



THE LIMITS OF MARKETISATION OF PRIMARY EDUCATION IN INDIA

CREATE INDIA POLICY BRIEF 2

JANUARY 2011



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This policy brief describes patterns of access to Low Fee Private (LFP) schools in Uttar Pradesh in India. It explores how the 'marketisation' of primary education has affected the provision of primary education and factors affecting school choice. LFP schools have been presented as a solution to a lack of provision by the state; research suggests however, that they do not constitute a simple solution to the problems of extending access to basic education to the poor and ultra poor. It is based on findings from CREATE Pathways to Access Monograph Number 23: 'School Choice for the Poor? The limits of marketisation of primary education in rural India' (Härmä, 2010).

Educational access in India

In 1950 India made a constitutional commitment to provide free and compulsory education to all children up to the age of 14. In 2002 a constitutional amendment made free and compulsory education a fundamental right for children aged 6-14. In 2010 a new Right to Education Act (RTE Act) was passed. Despite this, universal access to elementary education remains elusive and quality of provision erratic.

Over the past 20 years demand for schooling in India has increased, but provision is unequal. The National Policy on Education (1986) and its Programme of Action (1992) state that all children, irrespective of caste, creed, location or gender, should have access to elementary education of a comparable quality. In reality, schooling provision favours those better off, and disadvantaged groups (including poor children, girls, children from Scheduled Caste (SC), Scheduled Tribe (ST), Other Backward Class (OBC) groups) have less access and access to poorer quality education. Large variations in access exist across states, regions, and social categories such as gender,

caste and ethnicity. Whilst great strides have been made to improve physical access to schools, ongoing challenges remain to provide meaningful access for all children in India.

Education policy context in Uttar Pradesh

In several of the larger northern states in India it remains the case that more than 50% of children fail to complete Grade 8 successfully. In Uttar Pradesh (UP), as in many other states, private primary schools have been growing in number and enrolling an increasing proportion of children. These schools are beginning to appear in rural areas and are no longer an exclusively urban phenomenon. Sarva Shiksha Abhiyan, the national programme to universalise access to basic education, is largely silent on the role of non-government providers of education in extending access, whether such providers are for profit or not for profit. It remains unclear how much low cost private providers can contribute to improved access, especially amongst the poorest.

This policy brief explores the accessibility and affordability of LFP schools to a rural farming

community in UP. UP is one of the most 'educationally backward' states in India, with a literacy rate of 57.4%, ranking it 31st of 35 states and territories (Srivastava, 2007:154).

Defining school types in India

Most villages in the sample area have government schools. These tend to have higher quality construction and higher paid teachers than private schools. Defining private schooling is difficult, the UNESCO definition of a private school is one that 'is controlled and managed by a non-government organisation (e.g. religious group, association, enterprise)' (UNESCO, 2005). The type of private school that is currently mushrooming in India is the small school that is started, owned and run by a private individual, or 'edupreneur', and funded solely out of parental fee payments. These schools are often run at the lowest possible fee level in order to appeal to as wide a market as possible, therefore being referred to as low-fee private schools (LFP).

Private schools can be divided into schools that are recognised by the government and those that are not. Government recognised schools have to maintain certain standards (although in reality many do not). Students at recognised schools may also be eligible for government stipends.

Table 1: Yearly Cost of Schooling

Type of school	mean cost (rupees)
Government	148.49
Recognised LFP	587.53
Non-recognised LFP	502.03

In most cases, private provision of education does not tend to serve areas and people that government provision has been unable to reach (Lewin, 2007). The advent of private schools usually means choice between schools; often between a government school and a private school or between competing private schools.

Government schools are considered to be failing on grounds of efficiency and equity, infrastructure and instruction. Given the choice, most parents prefer to send their children to private schools. Consequently there has been an unprecedented rise over the last 15 or more years in LFP school numbers.

Some argue that where government schools are failing; if private providers are able and willing to enter the 'market' then this should be seen as a positive development. Choice or a 'market' of

suppliers is purported to lead to better service provision and lower levels of cost, as competing suppliers vie for potential clients (Levin, 1991). The World Bank (2003) states that choice is not only important to individuals, but 'increasing poor clients' choice and participation in service delivery will help them monitor and discipline providers' (World Bank, 2003:1). The findings of this research dispute these assertions.

