

# Education Vouchers: Is there a Model for India?

Eva Weidrich

“Our elementary and secondary educational system needs to be radically restructured. Such a reconstruction can be achieved only by privatising a major segment of the educational system [...] that will provide a wide variety of learning opportunities and offer effective competition to public schools. The most feasible way to bring about such a transfer from government to private enterprise is to enact in each state a voucher system that enables parents to choose freely the schools their children attend. The voucher must be universal, available to all parents, and large enough to cover the costs of a high-quality education.”

Milton Friedman

## Introduction

It is increasingly being recognised that education is essential not only for individuals but also for the success of entire nations. Investment in human capital has thus moved to the centre stage of interest not only for responsible politicians but also for the concerned civil society. Restructuring education policies and redefining roles of education's stakeholders (government, schools, and families) in the delivery of education are essential since centrally managed education monopolies are no longer able to meet society's educational demands. This applies even more to India as she becomes aware that her human resources are her major and maybe even her key capital.

In order to find an appropriate and applicable model for India this paper assesses what the voucher schemes in education are all about, what the main objectives of voucher programs are and what their advantages and disadvantages are.

To get an overview, different countries which have implemented voucher schemes have been studied. This directly leads to an analysis of arguments against and in favour of voucher schemes. Furthermore it is to scrutinise who should finance voucher programs – the state or the market or both.

Finally it is challenged which sort of voucher model would best serve India and, last but not least, what would India gain from implementing voucher programs in its education system.

## What is the Voucher Scheme in Education all about?

In the broadest sense, an education voucher is a payment by the government to parents rather than to the school chosen by the parents of the child being educated. The voucher is tax-funded and covers most or all of the tuition charge. There are also private suppliers of vouchers like foundations, trusts or philanthropists who sponsor vouchers. The main purpose of vouchers is to increase parents' freedom to choose the school they prefer for their children.

Low-income families and minority groups are often specially focused upon in order to allow access to private schools. One of the desirable consequences is the initiation of competition among public schools as well as between public and private schools. Such a free market for education services lowers costs and improves accountability at the same time. However, there is still much debate about the advantages and disadvantages of voucher schemes.

## Aim and Principles

The very aim of all voucher systems is to provide families with a maximum degree of choice within a decentralised and competitive system of schools. The main principles are:

- Consumer choice

In education this means parental choice through parental authority.

- Stimulation of competition

Takes place because schools are normally monopolies. The objective of voucher schemes is to challenge public schools to compete, with each other and also with private schools. This happens through increasing quality, reducing costs and introducing innovation.

- Personal advancement

This results from the conviction that individuals want to shape their own life. The opportunity to choose and therefore to decide promotes interest, participation and dedication. In fact, there are many countries with governmental schemes e.g. social security, welfare, health programs, student-loans that directly subsidise the beneficiaries with funding for services among which they can choose. Education vouchers just extended this principle to education.

- Equality of opportunity

The objective is the increase of access to private schools. This is achieved with targeted voucher schemes that give low-income families and/or minority groups greater access to private schools.

Studies in western countries show similar results as in developing countries. However research comparing different developing countries reveals that private schools have significant advantages in terms of student achievement and cost efficiency.

### Variations in Voucher Schemes

Voucher schemes are flexible to a great extent and therefore adaptable to particular problems of a country, a region or a state. Tax-funded voucher systems are basically to be found where education is compulsory up to school-leaving level. Parents are allowed to choose among alternative providers of the compulsory service. In other words, the parents can choose any eligible school.

The “funds-follow-the-child” voucher system, in which government funding is directed to the chosen school in exact proportion to enrolment has been the most popular in developing countries, e.g. Bangladesh, Belize, Chile, Colombia, Guatemala, and Lesotho as well as in industrial countries with high literacy rates such as Poland, Sweden, the United Kingdom, and the United States. In the “universal” voucher system the government provides all individuals in a given age group with vouchers representing a certain amount of money.

Since there is no other direct government subsidy, each school is in competition with every other eligible school. The well performing ones will succeed according to their students’ success and redeem many vouchers. Under performing schools will have to improve or close down.

### Voucher Schemes in General

Although the programs now operating are not identical, most share certain features. Among them:

- Vouchers might provide access
  - to public schools only
  - to private schools only
  - or to both public and private schools
- The Voucher availability may be selective and restricted to
  - special groups, e.g. low income families, minorities, etc.
  - the family’s income, so that poorer families receive the more vouchers
  - the basis of gender
- An incentive-based voucher scheme not only covers the education costs but also provides some money to the specified group. A voucher of greater value is given to this group and a part of the amount is given back by the school to this group as an incentive to attend school.
- Parents can be given chits, which are only payable to appropriately designated schools, who then receive the cash value from the government, which they use to pay their expenses. The value of the chit can be equal to, or somewhat less than, the per pupil government expenditure in public schools.

### How Vouchers Programs work

Example USA

- All children who qualify for free or reduced-price school lunches within the area served by the program are eligible. (these are children whose family income is below a certain level)
- With some exceptions, the voucher pays up to half of the tuition (with a maximum that varies among programs) and the family pays the remainder
- The family can choose any private school that it feels best suits the child's needs if the school will accept the child. There are no academic restrictions, but the student must stay in school
- Voucher recipients generally are chosen either by a lottery or in the order in which they applied

Even though the requirement that the family pays a share of the tuition can be a burden for families struggling financially, every voucher program has a waiting list.

### Public Voucher

When governments provide the vouchers, there are normally a variety of regulations which certainly influence the overall performance in education considerably:

- The Voucher availability may be selective and restricted to
  - the necessity of school recognition
  - regulations concerning the
    - foundation, organisation, expansion and exit of the school
    - composition of governing bodies
    - advertising of positions
  - explicit government-licensed and authorised teachers
  - the government's mandating of
    - teacher salaries and qualification
    - syllabi, textbooks and exams
    - the student teacher ratio
    - the size of classes, playgrounds and other school facilities
  - government inspections of schools receiving the vouchers

### Private Voucher

The most important advantage of private voucher programs is that schools and institutions are quite independent and free to decide how to spend the money; e.g. improving education quality, preventing dropouts, intensifying innovation. To attract more students in order to gain more voucher revenue, schools can offer additional services according to the specific needs of their clientele. For instance, providing meals, transport, uniforms or extra-curricular activities like sport events or competitions in art.

Proponents of private voucher programs say the goal of such programs is not to replace public schools but to provide the opportunity for all families to choose the schools that meet their children's needs best. Also the growing number of voucher programs is likely to increase public demand so that school choice becomes available everywhere.

### Voucher Schemes in Operation

#### **Bangladesh**

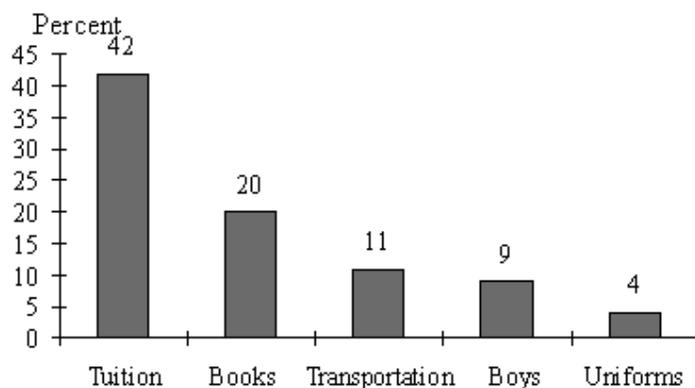
Bangladesh's Female Secondary School Assistance Project (FSSAP) is not an example of a voucher program as such. It illustrates a successful attempt of providing monetary incentives for girls to reduce the direct cost of schooling and to encourage participation in a developing country. Thus it can be used as the basis of a specific voucher program.

