Household financing of basic education

Mark Bray

**Introduction**

The international community holds the strong view that national governments, assisted when possible and appropriate by international support, have the obligation to ensure that basic education is provided for all their citizens (World Education Forum 2000; UNDP 2003). Yet the international community also recognises that governments cannot themselves supply every human, financial or organisational requirement for this task. In many societies, part of the financial burden has to be shared with households.

The scale and nature of household financing of basic education can be very problematic, especially when it concerns the public sector and poor households. Financing by middle-income and rich households in either the public or private sectors is generally considered less problematic; even this can raise challenging issues of equity.

This paper pays particular attention to fees for basic education while focusing on aspects of household financing, including books, uniforms and other costs. The paper also notes some major initiatives as well as continued policy tensions, and is chiefly concerned with public education systems rather than with parallel private education. Note is also made of the growing significance of supplementary private tutoring.

**The nature of household financing**

There is considerable diversity in the nature and scale of household financing of education. In some countries all in-school costs are met by governments, while the out-of-school costs (uniforms, transport etc.) are so small in proportion to both total schooling costs and total household incomes, that they are not considered worthy of the analysts’ attention. This is the case in many industrialised parts of Western Europe and North America, for example. In other countries, household expenses comprise over one third of the total costs of schooling, even in public systems of education (Boyle et al. 2002; Colclough et al. 2003; Bray 2004).

In most cases, substantial household financing of basic education in public systems arises by default rather than by design. The state would like to be able to play a stronger role, but is limited by its own lack of capacity. Thus, weak states commonly have much more household financing of public basic education than strong states. During the 1990s, households in the former Soviet Union found that they had to pay much more for education than had previously been the case because the state had, to some extent, collapsed and was no longer able to meet its previous commitments (UNICEF 1998; Brooks & Myo Thant 1998).

Similar observations are applicable to some of the countries that officially remained socialist but which moved to market economies, such as China, Laos and Vietnam (Bray 1996). During the present decade, most of these states have recovered some of the strength lost during the 1990s, and better support systems are in place. However, in many parts of the world, households are still expected to contribute substantially to the costs of public primary and lower secondary schooling (OECD & UNESCO 2002; Bray & Bunly 2005). In addition, more money is being invested in supplementary private tutoring (Baker & LeTendre 2005; Bray 2006). When the elite families commence this pattern, other income groups find themselves pressed to follow suit in order to avoid being left behind in the educational race.

In the majority of systems, the most obvious and direct form of revenue generation by schools is through fees. Often, these are general fees, but sometimes they are specified for books, repairs, extra-curricular activities, etc. (Marchand 2000, pp.127-140; Lerotholi 2001, pp.52-66). Sometimes school authorities waive fees for poor children, or grant reductions to families with more than one child in school. Where schools are prohibited from charging fees, they may use euphemisms such as ‘levies’ or ‘contributions’, and demand cash payments in other ways. One survey of patterns in World Bank client countries found that fees of some kind were charged officially or unofficially in 76 out of 92 countries at the primary level, and in 71 out of 75 countries at the lower secondary level (Bentaouet 2005).

**The challenges of free-education campaigns**

Many free-education campaigns have been launched over the decades, particularly at the levels of primary or basic education. For example, the Ghanaian government launched a scheme in 1961, and did so again in 1996. The Nigerian government made similar moves in 1976 and 1996; the authorities in the United Republic of Tanzania did so in 1974 and 2001; their Kenyan
counterparts followed suit in 1974, 1978 and 2003. Other notable initiatives were launched in Malawi in 1994, Uganda in 1997, and Lesotho in 2000. In other regions, schemes were launched in India in 1947 and 1968, Indonesia in 1977, and Papua New Guinea in 1981. Most of these schemes led to significant enrolment increases, at least in the initial stages, but also faced major challenges. Moreover, the fact that campaigns have been launched more than once in some countries reflects the difficulty of sustaining fee-free education. Fees commonly crept back because the state was unable to maintain expenditures of the required magnitude.

Elaborating on some of these experiences, the 1994 Malawian initiative resulted from the first democratic elections since independence three decades earlier. The new government adopted a ‘big bang’ approach that removed fees for all grades at once, and was supported by strong publicity. The response was dramatic: enrolments increased by over 50 per cent between 1993/94 and 1994/95, from approximately 1.9 million to 3.2 million (Avenstrup et al. 2004, p.8). These figures were viewed with great satisfaction by many international as well as local observers. As time passed, however, various problems emerged. Teacher resources were stretched even further than they had been previously, classes greatly increased in size and quality suffered severely. The proportion of government recurrent expenditure allocated to education increased from 11 per cent in 1990/91 to 24 per cent in 1997 (Kadzamira & Rose 2003, p.508).

