicted about how much authority and responsibility they want to devolve to the local level, and CPC cadres operating at the local level have created recentralized regimes of their own. What does seem clear is that there are both strengths and weaknesses to China's approach to decentralization, and it remains to be seen what specific strategies will be used to resolve some of these contradictions.

As we enter 2005 and China begins to take its place as a leading force in the world—joining WTO, hosting the Olympics, seeking to be the principal regional leader in Asia—educational decentralization seems to be driven less by a desire for real educational change and more by a desire to make the nation appear to be like other leading powers. The ambiguity seen in educational decentralization reforms thus far means that we are likely to witness more of a rather awkward balancing act of "walking on three legs."

NOTES

1. Project 211 is aimed at providing the country with a cadre of high level human resources and enhance overall international competitiveness. Hundred institutions are being targeted to focus on national strategic goals in science and technology.
2. An interesting variant of curricular decentralization is a program initiated by the SEC to encourage primary and middle school teachers to develop innovative teaching soft-ware and send it to the Textbook Department of the SEC for possible inclusion in officially approved curricula (Cui, 1999, July 15).

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