

OPPORTUNITIES FOR THE INTRODUCTION OF VOUCHER FINANCING IN UZBEKISTAN

Sharafutdinova Diyora Alisherovna

Researcher, Banking and Finance Academy of the Republic of Uzbekistan, Tashkent,
UZBEKISTAN.

diora.yunusova@mail.ru

ABSTRACT

The article reviews a methodology based on the principle of “voucher” financing the school education. It also considers specific aspects of the implementation of school education in the condition of pandemic. Suggestions and recommendations based on best practices have been developed.

Keywords: school education, distance learning, financing, human capital, voucher system.

INTRODUCTION

It is well-known that with the spread of the coronavirus pandemic, urgent measures had to be taken in the education system. In this respect, in Uzbekistan, the work on the distant implementation of the entire education system has begun.

Particularly, the Decree of the President of the Republic of Uzbekistan dated on March 19, 2020 No. DP-5969 “On priority measures to mitigate the negative impact on the economy of the coronavirus pandemic and global crisis events” was adopted. According to the document, a number of measures to support the economy were appointed. Notably, according to the decree, within the framework of projects funded by the Anti-crisis Fund, it is planned to provide funding for secondary schools and other social facilities in the amount of 800 billion soum.

In general, for the development of human capital in Uzbekistan, as well as the strengthening of its role in economic growth, it is necessary to develop the education system in all respects. Therefore, it is necessary not only to study the problems due to the national economy, but also to find ways to solve them. Perhaps, it is important to study the trends of countries with leading experience in this area and develop recommendations for their implementation in our country.

Consequently, the Decree of the President of the Republic of Uzbekistan No. DP-5712 “On approval of the Concept of development of the public education system of the Republic of Uzbekistan until 2030” was adopted. With the adoption of this document, it is planned to conduct a fundamental reform of the basic education system. The paragraphs of this document provide recommendations on overcoming the existing difficulties in financing the education system.

LITERATURE REVIEW

The development of distance education in Uzbekistan have started increasingly in the higher education system, as well as a number of measures have been taken. Particularly, in the higher education system, distance online education is carried out for students of a special correspondence department. It was noted that based on the Resolution of the President of the

Republic of Uzbekistan dated on August 9, 2017 No. RP-3183 “On the organization of special correspondence departments in pedagogical areas in higher educational institutions”, special correspondence departments were founded in 8 specialties in 15 universities [1].

One of the researchers D. Mamasoatov in his article reviewed the possibilities of developing online education in the higher education system. In this respect, he concluded the following[2]:

If a form of distance learning system is introduced in the republic:

- state budget funds will be saved;
- students are given self-study at any time (on -the -job training);
- to get an education for young people with disabilities;
- continuing education for female students with children;
- to support parents in raising their children in the family;
- most graduates will have the opportunity to obtain a higher education.
- the idea of “lifelong learning” will be put into practice;
- an effective use of information technology facilities, Internet technologies, as well as existing video conferencing rooms will be achieved in the educational process.

Due to lack of study of distance learning in school education and the development of the offline learning process in the field, this problem has become even more urgent in a pandemic.

The relevance of this topic can be defined by the following circumstances:

- the complexity of organizing distance learning for primary school students;
- the need for further development of the material and technical base of school education;
- the need for distance learning should be based on exact legal bases.

From this point of view, this situation is explained by the fact that a fundamental change in the method of financing is to be considered. According to it, the following situation is provided: “In order to improve the financing mechanism of educational institutions, a phased transition to a financing system based on the principle of “funds after pupil” (voucher system) based on standards of basic spending per student is being carried out. At the same time, it is necessary to take into account the level of socio-economic development of each region”. With the introduction of this method, the principle of targeting budgetary funds will become more clear. As it is discussed in the previous parts of our research, the further improvement of the financing method is required based on the rate of expenditure per student.

In addition, according to the statement of the Ministry of public education of the Republic of Uzbekistan, since 2019 this method should have been tested in a number of educational institutions. In particular, it was noted that “from January 2019, five schools of the Mirzo-Ulugbek district (Tashkent city) will be tested the system of voucher funding for schools depending on the number of pupils [3]”.

Consequently, we try to study the experience of countries that have introduced the ratio of basic expenditures for pupils and apply other financing methods. the ratio of basic expenditures per pupil is calculated in accordance with the result-oriented budgeting method, and in many respects has the same features.

Russian scientist E. Nikitina [4], describes systematic approaches of several financing methods. For example, results-based budgeting means planning and managing finances based

on specific performance results. A balanced scorecard system is a system that allows making managerial decisions by quantitative assessment to achieve the determined goals. It is emphasized that the economic mechanism of planning and expenditure management should consist of a set of methods that affect the process of planning and expenditure management.

