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Schooling: Loosening Constraints, Boosting Education?

Introduction

The most widespread condition stipulated in conditional cash transfer (CCT) schemes in Latin America has been that recipients should send their children to school. As pointed out in Chapter 1, the trouble is that the financial and administrative costs of enforcement of this condition are always high, while the likelihood of having much permanent effect on parental or even child behaviour is low.

Above all, the moral implications of penalizing parents and children if they do not meet the conditions are unpleasant at best. And why should parents desperate for financial help be forced to do something when others are not? If school enrolment is mandatory, then the same rules should apply to all groups, with the same penalties.

The reason for rejecting conditionality is moral or ethical, not practical. Even if conditions could be shown to increase schooling, one would still oppose them on grounds of freedom. Conditions in most cases should be rejected on principle.

While the pilots did not apply any condition, one question that deserves to be answered is whether it is even necessary to apply conditionality. Are parents merely constrained by lack of money, so that if that constraint is loosened they will behave rationally, without being obliged to do so? In considering this, we also consider what aspects of schooling are affected by the basic income.

There are several possible effects. It may enable some families to spend on essential or useful items that enable their children to go to school more easily or cheaply. It may facilitate better eating habits – having breakfasts, most notably – giving children more energy and health, and thus making it more likely they will go to school and be able to learn properly while there. It may

induce families to shift their children from public to private schools, or from a low-quality local school to a better one further away. The basic income may also facilitate payment for private tuition outside the school. And it may lessen the pressure on families to put their children to work or to labour on farms or do other labour.

Of course, all these aspects are linked. What this chapter tries to do is identify the direct relationships and the contextual trends taking place in the villages.

Schooling in rural Madhya Pradesh

India spends 3.1 per cent of its GDP on schooling, which is in the middle range in Asia (UNDP, 2013, p. 162). Across the country, numerous national and state schemes have been designed to promote schooling. Few have had unqualified success.

Madhya Pradesh has traditionally had a poor record in schooling. But successive state governments have tried to tackle the problems through a series of interventions. The Madhya Pradesh government has focused on improving literacy and enrolment in schools for over a decade, most notably through establishing more primary schools under the District Primary Education Programme, the Education Guarantee Scheme for primary education in the tribal areas since 1997, and the *Sarva Shiksha Abhiyan* since the 11th Five Year Plan.

Besides those initiatives, there has also been a CCT scholarship scheme known as *Baliki Samriddhi Yojana*, which started in 1997. This aims to create an environment that supports the birth of a girl child and her schooling so that she can become an educated and healthy adult. The scheme begins with a post-delivery grant of Rs.500 given to the mother. This is followed by annual scholarships at various stages of the girl's schooling up to grade 12. The scholarship is available as long as the girl remains unmarried and attends school regularly.

Then there are initiatives such as the *Akshaya Patra* and the Mid Day Meal Scheme. They are intended to ensure high school attendance and low drop-out rates, by providing an incentive for parents to send their children to school in the form of meals. But the performance of many of these schemes is patchy, due to administrative failure, lack of infrastructure and constant wrangling between bureaucracies that reflects the unclear sharing of responsibility for education, which is both a state and national matter in India. Several studies have shown the extent of these problems (Government of India, 2011).

The Mid Day Meal Scheme has long faced particularly severe mismanagement. The absence of local ('barefoot') functionaries for some public services, such as census enumeration, places an enormous burden on teachers because they are expected to help out, thus compromising the quality of primary education, which already is not at a high level.

Irrespective of administrative failure, the existence of these schemes makes it harder to isolate the effects of the basic income, although they do apply in all the villages equally. Our primary hypothesis is that the basic income helps to improve the *effectiveness* of schooling and could complement the government schemes in several respects.

Before we address the impact of basic income, it may be useful to look at the rubric of Madhya Pradesh's education system. At the time of the baseline survey, three features of the state's schooling system stood out. It was clear that government interventions had helped to increase the number of government primary schools; they had come to cover all parts of the state, including rural and tribal areas, thereby addressing the problem of low enrolment at primary school level.

However, the quality of public schooling and the high drop-out rate (more so for girls) remained critical challenges, while the spread of public schools had been matched by an increase in private commercial schools, unfunded by government (Narula, 2012). A growing number of students were enrolled in these schools.

The rapid proliferation of private schools since the 1990s is largely explained by the state government's liberalized registration guidelines. Legislation in 1994 meant that permission was no longer required to open private schools up to grade 4. Subsequent regulations liberalized secondary schooling, while taxes were made the same for government and private schools. The justification given at the time for liberalization was that strict regulations would be bypassed, and that privatization would reduce the burden on the public sector, which could then focus on students who could not afford private schooling (Leclercq, 2003).