"The main objective of the FSSAP project is to stimulate a significant increase in secondary school enrolment of girls, thereby enlarging the stock of educated women capable of participating

fully in the economic and social development of the country. This approach will make Bangladesh a South Asia pioneer in supporting female secondary education.”<sup>1</sup>

The project represents a so-called integrated package approach incorporating multiple interventions. As a primary component of the project, it has provided stipends ranging from US\$12 in Grade 6 to US\$36 in Grade 10, to girls who have been enrolled at secondary schools in 118 targeted districts and who meet eligibility criteria.

### Five Main Constraints in sending Girls to Secondary School in Bangladesh



Source: World Bank Bangladesh's Female Secondary School Assistance Project

The stipend addresses the direct costs of education by providing a monetary incentive to assist with personal expenses (school fees, tuition, transport, books, stationery and uniforms) and tuition costs in all grades and books and examination fee allowances in upper grades. Other components: salaries of additional teachers, occupational skills training; activities to promote public awareness; building facilities and capacity building at national and local levels.

The stipend covers 30-54 per cent of direct school expenses. It is paid directly to the account of each girl, in a nearby commercial bank. The recipient girls are expected to pay out of their stipend the other school fees. Additionally, the FSSAP also provides tuition assistance, but this part of the financial assistance is paid to the school where the girl is enrolled.

The FESP has had positive effects on enrolment, attendance, drop-out rates and (partly) on student's performance. This indicates that providing monetary incentives directly to girls can be an effective way of increasing their participation in secondary education.

By July 1997, the gap between girls' and boys' enrolment was almost eliminated. The percentage of girls receiving Secondary School Certificates increased from 42 percent in 1996 to 52 percent in 1997.

The project can surely be called successful, though there are still problems to be resolved. This will not be easy: Two-thirds of Bangladesh's girls still do not attend secondary school and the reasons are rooted in poverty. The poorest have to be offered higher stipends, but given the poverty of the entire country, the government may have difficulty continuing the stipends. Achieving sustainability remains a major task.

With economic development, increased job opportunities and a substantial change in attitudes a broader impact on the lives of women in developing countries can be expected.

### Chile

Since 1980, private education subsidised with vouchers has grown considerably in Chile. By 1988 private schools accommodated 30.4 percent of the elementary school population (compared with 14

<sup>1</sup> Xiaoyan Liang, "Bangladesh: Female Secondary School Assistance" Human Development Department, World Bank, <http://www.worldbank.org>  
*Centre for Civil Society*

percent in 1980) and 40.8 per-cent of total secondary school registration (compared with 15.9 percent in 1980).

The Chilean education system went through various reforms with a focus on decentralisation. Public schools were transferred to the municipalities, and a new subsidy law provided for the allocation of resources on a per-pupil basis and on equal conditions to both private and municipal schools. A national test in 1988 indicated that the quality of education was considerably higher in the subsidised private educational institutes than in the municipal schools (with the exception of one group).

Since 1993, the new private schools have been allowed to charge fees for their services. This enables parents to pay voluntarily additional sums to the school to maintain or increase educational quality. Municipal primary schools are not allowed to charge fees. Now, the education system in Chile is almost completely voucher based.

The subsidised private schools were more efficient than the municipal schools because they employed less teachers per pupil and had lower unit costs. Nevertheless they achieved higher test results in mathematics and Spanish. This result holds even when the test scores are adjusted to control for socio-economic status.

### Cleveland, USA

The first publicly funded American voucher program was the Cleveland Scholarship program, including both, secular and parochial schools. The voucher provided up to 90 percent of a student's tuition to a maximum of US\$2,250, which is the equivalent of just over a third of the cost of sending a child to a Cleveland government school.

The planning and administration of the lottery providing low-income students with vouchers, was impeded by a court case launched by the American Federation of Teachers and others.

Like the study on Milwaukee's voucher program the research on the Cleveland scheme is based on academic testing of students and interviews with parents. The two "very important" reasons for parents to apply for a voucher: first, parents looked for "improved academic quality" in their children's education (85 percent); second, they wanted "greater safety" in their school environment (79 percent). All scholarship recipients were "far more satisfied" with independent schools than the families attending government schools, and more satisfied than those who were offered and refused a voucher.

Even more interesting is that wealthier families were more likely to be satisfied with government schools than were poor families. Such a difference could not be found among voucher recipients attending independent schools.

### Colombia

In 1992 and by 1994 a voucher system was implemented in 1,789 schools, serving 90,807 low-income students in Colombia. The vouchers, worth on average about \$143, were given to students entering the sixth grade. The voucher system was introduced primarily in response to the shortage of places in public secondary schools in Colombia, where 40 percent of the secondary schools are privately owned. As intended, the vouchers help poor students gain access to the private schools; simultaneously, the vouchers benefit the public secondary schools by reducing overcrowding.

### Denmark

In Denmark approximately 75 percent of municipal spending on schools follows students who enrol in independent schools. The government pays a certain sum per pupil to each independent school. The exact amount varies depending on the size of the school and the age of the students. The independent schools are entitled to charge tuition to all parents except to those to whom it would cause financial misery.

The Danish believe: "[t]he free choice of school and education is of central importance to a well-functioning education system. Apart from the fact that it is a goal in itself to give the students a

free choice, a free choice of school and education will also further the schools' initiative and industry." (OECD 1995b: 39) Further: "Municipal schools are starting to replicate the model of parental involvement developed in [independent] schools. In 1989, school boards with a majority of parent members were established at all [government] schools and increasing decentralization to these boards is foreseen. Parents are also gradually obtaining a freer choice of [government] school within their municipality." (OECD 1994: 147)

## Milwaukee, USA

In 1990 the Milwaukee Parental Choice Program (MPCP) was sponsored privately in response to high drop-out rates, discreditable test scores and an intolerable disparity in educational opportunity between Milwaukee's low-income and middle-income families. Students applied to the participating independent schools and, after verifying their family incomes (students with a family incomes below 175 percent of the poverty line are eligible to receive a voucher), were selected randomly by the schools for the places available.

This voucher system cost the public less than half the cost of sending the students to a Milwaukee government school: US\$2,729 per pupil for independent schooling rather than US\$6,656 per pupil to the Milwaukee Public School. Research teams at different universities have closely studied MPCP, concluding that parental satisfaction with the schools chosen increased significantly over satisfaction with prior public schools.

The Milwaukee scheme has been opposed by various educational establishment groups that have probably influenced administrative restrictions. One of the first arguments of the opposers of the Milwaukee program has been the suspicion that vouchers will support individuals who are not poor. But various surveys confirm that "choice families" are among the poorest of the poor. E.g. in 1994, their average income was half the income level of the average family with children in Milwaukee's public schools.

The second commonly expressed fear has been that vouchers will lead to segregated and antisocial schools. Evidence shows instead that the Milwaukee program fosters diversity and that no participating school has been teaching cultural supremacy or separation.

The third fear— that voucher schools will skim off the elite of the students —is countered by findings that one of the positive outcomes of the program is that it offers alternative opportunities of a private school to poor children who were not succeeding in school.

Other positive conclusions from reports include the finding of high parental involvement and high parental satisfaction with the program; in particular, that it increased learning and discipline. Milwaukee is one of the most striking examples of a successful voucher system for the poor.

## Sweden

In 1991 the Swedish legislature delegated power from the central government to parents, municipalities and independent schools. Although education objectives were nationally legislated, their implementation became, for the first time, the function of the municipalities. Also for the first time, parents were free to send their children to any government school within their municipality or to an independent school, with public funding following the child to the school chosen. Independent schools would receive 85 percent of the cost of educating a student in a municipal school. In 1997 the voucher amount was raised to 100 percent of municipal schools' funding per student.