Factors affecting school choice

Many factors influence the choices that parents in the study area make between sending their children to LFP or government primary schools. The most significant factors identified in fieldwork and the literature review are illustrated below:

Figure 1: Family Size and School Choice

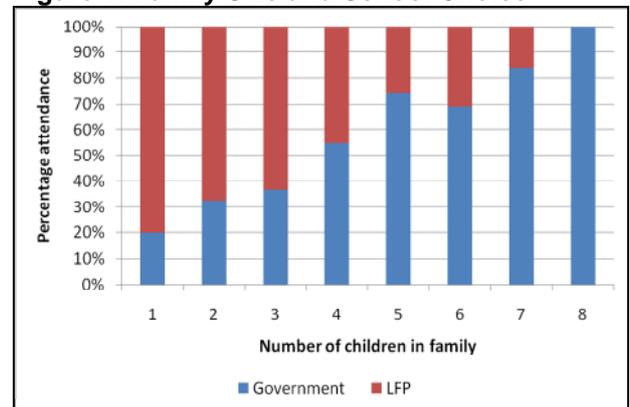


Figure 1 shows a steadily decreasing percentage of children in LFP schools as the number of children in the family increases.

Figure 2: Caste, Religion and School Choice

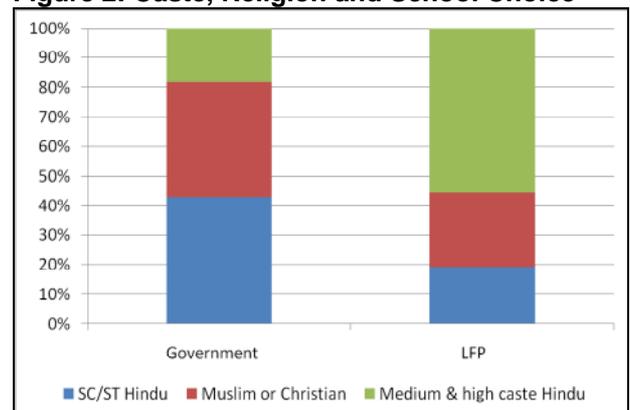


Figure 2 shows that LFP schools are dominated by high caste Hindus. Only 20% of children in LFP schools are from SC/ST backgrounds and only 20% of children in government schools are from medium and high caste Hindu backgrounds.

Figure 3: Occupation and School Choice

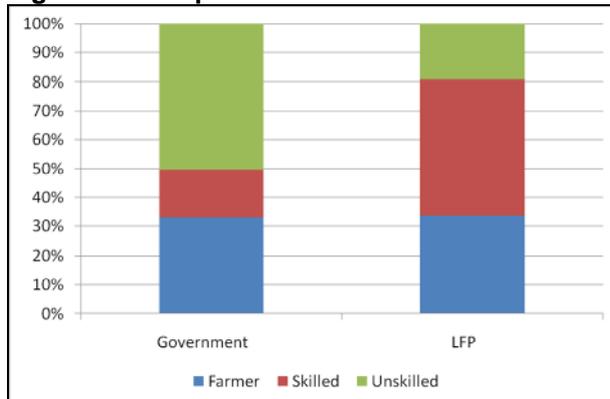


Figure 3 shows that children of farmers make up equal proportions of LFP and government schools but that LFP schools are dominated by children of people from skilled professions.

Figure 4: Birth Rank and School Choice

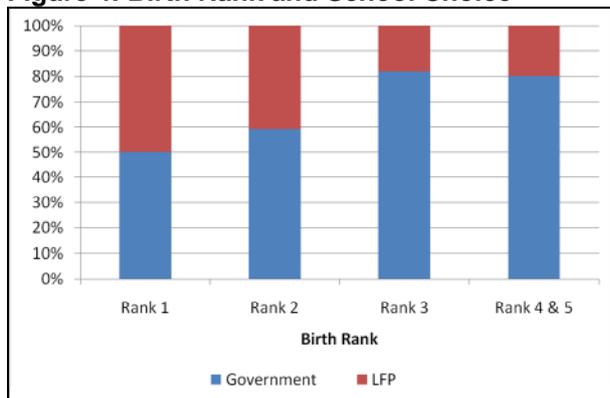


Figure 4 indicates that a higher proportion of first-born children attend LFP schools as compared with children of subsequent birth ranks.

Gender and School Choice

In LFP schools, 60% of pupils are boys, and in government schools the reverse is true, with 60% of pupils being girls. Along with the data on birth rank, this gives an indication that some children *within* as well as children from particular backgrounds families may be favoured for private education.

Parental levels of education and School Choice

Over 82% of mothers in this sample were uneducated, but there was an increasing uptake of LFP schooling as the father's level education level rises, with an especially large proportion, over two thirds, of secondary or higher educated fathers sending their children to LFP schools.

The effects of poverty on school choice

Clearly, children who are from large families, low castes, with parents working in unskilled professions, higher birth rank, who are girls and have relatively less well educated parents are those that are in government schools in greater numbers. Many of these factors are correlated with poverty.

