

**ARTICLE**

# Education Voucher Scheme in India: Would Lead to School Choice and Universal Education?

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ABSTRACT

To remove obstacles in the path of 'Education for All', the government of India launched several programs, Sarva Shiksha Abhiyan (SSA) being one of them. Despite several attempts, the government has failed to be successful in providing education to all students and the impact of such schemes has not been very good at the ground level. In India, children are not absent from school owing to a lack of demand; rather, low quality of government education delivery is a major cause for their absence. There is a need to redefine the Indian education system or policy to a new level as government schools are unable to fulfil the growing demand for high-quality education. Direct government funding to children or parents rather than schools can provide parents or children with the ability to select the school of their choice, whether it is a government or private school. This may be accomplished through the education voucher scheme. Governments do not need to spend any additional public funds on vouchers to implement this approach. The education voucher scheme deserves an effort among the several approaches that are being pursued to improve school education.

## 1. Introduction

Education is the bedrock of any person on earth. It is being observed that education is necessary not only for humans but also for the success of the whole nation. Education to all is one of the major concerns of the government. To remove obstacles in the path of 'Education for All', the government launched several programs, Sarva Shiksha Abhiyan (SSA) being one of them. The government intends to provide universalise elementary education through community ownership of the school system under the SSA scheme. The SSA also strives to provide opportunities for all children to improve human abilities (SSA, 2000). Despite many efforts, the

government has not yet been able to provide education for all. To ensure 100 percent accessibility of education, the government has enacted the 'Right to Education' bill (RTE, 2009) but systemic changes are needed for grassroots impact. More than 90 percent of the country's population is able to reach the primary school which is located within a kilometer radius, but the conditions of our government schools are deplorable and not conducive to learning (Singh, 2010).

Every nation has its unique education system in some way and each country tries to fix its problems in its own way. Not only India but also the whole world is facing the problem of the poor performance of government schools. Most people are unhappy with the performance

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of government schools in their countries. The United States spends the highest amount per student in the world, yet after the economy, education is the second major issue of the people in the US (Shah, 2009).

The government of India is running various programs to improve quality education and enrollment rate, but still, the impact of all the schemes has not been very good at the ground level. Some recent surveys and data reveal that there is a big difference between our aspirations and actual achievements. In this process, the two-tier system of school education is working in our society. Those parents who can pay high fees, send their children to private schools and those parents who cannot afford, send their children to government schools. Our current approach to education creates a wide gap in equal schooling opportunities for all (Shah, 2009). It is necessary to restructure education policies and redefine the roles of education stakeholders (government, schools and families) in the delivery of education because the educational demands of society have not yet been met by a centrally managed education monopoly (Weidrich, 2003).

A study of United Nations Educational, Scientific and Cultural Organisation (UNESCO) stated that the Indian literacy rate is one of the lowest literacy rates in Asia, while India spends around four percent of the gross domestic product (GDP) on education which is also higher than the Asian average of 3.6 percent (Singh, 2010). The problem is not in the budget but in its inefficient implementation and corruption. One of the main reasons for the poor effectiveness of government spending on school has been the government's inability to provide targeted assistance to needy students in India. The government is funding schools in place of children's funding. There is a requirement for appropriate changes in the policy framework, without which an increase in public expenditure of six percent of GDP will not help in correcting the current state of poor education and reducing illiteracy (Singh, 2010).

One thing that has been common in many reforms is the empowerment of parents and it gives them more voice in the system. There is also a reform required in the education system which makes schools accountable to education authorities as well as parents (Shah, 2009). Provision of direct government funds to children or parents instead of schools can provide parents or children power to choose the school they prefer, whether it is a government, private or non-government organisation school. This can be done through the education voucher scheme, which transfers purchasing power to needy students instead of schools. We can also say that aid goes to providers who prove themselves better than others

through competition but only through parents/ children and not directly. Public expenditure would be more effective in increasing both quality and accessibility if it was to produce competition, choice and enhanced quality through the demand side. It provides additional purchasing power to parents, to compete for funds flowing into the system of all schools through additional educational expenses by parents (Singh, 2010).

Quality education increases the demand for different quality schools. Different quality schools increase the demand for educational choice. The voucher scheme emerged based on the demand for quality education to all. Many researchers suggest that the voucher scheme can be one of the major schemes which can help to improve quality education, school choice and provide equal opportunities for education to poor students (Gomathi and Sudhakar, 2014).