A poll conducted by the National Agency of Education in 1993 found that "85 per cent of Swedes value their new school choice rights" and "59 per cent of Swedish parents think that teachers work harder when there is school choice". In 1994, the benefits and popularity of school choice were already becoming evident. In addition, they were not only felt by the children attending new independent schools but also by those who remained in the government-run system, which was starting to act in response to parental concerns.

One of the first independent schools was started in a low-income, immigrant suburb of Stockholm. With the focus on individual student responsibility, familial involvement, and efficient

use of technology, it currently has over 2000 students waiting for one of its 240 places and a continuous stream of educators interested in imitating its success.

At present, schools started by teachers, parents and educators who are dissatisfied with the education provided by their local government schools are the fastest growing. Each new school provides students an alternative, in reply to a local demand and is paid for by the public voucher.

Sweden's voucher system has been a massive step toward decentralization but all schools are still heavily regulated by central government. Municipal as well as independent schools must follow curricula imposed by the government, which instructs the exact number of hours each mandatory subject must be taught, and all students must write local government exams four times in their academic lifetime. National testing could be used to keep schools accountable to the public and to help parents with their school choice but the results are neither calibrated to a national standard nor freely accessible for community use.

Opponents of school choice often argue that few parents care enough to give consideration to the selection of their children's school. In Sweden, even promoters of school choice were amazed at how fast parents have claimed choice as a right.

### United Kingdom

In 1981 a voucher scheme was established with the objective of providing opportunities for able but poor students. By 1995 about 29,800 students were using these selective vouchers at 294 specified independent schools in England (there is a separate system for Scotland). Every year, about 5,000 new pupils enter the program at the ages of eleven or thirteen. The voucher principle has been extended to higher education colleges which have also been re-established as autonomous institutions independent of the local governments.

A new system of "learning agreements"— individual contracts between a college and a student, specifying the precise qualifications aimed for— enables government funding to follow the student to the college of his or her choice. The Department of Education declared in 1995 that it intended to extend free entitlement for all four-year-olds to good quality private, as well as public and nursery education. Under the scheme today, low-income parents can get assistance with tuition fees for any eligible independent school.

### Vermont, USA

The Vermont experience recalls that of Colombia, where the voucher system was introduced first and foremost to respond to the shortage of places in public secondary schools. In Vermont approximately 95 percent of the state's 246 communities have no public secondary schools. The communities prefer to pay tuition for their students to attend either private high schools or public high schools in another town. This scheme has been installed for more than a century to provide small and geographically distant communities with access to high school education for students without causing the expense of building their own public schools. Vermont's experience with vouchers indicates that towns, parents, and private schools can creatively work together.

### Lessons we have learned

The experience in Colombia as well as Vermont, USA suggests a voucher scheme which would be very reasonable to implement in India. Small and geographically distant communities could provide their students with vouchers to attend either private schools or public schools in another town.

Vermont also found its way for transportation. Out of 14 towns examined, 11 provide or pay for school buses to transport students to nearby public schools. Of the three remaining districts, one holds parents responsible for transportation; the second reimburses parents for driving their children to the nearest bus stop and, if there is no nearby bus, the town reimburses parents for the full trip; and in the third the town pays the entire cost of transportation. In addition, some private schools run buses that pick up students.

Other countries make school buses also available for use by the general public, in order to partly recover the transportation costs. But for this to work, the infrastructure needs to be improved in India.

In Cleveland, as in the rest of the USA, voucher schemes apparently increase parental satisfaction with schools and give children from different social and economic environments better educational opportunities than the present system of public schools.

The Milwaukee experience seems useful for India since they also faced high drop-out rates, disgraceful test scores and an unbearable disparity in educational opportunity between low-income and middle-income families. Various surveys confirm that this program fosters diversity and offers opportunities especially for poor children.

From the Swedish as well as from the Danish experience with voucher programs India could take the idea of more independence from school administrators and greater parental involvement. In return for increased local power, the government could demand greater accountability and quality controls from the municipalities.

The English model recommends individual contracts between a school and a student, defining the qualifications aimed for, which enables government funding to follow the student to the school of his or her choice.

Unlike Chile, in India it is not only the rich families who are prepared to invest in their children's education. In India it is (proportional to the income) even more in the interest of the poor to spend money for a better future for their children. The Chilean example tells us that public schools will be able to compete with private schools only if the government puts additional effort in improving the curriculum, the quality of teaching and the management of education. Due to these lessons it is more important than ever that private schools in India get recognised more easily and that the licence-permit raj is abolished.

### Vouchers Arguments

Since the very beginning of voucher programs, the publicly financed schemes have been criticized from two very different perspectives. The first body of criticism claims that competitive markets are not well suited to the field of education, and that any school reform based on privatization, competition, and parental choice is predestined to failure. The second body of criticism states that government-funded scholarships would not create a genuinely free education market, but instead would perpetuate dependence on government funding and regulation to the continuous disadvantage of families.

### Pervasive State Regulation - Pro and Contra

"Vouchers or no vouchers, as long as education is financed publicly, control over education will be exerted through political power, not through consumer choice.... Consumer choice can and will be circumscribed by restrictions on the vouchers; restrictions that will reflect the interests of the politically organized [publicly-funded] school lobby."

Dwight R. Lee, in "The Political Economy of Educational Vouchers."

Will tax-funding of private schools lead to government control over those schools? Unfortunately, the historical record is unambiguous when it comes to elementary and secondary (as opposed to college) education. In every case in the history of state subsidies of private schools, there has been pervasive state regulation of these schools. This has been true from ancient Rome, to the medieval Muslim Empire, to England, Canada, and the United States in the 19th century. If public funds flow to private schools, there will be a demand for regulations to ensure public accountability, and these regulations will limit the very freedom that defines a true marketplace.

## Preservation of Dependency - Contra

"The private voucher movement helps families *because it is private*. It is charity. It is voluntary. On the other hand, tax-funded vouchers defeat free will, self-reliance, and thrift." Marshall Fritz, Separation of School and State Alliance.

The quintessence of this criticism is that government funding encourages parents to take their schools for granted, and to hand over their educational responsibilities to the state. Based on various surveys, this concern is justified. Educational systems in which parents have been responsible for their children's tuition have always been characterized by greater parental involvement and greater accountability. When parents see how much their children's education costs, and when they are required to take over much of that cost, they are much more careful about the selection of schools and have higher expectations from those schools. As a result they are more satisfied with the education their children receive.

## Would Vouchers Drain Money from Public Schools? - Pro

"Vouchers would further limit already tight financing that causes districts to use outdated textbooks, computers and other equipment, to increase class sizes and to scrimp on teachers." Minnesota Education Association (An NEA affiliate).

This is one of the most outrageous of the anti-choice claims. First, the vast majority of public schools are not under funded, but the money is not put where its mouth is. The fact that government school facilities and equipment are deteriorating or have become outdated is mainly a sign of mismanagement, not a lack of funds. Public school per-pupil spending is on average twice the average as at private schools. Studies of Catholic schools demonstrate that low-income students can learn more at far less cost in the private sector.

The financial effects of vouchers, even vouchers for the full per-pupil expenditure of public schools, should be negligible. For every decrease in the amount of funds directed to public schools, there would be a proportionate reduction in the workload and therefore costs of operating public schools. If a given public school was so bad as to witness an exodus of all its pupils, it could be shut down and its facilities leased out or sold, which actually means generation of income

## Challenging Spending - Pro

If vouchers were awarded to all students, including the percentage of students already enrolled in private schools, there would be an overall increase in education spending in excess of this percentage.

