The market works
Peter Gregory explains why cheap private schools deliver better services in the developing world than their better funded public rivals.

'THIS IS A STATISTIC OF POVERTY.'

As Dixon points out, 'If you are offered free fruit and vegetables at the market, then you have to pay for it. You know they will be rotten. If you want fresh produce, you have to pay.'

The number of children attending unrecognised schools worldwide, Dixon says, 'In my view there are millions of children not in official statistics that are going to low cost unrecognised schools in India and Africa.'

Although many would claim that unregistered and unrecognised schools would surely be of a lower quality than the government schools operating alongside them, the opposite is the case.

Dixon’s research found that teachers in private schools spent more time teaching. They were better trained and more motivated. Teachers in government schools in the areas where her research focused were at best simply supervising the class, or at worst could be found reading newspapers, idly eating nuts, drunk, or not supervising at all. This is despite the fact that teachers in private schools are paid approximately one third of those in public schools. In addition, private schools were more likely to have drinking water, electricity, blackboards, and other learning equipment. And perhaps more surprisingly, class sizes in private schools were half the size of those in public schools.

This vast gulf in teaching standards and facilities was borne out in the students’ academic performance. Dixon carried out testing in maths, English, mother tongue and a range of other subjects on 24,000 students from both public and private schools. Even allowing for variables such as the student’s intelligence and the support the student received from home, the results were clear: students from private schools outperformed students from government schools in every area.

Admittedly, it is as yet unknown what happens to the students of private schools once they graduate. Do they go on to further education? Are they more likely to find a job? As Dixon says, 'I think they are waiting to be done, a longitudinal one following the children we have tested in 2003-2004. In India children from private schools have a better chance because they are able to read, write and speak in English.'

Dixon identified accountability as the key reason for the superior performance of private schools. Parents feel that because they pay a fee, they are entitled to a say in their child’s education. This is certainly not the case with government schools in the same communities where complaints invariably fall on deaf ears, or on well-meaning school officials whose hands are tied by regulation or lack of funding.

And, as is the case when consumers are able to exercise choice in a free market, competition and the profit imperative mean that the product is of a higher standard. As Dixon says, 'There is so much competition that they have to keep on top of the situation by being effective and efficient or parents will be able to choose another school. In India, there are literally schools in the same lanes as each other. In short, the superiority of private education in slum areas is the definition of a free market success story.'

Along with her research and work at Newcastle University, Dixon is involved with a British organisation called Absolute Return for Kids (ARK) which aims to give private education in slum areas a helping hand.

As many of these schools are unrecognised by their governments, it is difficult for them to access affordable finance to improve facilities and to expand. ARK works to overcome these issues with cheap loans and microfinance.

In addition, although these private schools are low-cost and affordable for the majority of slum-dwellers, in some instances they are out of reach for the absolute poorest of the poor (for example, students whose parents are disabled and unable to work). ARK is building a voucher system for these circumstances so that these children can move beyond the limited opportunities provided by the government system.

ARK also provides training in innovative pedagogy to the teachers of low-cost private schools in slum areas. This is of particular use in the teaching of English.

Unfortunately, a great deal of the enormous amount of money poured into international aid to improve education in the developing world misses the mark. Too much of it is dedicated to trying to reform the vast bureaucracies of ineffective governments. Many international aid agencies fail to recognise that parents in slums have voted with their feet. They would do well to take note of the work carried out by ARK which honours the choices made by parents.

As Dixon quite rightly points out, ‘having the freedom to attend a school where teachers teach, and actually care is very important.’

Millions of parents in the world’s poorest areas agree.