Table 1. The mechanism of financing the general education system and the essence of the objectives

Aim	Objective	Mechanism	Result
Ensuring the constitutional right of citizens to get free general education	Implementation of general education programs Creation of conditions for the implementation of educational programs	Base financing per pupil	Full funding for educational standards
Ensuring the development of educational services in comply with the Constitution	Upgrading of facilities Encouragement of institutions and teachers Program "Children of Russia"	grants Distribution of funds by rating Target programs	Full financing of the area of activity Full funding of achievements Full program financing

E. Nikitina also analyzes the differences and similarities between the mechanisms and objectives of financing the general education system, as well as defining them. As she considers, the student will be offered a ratio of base financing, grants, material incentives and targeted programs. It should be noted that at financing educational institutions, a special attention is paid to the existence of special significance of each mechanism and its role in ensuring definite results (see Table 1).

We consider, that the study of foreign experience should serve to overcome the following problems due to financing the existing school system in Uzbekistan:

- to eliminate the "lack of chairs" in schools due to overcrowding of pupils;
- to create opportunities for the low-income people to study in private schools;
- to achieve ensuring that budget funds allocated to regional general education schools should be provided to pupils as a result of migration;
- to create conditions for healthy competition between public and private schools.

In the research conducted by N. Jilina, attention was paid to the interrelated aspects of the estimated and basic expenditure ratios of financing the education system. In the given findings, it can be seen a comparative analysis of the methods of planning and financing the expenditures of the education system [5] (see Table 2).

Table 2. Methods of budget planning and expenditure financing for education

Indicator	Methods of planning and financing from the budget	
	Based on estimates	Based on the basic ratio
Description of the structure of budgetary obligations	Budget financing of educational institutions	Payment of educational services from the budget by educational institutions
Determining the size parameters of admission and education participants at the expense of budgetary funds	The main budget distributor sets the criteria for the distribution of funds in the context of areas and programs	Execution of government objectives by the main budget distributor for the provision of educational services
Determining the amount of funds allocated from the budget to general education institutions	The amount of allocations is determined on the basis of the performance indicators of a general educational institution, including: quota, number of structure of teachers, buildings, etc.	Budget funds are determined by multiplying the ratio of basic expenditures to the number of students in educational institution.
Allocation of budget funds	It is carried out by a general educational institution on the basis of criteria established by the main distributor within the budget funds	It is carried out independently by an educational institution

As it is noted in the conclusions of N. Jilin, due to the basic ratio, financing is characterized by the following aspects: firstly, budgetary funds finance the activities of the educational institution, but also services-performance indicators, secondly, the educational institution independently determines the expenditures plan, as well as it can make amendments.

We believe that in order to effectively realize the opportunities of schools for the development of financial management in financing educational institutions, the government should establish upper and lower limits of financial criteria. In its turn, it contributes to ensure budget funds to be results-oriented.

Analysis of foreign experience and the possibility of implementation

Overall, it is natural to pay attention to the trends of European countries when considering best practices in financing general education institutions. Financing the general education institutions through voucher method began in the Great Britain in 1981. The main goal of implementation this program was to support for the low-income people. The introduction of this reform is due to the activities of M. Thatcher, who came to power in 1979.

It may be noted that in accordance with the law adopted in 1944, all children aged 5 to 16 years are required to attend school. During this period, pupils will need to obtain a certificate of completion of general secondary education so that they can continue their studies at colleges, as well as higher educational institutions. Since 2015, it was decided to extend the

school period for 2 years, because of which those who wish to study in higher educational institutions of England became obligatory to attend school during this period. However, 2/3 of young people will continue their education in vocational-oriented colleges. The rest are enrolled in higher education.

In its turn, general education in the Great Britain is divided into 4 stages, the criteria of which are the age of the pupils. It should be noted that they are 5-7 years old, 7-11 years old, 11-14 years old and 14-16 years old.

Table 3. The trend of regulatory financing per pupil in the Great Britain, in percent

Real funding pressure	Primary education	Secondary education	Total
0-2 percent	0	0	0
2-4 percent	0	12	2
4-6 percent	30	16	27
6-8 percent	20	19	20
8-11 percent	31	31	31

In the Great Britain, the share of basic expenditures per pupil in the volume of total expenses in financing the general education is 72.5 percent of the total volume [6]. It should be pointed out that there are also types of expenditures that are not determined by the proportion with the pupil. According to the researches by the Institute for educational policy of the Great Britain, you can see that schools face with different levels of financial pressure. In fact, if the volume of expenses per pupil is reduced, in this case, a downward trend in financial pressure in schools will not be observed (see Table 3).