## 2. Educational Voucher System

### a) *Origin of Educational Voucher Scheme*

The idea of voucher education was given by 'Milton Friedman' in '1955' (Friedman, 1995). It was given with the idea that it would be able to improve educational outcomes (Friedman, 1955).. He described the education vouchers as a tax-funded certificate (Singh, 2010). Economist Milton Friedman conceptualized the Modern Education Voucher Program in 1962 for government support of education to encourage the development of a stable and democratic society (Dixon et al., 2019). The voucher empowers parents to pay for schooling and to choose schools for their children.

Friedman (1995) said that "*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.*"

Since then, the debate has been started the use of vouchers to improve choice, efficiency, and equity. Usually, all or most of the school's tuition fees are paid by education vouchers. Through the education vouchers, parents are free to spend the liquidity embodied in government schools as well as private schools. Education voucher involves

all schools in the competition, whether government or private. This forces schools to improve their quality to attract students (Singh, 2010). School performance will depend upon the students' success and able to redeem many vouchers. Schools will have to improve or close under the performance (Weidrich, 2003).

### **b) Basic Objectives or Principles of Educational Voucher Scheme**

The main objective of the education voucher is to increase the opportunity for parents to choose the school for their child's education. Education vouchers specifically focus on low-income families, minority groups, and deprived section of the society so that they can access private schools. Education vouchers create competition among every eligible school, and it will increase the quality education.

West (1997) suggested that the educational voucher system relies on four principles: "*consumer choice, personal advancement, school competition, and promoting equity in an already unequal system*".

First, 'Consumer choice' describes the parental choice through parental authority. Parents are the decision-makers for their child's school selection and try to choose the best school for the child to provide quality education (Weidrich, 2003 and Gomathi & Sudhakar, 2014). Second, 'Personal advancement' suggests that human wants to shape their own life through this. It provides an opportunity to choose and therefore promotes interest, participation, and dedication to decision making (Weidrich, 2003). Third, 'School competition' argues that the purpose of the voucher scheme is to challenge government schools to compete with each other and also with private schools. This occurs through quality enhancement, cost reduction and the beginning of innovation as it depends on the parental school choice decision (Weidrich, 2003). Fourth, 'Promoting equity or Equality of opportunity' aims to increase the opportunity to access private schools for low-income families and/or minority groups. Voucher scheme provides the opportunity for students to get the education in private schools so the student from low-income families can also go along with the mainstream in the society. The education voucher system is a way in which low-income parents can move forward for better education of their children and can also get equal educational opportunities in their society (Weidrich, 2003 and Gomathi & Sudhakar, 2014).

### **c) Models of Educational Voucher Scheme**

There are various models of education voucher

schemes. Here we discuss the voucher model of Friedman and Jenk –

*"Friedman's (1962) proposal advocates freedom of choice for both parents and schools, i.e. parents should be given freedom to spend vouchers allocated to them on any school and schools should be free to choose their intake and organisation."* Topping of vouchers by parents, even if they do not fully cover school fees, is still permitted under this model. This model also said that the value of each voucher is decided according to the average cost of schooling or a proportion of this average cost (Singh, 2010).

On the other hand, Jenk's (1970) proposed a liberal view and more concern about equity. He said that "*while topping up should be allowed, the value of vouchers allocated to parents should be dependent on income - lower income households should get larger vouchers, implying that schools catering to a larger extent to financially disadvantaged children would receive extra resources.*"

### **d) Design of Educational Voucher Scheme**

Levin (2002) suggested three categories of building voucher design decisions that can be taken to systematically evaluate any voucher program: (a) finance, (b) regulation, and (c) support services. It included freedom of choice, productive efficiency, equity, and social cohesion. Finance suggests that the overall value of the voucher, whether it is allocated equally or differently and whether the schools can require co-payment from parents, other than vouchers. The regulation suggests that the government regulates program participation by eligible families and voucher-accepting private schools. Support services refer to funding for school transportation and mechanisms for the provision of information to parents about school programs, effectiveness, philosophy, and practice.

### **e) Types of Educational Voucher Scheme**

In a broader way, education vouchers provide funds to parents by the government rather than the school chosen by the parents. The education voucher covers the most or all of the tuition fees and it is tax-funded. The Foundation, Trust or philanthropists also sponsored education vouchers which we called private suppliers of vouchers (Weidrich, 2003).

