Nepal: Patterns of Privatisation in Education

A case study of low-fee private schools and private chain schools

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# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgements</td>
<td>1</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>3</td>
</tr>
<tr>
<td>Introduction to the Study</td>
<td>9</td>
</tr>
<tr>
<td>The Global Context of Education Privatisation</td>
<td>13</td>
</tr>
<tr>
<td>Privatisation of Education in Nepal:</td>
<td>21</td>
</tr>
<tr>
<td>Legal and Policy Frameworks</td>
<td></td>
</tr>
<tr>
<td>The Case of Samata Schools</td>
<td>33</td>
</tr>
<tr>
<td>The Case of Chaudhary Group (CG) Schools</td>
<td>41</td>
</tr>
<tr>
<td>Conclusions and Recommendations</td>
<td>47</td>
</tr>
<tr>
<td>References</td>
<td>52</td>
</tr>
</tbody>
</table>
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Pramod Bhatta
Tejendra Pherali

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Executive Summary

Objectives and Methodology

This research provides an overview of the trajectories and forms of education privatisation in Nepal, with a special focus on low-fee and chain schools. In doing so, it seeks to contribute to the ongoing, critical debate about the relationships between students’ rights to quality education, teachers’ rights to quality working conditions, equitable access to schools and the regulation of private actors in education. It used a mixed methodology, comprising desk research, and field work (survey and interviews). The major focus of the desk research was on: (i) identifying and analysing the growth trajectory of privatisation; (ii) examining the overall policy, practice and legislative environment in which the private sector has proliferated; and, (iii) identifying prominent private actors and issues related to equity and social justice in Nepal’s education sector. The fieldwork was comprised of case studies of two types of private schools – (i) the Samata Shiksha Niketan Schools (a low-fee private school chain), and (ii) the schools operated by Chaudhary Group (CG). For the purpose of case studies, five Samata and three CG schools were selected. The case studies were conducted using a survey questionnaire and semi-structured interviews amongst teachers, students, school principals, and promoters/owners. Throughout the process of data collection, interpretation and analysis, special emphasis was given to gender as a cross-cutting perspective.

Key Findings

Emergence of private sector as a key player in the national education landscape: Private schools were almost non-existent in Nepal before 1980, but they now account for 15.3 per cent of total students at primary level, 16.2 per cent at lower secondary, and 19.3 per cent at secondary level according to the Department of Education (DOE). The majority of private schools are registered as company schools, i.e. they are established as, and operate largely for profit, indicating a rise of commercialisation of education (Bhatta and Budhathoki, 2013). However, there are significant gender, geographical and socio-economic disparities in participation in private schools. The gender parity index in basic and secondary levels in private schools is only 0.77 compared to 1.10 in public schools (DOE, 2015), an indication of significant gender disparities in access to private schools. The Tarai region has the largest share of private schools (42 per cent), followed by the Hilly region (28 per cent) and the Kathmandu Valley (27 per cent). In Kathmandu district, about 78 per cent of all schools are private and 70 per cent of the total students attend
private schools (DOE, 2015). Likewise, 60.1 per cent of the individuals from the richest income quintile currently enrolled in school/college were attending private institutions, compared to only 6.4 per cent from the poorest quintile (CBS, 2011). Moreover, of those enrolled in school/college, 56.1 per cent in urban areas were attending private schools/colleges as compared to only 19.6 per cent in rural areas (Ibid.). This has led to a gradual ‘pauperisation’ of public schools (Bhatta, 2014), in the sense that public schools are becoming residual places for the poor as the rich move to private schools.