This problem is easily avoided. Vouchers for students already in private schools could be phased in over time, and paid for entirely from the savings generated by the shift of children from government-run to independently-run schools.

Furthermore, vouchers could be varied in volume based on need, being cut-off above an agreed family income level: in any case, there is little sense in taxing wealthy families to pay for their own children's education, when they could (and in many cases already do) pay for it themselves.

Finally, even if the popular agreement is that every family should receive a voucher for the full value of their children's education, the scheme could still easily avoid increasing the overall tax burden. As it is acknowledged, public schools are notoriously inefficient when it comes to spending, costing more than existing private schools. As competition amongst private schools intensified, prices would no doubt drop even lower. The mentioned percentage difference would be more than covered by these factors.

## Expanded Lobby - Contra

"Even if vouchers could bring an end to government provision of education, we would be left with a vast system of government contractors and parents with 'school stamps,' a massive Medicare-style lobby for ever-increasing subsidies. Only a tiny percentage of parents would continue footing the bill

themselves, and their shout for educational freedom would be drowned out by those demanding larger subsidies."

Douglas Dewey, in "Separating School and State: A Prudential Analysis of Tax-Funded Vouchers"

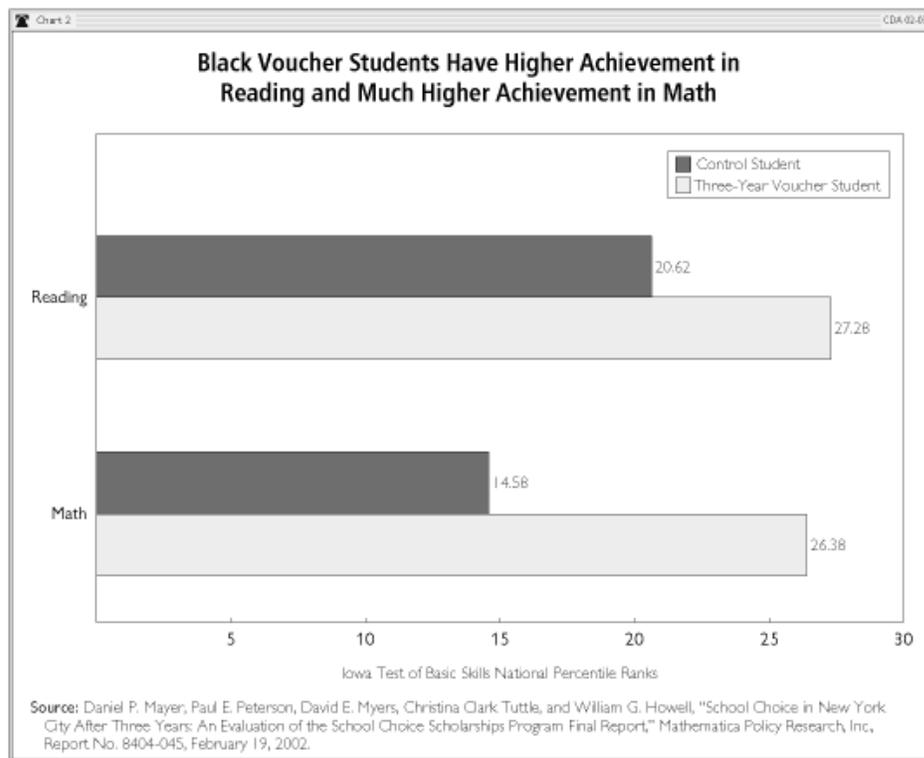
One of the main reasons that public school spending has risen so significantly over the years, despite the lack of a corresponding improvement in performance, is that public school teachers are politically organised whereas parents and taxpayers are not. Tax-funded vouchers would indeed expand the volume of the lobby demanding higher education spending. This would be added to the existing teachers' union lobbies and private school lobbies, and so there would be even greater pressure for higher expenditures, no matter whether the quality of education improves or not.

### Voucher User and Non-Voucher User - Pro

For the first time in education history researchers have confirmed that the students who used vouchers were not brighter and did not have more motivated parents than the other students at government schools with whom they were compared. Hence the studies were able to verify that the improvement in voucher-student test scores was caused by the voucher and not due to the students' greater aptitude for learning. This is a milestone in education research. It visualises the impact that comprehensive education reform might have on the student population as a whole if parental choice became more widely available.

The most impressive example of this comes from a Harvard study of New York City's School Choice Scholarship Program (SCSP). In February 2002, researchers at Harvard University, Mathematical Policy Research, Inc. (MPR), and the University of Wisconsin published the results of a three-year study to resolve the effects of voucher-like scholarships on low-income student achievement in New York City.

In three years, the vouchers were found to have had impressive effects, especially for African-American low-income students. The randomly selected students out-performed their control-group peers in reading as well as in math by statistically considerable margins. Parents were more satisfied with the education, student safety and attendance, with the relative absence of fighting, cheating, vandalism, and racial conflict within their chosen schools.



## Reducing or Enlarging the Educational Gap - Pro and Contra

"Far from creating the positive qualities of healthy 'competition,' vouchers would build an uneven playing field and institutionalise a two-tier system of have and have-nots. Harming public schools to improve private schools hurts individuals, as well as our society as a whole." Minnesota Education Association (An NEA affiliate).

No country has been able yet to create an education system that delivers absolutely equal education to all children. At present, educational choice is still to be found among wealthier families, who can opt for private schooling, and who can more easily relocate to areas with better quality schools. Poor rural or urban children, on the other hand, are commonly stuck in rundown government school buildings and offered dreadfully poor education.

This is the status quo to which alternative forms of school governance must be compared. The question is, have vouchers or some other form of scholarship reduced or enlarged the educational gap between rich and poor that exists in public schools. If we look at currently operating voucher programs, the answer is ambiguous. Most of these programs serve low-income or other at-risk students because they are designed to do so. Eligibility depends on income or performance of the local public school. In that way they increase the range of educational choices to low-income families and reduce the educational gap.

On the other hand, universally available voucher schemes may disproportionately benefit upper income families that have the means to take advantage of them. This might especially happen if the programs are funded at low levels and permit supplemental tuition payments like education tax subsidies. They provide support for private school tuition through income-tax credits, deductions, or exclusions.

Yet a mounting body of evidence shows that private schools help to reduce the socio-economic achievement gap, and help to increase the level of integration between racial and socio-economic groups within schools. None of the repeatedly proposed solutions to existing public school systems such as higher funding or national curricula can offer the range of benefits a free educational marketplace with vouchers offers.

## Why not for Profit or who does the Choosing? - Pro

"Vouchers fail to offer the 'choice' that proponents claim. The 'choice' remains with the private schools that will continue to pick and choose the students they wish to accept and reject. Public schools open their doors to all students."

Minnesota Education Association (An NEA affiliate).

At present, the vast majority of children are simply attending a public school with little choice in the matter. What voucher schemes can do is give those children a choice. Their chances of finding a high-quality, appropriate educational environment will be very much greater than under the present conformist state-run system.

While non-profit private schools are considerably less prone to fluctuations than are their profit-making counterparts, even they offer students with a wider range of choices than government school systems. Many rejections are due to lack of space, a problem that would be reduced if vouchers were available to pay for new classrooms. An educational market supplemented with scholarships for low-income families would clearly improve the almost total lack of choice imposed on most families by the public school system.