Education voucher systems are flexible, and it depends on the particular problems of a country, region or state. Three types of education voucher system are working in society –

First, 'Tax-funded' voucher systems are found

fundamentally where education is mandatory up to the school-leaving level. Parents are allowed to choose among the alternative of compulsory service. We also can say that parents can choose any eligible school. Second, 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*" (Weidrich, 2003). Third, the 'Universal' voucher system, the government provides vouchers representing a certain amount to all individuals in a certain age group (Weidrich, 2003).

### 3. Globally Experiences of the Educational Voucher Scheme

The education voucher scheme is in vogue not only in principles but also on the ground level. There are various countries that are running voucher schemes such as the US (Milwaukee, Wisconsin, Cleveland, Vermont and Ohio), UK, Spain, Colombia, Chile, Sweden, Netherlands, New Zealand, Poland, Czech Republic, Bangladesh, etc. Here we are focusing on the voucher scheme of different countries.

#### **Bangladesh**

Bangladesh's Female Secondary School Assistance Project (FSSAP) is not a specific example of an education voucher, but it can be the basis of a voucher scheme. The main objective of the FSSAP project is to encourage an increase in enrollment of girls in secondary schools (Liang, 1996). The first component of the project was to provide stipend to the girls. Grade 6 girls received US \$ 12 and Grade 10 girls received US\$36 as a stipend, who enrolled in secondary schools in 118 targeted districts. The stipend addressed the direct cost of education and personal expenses (school fees, tuition, transport, books, stationery and uniforms). It covered the 30-54 percent of direct school expenses and paid directly to the account of each girl, in a nearby commercial bank. In addition, FSSAP paid tuition fees directly to the schools where the girls were enrolled (Weidrich, 2003).

The project was surely called successful because it had a positive effect on enrolment, attendance, drop-out rates and (partly) on student's performance (Weidrich, 2003).

#### **Chile**

After the introduction of the voucher scheme in 1980, the number of students in private schools was increased. The voucher program was funded by the government and applicable to all school-going children (public and private

schools). Both public and private vouchered schools were treated equally by the system. In the beginning, the government did not allow schools to charge any additional tuition fees but due to the rise in inflation and no modification in the value of vouchers, the government allowed private voucher schools to charge tuition fees from parents. On the other hand, public schools did not charge any additional tuition fees. It was found that private schools got higher academic achievement than public schools in the middle-class area but it was the opposite in low-income areas. This increased competition among private schools and improved overall achievement at the district level despite higher disparities (Singh, 2010).

#### **Colombia**

The voucher program was initiated in 1992 and by 1994 the education voucher program was implemented in 1,789 schools, serving 90,807 low-income students in Colombia. It was targeted those children from low-income families who have completed their middle schooling but did not get admission to public secondary schools. Students entering the sixth grade were given vouchers worth approximately \$ 143. Primarily, it was introduced to solve the problem of shortage of places in public secondary schools in Colombia, where 40 percent of the secondary schools were privately owned. The government and municipalities financed the vouchers on 80:20 sharing and municipalities conducted the program. As intended, Vouchers help poor students access to private schools; together, vouchers benefit to reducing overcrowding in public secondary schools. Elite private schools did not participate in the program. After the introduction of vouchers, the number of commercially oriented schools increased and enrollment in secondary schools also increased and overall academic achievement also improved (Weidrich, 2003 and Singh, 2010).

#### **Sweden**

The Swedish legislature granted the power to parents, municipalities, and independent schools from the central government in 1991. For the first time, parents were free to send their children any government school within their municipality or to an independent school. Independent schools got 85% cost of educating a student in municipal schools. In 1994, the school choice and benefit of the voucher already became evident. This was realized not only by the student but also by those who were in the education system. The first independent school was started in a low-income immigrant suburb of Stockholm. It was

focused on the individual student responsibility, familial involvement, and efficient use of technology. It had over 2000 students in 240 places. In 1997, the voucher amount was increased to 100 percent of the per-pupil of the Municipal School funding (Weidrich, 2003).

The Sweden voucher system was a major step towards decentralization, but still, all schools were regulated by the central government.

### **United Kingdom (UK)**

An education voucher scheme was established in 1981. In England and Wales, the voucher scheme differed from other countries, it covered only public schools and provided the opportunity to poor but able students. The voucher scheme had little effect on competition between public and private schools due to the non-inclusion of private schools thus public schools did not have the motivation to improve their quality of education. Research also shows that after the introduction of the voucher scheme, factors other than education were also responsible for improving educational achievement (Singh, 2010).