Using quantitative data from a survey conducted with 250 families in 13 villages, the factors above, as well as three different ways of measuring poverty were tested using logistic regression analysis to see their effect on school choice. Children were divided into quintiles based on their level of poverty. Poverty was defined using income, asset index and living standard measures. All three measures of poverty proved more significant than the effects of other factors. When the asset index was used as the measure of poverty:

The likelihood of a child in the second quintile accessing LFP schools was two times the chance of a poorest child, and for children in the third and fourth quintiles the likelihood increases to approximately 7.5 times. In the richest quintile the likelihood of a child attending LFP schools is 10.7 times that for a poorest child.

This reinforces how important wealth is for accessing LFP schools. In the face of a near universal preference for LFP schooling (under current conditions in the government sector), the main determinant of school choice is poverty. Average family size reduces as socioeconomic status increases so the education cost burden is the greatest for poorer families.

Figure 5: Proportion of household income needed to educate one child by income quintile

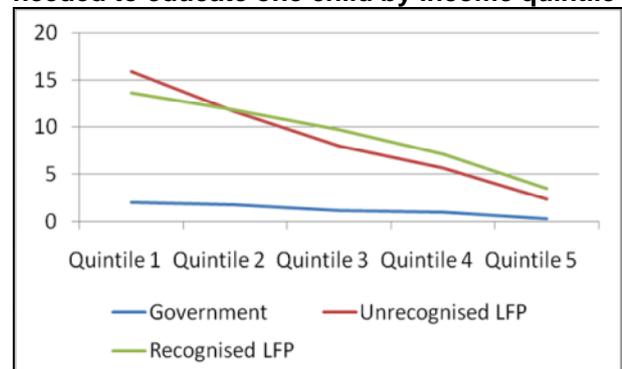


Figure 5 shows that for the poorest families, sending one child to a LFP school costs 13-16% of household income.

Most of the poorer families found it impossible to afford to educate their children even in the cheapest schools. Only in the third to fourth quintiles of socioeconomic status does a child's chance of attending LFP schooling significantly increase, which corresponds to nearly 60% of children in the sample.

With wealthier families more capable of exercising choice, choosing to send their children to private schools, the government sector has become a ghettoised option of last resort for the poorest and most marginalised in society. Those accessing government schools, the choice of last resort, are not achieving meaningful access leading to real learning. Traditionally privileged groups in society are favoured by the market in education, leaving behind those of low caste or minority religion, the landless, girls, and children born later in families and children of larger families.

The potential for marketisation of primary education is limited to providing options to the upper half of society in the rural areas that are home to the majority of Indians. Marketised options are neither sustainable in the context of remote rural villages, nor are they, most importantly, socially equitable. This two tier education system has the potential to widen already existing inequalities as the children of the already marginalised are excluded from meaningful learning.

Policy Focus and Research Gaps

- Currently too little is known about LFP schooling for the poor in rural contexts and the stability of the market in such areas. Lessons from the successes of LFP schools and the realities of their shortcomings should be the focus of further research.
- To raise the prospects of the poorest, the standards at government schools must be raised through increased accountability of teachers for the work that they do.
- Illegal additional fees charged by teachers in government schools must be policed and stopped.
- Transparent and effective teacher management and deployment is crucial to improved quality and accountability, as has also been found in CREATE work in Madhya Pradesh and Chhattisgarh.
- Incentives to attract high quality teachers to work in rural areas, and perform to a high standard are needed.
- Short route accountability to fee-paying parents appears to be key to LFP schools' better performance, so increasing accountability of

government teachers to the communities they serve is vital.

- Head teachers can be held accountable for the attendance of their teaching staff and for the standards and results in their school.
- A policy of relying on LFP schooling to raise standards overall may be misjudged as these schools may only be preferable as compared to extremely poor government schools.
- Support to private schools through grants is not a solution – where private schools are promoted, funding must follow the student.
- Targeted vouchers could make LFP schooling more equitable however the difficulties of administering such systems must be considered; assessing who is needy and elite capture are risks.
- These schools are unlikely to reach the most remote, under-served communities as there must be market logic for them to exist.

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This policy brief is based on: Härmä, J., (2010) 'School Choice for the poor? The limits of marketisation of primary education in rural India' CREATE Pathways to Access Monograph Number 23, available at www.create-rpc.org. It has been written by Benjamin Zeitlyn and Joanna Härmä.



CREATE is a DFID-funded research programme consortia exploring issues of educational access, transitions and equity in South Africa, India, Bangladesh and Ghana. For more information go to: www.create-rpc.org

