Using Low-Cost Private Schools to Fill the Education Gap
An impact evaluation of a program in Pakistan

Educating children is a priority across the globe, but developing countries can face enormous challenges. Schools are often overcrowded and in disrepair. Teachers don’t always show up or may not be qualified or interested in teaching. Parents hesitate to send children, especially girls, to schools that aren’t close by or they may want to keep them at home to help with housework. The numbers tell the story: Worldwide, 57 million children who should be in primary school are not, despite the global push for universal primary education through the United Nations Millennium Development Goals.

The World Bank works with governments to develop and implement innovative methods for expanding access to education, particularly for girls, and improve school quality. In the effort to boost enrollment, raise teaching standards and strengthen school accountability, policymakers and education experts in developing countries are exploring a variety of approaches, including the use of private and other non-governmental schools to reach disadvantaged children. In Pakistan’s Sindh province, only about half of primary school age children go to school, making education a priority for the Sindh government. Through the International Development Association (IDA), the World Bank’s fund for the poorest, the Sindh government received assistance to develop and implement its Sindh Education Sector Reform Program to raise enrollment, improve student achievement and reduce social disparities in education by improving school performance through more accountability and better governance. This included a program offering cash subsidies to private entrepreneurs to provide free, co-educational primary schools in villages in remote areas without local schools. To measure the effect, an impact evaluation was built into this program. The evaluation found that boys and girls in villages that received program-supported private schools were more likely to be in school and they did better on tests than children in villages without such schools. The children also had bigger dreams: Girls in program villages were more likely to want to be teachers instead of housewives; parents were more likely to want their children to become doctors or engineers instead of farmers.

The World Bank, which is committed to education for all, this year announced support for the second Sindh Education Reform Program Package, which will help expand this public-private partnership program and support and strengthen the quality of the schools. As this evaluation shows, innovation in education is worth testing.

Private schools in Pakistan, long catering to children of the country’s elite, have become popular among the poor thanks to the spread of low-cost private schools. More than a third of all children are now enrolled in private school, where tuition averages less than $5 a month in rural villages, a small fraction of average household income. Studies of these schools have generally found that student learning is higher and teachers perform better, although teachers are paid less and are often less educated than their counterparts in government schools.*

Pakistani policymakers and education experts are turning to for-profit education as one route to improve the quality of education and expand access for the country’s primary school age children, more than a quarter of whom aren’t in school. While the models differ in details, these public-
private partnerships generally require that schools waive tuition in exchange for receiving a per student subsidy that schools use for their costs. The subsidy is set lower than what it costs to run a government school, where salaries tend to be much higher and controls are built into the public-private partnerships to promote educational quality. In Punjab province, for example, in a program initiated in 2005, existing low-cost private schools can qualify for a per student subsidy if they waive tuition and ensure that a minimum percentage of students pass a standardized academic test offered on a regular basis. This program, which has proven successful at raising test scores and student enrollment (see Evidence to Policy, October 2012), now covers more than one million students in some 2,000 partnering private schools.

In Sindh province, education experts also have turned to low-cost private schools to increase access to education and improve learning, especially in villages that lacked local schools. The Promoting Low-Cost Private Schooling in Rural Sindh program was created by the Sindh Education Foundation, a quasi-governmental agency of the Sindh provincial government, working with a World Bank team. The project sought to encourage private entrepreneurs to build and operate primary schools in underserved villages. To qualify, schools had to meet minimum facility standards, be co-ed, waive tuition fees for all students, and have at least two female teachers. In return, the private entrepreneurs, who are vetted by the foundation, receive a per student subsidy. They also get additional non-financial assistance, such as free textbooks and other materials, teacher training, and regular visits by foundation staff to advise on how to improve teaching and student learning.

**Hope**

“Education is very important and girls have as much of a right to it as boys,” says Saima Kausar, a principal at a program-supported school in Wazir Sangi, the village where she grew up.

“I always felt that the girls of my village should learn to read and write just as I did.”

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*This policy note is based on the research paper “Leveraging the Private Sector to Improve Primary School Enrollment: Evidence from a Randomized Controlled Trial in Pakistan,” (May 2013) by Felipe Barrera-Osorio, David S. Blakeslee, Matthew Hoover, Leigh L. Linden, Dhushyanth Raju, Stephen Ryan.*
Findings

Enrollment among children in villages with program-supported private schools jumped by 30 percentage points compared with children in control villages.