The growth of private schools was checked by the Indian government's Right of Children to Free and Compulsory Education Act, which prescribed minimum requirements for private schools. But it did not reverse the trend. The Annual Status of Education Report of 2012 estimated that 20 per cent of rural primary-school students in Madhya Pradesh were registered in private schools in 2012, a four percentage point increase from 2010. The report also documented an increase in private tuition.

Hence a mixed public-private schooling system has emerged in rural Madhya Pradesh, with a few religious schools as well. Government schools are mostly used at primary level by low-income families, and compete with a growing number of fee-paying private schools; the latter are used not just by affluent families but also by a growing number of lower-income families.

While government primary schools have been established in many villages, schools above grade 10 or high schools are often located further away. For instance, the local government schools went up to grade 8 in the tribal villages of Ghodakhurd and Bhilami and up to grade 5 in Datoda. For further education, students had to travel to other villages. A similar situation applied to the general villages in the pilot, with the average distance being greater in the basic income villages.

There were a total of 3,061 children of school-going age (6–18 years) in the 20 general villages covered by the larger pilot. Nearly 45 per cent of them lived in basic income villages; 51 per cent were boys; nearly 36 per cent belonged to SC/ST households; 42 per cent were of primary school-going age (6–10 years), 27 per cent were in the 11–13 age cohort, and the remaining 31 per cent were of secondary school-going age.

So what were the effects of the basic income, bearing in mind that it was paid individually and unconditionally to all, including the children, and that the schooling system was essentially the same in all the villages? To examine this, detailed questions were asked in all the evaluation surveys. The findings reported in this chapter refer only to families with children who were usually resident in households in the basic income or control villages.

Questions about schooling and school-related spending were addressed to the mothers or surrogate mothers in all households in both basic income and control villages in the larger general pilot and in the tribal villages. In addition, data were gathered from a Teacher Perception Survey conducted in a sample of villages, with teachers interviewed about their perceptions of their students' attendance and performance. Data on actual school attendance and grades were also obtained from records in the schools where the children studied.

Recalling the hypotheses from studies of cash transfer schemes in other parts of the world, we start by considering the impact on spending, before turning to behavioural aspects. Strangely, the former has been given relatively little attention in the numerous studies elsewhere.

Basic income and school spending

Although government primary schools in Madhya Pradesh are nominally free, in that there are no fees to be paid, schooling always costs money, and many rural families cannot afford the direct or indirect costs associated with sending children to school without considerable difficulty. But it seems the basic income may have helped to unblock some of the constraints for many of those households.

The first set of findings came from the Interim Evaluation Survey, which showed that families with children in basic income villages were far more likely to have increased spending on schooling than similar families in control villages (Table 7.1). And many of those in the former attributed the increased spending directly to the basic income.

The Final Evaluation Survey essentially reproduced these findings, even if the differences were less pronounced, as shown in Figure 7.1. In most respects, SEWA did appear to have had a small independent effect, particularly with regard to private tuition.

By the end of the pilot, total expenditure by families on schooling was significantly higher in the basic income villages, by about 43 per cent on average. A particularly encouraging sign was that expenditure on schooling of girls was decidedly higher among households receiving the basic income. This effect was even greater among those in SEWA villages, where spending on girls' schooling increased by over 100 per cent, compared with just over 50 per cent in non-SEWA basic income villages.

The amount was still lower than that spent on boys, but the gap was substantially smaller, with expenditure on boys' schooling up by about 25

Table 7.1 General villages: Percentage of households with increased spending on school items, by receipt of basic income

Area of spending	Receiving basic income		Chi-square
	Yes	No	
School uniforms	47.7	28.6	34.025***
School fees	44.6	29.3	21.936***
Shoes for going to school	52.2	42.1	8.944***
School books, pens	58.5	45.3	15.474***
Private tuition	19.7	7.1	29.059***

Source: MPUCT IES, 2012; n = 893

Figure 7.1 General villages: Percentage of households with increased spending on school items, by type of village

Source: MPUCT FES, 2012; n= 1337

per cent in SEWA basic income villages and no change at all in non-SEWA villages.

A similar positive development occurred among the relatively vulnerable scheduled caste and scheduled tribe families. The basic income was positively linked to spending for all caste groups. But while still not spending as much on sending their children to school as those from other groups, SC/ST households receiving the basic income in SEWA villages spent more than their counterparts who did not receive the basic income. And the increase occurred for all age groups, as shown by Figure 7.2.

