

Private schools for the poor

Implications for Commonwealth Ministers of Education



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Easterly's dilemma

William Easterly begins and ends his latest book, *The White Man's Burden* (2006) with the heart-rending story of 10-year old Amaretech, an Ethiopian girl whose name means 'beautiful one': 'Driving out of Addis Ababa', he passes an 'endless line of women and girls ... marching ... into the city'. (p. 1). Amaretech's day is spent collecting eucalyptus branches to sell for a pittance in the city market. But she would prefer to go to school if only her parents could afford to send her. Easterly dedicates the book to her, 'and to the millions of children like her'. He returns to Amaretech in his concluding sentence: 'could one of you Searchers' – the word he uses to define entrepreneurs of all kinds – 'discover a way to put a firewood-laden Ethiopian pre-teen girl named Amaretech in school?' (p. 384).

There are Searchers across the Commonwealth, and the developing world in general, who are already finding the way, in places not dissimilar to where Amaretech finds herself. The accepted wisdom is that children like Amaretech need billions more dollars in donor aid to public education before they can gain an education – and the poor 'should be patient' (World Bank 2003: 1), because public education needs to be first reformed to rid it of corruption and horrendous inefficiencies before the needs of the poor can be met.

The accepted wisdom appears misguided. It ignores the fact that vast numbers of parents have already abandoned public education, because of its inadequacies and lack of accountability, and are using private schools instead. This remarkable fact may have big implications for Commonwealth Ministers as they consider the ways forward to meet the Millennium Development Goals (MDGs) in education.

The revolution of private schools for the poor

The recent research that I had the privilege to direct, funded by the John Templeton Foundation, investigated selected, officially designated 'poor' areas of four Commonwealth countries, Nigeria, Ghana, Kenya and India, as well as China. Research teams explored informal settlements – slums and shanty towns – in metropolitan cities, and poor peri-urban areas – the rural hinterlands surrounding these cities. They researched remote villages in impoverished north-west China, and rural communities

in south India. The teams combed these poor areas, going down every alleyway in the slums, visiting every settlement in the rural areas, asking of people on market stalls and in the streets, to find where the poor were being educated. They found large numbers of schools – 918 in the 'notified' slums of three zones of Hyderabad, India, for instance. And when they found schools, public or private, they interviewed school managers, and visited, unannounced, primary classrooms to assess the activity of the teacher, and to look for selected school inputs. The researchers tested around 24,000 children, taken from a stratified random sample of schools within these poor communities. Children were tested in key curriculum subjects, and questionnaires given to children, their parents, teachers and school managers, and IQ tests to children and their teachers, to elicit data to control for a wide range of background variables, including peer-group variables.

What the research teams found points to an educational revolution that is taking place. In most of the poor urban and peri-urban areas surveyed, the vast majority of school children were found to be in 'budget' private schools. For instance, in the poor urban and peri-urban areas of Lagos State, Nigeria, 75 percent of schoolchildren were in private schools. In the peri-urban district of Ga, Ghana, the figure was 64 percent, while in the slums of Hyderabad, India, 65 percent of schoolchildren were in private unaided schools (Table 1). These budget private schools are usually established by entrepreneurs from within the poor communities themselves, employing teachers from those communities – unlike in government schools, where teachers are often brought in from outside. The private schools charge very low fees, affordable to parents on poverty-line and minimum-wages. For example, in Hyderabad, mean monthly fees at 4th grade were Rs. 78.17 (\$1.74) in unrecognised and Rs. 102.55 (\$2.28) in recognised private schools in the slums – about 4.2 percent and 5.5 percent respectively of the monthly wage for a breadwinner on a typical minimum wage of about Rs. 78/- per day (Government of India, 2005, assuming 24 working days per month).

Private schools for the poor are not just an urban or peri-urban phenomenon, either. In the deprived district of Mahbubnagar, rural Andhra Pradesh, India, roughly half of all schoolchildren were in private unaided schools (Table 1). In the remote villages of rural Gansu, China, official figures showed no private schools at all; but we found 586, serving 59,958 children. (For further

