

The China Syndrome

It took imagination and innovative thinking to solve the problems of this failing school.

By James Tooley

What to do? A school is experiencing declining enrolment. Its buildings are a mess, and it has a reputation as a 'sex, drugs and violence' school. The teachers are disheartened and demotivated.

After various attempts at turning the school around, local officials are on the point of closing the school when they hear of an innovative strategy for solving the problem. And so they decide to try something new.

Under the new arrangement, the failing school is contracted out to a local entrepreneur, and stringent performance targets and review procedures are instituted.

Most readers are probably assuming that this unusual maneuver took place in the United States, the home of unbridled capitalism. But in fact the school is in China!

Whatever its human rights record in other areas, China is in the vanguard of educational freedom. There are already a dozen such schools in Beijing, 20 in Shanghai, and others in various coastal cities.

I visited one of these schools, the only 'charter school' (as the Chinese call them) in the ancient city of Xi'an, famous for its Terra Cotta Warriors.

The school is in a very poor industrial area, suffocated by the thick black and yellow smoke belching out from the surrounding factories.

For those used to Western standards, the school still seems rather poor and crowded, with 50 children per classroom and only basic amenities. But to the pupils, staff and parents, the school is a big improvement over what had been there previously.

The former Middle School #69 had 300 students aged 11 to 14 and falling. The new school, Xin De School, has 1200 students and a waiting list. The school has been so successful that the owner has taken over a nearby high school and attracted 600 students to that too.

The new principal, Mr. Yang, explains that he would not have been able to transform the school without three important new freedoms. The first regards the teaching staff.

The contract with the local school board stipulates that he had to keep 50 of the existing teachers in the school. However, for the first time in his long career, he has the freedom to hire new staff.

He now employs 90 new teachers with contractual arrangements that stress educational commitment. Furthermore, he can dismiss a limited number of the old teachers if they are not performing adequately.

"In all the state schools I managed before," he tells me, "I couldn't do a thing about incompetent teachers. Now all staff have clearly-defined studies, regular inspections, and this percolates through to better teaching and disciplined and inspired pupils."

The second freedom concerns some flexibility within the national curriculum to establish pedagogy and a differentiated curriculum.

The third freedom is the ability to by-pass the educational bureaucracy. He can actually get a window repaired the day it is broken!

One of the most interesting features of the school's contractual arrangement is the extent of its privatization. In the case of Xin De School, for example, the 50 teachers from the old school will gradually transfer to the private sector.

Mr. Yang had to pay one-third of their salaries after one year, two-thirds after two years, and he will take on their complete salaries at the end of three years. He is also the employer of all the new teachers within the schools.

This gives him considerably more freedom and professional clout than the heavily-constrained contractors in the USA and UK where the employment of teachers is still in the

hands of the local school board and subject to detailed government regulations.

Another interesting twist concerns pupil fees. The contract specifies that the new school must provide free places for 450 pupils from the school's catchment area, receiving standard funding from the local bureau for them. Bear in mind that there were only 300 pupils in the school when Mr. Yang took over.

For any children above that standard number, the school can charge full fees. In fact, Mr. Yang accepts 800 children from the school zone free of charge to them, such is the demand for the school. All are admitted without academic selection.

The remaining 400 students, however, pay fees of about \$75 per term. High schools in China are not free in any case; so the school also earns about \$200 per term from the 600 students in the high school.

Given teacher salaries of about \$100 per month, I estimate that the combined schools make a modest surplus of about \$7500 per annum, most of which is currently invested back into the school.

Mr. Yang would like to expand his school and take on others, developing a chain of privatized schools that offer improved opportunities for children in poor areas. For this, he will have to wait and see whether his contract is renewed and also whether the People's Congress agrees.

He also has to cope with various restrictions the local Communist Party puts on him, including the placement of its representative in the school to keep an eye on things. Showing a keen sense of bureaucratic irony, it chose none other than the former principal of the school!

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