In the tribal village pilot, similar findings were observed. Whereas there was no difference in the total spending in the two villages at the outset, by the time of the final evaluation there was a 17 per cent difference. This was entirely due to an increase in spending on girls in the basic income village, which increased by a remarkable 88 per cent. Spending on school fees for girls more than doubled.

Meanwhile, spending on boys' schooling actually fell a little. The main reason seems to have been that more families sent their boys to stay in a government hostel outside the village. The big decline came in fees, whereas spending on transport to school and on school uniforms actually increased.

In sum, the most striking finding is that spending on girls' schooling was significantly boosted by the basic income. One contributory factor was a practice monitored by the evaluation surveys, that of pooling money from the individual

Figure 7.2 General villages: Percentage of households spending more than Rs.500 on schooling, by age cohort and type of village

Source: MPUCT FES, 2012

basic incomes. Teenage girls were the primary beneficiary. Without the basic income, teenage boys were given priority in limited spending. The basic income allowed the girls in that age group to catch up, and this was achieved in many cases by families pooling part of their basic incomes to pay for it.

In some cases, implicit pooling of money took place, in that families allowed their offspring to use their basic incomes for school-related spending while using their own to pay for other expenses. A moving case was that of a 55-year-old Bhil woman, an agricultural labourer by trade, who was asked how the basic income money was being spent in her household. Asked by the enumeration team about her elder son, who had physical disabilities but who was studying in 10th grade, she said firmly:

I don't take his money at all, sir! He studies, so he needs that money for his books and conveyance to go for tuition. He withdraws from the bank whenever he wants money for his studies. So far he has withdrawn twice: 600 Rupees and 500 Rupees. With the 600 Rupees he had his tricycle repaired. It has been lying around because we didn't have money to have it repaired. With his second withdrawal, he bought clothes and paid tuition fees.

Her case nicely illustrates the power of individual autonomy, emancipation. Another common practice was more coordinated pooling, and this was often to enable girl teenagers to gain what they were otherwise denied. One mother covered by the case studies told the enumeration team:

I have two daughters who are studying in Indore; they live in my brother's house where my father also lives. Until the cash transfer money came, my father used to bear all their expenses. But now, since cash transfers started I have been contributing to their upkeep, and also paying their monthly school fees from the cash transfers. The annual expenditure is 15,000 Rupees for stay and food.

That is not to say that only teenage girls benefited from family pooling their basic incomes. Another typical case involved what seems to be a common trend of sending children out of the village for schooling. A grandmother described her family's decision-making:

My daughter's son, who stays with us, studies in Choral-Dam school, where the school fee is 4,000 Rupees. This year we paid his fees by saving up the cash transfer money. Last year we had to sell wheat to pay the fees.

Note one point about that family's behaviour, highlighted in Chapter 3, which shows the emancipatory value of the basic income. It helped them to avoid having to sell their one marketable commodity at a time that might have been inconvenient or when it could not be sold at a good price. The basic income had given them greater control over their decision-making, lessening the strain of having to decide between food, in the form of the wheat, and extra schooling for their children.

School registration or enrolment

The next set of considerations concern school enrolment, school attendance and school performance. The impact on the first could be expected to be limited to secondary school level, since registration is mandatory at primary school level. But even primary school enrolment is worth examining, in that not every child is registered in reality.

It is generally recognized that primary school enrolment or registration is now close to universal in most of India. The Ministry of Human Resource Development estimated that across India, the non-enrolment rate of young children aged 6 to 10 years was merely 3.7 per cent in 2008 and 5.2 per cent for those aged 11 to 13 years, although non-registration was greater in rural areas.

We found non-registration at primary school level to be minimal in the villages covered by the pilots. Even so, by the end of the pilot registration was higher in the basic income villages, for both boys and girls.

The most striking development was that the extent of secondary school enrolment was significantly higher in the basic income villages, as shown by Table 7.2. Clearly, the major difference was that teenage girls were taken out of school much more than boys in the control villages.

The FES data suggested that the basic incomes checked the tendency for teenagers, particularly girls, to drop out and it did so quite strongly. While only 36 per cent of girls of secondary school-going age in control villages were enrolled in school, 65 per cent of girls of the same age cohort were going to school in basic income villages. We regard this as a major beneficial effect of the basic income, and a testament to the rationality of village families.

