Household income found to be related to preschool attendance in China
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Early childhood education has been seen by many as a tool to break the cycle of poverty for developing countries. Yet, despite the more than 82 million children under age 5 living in China today, little is known about the factors contributing to preschool attendance there, particularly in rural areas. This omission is even more salient given that more than 70 percent of mothers in the 25–34 age range with children under the age of 6 in China work outside the home, and household income has consistently been shown to affect child care choices in both developed and developing countries.

In a new paper, scholars from New York University's Silver School of Social Work and Columbia University's Teachers College fill this knowledge gap by rigorously examining the association between household income and preschool attendance among 3- to 6-year-old children in both rural and urban areas. Using six waves of the China Health and Nutrition Survey from 1991 to 2006 (N = 2,424), they found that rural areas consistently lagged far behind urban areas in both household income and preschool attendance among the 3 to 6 year olds. Preschool attendance in 2006 was 21 percent for the rural children and 46 percent for the urban children. Despite this gap, the association between household income and preschool attendance in rural areas is similar to that in urban areas.

The authors – Xin Gong and Di Xu of Columbia's Teachers College and Wen-Jui Han of NYU's Silver School – found a robust positive association between household income and preschool attendance in both rural and urban settings. A 10 percent boost in household income will bring close to a 1 percentage point increase in preschool attendance, which is equivalent to having approximately 1 million more 3- to 6-year-old children in China attend preschools. In our data, preschool in rural areas in 2006 cost about 480–1,200 yuan per year (?US $80-200)—as much as 30 percent or more of a rural household's income (the average annual income per capita in our rural sample was 3,894 yuan). The income figure for our urban sample was higher (5,751 yuan), but the burden was similar (up to 37 percent) given that urban preschools often have higher fees (840–2,100 yuan per year).

The paper, newly published in the journal Child Development, is entitled “Household Income and Preschool Attendance in China.”

The main challenge in estimating the association between income and preschool attendance is that a wide array of factors, such as mother’s working status and parental preferences for child care, could be correlated with both household income and preschool attendance, and that could bias the association. To address this challenge, we used two statistical approaches: a probit model with rich controls and a household fixed-effects model. A household fixed-effects model removes bias associated with variables that are constant over time within a household.

This is the first study to employ rigorous methodology to examine the association between household income and preschool attendance with a Chinese sample. Our results show that millions of families in China face substantial financial constraints in their children’s preschool attendance, particularly in rural areas. Taken together, our findings call for government investment to address this challenge. Our results also highlight the need for future research that evaluates the impacts of subsidies or income support programs for preschool attendance in China.

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