Money alone can't teach kids to read & write

CMP Check II: ET Finds Higher Spends Do Not Guarantee Quality Education

Swaminathan S Anklesaria Aiyar
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Given the poor literacy and school completion rates in India after more than 50 years of independence, the Common Minimum Programme (CMP) of the new coalition government promises to increase public spending on education from 4.1% of GDP to 6%. However, many developing countries have achieved better results with far little spends. And there we have India's problem — wasteful spending.

India spends 4.1% of its GDP on education but boasts of just 65% literacy. China, on the other hand, spends only 2.2% of GDP on education, yet has 91% literacy. Sri Lanka and Indonesia spend only 1.3% of GDP on education, yet have literacy rates of 92.5% and 88% respectively.

Public spending per student should be a certain proportion of per capita GDP. This ratio in India equals that of the US at 20.8%. This is much higher than that in the UK (15.8%), China (11.56%), Sri Lanka (6.1%) or Indonesia (6%). This drives home the same point, that by international standards India already spends a high proportion of funds on education. The problem is not lack of money but lack of quality. Teachers in government schools earn twice or thrice the salary that teachers in private schools earn, yet are unmotivated, skip school, and teach very little. One survey by Pratichi in select West Bengal schools showed that only 7% of students could spell their own names.

One consequence of lack of quality education is a very high drop-out rate, or wasted education spending, in other words. It must be noted that just 59% of students in India complete Class Five.

Swami

<table>
<thead>
<tr>
<th>Country</th>
<th>Education as % of GDP</th>
<th>Literacy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>4.1%</td>
<td>65%</td>
</tr>
<tr>
<td>China</td>
<td>2.2%</td>
<td>91%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.3%</td>
<td>92.5%</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td></td>
<td>90.5%</td>
</tr>
<tr>
<td>Thailand</td>
<td></td>
<td>88%</td>
</tr>
</tbody>
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MUCH INPUT, LITTLE OUTPUT

Public Education GDP Over-15 Literacy Rate

India 4 91.0
China 2.2 91.0
Indonesia 1.3 88.0
Sri Lanka 1.3 92.3
Thailand 4 84

Source: World Development Indicators 2004

Indian Data for the Over-15 Rate

China on 3-yr

Asia (see table) have achieved high literacy rates by spending around 2% of GDP or less on education.