Secondary school enrolment levels, particularly for girls, were highest in SEWA basic income villages, compared with both the non-SEWA basic income villages and the control villages. While there were no differences for younger age groups, SEWA was positively associated with a bigger increase in secondary school enrolment by girls.

These positive results should be appreciated as coming from a context in which drop-out rates for teenage girls have traditionally been very high, due to early marriage, distance to schools, lack of separate toilets in schools, lack of female teachers, concerns about safety and demands for their time in household chores, including looking after younger siblings. According to research, across India about one-third of teenage girls drop out for these reasons (UNICEF, 2011, p. 22). So, the positive effects of the basic income are particularly significant.

There were also modest differences by social groups. The basic income seemed to have aided enrolment of teenagers in all social groups, with those belonging to SC/ST households benefiting slightly less than those from other category households, as shown in Table 7.3.

Table 7.2 General villages: School enrolment by type of village, age and gender (percent of age group enrolled in school)

Age (in years)	Male		Female		Total	
	BI villages	Control villages	BI villages	Control villages	BI villages	Control villages
6–10	98.0	93.5	97.3	94.3	97.6	93.9
11–13	94.8	96.7	96.5	83.6	95.7	90.1
14–18	84.4	65.6	65.0	36.1	76.0	51.3

Source: MPUCT FES, 2012; n=3061

Table 7.3 General villages: School enrolment by type of village, by age and social group (percent of age group enrolled in school)

Age (in years)	Scheduled caste/tribe		Other groups	
	Bi villages	Control villages	BI villages	Control villages
6–10	97.7	91.4	97.6	95.4
11–13	95.6	88.4	95.7	91.4
14–18	73.3	51.4	77.1	51.2

Source: MPUCT FES, 2012; n=3061

While secondary school enrolment was higher by nearly 25 percentage points for children from ‘Other’ category households in the basic income villages, the difference for SC/ST teenagers was about 22 percentage points. Again, the major underlying trend seemed to be that the basic income reduced the tendency of children to drop out at the end of primary school.

Similar results were found in the tribal village pilot. There was a drop in overall enrolment rates in both villages, which may have had something to do with a relative shift in the number of teenagers compared to the number of younger children. However, the key point is that whereas overall enrolment was higher in the control village at the baseline, it was substantially higher in the basic income village by the end of the pilot.

Finally, to test the effect of the basic income more systematically, we estimated a set of logit functions in which the dependent variable was the household’s self-reported enrolment of their children expressed as a binary variable.

The standard statistical practice is to calculate odds ratios using the enrolment rate as the indicator of success (Baird et al., 2013, p. 24). However, in the general pilot, for reasons explained earlier, we made sure that everybody in one set of villages received the basic income and nobody in others did so. This implies that there is a possibility of intra-cluster correlation in the outcome variable, which may lead to smaller standard errors, so overstating the precision of the estimate.

With this caveat, and acknowledging that we cannot trace causality fully, we estimated a multivariate logistic regression to assess the determinants of the probability of enrolment. The vast international literature on schooling suggests that key determinants to be taken into account as control variables are age, gender, land ownership (as a proxy for poverty), household size, gender and education of the household head, as defined in the Appendix.

Table 7.4 reports the odds of being enrolled in school, with the first column being for the whole sample, the second and third reporting the results for girls

Table 7.4 General villages: Odds of children being enrolled in school

Variable	Coefficients		
	Overall	Girls	Boys
Constant	9.3927***	5.8317***	4.818***
Basic income	2.7675***	3.3868***	2.3469***
Land ownership	1.7345***	1.0930	2.9634***
Household size	1.0749***	1.0750**	1.0838*
Gender	0.3845***		
10–13 years	0.5491***	0.3690***	1.0363
14–18 years	0.0600***	0.0365***	0.1137***
Female-headed household	1.2576	1.6188	0.9865
Household head's education	1.7199***	1.9220***	1.4697*

Source: MPUCT FES, 2012; n= 3061

and boys separately. The results show that the basic income had a significant positive effect on enrolment, particularly for girls. Indeed, the basic income seemed to more than double the odds of a child being enrolled in school. If receiving the basic income, girls also had higher odds of joining or staying in school as compared to boys at both primary and secondary school age.

Land ownership, a proxy for wealth, was a greater predictor of the odds of children being in school than household size, particularly for boys. Separate regressions were run for SEWA and non-SEWA villages, to test for the effect of Voice. The results were similar, except that in the SEWA villages, the probability of a child in a female-headed household going to school was higher.