As of 1995 in England, around 29800 students in 294 specified independent schools were using the voucher scheme. Around 5000 new students aged eleven or thirteen entered the voucher program every year. The voucher principle also extended in higher education colleges which reestablished as autonomous institutions independent of the local governments. In 1995, the Department of Education announced that its objective was to provide free quality education for all four-year-old students in private schools as well as public schools and nursery education. Under the scheme, low-income parents could receive assistance with educational fees for any eligible independent school. Under the scheme now a days, low-income parents can get assistance with tuition fees for any eligible independent school (Weidrich, 2003).

### **USA (Cleveland, Milwaukee and Vermont)**

#### **Cleveland**

Cleveland Scholarship programme was the first publicly funded American voucher programme. It included both secular and parochial (also called local & rural) schools. The voucher provided up to 90% of student tuition fees (maximum US\$2,250). It was equivalent of just over a third of the cost of a school going child to Cleveland government schools. The Cleveland plan was based on students' academic tests and interviews with parents of low-income families. There were two main reasons for parents apply for an education 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)'* (Weidrich, 2003).

#### **Milwaukee**

The Milwaukee Parental Choice Program (MPCP) was privately sponsored in 1990, the voucher program was started in six private schools for 300 students. At that time, there was some restriction on the voucher scheme, in which the number of voucher students was 49 percent of the total strength and the selection was based on the lottery method. Voucher scheme can be used in private schools and it chooses recipients from low-income applicants. It did not charge any additional tuition fees from the students (Singh, 2010). The cost of the voucher was less than half the cost of a child going to a government school. The Milwaukee voucher programme is one of the most powerful examples of a successful voucher system for the poor (Weidrich, 2003).

#### **Vermont**

Vermont had an experience of Colombia, where voucher systems were introduced to reduce the problem of shortage of places in public secondary schools. About 95% of the state's 246 communities had no public secondary schools in Vermont. Parents in these communities preferred to send their children to private high schools or public high schools in other cities to give tuition. The scheme was established to provide communities with access to high school education to students without the expense of building their own public schools. The Vermont voucher experience indicated that cities, parents, and private schools could work creatively together (Weidrich, 2003).

Globally experiences embark to suggest that direct support to children can benefit them in terms of quality and emphasis public schools to improve their quality. Through the voucher scheme, children can be offered the choice between government and private schools. Private schools in rural areas may be encouraged to open after the expansion of the voucher scheme (Singh, 2010).

## **4. Education Voucher Initiatives in India**

#### **PAHAL in Uttarakhand**

The scheme was launched in Dehra Dun City in 2007. It was an innovative PPP (Public-Private Partnership) program that offered education vouchers for children aged 6-14 years. Programme included those children who are rag-pickers, scavengers, snake-charmers, or orphans. The eligibility criteria are that children have never enrolled or

have been a drop out for at least one year and there is no government school / EGS center (Education Guarantee Scheme) within one kilometer of residence. Based on its progress, the program was extended to Nainital and Udhampur Singh Nagar after one year with a total of 651 students (Shah, 2009).

### ***Delhi Voucher Project***

The Center for Civil Society (CCS) launched an education voucher programme in 2007. It was a privately funded programme. The worth of CCS vouchers was up to Rs. 3600 per year and it provided vouchers to 408 students in 68 wards of Delhi. More than 50 school choice activists reached out to more than 12 lakh parents in these 68 wards. All those students who were studying in class 5 or below in government schools were eligible for the voucher program. More than 1.2 lakh parents applied for voucher programme. CCS applied lottery methods in each ward. For the selection of students, the local ward councilor picked the 12 students- 6 for the first list and 6 for a buffer list. More than 2.5 lakh parents who could not win the CCS voucher lottery submitted a petition to their respective ward councilor demanding school vouchers from the government (Shah, 2009)

### ***Gyanodaya Yojana, Rajasthan***

The main objective of the scheme is to provide the facility of opening new schools from class 6th to 12th under public-private partnerships on the basis of the BOO (Build, Operate and Own) scheme. In the first phase, the scheme will establish a maximum of five schools in each district and fifty percent of the seats would be sponsored by the state government through the school voucher in these schools. Yojana provides the preferences to girls and underprivileged children and it also has inbuilt monitoring and evaluation mechanisms (Shah, 2009).