**Table 1** Number and proportion of schools, by school type and pupil enrolment

	Hyderabad, India			Ga, Ghana			Lagos State, Nigeria			Mahbubnagar, India		
	Number of schools	Per cent of schools	Per cent of pupils	Number of schools	Per cent of schools	Per cent of pupils	Number of schools	Per cent of schools	Per cent of pupils	Number of schools	Per cent of schools	Per cent of pupils
Government	320	34.9	24.0	197	25.3	35.6	185	34.3	26.0	384	62.4	47.8
Private aided	49	5.3	11.4	0	0	0	0	0	0	13	2.1	4.3
Private (unaided) unrecognised/unregistered	335	36.5	23.1	177	22.7	15.3	233	43.1	33.0	77	12.5	6.6
Private (unaided) recognised/registered	214	23.3	41.5	405	52.0	49.1	122	22.6	42.0	141	22.9	41.2
Total	918	100	100	779	100	100	540	100	100	615	100	100

Source: Survey of Schools data, 2003–4 (Tooley and Dixon, 2006b)

details, see Tooley, 2005; Tooley and Dixon, 2005, 2006a, 2006b; and Tooley, Dixon and Olaniyan, 2005; Tooley, Dixon and Gomathi, 2007; Tooley, Dixon and Amuah, 2007). Indeed, wherever we looked to supplement this detailed research, we found similar private schools for the poor – amongst battle-scarred buildings of Somaliland; in the soon-to-be-bulldozed shanty towns in Zimbabwe; and in the deprived slums of Freetown, Sierra Leone. And private schools for the poor have been reported in the United Republic of Tanzania, Uganda and Malawi, in other states of India, in Pakistan, in the Caribbean and elsewhere. Private schools for the poor seem to be occurring throughout the Commonwealth and the developing world at large (see for example, Salmi, 2000, Rose, 2002, Watkins, 2000, Aggarwal, 2000, De et al 2002, Alderman, et al 2003).

However, development experts aware of their existence uniformly worry about their low quality: *The Oxfam Education Report*, for instance, notes that private schools for the poor are of 'inferior quality', offering 'a low-quality service' that will 'restrict children's future opportunities.' (Watkins, 2000: 230). In Nigeria, private schools for the poor are reported to offer 'a low cost, low quality substitute' for public education (Adelabu and Rose, 2005: 74).

The current research findings suggest that such concerns are misplaced – at least in comparison to the quality of public education. In every setting, teacher absenteeism was lower and teacher commitment – the proportion of teachers actually teaching when our researchers called unannounced – higher, in the private schools for the poor than in government schools. Only on one input – the provision of playgrounds – were government schools superior to private schools across the range of studies. On other inputs, such as provision of drinking water, toilets, desks, chairs, electric fans and lighting, tape recorders for learning purposes and libraries, private schools for the poor came out superior to government schools.

Importantly, the research showed that the private schools everywhere were outperforming the government schools in the key curriculum subjects – even after controlling for background variables. In Lagos State, Nigeria, for instance, the mean math

score advantage over government schools was about 14 and 19 percentage points respectively in private registered and unregistered schools, while in English it was 22 and 29 percentage points. And after controlling for background variables, and, given that students were not randomly assigned to the different school management types, the school choice process, we found these differences, although reduced, were still largely in favour of private education. In Lagos State the predicted score in mathematics was 45.1 percent for an average sample child in government school, 53.5 percent for the same average child in an unregistered and 57.6 percent in a registered private school. For English the predicted score for an average sample child in government school was also 45.1 percent, while there was no significant difference between attainment in both types of private school – predicted score for the same child was 64.4 percent.

Significantly, private schools were found to be outperforming government schools for a fraction of the teacher costs – likely to be the largest part of recurrent expenditure in schools. Even when the per pupil teacher cost was computed (to take into account the fact that class sizes were largest in government schools), private schools came out less expensive: In the government schools in Lagos State, for instance, per pupil teacher costs were nearly two and a half times higher in government than in private schools.

Objections to private schools for the poor

The existence of this burgeoning and vibrant private sector would seem to suggest one way in which Easterly's Amarech can be reached, by which the MDG targets can help to be achieved. But I know such a suggestion is unlikely to meet with approval from the international community, and perhaps Commonwealth Ministers in particular. The *Oxfam Education Report*, for instance, while agreeing that private schools for the poor are prevalent, says that, to achieve universal primary education, 'there is no alternative to comprehensive public provision of good-quality basic education' (Watkins 2000: 232). The Probe Team, although conceding it has painted a 'relatively rosy' picture of the private

sector, concludes that this does not mean that private education is an answer to the problem of providing education for all (Probe Team, 1999: 136-7).