In sum, the data and case studies show that the basic income improved school enrolment rates, most dramatically in the case of teenage girls.

School attendance

Across India today, at both primary and secondary school levels, non-attendance by children represents a much bigger challenge than non-registration. The Annual Status of Education Report of 2009 concluded that on any particular day only about 75 per cent of all those registered in primary school were actually attending school (UNICEF, 2011).

A primary hypothesis is that a basic income would result in an improvement in school attendance. The results from the IES suggested that this took place quite quickly. School attendance, as reported by mothers, was significantly more likely to have increased in basic income villages in the initial period of the pilot.

Nearly two-thirds of those in basic income villages reported an improvement, compared with less than a quarter in the control villages.

Although it does not do so as dramatically, this difference was also brought out in the FES (Figure 7.3). Table 7.5 shows that the difference was statistically highly significant, and that there was also a statistically significant difference between SEWA and non-SEWA villages.

Attendance was improved in both scheduled caste/tribe households and in others, with 30 per cent reporting improvement in both groups in the basic income villages. This represented a bigger improvement for the scheduled caste or tribe households, as only 12 per cent of their counterparts in the control villages reported an improvement compared to 17 per cent for other groups.

Census and NSS data show that school attendance rates have been much lower for scheduled caste and scheduled tribe children (UNICEF, 2011, p. 25). So, the results are encouraging, in that they show a progressive impact, being greater for the more vulnerable social categories. There was no difference by gender, with an equal proportion of boys and girls reporting improvement in attendance in basic income villages.

As is well known, various intermediary factors, such as health and nutrition, affect school attendance, and a basic income raises attendance through affecting

Figure 7.3 General villages: Percentage of households reporting higher school attendance in past 12 months, by type of village

Source: MPUCT FES, 2012; n=1369

Table 7.5 General villages: Percentage of households reporting higher school attendance in past 12 months, by type of village

	Yes	No	Chi-square
Receiving basic income	29.0	13.5	49.243***
SEWA village	25.2	16.6	15.082***

Source: MPUCT FES, 2012; n=1369

some of these factors. In basic income villages, illness was reported by parents as the main reason for school absenteeism, followed by the claim that the child lacked interest in school. By contrast, in the control villages the most common reason given for absenteeism was lack of interest, followed by illness, being required to work for the family and transport issues.

One may speculate on the underlying dynamics, without being able to go beyond that. One could say that illness was the most common reason for absenteeism in the basic income villages mainly because other impediments had diminished. We know that illness was less common in the basic income villages, as shown in Chapter 6. But lack of interest as the main reason prompts the question: was it a rationalization by parents, a reflection of inadequate schools or teachers, or because children in the control villages were less likely to have good home breakfasts and healthcare?

Besides parental reports of changes in attendance, we consulted school attendance ledgers that both government and private schools are meant to maintain. Because of the cost and protracted work involved in mining the attendance ledgers, data were taken from a sample of eight villages for this purpose (four basic income, four control). Records for the school year 2011–12 were used to assess any change in attendance. Using these, it appeared that while absenteeism actually increased in control villages, it remained more or less the same in the basic income villages during 2011–12. So, there was a relative improvement in the basic income villages.

The decline in absenteeism in the basic income villages was concentrated among scheduled caste and scheduled tribe schoolchildren. If they were attending school more regularly, this can only be regarded as a progressive development. And the decline in absenteeism was exclusively found in government school records (falling from 23 per cent to 17 per cent, compared with no change in private schools), suggesting that this was one way by which the basic income was actually strengthening a public social service.

School registers are not very reliable. Regrettably, there is a reason for schools to falsify attendance records, as they can be penalized or even closed if the

authorities deem that they have been remiss in their management. However, we may presume that the degree of falsification is random across the villages and the extent of falsification would not have changed systematically in the period covered by the pilot. And in cross-checking the registers with the reported perceptions by parents, we found a general consistency in the responses.

Furthermore, many students in the basic income villages were going to schools that were some distance away from their homes and the children were scattered over many schools. So there was unlikely to be a systematic bias in the records. To add further credence to the data, children from the basic income villages, on average, had further to go to schools, particularly those going to secondary school. So, their lower absenteeism is doubly impressive.

The higher attendance rates shown by the evaluation surveys and by the school registers probably reflect the prior influence on nutrition and health and the immediate effect of extra spending on such items as transport, shoes and uniforms. No longer dirty or having an unkempt appearance, children were more likely to attend school without a sense of shame.