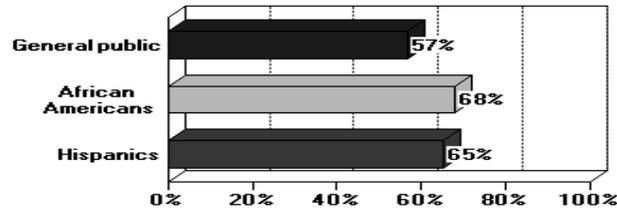
## Statistics and Analyses - Pro and Contra

No question statistics and analyses are a tricky business in any endeavour. It is quite common that the general public has less technical information about an issue than experts and policy makers. A survey done in 1999 in America says that the Americans are open to vouchers, but they need to learn more about the idea. In the case of vouchers, it was found that even the concept of using free market competition to improve schools was unfamiliar to most people. After careful explanation, most

opponents are positively disposed to the idea although they generally see vouchers as a partial solution only.

How much do you favor or oppose the following idea? Parents are given a voucher or certificate by the government to pay for all or part of tuition if they decide to send their child to a private or parochial school.

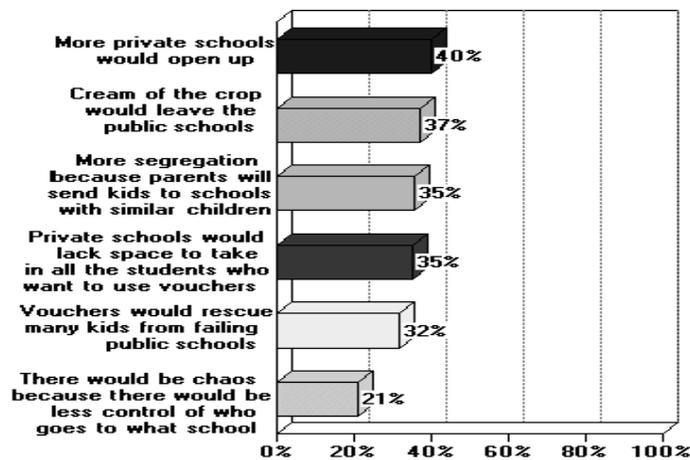
Percentage saying they "strongly favor" or "somewhat favor":



Source: Public Agenda 6/99

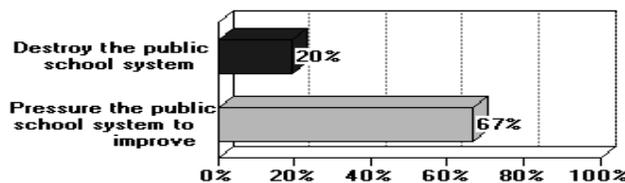
Do you think the following is likely or unlikely to happen if vouchers are implemented?

Percentage saying "very likely":



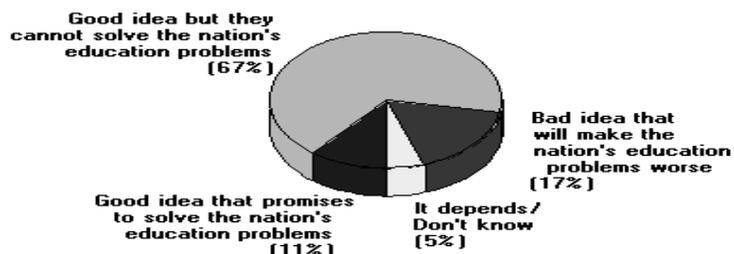
Source: Public Agenda 6/99

Some say school vouchers represent an effort to destroy the public school system. Others say they are an effort to pressure the public school system to improve and therefore save it. Which is closer to your own view?



Source: Public Agenda 6/99

Which of the following comes closest to your own view: Vouchers are a good idea that promises to solve the nation's education problems; Vouchers are a good idea but they cannot solve the nation's education problems; Vouchers are a bad idea that will make the nation's education problems worse?



Source: Public Agenda 6/99

## Reforming Public Education

“The problem cannot be solved on the same level on which it was created. One has to rise above it to the next level.”

Albert Einstein

Many countries have been restructuring their education policies and have redefined the roles of education's stakeholders (government, schools, and families) in the delivery of education.

Privately funded vouchers provide a growing percentage of impoverished families with a way to exit failing government schools. “They advance a formula of ‘public education’ that is financially and philosophically independent of the government sector.”<sup>2</sup>

As private voucher schemes with their waiting-lists, funding, and the public's awareness of them have grown, the governments have begun to respond to the competition. By offering vouchers to every student in a small, specific group of under-achieving, low-income students, they can drive improvement by threatening the municipal school board with a significant loss of students. In this way, they may help not only the students who accept the voucher, but also those who remain in the municipal school.

Policy makers should consider these new policy instruments – each designed to address issues of parental control and the accountability of educators: charter schools, education vouchers, tax credits and the publishing of school assessments - as new ways to serve the public's educational interests.

## Status Quo

Mounting evidence shows that private schools are more efficient than public schools. Concerning socio-economic factors, private schools lead to qualitatively higher output in verbal, mathematical and cognitive abilities. In addition, private schools are much less costly than public schools. A prominent example here is Lucknow where the per-pupil costs in unaided private schools are less than half than in public schools.

Private schools also have a high level of accountability since they work according to the market mechanism. Just the opposite is true in government schools that have a very low level of accountability. As well known from the Public Report On Basic Education in India (PROBE) Report in 1999, this leads to poor physical facilities, high pupil teacher ratios and low level of teaching activity.

In India, children are not out of school because of lack of demand. Poor quality of government education delivery is a crucial reason for their absence from school. Parents who are labourers, auto-rickshaw drivers or market stall-owners send their children to budget private schools, spending between 6 per cent and 11 per cent of income on education. These schools are not philanthropic but work on commercial principles and they receive no government subsidies. Their charges range between 10 to 20 US dollars a year per student, about 5 per cent of what middle class private schools would charge. In addition, they offer free places for very poor students, up to one-third.

Budget private schools spend resources on curriculum development and support teachers with training, though their infrastructure like libraries, computers, and science equipment often needs improvement. Although the private school teachers are often better qualified than teachers in government schools they are paid 25 to 40 per cent less. On the other hand, they are less likely to obtain appointments in government schools, due to existing corruption and cronyism there.

Governments put private schools off through bribery and corruption. E.g. school recognition requires relatively big physical infrastructure, which is often not possible to have. If this is the case, private schools have to pay bribes of around Rs 50,000 to obtain recognition and Rs 25,000 per year to retain the recognition or opt out of the system. But public-private partnerships are also possible, as explained later.

<sup>2</sup> Claudia Rebanks Hepburn, “The Case For School Choice: Models from the United States, New Zealand, Denmark, and Sweden”

[http://oldfraser.lexi.net/publications/critical\\_issues/1999/school\\_choice/](http://oldfraser.lexi.net/publications/critical_issues/1999/school_choice/)  
*Centre for Civil Society*

## School Choice and School Accountability

Aiming to improve school quality without increasing costs, school accountability systems reward and punish schools by allocating funding according to whether the school meets certain performance criteria. This system provides information that helps parents to optimise their school choice.

Increasingly popular is the idea of *integrating* accountability and school choice so that students attending schools that the state has identified as failing have the option of moving to another public or private school.

## The Effects of Vouchers on Florida Public School Achievement

Florida's A+ Program can be said to be one of the most controversial education reform measures. The state offers vouchers redeemable at private schools to students in public schools that chronically fail the state's accountability test. The theory behind the A+ Program is that the prospect of losing students and the money they generate from vouchers will motivate low-performing schools to improve. But critics of the program argue that vouchers will hinder public schools by depriving them of financial resources and the best and brightest of their students.

Florida's A+ Program provides the opportunity to study the systemic effects vouchers have on public schools. Since Florida schools are confronted with vouchers only if they are failing, and they avoid that threat only by improving academically, we can measure what effect the voucher threat has on their performance.