### ***Shikshak Ka Apna Vidyalaya, Rajasthan***

Special attention has been given to the role of trained unemployed teachers under this scheme. It aims to increase the reach and quality of primary schools by enabling these teachers to adopt government-run one-teacher primary schools in rural and backward areas of the state or to open new schools in public-private partnership (PPP). With government-sponsored vouchers, all children in an area of 3 km can attend these schools. These students will make up 50% of the school strength and while the remaining students will pay their school fees (Shah, 2009).

### ***The Rumi Education Foundation***

The programme was running by the Rumi education foundation also known as Rumi Bright Futures (RBF) Voucher Programme. The organisation is based on Hyderabad. The organisation has been running education vouchers for school dropouts since 2009. The organisation includes students who have dropped out of school for not less than one year and more than two years. The organisation does not support leaving existing schools to avail the scheme to existing students. The basis of the selection is eligibility test those who have performed well in the exam then they avail the benefit of the voucher and continue to their study (Gomathi and Sudhakar, 2014).

RBF has covered 151 students under the scheme. There have been 110 families who have participated in this programme, which have more than one child, who have got the benefit of education vouchers. There were 18 schools in REF vouchers that provided education for dropout children. Education Voucher was valid till class 10<sup>th</sup>. All schools were located far from each other. Education vouchers and school choice were a new concept for the parents in Hyderabad. REF created awareness for the voucher scheme among the community through various sources like; door-to-door canvassing, through print media (leaflet), word of mouth through schools, teachers and parents. Schools' managers played a vital role in the awareness of voucher schemes (Gomathi and Sudhakar, 2014).

Almost 50% of parents have considered the REF voucher as a kind of scholarship and financial support for child education. Parents did not experience the other benefit of the voucher system which was school choice. REF could not spread the voucher information to the target population. When we focus on other countries such as Milwaukee, Colombia and Chile, education voucher encourages school choice and also help in financing child education. The REF voucher could not be able to provide information to the community about school choice, but it encouraged parents to educate their children (Gomathi and Sudhakar, 2014).

### ***The ENABLE School Voucher Programme***

'Absolute Return for Kids (ARK)', a London-based charity organization, formed a think tank in collaboration with the Center for Civil Society (CCS) in Delhi, India, to implement a school voucher program- Ensure Access to Better Learning Experiences (ENABLE) in 2011. It was concentrated within a 20 square kilometer radius of Shahdara known as a highly urbanized slum area, situated in East Delhi on the banks of river Yamuna. It

was focused on underprivileged children between the ages of five to seven years living in families with an income below 8000/per month as per below the poverty line (BPL). The program considers students who had not previously attended schools or were currently enrolled in a government school. 1618 children applied for the voucher program and 835 children were selected through the lottery, with the remaining 783 children being served as experimental groups. Organisation provided four vouchers to lottery winners- tuition costs, books funding, uniforms, and meals. Tuition costs are covered by a yearly voucher of Rs. 4800, books covered Rs. 900 voucher, school uniform covered Rs. 600 vouchers, and meals covered Rs. 1000 voucher. The total cost of the combined annual voucher was Rs.7300 which was to be provided on an annual basis for five years. The organisation provided the certificate, parent handbook, and school preference forms to lottery voucher winners. It provided the list of 110 private unaided schools for parental preference that had signed a Memorandum of Understanding (MOU) with ARK. Handbook helped parents to make an informed decision (School choice, 2007). It provided information about the facilities offered by the participating schools in their area and guidance on what families should do after receiving their vouchers. Organisation used traditional and cultural communication activities to deliver key messages about the programme. The organization consisted of banners, posters, field offices, leaflet drummers, puppet shows, and community members who explained the program, also used cycle rickshaws equipped with public address systems, toured the local areas to encourage participation and community engagement (Dixon et al., 2019).

## 5. Potential Voucher Model for Country

As Friedman stated, vouchers must be universal, this means that all parents should be given the opportunity to choose schools independently for their children. Second, the voucher amount should be sufficient to cover students' high-quality education.

### Policy Design of Voucher Programs

The design of the voucher programme depends to some extent on how policymakers value the different endorsed voucher results.