Taking into consideration the conclusions of this trend, it is noted that funding for 2019-2020 will be lower than in 2015. In particular, the reduction in school funding by 80 percent, as well as the fact that the inflation rate in 2009 was 5 percent by 2015, which affected the reduction in total school funding by 8 percent [7].

Based on the study, the experience of the Great Britain demonstrates the features of the financial mechanism appropriate for the pupil. In particular, low-income families are offered opportunities for their children to study in private schools. Along with this, it serves as an important factor in solving the problem of school capacity. In addition, coverage of situations related to population migration is considered a priority.

In 2003-2007, reforms to improve school education were carried out in Canada. At the same time, the main attention was paid to measures aimed at improving performance. These reforms were introduced by the government. In these reforms, the following principles of the program for reforming school education of M. Fullan were formulated [8]:

- the presumption of enrollment in education for all children, without exception;
- limitation of priorities;
- the ability of leaders to make based decisions;
- use of collective opportunities;
- development of a strict strategy;
- accountability;
- large-scale implementation.

Because of the conducted reforms, within 3 years, the literacy rate increased from 33 percent to 82 percent.

One of the largest economies in the world is considered the country of China. According to PISA-2009 reports, it is worth to note that the country has successfully reformed school education. Furthermore, an attention was focused on inefficient schools and support was provided by creating appropriate conditions. As a result, China was able to achieve results.

In general, over the past 20 years, over the period of reforms, these changes have yielded significant results. According to the developed strategy, schools were divided into four groups. This are A, B, C, D, and A - means that the school has all the indicators of educational standards, while the D-group shows that the schools do not have any infrastructure at all and the ability to ensure the quality of education is low. It should be noted that, due to reforms, nowadays, 2/3 of the schools belong to the group of institutions of type A and B. During the implementation of these reforms, the focus was on the following six strategies:

As a result of updating the facilities in compliance with the standards, one third of the schools were reconstructed.

1. To pay attention to positive “discrimination” in mobilizing public funds. Sending excess funds to problem areas.
2. Teachers rotation. Attention was paid to this aspect as a result of maintaining high teacher turnover in rural areas.
3. Cooperation strategy. Notably, relations between rural and urban schools from the point of view of pedagogical activity were strengthened.
4. Attracting the leadership and teachers of high-performing schools to low-performing schools by way of the “Invite administration” strategy.
5. Organization of a consortium of schools. It is planned to combine several low-performing schools into one high-performing school and take partnership to a new level.

CONCLUSION

Based on the research review and findings, the following conclusions were drawn:

1. In financing general education institutions, countries introduce a method of financing based on the ratio of basic expenditures per pupil, in order to reduce pressure on public schools, as well as to create opportunities for low-income people to use private school education services;
2. In estimated financing, it leads to the management centralization not only financially, but also in terms of training methods. As a result, the possibilities of self-introduction of new pedagogical technologies in schools are reduced. In turn, it creates the need to develop financial management in schools;
3. There is an opportunity to develop the financial independence of schools at the expense of using financing method based on the ratio of expenditures appropriate per pupil. As a result, conditions for making independent pedagogical decisions in schools are created;
4. Economically developed or rapidly developing countries focus on countries with low indicators in reforming the general education system. It allows to maintain a certain range of schools, and secondly, it reduces the financial burden on the budget;

5. Particular attention is paid to the implementation of the principle of presumption of the pupil in order to make the services of the general education system accessible and equal for all.

Based on the research and conclusions of the above experiments, we consider it appropriate to pay attention to the following in the conditions of Uzbekistan:

A. In reforming general education, it is important to divide them into groups and develop a system of measures within groups. Particularly, the formation of a list of schools in need of development and improvement based on international standards;

B. Implementation of a voucher financing system based on the principle of the presumption of the pupil at introducing the methodology of basic financing per pupil in Uzbekistan. After the introduction of this system, it will be possible to reduce the pressure of pupils on schools:

a) Firstly, by the means of a voucher system, children from low-income families will be able to study in private schools. That is, the budget funds allocated per pupil by the state will be reflected in the voucher, as well as if the pupil wishes to continue his education in this sector he can transfer these funds to a private school;

b) Secondly, in the process of significant population growth, covering all pupils, it reduces financing burden on additional buildings and other infrastructure for schools from the budget. The reason is that the pupil will be able to cover the cost of private sector education through a public voucher. Along with this, it will create conditions for the full functioning of the state institution of social protection.

c) Thirdly, the problem of “lack of chairs” in public schools will be eliminated.

In conclusion, we can say that ensuring the effectiveness of financing the general education system in our country makes an urgent importance of the rational use of best practices.

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