Why not? There seem to be three practical reasons why not. First, private schools charge fees, thus making them out of reach of the poorest (Watkins 2000: 207, The Probe Team, 1999: 105, UNDP 2003: 115). But why, if private schools are superior in the ways described above to government schools, is this seen as an insurmountable obstacle to extending access to them? For there is the possibility of creating targeted vouchers for the poorest, or for girls like Amarech, to use at private schools, which potentially overcomes the objection. (These could also have the impact of encouraging educational entrepreneurs to set up schools where current provision is patchy, by giving the poorest parents funds to pay for private education). Indeed, private school owners themselves are already exploring such a way in embryonic form – offering free or subsidised places to the poorest of the poor, including orphans or those with widowed mothers. In the slums of Hyderabad, for instance, I found 18 percent of all places in the private schools were provided free or at concessionary rates. Building on this philanthropy could provide a school place for Amarech where teachers are accountable, unlike in the government schools where development agencies point to high levels of teacher absenteeism and lack of commitment.

The second objection is that of the low quality of private schools for the poor, which we've already addressed – at least in terms of the relative quality vis-à-vis government schools. And if the objection is that, however they compare with government schools, their quality is too low on some absolute scale, then the international community could look to ways to help them improve, through microfinance-style loans to help them improve their infrastructure or invest in teacher training, for instance.

The third objection concerns the impact of private provision on state education. If poor parents support private education, this 'carries a real danger of undermining the government schooling system' (Probe Team, 1999: 105-6). However, it is not obvious in practical terms why this is a viable objection to an increased role for the private sector. If private schools can be made available to all, including the poorest and most excluded, through targeted vouchers (first set of objections) and if it can be shown that their quality can be improved (second set of objections), then, from the perspective of the poor, it would seem irrelevant whether this would undermine the state system, providing that education for all was achieved.

However, there is a fourth more theoretical objection that is seen by many to be a final stumbling block to involvement by the private sector in helping reach the MDG targets. Education is 'a fundamental human right' (UNDP, 2003: 111, World Bank 2003: 33), and this rules out private education playing a significant role. Now, there are two versions of the rights-based commitment to 'education for all' adopted by the international community in 2000. One is the second MDG that commits governments to 'Ensure that, by 2015, children everywhere ... will be able to complete a full course of primary schooling.' (UNDP, 2003: 1). There is also the second goal of *The Dakar Framework for Action*, which commits to ensure 'that by 2015 all children ... have access to and complete, free and compulsory primary education of good quality.' (World Education Forum, 2000: 8, emphasis added).

Although these are often understood to be the same (see for instance UNESCO, 2002: 29), clearly they have different implications about the role that private education might play. Under the MDG version, governments are only committed to ensuring that all children have access to primary schooling – there is no mention of it being free, and so no reason why this could not be met, in full or in part, by private provision. Under the Dakar Framework version, however, the commitment is to free primary education, which would seem to rule out private education, where fees need to be paid. It is beyond the scope of this paper to adjudicate by which version governments should abide. However, if we look at the *motivations* behind the Dakar Framework version, we can see that, in intent, if not precise wording, it is not incompatible with either the MDG version or private education playing a role. For it is noted that governments should be committed to 'free, quality basic education, so that no child will be denied access because of an inability to pay.' (World Education Forum, 2000: 14, emphasis added). Here the intention is that extreme poverty shouldn't lead to any child being 'denied access'. This is subtly different, of course, from requiring that no-one has to pay. It is perfectly compatible with this formulation to have school fees, but with the very poorest given vouchers, so that they are not excluded by poverty. This is further reinforced by the observation that 'For the millions of children living in poverty, ... there must be an unequivocal commitment that education be free of tuition and other fees.' (World Education Forum, 2000: 15, emphasis added). Again the commitment to free schooling seems to be for those living in poverty, not everyone. Again, targeted vouchers for the very poor to use in private schools could be permitted under this interpretation.

Private schools for the poor are burgeoning across the Commonwealth. Those worried – like Easterly and the Commonwealth Ministers – about how to extend access to education for the poor, could usefully look to the private education sector for assistance. By extending what private schools for the poor already offer through free and subsidised places for the poorest, sensitively-applied targeted vouchers could extend access on a large scale. Investment in loan schemes so that private schools can improve their infrastructure or invest in teacher training could help them improve still further. Educating Amarech is a solvable problem. The Searchers who have created private schools serving the poor are showing the way forward; Commonwealth Ministers could welcome them as partners in achieving the MDGs in education.

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Biographical notes

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