The primary school enrollment rates in Sindh are among the lowest in the country. Prior to the launching of the program, 53 percent of boys and 41 percent of girls age five to nine were in primary school. In villages targeted by the program, enrollment was even lower, with about 30 percent of all children in school.

One year into the program, which brought private schools to these remote villages, enrollment rose by 50 percentage points compared with the average enrollment rate in control villages. In other words, more than 80 percent of primary school age children in program villages were in school, comparable to Pakistan’s major cities. In the program’s second year, the government started to re-open shuttered schools in some control villages, raising enrollment there by 20 percentage points. As a result, while enrollment remained high in program villages, the program’s impact declined to 30 percentage points from the first year’s 50 percentage points.

There was also a dramatic jump in girls’ enrollment.

The impact on enrollment of girls in program villages was very high. At the end of the first academic year, the impact was 5.2 percentage points higher than that of boys. By the end of the second academic year, the impact on boys and girls was the same in program villages. Giving schools a larger per student subsidy for girls didn’t show an additional impact over giving schools the same per student subsidy for both boys and girls. Based on this finding, the foundation doesn’t offer new schools different subsidy levels.

Primary school age children not only were more likely to be in school, but they did much better on standardized achievement tests.

Math and language tests were administered to children age five to 10 years old in household samples in both program and control villages as part of the second follow-up, roughly two academic years after the start of the program. The percentage of questions answered correctly was calculated for each test-taker. The impact of the program on test scores was 21 percentage points (66% of questions answered correctly in program villages compared with 45% in control villages). For those children who had enrolled in school as a result of the program, the impact was a large 63 percentage points. The findings indicate that program-supported private schools were very effective in raising student learning.

Program schools not only do a better job teaching—despite having less experienced teachers than government schools—but they provide their students with better facilities.

Similar to findings from surveys of low-cost private schools in other parts of Pakistan, the schools in Sindh province did a better job of keeping the schools staffed and running. In line with the emphasis the Sindh Education Foundation places on private schools providing quality infrastructure, the schools usually had more classrooms than government schools, and were more likely to have sufficient desks for students, drinking water, electricity and a toilet.

The program required that these schools hire at least two female teachers, and the total number of female teachers was higher than in government schools. The private school female teachers generally had less teaching experience than their counterparts in government schools, and they were paid less, but there wasn’t any evidence that this hurt the quality of education.
**Children who go to school develop the skills and knowledge needed to do better in life. It also gives children—and their parents—the chance to build aspirations. The evaluation found that going to a program-supported private school didn’t just give children a better education, but it gave them the chance to dream bigger.**

Families in program villages were more likely to want their children to be doctors or engineers, compared with families in the control villages. They were also less likely to imagine a future for their children where the boys were farmers and the girls were housewives. Families also raised their expectation of the ideal education level by one-and-a-half years.

The children themselves also wanted more: Girls were less likely to report wanting to be housewives and more likely to envision their future as teachers. Both sexes wanted more years of education, compared with those in the control villages.

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**Conclusion**

Low-cost private schools in Pakistan are proving very successful at attracting students—boys and girls—and teaching them effectively for less money than it costs to run a government school. Some of the lower costs come from hiring teachers who receive lower salaries than government school teachers, but this doesn’t appear to be hurting the quality of education. On the contrary, given the stronger accountability and greater teaching and learning support offered to program-supported private schools in Sindh, students did substantially better on tests than children whose only option was a government school.

There is still more to learn to create and support programs that expand educational access and improve quality. In urban areas of Punjab, World Bank researchers are planning to evaluate the impacts of vouchers on enrollment of out-of-school slum kids, an initiative of the Punjab government under its second Education Sector Reform Program, supported by the Bank through IDA financing. The vouchers will be good for low-cost private schools, which will have to meet minimum levels of learning to receive voucher children. Another evaluation, supported by the World Bank Strategic Impact Evaluation Fund (SIEF), will measure the impacts of a program to encourage improved functioning of low-cost private schools and expand their use in Pakistan through special grants, loans and equity financing, doing away with the need to rely on government money.

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