The Ugandan experience had several parallels. The decision to move towards Universal Primary Education (UPE) was announced during the 1996 presidential election campaign. The response was even more dramatic than in Malawi, with enrolments increasing from 3.4 million in 1996 to 5.7 million in 1997 and then reaching 7.4 million in 2002 (Avenstrup et al. 2004, pp.8, 11). As in Malawi, these figures were viewed with great enthusiasm by many national and international observers. They also brought major challenges, however, with average class sizes reaching 110 pupils in 2000. In 2003, 37.1 per cent of primary teachers had no formal teacher training, and an additional 5.4 per cent had just a teaching certificate which had been obtained following completion of primary education. Most of the latter group had been recalled from retirement to reduce the severe shortage of teachers (Bategeka & Okurut 2005, p.3).

Another element in Uganda which had parallels elsewhere was the ambiguity about precisely what had been made free of charge. The Ministry of Education and Sport had announced in 1996 that the government was responsible for tuition, textbooks, construction materials for classrooms, teachers’ salaries and teacher training, while families were responsible for providing school uniforms, exercise books and the labour required to construct classrooms. In practice, however, many schools found themselves short of resources and reverted to demands for informal payments. Referring to experiences in Uganda, the United Republic of Tanzania and Kenya, Alubisia (2005, p.62) remarked that:

Indirect charges have crept back into the UPE system throughout the region, largely due to government failure to bridge the gap between available funding and the actual requirements of schools. Parents are expected to pay for school uniforms, shoes, stationery and in the case of both Kenya and Uganda, funds for construction of classrooms, toilets and teachers’ houses.

Moreover, decline in the quality of public schools fuelled demand for parallel fee-paying private schools with better quality for those who could afford it.

To analysts with a grounding in the history and patterns of free-education campaigns around the world, these experiences were not a surprise. They did not necessarily negate the value of the schemes, but they did underline the need, both for planning ahead and for management of the stresses that free-education schemes can be expected to cause. The international donor community is to be applauded for its assistance to the schemes in Malawi, Uganda, the United Republic of Tanzania and Kenya, and has also responded with support to comparable initiatives in other countries (UNICEF and World Bank 2006).

Conclusion

At the Millennium Summit in September 2000, the largest gathering of world leaders in history adopted the UN Millennium Declaration. They committed their nations to a global partnership to reduce extreme poverty, and set out a series of targets with a deadline of 2015 that have become known as the Millennium Development Goals (MDGs). The second of the eight goals is achievement of universal primary education. Significant progress has been made since 2000 (UNESCO 2006), but much more is needed.

Household costs are among the barriers to schooling, especially for poor families. This paper has focused on direct costs, particularly fees, but it has recognised that household costs also include books, uniforms, transport and other components. These facets have long been recognised, but have proven to be major challenges in many countries. Governments find themselves constrained in their own financial abilities; even when they receive external assistance. They may lack the infrastructure to ensure that resources can be effectively distributed to the school and community levels. Free-education schemes have commonly brought major qualitative strains for school systems, thereby posing further dilemmas. Also, governments may point out that the existence of household costs for the middle-income and rich is much less burdensome than it is for the poor. In this respect, although mindful of equity implications, governments may tolerate private schools and supplementary tutoring by families which choose to afford it, while seeking ways to target the needs of poor families.

The experiences of the last few decades have shown that matters are not simple; the fact that some countries are still far from achieving the Millennium Development Goals underlines the need for persistence. The lessons from the last few decades can be harnessed to find both the appropriate balance between quantity and quality and to keep the essential focus on the needs of the poor.
References


Biographical notes

Mark Bray is Director of UNESCO’s International Institute for Educational Planning (IIEP) in Paris. Before taking this post in 2006, he was Dean of the Faculty of Education at the University of Hong Kong. He has written extensively on aspects of policy-making, financing and planning of education. Address: UNESCO International Institute for Educational Planning (IIEP), 7-9 rue Eugene Delacroix, 75116 Paris, France. E-mail: m.bray@iiep.unesco.org