We must acknowledge that we did not find any difference between attendance rates in the two tribal villages; just under a third of households with school-age children in both villages reported a big improvement in attendance.

Returning to the general villages, a set of three logistic functions was estimated, with the same variables as for the enrolment probability. These showed that for all children and for boys and girls separately, controlling for other household factors, the basic income was strongly and significantly associated with high attendance.

School performance

The third dimension is actual performance in school, which we had anticipated would be less affected, in that it takes time to change. But already by the time of the IES, by comparison with control village families, many more of those receiving the basic income reported that their children's school performance had improved in the previous six months. The relative figures were 68 per cent and 36 per cent, a highly significant difference (Chi-squared=61.516***).

While more parents in basic income SEWA villages said the performance of their children had improved considerably over the period of the pilot, when those reporting a small improvement were included, there was no difference

Figure 7.4 General villages: Percentage of households reporting improvement in school performance in last 12 months, by type of village

Source: MPUCT FES, 2012; n=1290

between SEWA and non-SEWA villages. By the time of the FES, slightly more parents in SEWA villages receiving the basic income than in non-SEWA villages reported an improvement in school performance (Figure 7.4). But the main story was the strong positive effect of the basic income.

As with school attendance, the difference in perceived improvement in performance was slightly higher for SC/ST children than for children from other categories. No differences were observed by gender.

Again, we can obtain a clue to the dynamics from the range of responses to the question addressed to parents of children who were not performing well in school. In the basic income villages, about 40 per cent of mothers attributed this to poor teaching. That was the most common reason given. By contrast, in the control villages about 60 per cent attributed poor performance to their children's lack of concentration or lack of interest. So, we may speculate that in the basic income villages, the children were more prepared for school, able to concentrate better or were more motivated.

We also studied the performance records for children from a sample of the villages. School records were obtained for both half-yearly and annual evaluations at four points – October 2011 and October 2012, to compare performance

records at the half-yearly evaluation stage, and February 2011 and February 2012 to compare annual performance records and changes.

Overall, the register data revealed no significant differences in performance of children coming from basic income villages over the 12-month period. However, children from ST households in basic income villages seemed to record the greatest improvement in terms of grades.

Private schools tended to grade the performance of children higher than government schools. This could suggest leniency on their part to show better performance to attract more children. In government schools too, performance records may be suspect because of the pressure to show that children make it to the next grade.

In the tribal villages, a slightly higher proportion of households in the basic income village reported an improvement in the performance of their children than in the control village. The share reporting that their children were performing well rose by nearly 20 percentage points in the former, compared to 17 percentage points in the control village.

In sum, the basic income was associated with an improvement in performance in school, due almost certainly to the effects on factors like diet, transport, better clothes and better morale. It may also have had something to do with changes in the type of school, which we consider now.

Basic income: Accelerating school privatization?

In recent years, in the rural area covered by the basic income pilots, there has been a huge expansion in the number of private fee-paying schools, covering all three divisions of the Indore District in which the villages are located, Depalpur, Indore and Mhow (Narula, 2012).

Justifiably or not, the simple idea has spread that government schools are bad, private schools are good. This has been helped by aggressive marketing by private schools and by the apparent apathy in the government school system. Private schools have adopted novel and energetic marketing strategies, including making calls on parents to discuss their children and sending teachers to visit homes to enquire about their children's studies. Some private schools have begun to send buses to pick up the children in the morning and drop them back after school, cutting out the need to walk or cycle long distances.

The research team also heard of some private schools offering 'discounts', such as charging no fee for a third child if two siblings were enrolled in the

school. We were also told how easy it was to open a private school up to grade 4. These establishments were usually ramshackle and small, run from the home of an educated village youth. No doubt the ease of setting up little units has contributed to a related phenomenon that exists in rural Madhya Pradesh, which is considerable movement between private schools.

The fact was that, although there was already a trend towards going to private schools, it seemed to have been accelerated by the basic income. There were many examples. Thus, one scheduled tribe landholding family told the enumeration team:

All the four children of my *jeth* [elder brother-in-law] go to school. The elder son Yashvant stays in a government hostel near Mahu where he is studying. Everything including food and lodging is free of cost there. And the education is good. Yashvant is in 6th grade. The other three children go to private school at Choral-Dam. We only put them in private school this year, thanks to the cash transfer money.

