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Universidad  
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Navarra Center for  
International Development

## **8th NCID Research Workshop on Development Economics**

**Navarra Center for International Development,  
Institute for Culture and Society  
University of Navarra**

***Fundación Ramón Areces (Madrid), April 4th-5th 2019***

**Justin Sandefur** - Outsourcing Education: Experimental Evidence from Liberia

Can outsourcing public service delivery improve outcomes in low-income countries? We present results from a large-scale field experiment to study a program that delegated management of 93 public schools — staffed by government teachers and run free of charge to students — to private contractors. To prevent endogenous sorting of pupils into schools from driving differences in test scores, we randomly assigned treatment status at the school level and sampled students from pre-treatment enrollment records. After one academic year, students in outsourced schools scored  $.18\sigma$  higher than those in control schools.

This is a bundled treatment, and we show that outsourced schools had more material inputs (e.g., textbooks and writing materials), more and younger teachers, and better management and pedagogical practices. Mediation analysis suggests roughly half of the learning gains were due to new teachers, and half were due to better management practices. A comparison of contractors reveals heterogeneity, or variance in contractors' effects. Heterogeneity is unsurprising but important: The identity of the contractor matters. Cost estimates of \$50 per child and above imply learning gains were small per dollar spent relative to the existing literature.