### Results of the study:

- Florida's low-performing schools are improving in direct proportion to the challenge they face from voucher competition.
- Schools already facing competition from vouchers showed the greatest improvements of all categories of low-performing schools, relative to Florida public schools that were not in any low-performing category.
- Schools threatened with the prospect of vouchers showed the second greatest improvements
- Low-performing schools that have never received any grade other than a D, or that have received at least one D since grading began, produced small and indistinguishable gains, respectively, relative to Florida public schools that were not low-performing. While these schools were similar to schools facing voucher competition, they failed to make similar gains in the absence of competitive incentives.
- Some researchers theorise that failing schools improve because of the stigma of a failing grade rather than the threat of voucher competition. The results of this study disagree with this thesis. Schools that received one F in 1998-99 but none since are no longer exposed to the potential of voucher competition. These schools actually lost ground relative to non-low-performing Florida public schools, supporting the conclusion that once the threat of vouchers goes away, so does the incentive for failing schools to improve.

## High Quality Education for All - Through Public and Private Schools

In the past, many countries installed education programs to expand opportunities in education to *all*, not only to them who can afford to choose. In India, this has always meant state provision of education. However, the cross-country evidence shows that the success of private schools *especially and not exceptionally* for the poor should not be neglected. Analyses repeatedly confirm that they are going in for private education. The reason is simple: comparing the performance of government schools and private schools, the latter deliver much better services than the former. Since publication PROBE Report in 1999 it is well-known that teacher accountability and performance, standards and efficiency and equity improve with private provision for the poor. "[...] studies show that 36 per cent of the children in Uttar Pradesh, one of the poorest states in India, actually attend private schools.

Prospects of teacher accountability and teaching of good English, math and science top the expectations of these rural parents, something they do not expect from government schools.”<sup>3</sup>

The 86<sup>th</sup> Constitutional Amendment Act passed in 2002 makes free and compulsory education a fundamental right for all children between the ages of 6 and 14. Choice and the ensuing competition are the means to establish access for all to high quality education. This is widely accepted for higher education but not for primary and secondary education. It is argued that in this field government must control as tightly as possible.

The main justification always quoted for state intervention is to ensure equality of opportunity. Yet, this argument for intervention rests on the assumption that governments are best equipped to provide the appropriate means – and that is just not happening. Historical and modern evidence shows that parents of all income levels have generally made better decisions for their own children than state-selected “specialists” have made on their behalf.

To put it clearly: a public system can narrow children’s options by forcing them to attend an inferior school when a superior one could be within reach. It is maybe the most striking argument for vouchers that they enable families to overcome these obstacles to get a genuine chance of equal opportunities.

In India there are currently 113.8 million children enrolled in primary schools and 42.8 million children enrolled in upper primary schools. 95 per cent of the population has a primary school within one kilometre and an upper primary school within three kilometres of residence. 40 million children are out of school (about a third of the world’s total) and that too not necessarily because they are working. Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal are the states where the net enrolment rates are the lowest.

The current drop out rate is 40.25 per cent and is declining by 0.6 per cent annually. Given this, how will the Union government education scheme’s (Sarva Shiksha Abhiyan - SSA) goal of universal primary education by 2005 and universal elementary education by 2010 come true? Furthermore, the Centre will spend Rs 8,000 crore in 2003-2004 to complete the scheme but the Finance Minister has sanctioned only 26 per cent of this amount. He has imposed a ban on direct release of money to state implementation societies, which were created to handle SSA, because many states have not been able to implement the scheme according to the plan.

This is just a brief glance at the present well-meant government intentions. But the ambitious scheme causes even more worries concerning education quality. The target-oriented approach tends to neglect quality. Why not promote existing public *and* private schools “[...] instead of institutionalising a cheap, second-track parallel layers for the masses?”<sup>4</sup> as Sanjiv Kaura of the National Alliance for Fundamental Right to Education asks.

### Establish Education Quality Zones

The Indian government has already established EPZs—Economic Priority Zones—to foster entrepreneurship and innovation through a variety of sectors in the economy. According to James Tooley’s suggestion, the EPZs could be a pattern to create “Education Quality Zones (EQZs)”. They could be fruitful testing grounds for educational innovation.

The crucial function would be to create geographical areas where new models would be applied. One could start with more relaxed rules and regulations concerning education till the introduction of a real avant-garde thinking concerning the role of the private sector. E.g. programs in which private education companies take over the management of failing government schools - through outright sale, long-term leasing, or management on contractual basis.

An “Increased role of NGOs”, an “Expanded Role of the Corporate Sector” and a “Synergic Partnership with the Private Sector” are explicitly stated objectives in the current National Plan of Action Education for All (EFA). Furthermore: “Certainly, the growth of private schools itself is a

<sup>3</sup> Sujatha Muthayya, “Privatising Education”, in: *The New Sunday Express*, November 17, 2002  
For further information look e.g. at the World Bank homepage: <http://rru.worldbank.org>, EG West Centre homepage: <http://www.ncl.ac.uk/egwest>, or <http://www.ncl.ac.uk/egwest/tooley.html>

<sup>4</sup> Sanjiv Kaura, in: “Elementary Failure”, in *India Today*, September 8, 2003, page 56

positive sign of the rising demand for education. Therefore, the roadblocks in opening new private schools would be removed but at the same time it would be regulated to ensure quality and minimum requirements. But if these schools are expanding rapidly because of the decline in government school quality and dysfunctional government schools or due to poor school infrastructure and management or an account of teacher negligence and absence, then these are areas of concern.”<sup>5</sup>

Looking at these thoughtful insights it seems the government is not reluctant to implement EQZs, which could trigger, enforce and speed up the positive changes wished by all.

### Which Sort of Voucher Model would best serve India?

According to Friedman, first of all, vouchers have to be universal. This means available to all parents to choose freely the schools their children attend. Second, the voucher amount, though less than what the government now spends per pupil on education, should be large enough to cover the costs of a high-quality education.

In addition, a crucial element is to enable a private, for-profit industry to develop that will provide a wide-ranging diversity of learning opportunities and present effective competition to public schools. If realised, everybody will win: parents, students, teachers, and taxpayers. For the latter the cost of the educational system will decline.

At present, the Indian Government provides grants to schools of higher education like colleges and universities. However, to realise the aim voucher schemes, namely providing families with a maximum degree of choice within a decentralised and competitive system of schools, it is imperative that the support is given directly to the pupils or to their parents, instead of to the institutions.

### Responsible Policy Design of Voucher Programs

The experience all over the world clearly suggests that it is not so much the size of the government education budget but how the budget is spent that determines the efficacy of the education system. Our own state of Kerala stands witness to the significance of choice and competition in education.

Parth J. Shah

Politicians can maximise program benefits and minimise possible harm by solicitous law design. The ideal design depends to a certain extent on how policymakers value the various endorsed voucher outcomes.

Policymakers should ensure that voucher-schools will be **academically and economically effective** and that a sufficient number of autonomous schools will be available by

- Permitting all existing private and parochial schools to participate
- Providing generous funding
- Avoiding overregulation
- Enforcing requirements for testing and information spreading
- Creating various providing and supporting authorities

Furthermore, the policy should ensure that autonomous schools will **serve low-income and special needs students** by

- Publishing information about schools
- Using a direct funding method to the families and not using funding through a tax system
- Prohibiting tuition add-ons
- Providing additional funding for students with special needs

Policy also has to maximise the likelihood that **systemic effects** on students without voucher will be **positive** by

- Giving public schools full autonomy to act competitively
- Requiring open admission

---

<sup>5</sup> Education for All, National Plan of Action India, Department of Elementary Education and Literacy, Ministry of Human Resource Development, Government of India, New Delhi, 2003, page 42f.

