

THE FINANCING OF PUBLIC
EDUCATION IN CHINA

A FACTUAL ANALYSIS OF ITS MAJOR PROBLEMS
OF RECONSTRUCTION

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**A Factual Analysis of Its Major Problems
of Reconstruction**

BY

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INTRODUCTION BY DR. MA YEN-CH'U

It is gratifying to know that some one has dared to tackle the problem of educational finance, which, in China, is still an unexplored field on the borderland between the science of education and the so-called dismal science. The unusual difficulty in making this type of study is evident, especially when it is attempted in a foreign country. The background needed does not only involve a thorough knowledge and wide experience of educational administration and other activities as well as, at least, an intelligent grasp of the fundamentals of public finance and economics, but it also demands a knowledge of the bearings of many branches of the social science including some mastery of the tools of research. It is a wonder that Dr. Cheng has done a pioneer work so well. I have no doubt that this solid piece of work will be recognized as highly valuable by those engaged in the cause of public education in China and by those leaders in the government who are laboring to lift China out of her desperate slough of poverty and ignorance.

When I graduated from Columbia University, my dissertation was on New York Finance. After my return, I found that it had little practical use for my work. It was only after I became a serious student of the actual conditions in China that I began to turn my Western knowledge into account in meeting the outstanding economic and financial problems. I have often thought of the problem of educational finance in China and I am convinced that it needs very careful consideration on the part of our political leaders, though it is very difficult to tackle. The pressure of many other important issues upon my attention have prevented me

from making a thorough study of it. Therefore I have much sympathy for the author of this book for directly tackling a key problem of China and applying the methods of American experts. His courage and patience and industry alone deserve commendation. I heartily endorse his work and recommend it highly to the public.

MA YEN-CH'U,

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been developed and recognized by leaders in educational administration in China, yet their realization in practice and the development of procedures and techniques through

INTRODUCTION BY DR. SHUANG-CHIU TAI

About twenty-two hundred years ago, the philosopher Shun Tze said that chaos is the result of inaccuracy and order is fulfilled by detailed information (荀子：亂生於差治盡其詳). Lord Kelvin once said that he who can tell something in numbers knows something about it. Edward L. Thorndike said that whatever exists at all exists in some amount, and therefore can be measured. Therefore facts, their accuracy and measurement, are *sine qua non* for any scientific investigation. Chinese scholars and writers have too often indulged in flowery literature, mere ideas, theories, opinions, general impressions, and sweeping generalizations. Such a tradition does not encourage the development of science. It is the duty of the returned student to promote the scientific method and spirit. Years ago I foresaw its importance and tried my part in the field of education with the desire of making education a science in China. My doctoral dissertation was on "Objective Measures Used in Determining the Efficiency of the Administration of Schools." But the neglect of accurate facts and statistical data by Chinese educational workers has made it difficult to push forward this movement. The development of educational finance as an applied science has barely begun in China. Government reports have not as yet provided sufficient pertinent data for scientific analysis. There have been many obstacles in attempting to make a school survey. Therefore all my writings so far on the problems of increasing the educational budget, fiscal independence, equalization of burden, and the like are based upon meager data available. Although the fundamental principles of school support have

been developed and recognized by leaders in educational administration in China, yet their realization in practice awaits more complete and accurate information and the development of procedures and techniques through research and survey. The appalling economic crisis at present has brought about serious shrinkage in government revenues and consequently widespread retrenchment in school budget. The traditional ideology that education comes after prosperity has caused public opinion less in favor of increasing school support in times of crisis. To talk about educational finance at such times requires courage and vision, a courage to break away with tradition and the "favor of the crowd," and a vision to see the economic effects of education.

Dr. Cheng is to be congratulated for making a very significant contribution in this field. It is the first comprehensive study of its kind. It is, first of all, a piece of scientific work of high quality. The amount of data collected and the detailed documentation exhibited and the careful analysis reveal his unusual pluck in overcoming difficulties, his habits of scientific procedure, his patience and zeal in the cause of public education. He has made the following outstanding contributions:

1. All available outstanding facts concerning the major aspects of financing education in China have been assembled for the first time in one volume. It is a source book of information.

2. "Facts are more forceful than vehement arguments." He has raised loud protests in silent numbers which would convince any conscientious politician on the side of retrenchment in education.

3. Although his modesty has prevented him to make definite recommendations for financing a comprehensive educational program, he has actually shown the possibility of a solution of the problem.

4. A pattern for research in educational finance has been laid down. The study of Hupeh Province and the lines of research recommended throw much light on the future research in local educational finance.

5. Numerous methods and techniques or statistical procedures have been applied. He has shown how objective measures and graphic methods should be developed and used. Personal equation has been eliminated as much as possible.

The following improvements or additions to the study or methods of study in educational finance in China are noticed:

(1) A broader viewpoint of the problem through understanding the economic and social setting and in relation to wealth and income.

(2) The equated Chinese dollar in devising the index of educational expenditure which shows that expenditure has not kept pace with enrollment.

(3) The cubical method of presenting facts on the extent of educational opportunities for various groups of the population.

(4) A tentative method of estimating the ratio of population in various age-groups to total population.

(5) A mathematical formula for estimating the total cost of the public educational system of China, and a method of estimating the total cost of education borne on three government levels.

(6) A new method for comparing the relation of education cost to national budget in various countries (see Table 35).

(7) The application of Tai's 8 criteria in analysing the local educational fiscal control.

(8) A more rational classification of local sources of school revenue.

(9) A detailed analysis of local sources of school revenue in Hupeh and their graphic presentation.

(10) A suggested refinement in the method of estimating the probable future cost of a program of universal education.

(11) A tentative method for measuring the economic ability of local districts and for ranking the economic ability of the provinces.

(12) A suggested approach to a documentary study of the history of Chinese school land.

A word must be said about the question of reliability of Dr. Cheng's primary data. Here the principle of relativity must be applied. Social science is still very young and has been said to be two hundred years behind the exact sciences. Physics can measure one millionth of an inch but finance in its pioneer stage must be contented with the present products of variable human nature largely dealing with trends and probabilities. It is the relative reliability of data and the open-mindedness we are after. It is true that the figures reported by some local governments are mere guesswork. But, relatively speaking, with these figures it is better than without. The habits of accuracy of the research student tend to stimulate accuracy in future reports and surveys. Hence Dr. Cheng's work is to be appreciated. It is natural that the professors of Columbia University think highly of this study. Professor John Dewey wrote to Dr. Hu Shih that this is a solid illuminating piece of work which will be highly valuable to China. Professor George D. Strayer wrote that this study is not only a challenge to educational administrators in China but also will be recognized as an important contribution by educators of the world. Professor McCall said that this is one of the most significant dissertations ever produced in Teachers College, Columbia University and it has been defended in an exceptionally brilliant manner.

Just at this time the National Government has taken a progressive step in announcing its \$957,184,006 budget for the fiscal year 1935-36 by increasing the Central educational budget as well as the budget for industry by three and half million dollars while decreasing the budgets of many other government functions. A ten-year program of universal education beginning with June, 1935, has been launched and sources of support have been allocated. This will stimulate the provinces to take similar action. The Ministry of Finance is also initiating the inheritance tax and income tax with the hope of equalizing the burden of the population. But the problem of adequate and stable support of education has not been solved. Dr. Cheng's book meets the need for research admirably. I wish that he will put it in the Chinese language as soon as possible and make further progress in research along the lines he has proposed.

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Dean, College of Education,
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Shanghai,
The Dragon Boat Festival,
June 5, 1935.

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