In this case, the private school seems to have provided cost-saving extras. However, often private schools were found to be charging a considerable amount in bits and pieces for their services. In one used by children in the tribal control village, we found a graduated school fee structure, in which children in nursery, lower kindergarten (LKG) and upper kindergarten (UKG) levels were charged Rs.200 per month, 1st and 2nd grades Rs.220, 3rd and 4th grades Rs.240, 5th and 6th grades Rs.260, 7th and 8th grades Rs. 300, 9th and 10th grades Rs.350, and 11th and 12th grades Rs.400.

This was in addition to the enrolment fee, and there was an additional exam fee of Rs.500 to permit the student to take the high-school examination, a 'development charge' of up to Rs.800 annually and the cost of books and stationery of up to Rs.600 a year. One wonders if parents realize in advance the full extent of the costs once they have enrolled their children in such schools.

Against their unquestionably high costs, some private schools are playing a positive role in their wider communities. The remarks of the principal of one private school deserve to be quoted verbatim:

It has been 8–9 years since the school was opened. Children from all the local villages come here. Our school is from LKG to 12th grade. We have to run the school on two shifts. Our fees are less than other private schools around here. The annual fee for the LKG-UKG children is just 1,500 Rupees, with no other fee for admission and so on. We ask for the fee on a half-yearly basis during the

soybean/corn and wheat harvest seasons. But a lot of people do not deposit the money even during the harvest. If we ask the children about the school fee, they may stop coming to school for 8–15 days. That is why we do not pressurize them too much about the fee, especially for girls. We don't say anything about the school fee to the girls because their parents anyway don't send them to school and if we pester them about the fee they won't send them at all. So we take from them whenever they have money and can pay.

At our school we give a full fee concession to one child if two other children from the same family are paying fees. And if a woman is a widow, we only charge half the actual fee. Because I am from a nearby village, I want the children of our area to study and become able persons.

The cash transfers have made a difference. But my suggestion is that you deposit the money in the children's bank accounts for their education, so that the money can be used only for their education. When parents come, they tell us about the cash transfer money and say they will deposit the school fee.

The latter sentiment, while understandable, would necessitate extensive bureaucratic interventions that would be costly and intrusive. Who would determine whether the money was spent on schooling? Limiting choice on spending would also be clumsy and probably counterproductive. A constraint to a child attending school might be an illness requiring the purchase of medicines. Or the child might lack shoes that fit. Paradoxically, if the money could be spent only on school items, that might actually be to the child's disadvantage if something else was the real constraint.

Returning to the trend towards private schooling, the difficulty of analysing the effect of the basic income is compounded by the fact that there is a trend in that direction across rural Madhya Pradesh. Moreover, in the non-tribal villages, the share of children going to private schools was higher in the basic income villages than in the control villages before the pilot began. That meant there was less scope for a shift to private schools.

In the tribal villages, although there was scarcely any shift from government to private schools in the control village, in the basic income village the share of children in private schools rose from 19 per cent to 29 per cent during the course of the pilot. It surely had a pronounced effect.

The reality of schooling in Madhya Pradesh is that there is disillusion with government schools as they are perceived to exist. Many villagers described them as poor and as having unaccountable or absent teachers. In one of the basic income villages where SEWA was operating, we witnessed a mass protest by women against a teacher from the government school. They were demanding

that SEWA should do something about the teacher, claiming she slept during the day and was rude to the children and parents.

There was anecdotal evidence that the basic income raised the villagers' aspirations for their children. People reported that after the cash started many parents took the decision that they had previously contemplated but found too daunting or expensive, to move their child from a government school to a private school. This might not have been anticipated, since it represented a decision with longer-term implications. It seems some believed that somehow they would be able to sustain that extra cost.

There were of course some parents whose children were studying in government schools who were adamant that they could not afford to shift them to a private school. An example was Santoshbhai in Sahavada village, who told the case study team that she could not afford to send her children to a private school, and did not even aspire to send them there.

However, quite evidently, the general trend towards privatization was strengthened by the arrival of the basic income. That should be a clarion call to the government school authorities that they need to improve.

Private tuition

There is one form of private schooling that is a potential complement to both mainstream government and private schooling. Private tuition is a growing and potentially valuable phenomenon in Madhya Pradesh villages. It can enable some children who have been set back in school by illness, or by other demands on their time, to catch up on missed school. It can also help slow learners and enable some bright children to learn more on selected topics that interest them. The reasons are usually creditable. Typically, one father told the case study enumeration team:

Last year, one of our children in 12th grade failed at maths. He then took private tuition with the help of the cash grants, and passed his 12th grade exam.

More generally, the evidence from the FES suggests that the basic income had a small but significantly positive effect on spending on private tuition. Such tuition seems destined to play a major role in the future of Indian education.