- Requiring all students to choose
- Enforcing consequences on schools that do not perform at satisfactory levels (look at Florida's A+ Program)

Policymakers have to establish communication among schools and ensure that voucher schools will actually **socialise their students** to become responsible citizens of India's democracy by

- Promoting integration in programs of autonomous schooling
- Targeting communities with socially heterogeneous public schools
- Include existing private and parochial schools
- Motivating integration financially
- Publicise information about mission, values, curriculum and outcomes

### Elementary Pieces of the Indian Voucher Jigsaw

To provide free choice among schools for all should be the aim for a truly equal-opportunity education system. We should begin with those who need this free choice the most, and therefore start by providing target groups with vouchers.

### Parameters for distribution

A voucher could be given

- to every student in a small, specific group of **low-income** students or
  - to the randomly chosen students out of a larger group of these students
- to every student in a small, specific group of **under-achieving** students
- to every student in a specific group of students
  - e.g. on the basis of **gender** which primarily means female students
  - e.g. on the basis of **caste**, class or regional disparities
  - to students of **minority groups** which primarily means Muslims
  - to students with **special needs**
- to every student in **specific areas**
  - or to randomly chosen students out of this area

Rural areas: e.g. in states where the net enrolment rates are low as in Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal

Urban areas: e.g. starting with Delhi and continue with other educationally weak points in towns.

### Voucher Amount

The voucher amount could be hierarchised according to the family's income. Currently the minimum wage is recognised as between Rs. 1,500 – Rs. 2,000 per month. (At the international level it is less than 1 \$ per day). At any rate there should be a special focus on female children within each specific group or even a separate voucher program to support them.

Contrary to common assumptions, government spending in education is not a substitute for private spending. E.g. in Kerala, the government has been spending more on education than in other states but the people there follow the governmental example. The poor in this state spend roughly about one third of their annual per capita income on elementary education. Thus governmental and private spending is complementary.

- Government expenditure on elementary education varies from state to state in the range of Rs 500 per student per year to Rs. 1400. Private investment in government and government aided schools seems to range from Rs 300 to Rs 1000. Thus the voucher amount could be in range of Rs 800 to Rs 2400 according to families' income.
- In the case of budget private schools in Andhra Pradesh, fifteen private schools that were researched had fees of between Rs 35 – Rs 350 per month (about 70c to \$7.00 per month), with most in the lower range. According to that, the voucher amount could be a similar amount.

- All of these private schools are located in so called 'slum areas' (an expression which is certainly not meant to be disrespectful) that are equivalent to the living areas of the poorest. It is interesting to know about the families' background. Parents who send their children to budget private schools are mainly poorly educated, generally employed in manual labour on daily wages, with family incomes near or below the minimum wage in India.
- Another possibility to allocate the voucher amount can be through different percentage patterns, dividing the total amount. e.g. 80 % on government's side and 20 % on parents' side. Again, the families' income level could be the levelling board.

### Teachers

In developed countries, in general teacher salaries are a slightly higher than the per capita income. Yet in India, the official salary rate is about 4-6 times higher than the per capita income. This leads to several peculiar developments. E.g. Government schoolteachers in rural areas often contract out teaching at half their salary. The sub-contractor often contracts at half his payment, so he actually teaches for one-fourth of the original salary. On the other hand, private school teachers become 'illegal' from the very first day they start working since they get the market rate, although they sign for the official salary. "In countries like China teachers are hired on renewable three-year contracts. Teachers that perform can get double promotions, drones can be sacked."<sup>6</sup>

- To anticipate such mistreatment and improve education quality and accountability at the same time, teachers could be allowed to become entrepreneurs.
  - School blocks could be leased out to enterprising teachers with a minimum HSC qualification. They could have the full liberty to use the buildings beyond school hours to enhance their earnings. E.g. an enterprising teacher getting a contract for running two classes can admit at the most 60 students in a year (due to a 1:30 teacher-pupil ratio). If the voucher amount is for example Rs 150 they can earn Rs 9,000 per month.
- To ensure teacher's accountability: The Kendriya Vidyalaya Sangathan (KVS) has decided to get teachers and even non-teaching staff evaluated by students.
  - The students from Class V to XII will - without stating their names - assess teachers twice a year (in October and February). If 60 per cent or more students in both evaluations rate a teacher as "bad", it will be handled as "dereliction of duties". Then teachers and non-teaching staff will be asked in a memorandum why they should not be suspended. The region's Assistant Commissioner is empowered to remove the employee from service. They in turn have the right to make an appeal. The sealed reports will be tabulated.

### Implementation

In India generally all activities which include more private involvement are watched suspiciously. This is even more true when it comes to education since providing education has always meant state provision.

For a realistic implementation of 'freedom of choice' it is important that additional costs like those for transport, uniform, textbooks etc. wont be a hindrance for parents to send their children to far away but preferred school. Thus at least transport costs should be covered by the voucher or financed by additional funds. Schools should be able to use this money independently of the government or any demands from lobbies.

### Divided Voucher

---

<sup>6</sup> Anklesaria-Aiyar, Swaminathan S, "Lion's, Looks, Rabbit's Liver", in The Times of India, Mumbai, November 3. 2002

Relating to Bangladesh's Female Secondary School Assist Project the voucher amount could be divided into

- a stipend in the form of a voucher for the students themselves to cover additional expenses
- a voucher to the students' schools for tuition.

### **Operation manual with banks:**

- The concerned government authority signs agreements with banks whose local branches disburse the tuition and stipends.
- The local banks open an account for each student and another account for tuition fees, which go to the schools.
- The students are given passbooks and chequebooks. They must personally make the withdrawals by writing a check.

## Potential Voucher Model for India

- The very first target group should be low-income families by offering vouchers only to children residing in neighbourhoods classified as falling into the lowest socioeconomic strata. Applicants have to submit a utility bill to ascertain residential location and voucher eligibility.
- Vouchers should be offered only to children attending public primary schools.
- The maximum voucher value should be set to correspond to the average tuition of low-to-middle cost private schools in India's three largest cities. Schools charging less than the vouchers' face value should receive only their usual tuition.
- The voucher's value should keep up with inflation.
- To qualify for a voucher, applicants must have entered the Indian elementary school cycle, and must be aged not less than six years, which is when compulsory education starts in India.
- Participating schools have to be located in the chosen areas.
- Vouchers should be given to public or private schools and within private schools non-profit as well as for-profit schools should participate.
- The applicants must also have been admitted to one of the participating primary schools.
- Voucher recipients should be eligible for automatic renewal through fifth grade, when Indian primary school ends, provided the recipient's academic performance warrants promotion to the next grade.
- Students failing a grade are supposed to be dropped from the voucher program.
- Students who transfer from one participating private school to another should be allowed to transfer the voucher to the new school.
- Initially all eligible students of the chosen area should receive a voucher. When the demand exceeds the supply possible for the time being, vouchers should be allocated by lottery within the eligible group.
- Municipal governments could pay 20% of the voucher cost, while the central government could pay 80%.
- Each municipality decides how many vouchers to fund, subject to a maximum allocated to the areas by the central government.
- The voucher should be made available to the parents through ration shops, local post office or local branches of commercial banks (like recruitment stamp, or postal order).
- The chosen school should collect the vouchers from the students. The vouchers should be encashable in a post office or bank.
- In order to minimise corruption (because public funds are involved, the possibility of misappropriation by a neglecting guardian, a greedy teacher or functionary of the state does exist) the vouchers can be encashed by the school after obtaining the signature/thumb impression of the parents.