First, policymakers should ensure that voucher schools will be 'academically and economically impressive' and that a sufficient number of autonomous schools will be available. Second, policymakers should ensure that autonomous schools will provide the opportunity to

'low-income and special needs students'. Third, there is also a possibility in the policy that the 'systemic impact' on students without vouchers will be positive. Fourth, policymakers must set up communication between schools and ensure that voucher schools will actually 'socialise their students' to become responsible citizens of India's democracy (Weidrich, 2003).

### Voucher Distribution Parameters

A voucher can be given- to low-income families students of all groups, to the random selection of large group through lottery method, to under-achieving students of a small and specific group such as dropout children, migrant children, out of- school children, street children, girl children (on the basis of gender primarily for girls,), ST/SC/OBC, differently-abled children (to provide special need children), orphans, children from economically backward families, children of refugees, migrating tribes, prisoners, those living in peri-urban areas (e.g., resettlement colonies), on the basis of caste, class or regional disparities, to students of minority groups which primarily means Muslims, and to provide the students of 'specific areas' (Shah, 2009 and Weidrich, 2003).

To qualify for a voucher, applicants must enter the Indian primary school cycle, and age should not be less than six years, which is when compulsory education starts in India. The voucher must be given both public and private schools and within private schools, both non-profit and for-profit schools must participate. Each municipality will decide how many vouchers to fund, subject to a maximum allocated to the areas by the central government (Weidrich, 2003).

### Voucher Amount

The voucher amount could be given on the basis of family income, there should be also a special focus on the female children within each group or also could be given a separate voucher programme to support them. The voucher amount can also be given by the government on the basis of the amount spent per student (Weidrich, 2003). Voucher amounts can be also given through different pattern percentages, dividing the total amount e.g. 70% pay by the government, and 30% pay by the parents.

## 6. Country Would Gain to Apply Voucher Scheme

In the present scenario, the Government of India provides funds to schools, higher institutions, colleges and universities to improve the quality of education, but much evidence shows that private schools, institutions, colleges and universities are more efficient as compared

to government schools. For the improvement of 'quality education', 'education for all', the government of India must apply the education voucher scheme. If the government would implement it then there are some factors that will help us to improve the condition of our current education system.

### **School Accountable**

Education voucher is an instrument to change the finances of governments, especially the education of the poor. This is a coupon offered by the government. The government pays the full or partial cost of schooling that a student chooses to study. Education vouchers provide the opportunity for poor parents to choose schools for the education of their children (Shah, 2009).

In the current education system, schools are accountable to the government but in the voucher system, schools are accountable to students and parents because they pay for their education through vouchers. In the current education system, 'money follows schools' but in the voucher system, 'money follows students'. In this way, the schools collect the vouchers from the students and deposit them to the government and the government sends the same amount of the vouchers to the school account. So, the route only changes, money remains in the same hand and vouchers go from students to schools and schools to the government (Shah, 2009).

### **Educational Gap**

In the present scenario, rich parents have the power of educational choice who can easily select private schooling. On the other hand, rural and urban poor students get trapped in government school buildings and neither have the power to choose schools nor are they able to get quality education (Weidrich, 2003). When we focus on the education voucher programme, it provides the opportunity to low income or other at-risk students. Eligibility depends on the student's family income and performance of the student or local public school. In this way, it would be increased the range of educational choices of low-income families and reduces the educational gap (Weidrich, 2003).

### **Status Quo**

When we focus on socio-economic factors, private schools lead to qualitatively higher output in verbal, mathematical and cognitive abilities. Private schools have a high degree of accountability because they operate according to market mechanisms but on the other hand, the level of accountability in government schools is very

low (Weidrich, 2003).

Children in India are not out of school due to lack of demand, poor quality of government education delivery is an important reason for their absence from school. One objective of education voucher is to improve the quality of education without increasing the cost. Schools can also be made accountable through rewards and punished by allocating funds according to the performance of the school. It will provide the information to parents so they can optimise their school choice. The purpose of the voucher is to provide families with maximum choice within a decentralised and competitive system of schools and directly support students or their parents rather than institutions (Weidrich, 2003).

