2020

36th IARIW General Conference

Do Socially Disadvantaged Groups Spend more than their 'Fair Share' to Access Education?

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Education is positively linked to better earnings and higher self-evaluations for individuals, and consequently a significant contributor to overall development. Even though India has made great strides in increasing enrollments in education, access to education still remains poor where caste and religion assigned to or followed by the household continue to play a significant role in determining access, and constraints are furthered depending on class and gender of the child involved. Past studies have largely focused on understanding geographical access and constraints, and looking at differential expenditure among groups provide indicative evidence of households from disadvantaged social groups (Dalit and Adivasi communities) spend lower than advantaged households after factoring in many observable characteristics. This has been attributed to cultural factors arising from (historical) oppression faced by these communities. Lack of rigorous evidence on the pattern of expenditures in various levels of education (i.e. primary, secondary and tertiary) vis-a-vis social group of the households necessitated our study. Utilising nationally representative data and constructing five quantiles each of Monthly Per Capita Expenditure (MPCE) and educational expenditure of households, we classify households as 'ideal-spenders', 'over-spenders' and 'under-spenders' based on the distance between the categories of quantiles they belong to. Households who fall in the same quantile of educational expenditure and MPCE are termed as 'ideal spenders', those who fall in an educational expenditure quantile higher (lower) than the MPCE quantile are termed as 'over spenders' ('under spenders'). We find there a higher share of 'over-spenders' among rural households (most for tertiary education), and lower share of 'over-spenders' among advantaged groups. We estimate conditional differences using several regression models and do robustness checks using matching methods. Currently, mechanisms explored point to differences among states where proportion of disadvantaged households is substantially higher. The results assume greater relevance in the context of India's New Education Policy and several of UN's Sustainable Development Goals (SDGs) on account of improving access of education- role of which in providing upward mobility to households from disadvantaged groups including castes, classes and those belonging to backward regions has been well documented. Our findings directly speak to specific targets under Goal 4 (i.e. "Quality Education"), and have broader implications to several other goals that aim to alleviate constraints related to poverty.