- An independent agency should be authorized by the government to run the program. It should provide software and instructions to regional offices for the purposes of random selection of applicants in cases of over-subscription.
- The agency's regional offices should work with the individual municipalities to determine the number of vouchers to be funded, to check school requirements for participation, and to monitor implementation of the program.

### Substantiation

- The district government authority should carry out surprise visits to review school records and evaluate the students' attendance and performance. They are expected to discuss low performance or low attendance with guardians, parents, and teachers.
- The schools are required to encourage girls to enrol and to issue warnings to students who are falling behind in attendance or grades.

### Transparency

- For any kind of voucher scheme a management information system (MIS) shall maintain and link information, based on the ID numbers given to the students, the schools, and the banks.
- In order to ensure transparency for all parties concerned, the movement of vouchers should be available on the Internet, in a system similar to that of the railway reservation system.

### Variables

- Different voucher programs under comparable conditions should be implemented, to enable comparison of development and results.
- The same kind of voucher scheme under comparable conditions (time span, voucher amount, region, group etc.) should be implemented with and without government regulation to gather evidence about which scheme is more efficient, less costly, provides better educational quality etc.
- Governmental systems could be performed with and without vouchers e.g. sub-systems of Universalisation of Elementary Education (UEE).
  - There are numerous parallel systems being established. Prominent among others is the District Primary Education Programme (DPEP) launched in 1992 with assistance from World Bank and European Union. The programme promotes primary education through decentralized planning and integrated programming at district level. It has been extended to 149 districts in 14 States in 1997. The Lok Jumbish (LJP) and Shiksha Karmi Projects (SKP) are two other internationally assisted projects. Lok Jumbish is establishing a boundary between the local community, the teaching profession, the educational administration and the learners. The Shiksha Karmi Project has been trying to respond to the problem of teacher absenteeism in the distant and inaccessible areas of Rajasthan.
  - Many of these programs are confronted with the problem of stagnation and inadequate sustainability. Despite important achievements, the duty of UEE is far from complete. Schools and enrolments have surely increased but so has the number of out of school children. Today India has one of the largest illiterate populations in the world. Caste, gender, class and regional disparities in UEE are still evident and persistent. The demand for quality education is far too obvious through improved awareness and social mobilisation, though supply is generally inadequate. The educational administration in most states and municipalities is far from able to effectively deal with widespread problems concerning shortage of teachers, inadequately designed school buildings, lack of teaching/ learning equipment, need-based teacher training and a syllabus related to real life requirements.

## India's Education Problems

- Illiteracy
- Caste, gender, class and regional disparities
- Shortage of teachers
- Inadequate school buildings
- Lack of modern curricula
- Lack of teaching and learning equipment
- Lack of teacher training

India could help herself to reduce and finally solve her specific problems in education with smart voucher programs.

## By applying Voucher Schemes India would gain

- **Access** to education for all
- **Cost-effectiveness**
- **Equity**
- **Quality**
- **Accountability**
- **Sustainability**

With a clear vision, defined goals and a feasible strategy, the determination to transform, greater dedication and increased people's participation, India will be able to fulfil her responsibility of providing satisfactory quality of education to all children in the country within the next decade.

## References

Abhimanyu Singh, "Elementary Education: First step for Nation Building" Press Information Bureau, Government of India <http://pib.nic.in/feature/feyr98/PIBF1703981.html>

Anklesharia-Aiyar, Swaminathan S, "Lion's, Looks, Rabbit's Liver", in *The Times of India*, Mumbai, November 3. 2002

Brian P. Gill, P. Michael Timpane, Karen E. Ross, Dominic J. Brewer, "Rhetoric Versus Reality: What We Know and What We Need to Know About Vouchers and Charter Schools" <http://www.rand.org/publications/MR/MR1118/>

Claudia Rebanks Hepburn, "The Case For School Choice: Models from the United States, New Zealand, Denmark, and Sweden" [http://oldfraser.lexi.net/publications/critical\\_issues/1999/school\\_choice/](http://oldfraser.lexi.net/publications/critical_issues/1999/school_choice/)

Child Population, Enrolment and Out-of-school Children in the States, in: Education for All, National Plan of Action India, Department of Elementary Education and Literacy, Ministry of Human Resource Development, Government of India, New Delhi, 2003

David N. Figlio, "Can School Choice and School Accountability Successfully Coexist?", National Bureau of Economic Research, <http://www.nber.org/books/schools/figlio-page8-2-01.pdf>

Education Minnesota [http://www.educationminnesota.org/index.cfm?PAGE\\_ID=5839](http://www.educationminnesota.org/index.cfm?PAGE_ID=5839)

Edwin G. West, "Education Vouchers in Principle and Practice: A Survey", *The World Bank Research Observer*, vol. 12, no. 1, February 1997, <http://www.worldbank.org/research/journals/wbro/obsfeb97/educate.htm>

Fritz Steiger, "Private Vouchers for Educational Choice", *CEO America*,  
<http://www.ncpa.org/ba/ba265.html>

Jay P. Greene, Marcus A. Winters, "When Schools Compete: The Effects of Vouchers on Florida Public School Achievement", Research Associate, Manhattan Institute for Policy Research, Milton Friedman Foundation, [http://www.manhattan-institute.org/html/ewp\\_02.htm](http://www.manhattan-institute.org/html/ewp_02.htm)

James Tooley, "The Enterprise of Education, Opportunities and Challenges for India"  
[http://www.libertyindia.org/pdfs/tooley\\_education.pdf](http://www.libertyindia.org/pdfs/tooley_education.pdf)

James Tooley and Pauline Dixon, "Providing education to the world's poor: A case study of the private sector in India", <http://www.ncl.ac.uk/egwest/research/india.html>

Kirk A. Johnson, Krista Kafer, "What the Harvard/ Mathematical Study Says About Vouchers and Low-Income African-American Students" The Heritage Foundation,  
<http://www.heritage.org/Research/Education/CDA02-03.cfm>

Milton Friedman, "Public Schools: Make Them Private" in: *The Washington Post* on February 19, 1995

Press Information Bureau, Government of India <http://pib.nic.in/feature/feyr98/PIBF1703981.html>

Public Agenda online, "How Advocates and Opponents could mistreat the public's views on voucher and charter schools" <http://www.publicagenda.org/specials/vouchers/voucherhome.htm>

Parth J. Shah, "On the Role of Government and Civil Society in Education: Liberalisation, Accountability, and Empowerment" [http://www.ccsindia.org/pr\\_education.htm](http://www.ccsindia.org/pr_education.htm)

Parth J. Shah, "Liberalise The Education Sector", [http://www.ccsindia.org/pr\\_education.htm](http://www.ccsindia.org/pr_education.htm)

Role of The State, in: *The Financial Express*  
[http://fecolumnists.expressindia.com/full\\_column.php?content\\_id=6801](http://fecolumnists.expressindia.com/full_column.php?content_id=6801)

Sanjiv Kaura, in: "Elementary Failure", in: *India Today*, September 8, 2003, page 56

Sujatha Muthayya, "Privatising Education", in: *The New Sunday Express*, November 17, 2002

Sridhar Kumaraswami, "Central school teachers at students' mercy now" *Hindustan Times* Delhi Edition, <http://www.hindustantimes.com/news/printedition/180903/detFRO03.shtml> New Delhi, September 17, 2003

The World Bank Group, "Bangladesh an Education for Kulsum"  
<http://www.worldbank.org/ourdream/bangladesh.htm>

Xiaoyan Liang, "Bangladesh: Female Secondary School Assistance" Human Development Department, World Bank,  
[http://www.worldbank.org/education/economicssed/finance/demand/case/bangladesh/bangladesh\\_index.htm](http://www.worldbank.org/education/economicssed/finance/demand/case/bangladesh/bangladesh_index.htm)