## **7. Discussion**

The experience of the Columbia, Vermont and USA voucher scheme suggests that it would be very appropriate to implement in India. Communities with small and geographically distant could provide vouchers to their students to attend either private schools or public schools in another town. As we saw in Cleveland and the USA, voucher schemes are able to increase parental satisfaction with schools and provide a healthier environment to students of different social and economic backgrounds than the current system of public schools (Weidrich, 2003). The experience of Milwaukee looks very useful for India because we are also facing the problem of high drop-out rates, disgraceful test scores and an unbearable disparity in educational opportunity between low-income and middle-income families. Several surveys and research suggest that the voucher program promotes diversity and provides opportunities, especially for poor children (Weidrich, 2003). Our country can take the idea of a Swedish voucher program that provides greater freedom from school administrators and ensures greater parental involvement. The Chilean voucher example shows us that public schools will also be able to compete with private schools when the government puts extra effort into improving curriculum, teaching quality, and managing education (Weidrich, 2003).

There is a need to innovate our education system which could be useful to increase maximum access to education to the people. In this way, the government should allow the PPP model (public-private partnership model) to start working with the education system, therefore the government should involve private and charity or non-profit organizations to work with the education system (Makwana, 2011). The introduction of education vouchers would provide a place for charitable and non-profit organizations to work for education to

all with better quality education for the poor. CCS, a voluntary organization in New Delhi, outlined some of the benefits of the education voucher scheme and said that the education voucher scheme provides many advantages to parents, students, and academic achievement. First, students will have the power to select schools. Second, poor students will be able to get admission in private schools and the private school could not deny. Third, the government would be able to provide direct benefits to students rather than indirectly funding and managing schools (CCS, 1997).

Education vouchers are entitled to an effort among many ideas, which are being done to improve school education. Numerous empirical and theoretical evidence suggests that education vouchers can be a weapon to improve the choice of the poor, able to put real pressure on state schools to perform and to create a system that will encourage to improve its quality education over time. The voucher could be used as a reward for better performance of the government schools. If government schools can be able to attract voucher students, who can choose private schools so the voucher amount could be given to the schools as an incentive. School vouchers can be consumed to confer a chance for principals/teachers to compete with the best in the industry. Through education or school vouchers, these principals/teachers can choose the option for greater managerial and financial autonomy with 100 percent funding. In this way, the government would provide an opportunity for a city or state can decide that all government schools would be funded through vouchers. The government would decide the voucher amount per student and the school would get money based on the number of students attracted and maintained (Shah, 2009).

After the introduction of education vouchers, the revenue of the schools will depend on the performance of the school. Schools that have high enrollment will get high amount and schools which have lower enrollment will get low amount so schools will improve the quality of their education and try to increase enrollment and retain students. It will create a performance-based payment in the education system. Education vouchers will improve the student-teacher ratio and it will help students to achieve better learning outcomes. In the present scenario, private schools compete for rich students but after the introduction of education vouchers, government schools would also compete for both poor and rich students so education vouchers would also create healthy competition among schools (Shah, 2009).

Weidrich (2003) suggests that the government should authorise an independent agency to smoothly run the

programme. For the purpose of a random selection of applicants in case of over-subscription, it should provide software and instructions to regional offices. For the purpose of determining the number of vouchers to be funded, the agency's regional office must work with individual municipalities, to examine school requirements for participation and monitoring program implementation. If any student fails in class must be removed from the voucher program.

After the successful implementation of the voucher scheme, we would be able to fulfill the country's basic motive that quality education to each and every one or universalization of quality education. Parents would also have the power to choose the best school for their children and it would also increase the school choice. It would help those students who are facing financial problems and leave the schools. It would uplift the education level of underprivileged children and help them to go with the mainstream. Through the education voucher, poor students would compete with rich students at the same educational level because there would be no difference between their teachings. Especially it would provide equal opportunity to girls for better schooling. Minority parents would also get an equal chance to send their children to private or public schools. Thus, education vouchers would be one of the important steps in improving the quality of education to poor students and increasing equality in provisions for rich and poor people receiving schooling. To implement this model, governments do not require to spend extra public funds on vouchers, but redepositing money previously spent directly on government schools for education vouchers given to parents. Through the education voucher scheme, when parents choose the school then an amount equal to the voucher is deposited in the school. Thus, the education voucher scheme ensures that government funds are spent only on good quality schools (Singh, 2010).

So, education vouchers would be a powerful weapon thereby providing access to quality education as well as reducing segregation. Education vouchers would lead the universal education and school choice among parents and students. By successfully implementing education vouchers, the country would be able to achieve our basic motives such as "access to education for all, accountability, cost-effectiveness, equity, quality, and sustainability.

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