Transport and hostels

There remains one general constraint to schooling to consider, transport to and from school. As many secondary-school students must go a long way to their school, most must be able to pay for acceptable transport. And because of the shift to private schools and the rise in enrolment in secondary schools, many teenagers have further to go.

The data from the evaluation surveys showed that a rising share of pupils were travelling more than six kilometres to reach their school; this development had taken place only in the basic income villages, where the share doing so rose from 6 per cent of the total to over 15 per cent. There was also an increase in the relative number of children going to school by bus.

This was shown most dramatically in the tribal villages. At the time of the baseline, the proportion of children walking to school was roughly the same in both tribal villages. But by the FES, many more children in the basic income village were taking a private bus to school, nearly 16 per cent compared to just 2 per cent in the control village, where the proportion walking to school had actually increased.

There was also a trend towards more children staying in school hostels. According to the FES, this was occurring in both the basic income and control villages, without much difference. But in the basic income tribal village there was a sharp increase in the number doing so, which was not replicated in the control village. There was also a significant increase in school-related migration in the basic income tribal village, which was also unmatched in the control village.

So, in sum, the basic income facilitated a shift to more commercialized schooling and helped parents select from a wider range of school options. That could be said to have benefited their welfare and development potential.

Concluding reflections

The unconditional basic income facilitated and encouraged more intensive schooling and helped to unblock some major constraints. The data testify to the diverse ways it did so, as did some of the poignant stories related to the case study enumeration team.

An example was Chandaben, a 45-year old widow who was a wage labourer from the SEWA village of Jagmalpipliya, whose circumstances showed how the basic income had helped:

My husband passed away two months ago due to a kidney failure, and because of that our condition has become very bad. My only source of income is casual labour, which also is not available regularly. Our main expenditure is on food. I buy food items for only five to ten days because I have very little money. My eldest son is 20 years old. He and I are the only two people who go to work in my family. My three other sons go to school. They get lunch in the school, and they recently got money for their uniform. After my husband's demise, my son Narendra and I increased our hours of labour, but one of my sons is mentally challenged, so he is not able to do much labour. Employers easily exploit him. Three of my boys are studying and we have to bear the expenditure for their education. This money has helped us a lot. If it were not for it, we would have had to send our children for labour work. But because of this money we were able to send them to school.

However, not everyone was able to use the basic income to overcome the pressures. The research team also came across children dropping out of the school system, in spite of the basic income. An example was Mamatabai of Panthbadodia, whose youngest child was on the verge of dropping out of school when the basic income started. From subsequent interviews with her, it was noticed that despite the payments, she was resigned to taking him out of school in the following year.

Another woman, Ramkanya in Panthbadodia, told us that her daughter had to drop out of school because of the terminal illness of her husband. The basic income helped the family improve their food intake, and also helped her two sons live by themselves, studying and working in Indore. However, it was unable to stop their daughter from dropping out from studies.

Ironically, in Mamatabai's case, she was thinking of taking her youngest son out of school but, when we met her, had not decided to take her daughter Anita out of school. Anita was 15 and was studying in 7th grade in the government school in the neighbouring village of Rolai, three kilometres away. The point is that the basic income influenced the dynamics of decision-making and was doing so in generally positive ways.

The case studies highlighted how individual family circumstances influence the decisions to enrol a child or maintain him or her in school. The basic income might have changed the calculus. Or it might have had its effect indirectly, in enabling families to pay for medicine or food. It may not have had a direct effect on some, since a family would have known that the additional costs of schooling would remain once the basic income stopped.

Although a more prolonged pilot would be needed to assess the impact of a basic income on sustained learning, the evidence from these pilots is generally

encouraging. The impact of unconditional income on schooling depends also on the amount of basic income relative to household income.

The short period covered by the pilots makes it impossible to trace the effect of basic income on related behaviour, such as early marriage or teenage pregnancy among girls, that determine schooling. Other studies have found that unconditional transfers do tend to lead to delayed marriages and make a difference to pregnancy (Baird et al., 2013).

The clearest effects of the unconditional basic income were on school-related spending and secondary-school enrolment, particularly of girls, and most in SEWA villages. The basic income also seemed to improve school attendance and performance of children from vulnerable scheduled tribes, who are under most pressure to put their children to work on family farms or as household help, given the abject conditions in which these families live.

It is for these children that the individualized basic income seems to make the most difference. In that regard, it could be said to have had a significant development effect, while being emancipatory in breaking constraints on children's learning.