**Weak regulation of private schools:** As per the Education Act and the Education Regulations, both public and private schools are required to follow the national curriculum, use the textbooks that are developed, prescribed and/or approved by the Curriculum Development Centre, and sit the same board examinations at the end of grades 8, 10, 11 and 12. Private schools are also mandated to ensure that the service conditions of teachers and non-teaching staff are at par with the minimum government norms and standards. The mechanism for ensuring compliance of private schools to existing legislation consists of regular monitoring visits by field representatives of the district education offices (school supervisors and resource persons, who are also responsible for monitoring public schools). In practice, these represent insufficient human resources and institutional arrangements to effectively monitor all schools. Furthermore, the role of the Minister of Education has been more reactive than proactive in the case of establishing appropriate mechanisms for the regulation of the private actors. Even if the successive development plans and political party manifestos for various elections have highlighted the necessity and intent to strengthen the regulation of private schools, the manifestation of such intent in Education Act and Regulations has been inadequate and often countered stiff resistance from an increasingly organised and powerful private sector.

**Growth of networks and chains, and penetration of transnational actors:** The recent trend of education privatisation in Nepal is characterised by a growing penetration of ‘international’ education programmes in Nepal’s school system, including the growth of franchise schools, and affiliation to international curricula, examinations and co-curricular and extra-curricular programmes. Likewise, schools under individual proprietorship are gradually being converted into chain or network schools involving mergers, acquisition and partnering, indicating the rise of more organised and powerful groups in the education sector. There is also the growth of both formal and informal clustering of like-minded private schools around a common curriculum and co-curricular activities, often deriving from their claims of catering to a particular social class or status group.

**Spread of a very constricted view of education:** The growing infatuation of both Samata and CG schools — and other private schools as well, with a high degree of standardisation in teaching-learning content and processes, and the equation of educational success with student performance in the annual secondary education examinations (SEE) has promoted a very narrow conception of education that limits education to subject-based teaching-learning and adequate training and preparation for the examinations. This
success does not necessarily reflect improved teaching and learning methods or quality in its broadest sense. Rather, it capitalises on the conventional assessment practice that rewards rote-learning and the narrow focus on exam preparation which helps achieve good results. Children's overall development and broad indicators of education quality are neither valued in the national education culture nor included as priorities at Samata schools or CG schools. Such a constricted view of education fits neatly with the neoliberal agenda of equating good quality with 'efficiency'.

**De-professionalisation of teaching:** The prevalence of uncertified, under-qualified and untrained teachers who work under severe constraints characterised by low salaries, long working hours and congested classrooms has contributed to a general de-professionalisation of teaching in private schools, which undermines the need for teacher education and professional development. Most Samata staff are not certified teachers. They report they would like to stay in the profession and are committed to contributing to Samata's 'mission' but, simultaneously, are hopeful that an improvement in their school's financial conditions would translate into reward for their labour. For the majority, teaching at Samata was seen as an opportunity to gain some professional experience until a better opportunity is available or until they complete their university education and move on to their desired profession. There is an acceptance of the notion that teacher turnover is normal and teaching qualifications are unnecessary, as long as teachers help children achieve good results in the exam.

**Gender dimension of teacher recruitment in private schools:** The majority of full time teaching staff in Samata schools were females, whereas most of the part-time teachers—who were mainly hired to teach secondary level students preparing for the SEE, were male. This scenario fits very neatly with the national data, which shows that there are more female teachers at the primary level in both private and public schools, but more so in private schools.

The male teachers were reported to be paid at the same level, if not more, than those working in other average private schools. However, female teachers reported that their salaries were insufficient to make their ends meet. In a gender-hierarchical society such as Nepal, where women have traditionally been confined within home and usually not expected to work in the professional sector, private schools—including Samata—seem to be offering teaching positions that do not require professional qualifications or training. A lack of legal requirement for a minimum wage seems to create an economic environment where historically marginalised social groups are likely to be easily exploited. Clearly, the deregulation of the labour market seems to work against the welfare of workers, and teachers seem to be the victims of this neoliberal framework in the education sector. However, more research is needed to expand the scope of this claim.

**Capitalising on the discursive success of neoliberalism:** The public perception of education quality in post-colonial societies is dominated by what modern, westernised education offers—manifested through educational facilities, curriculum and the medium of instruction. In such a context, education in private schools, provided through English
medium and perceived to be of better quality than their public counterparts, fulfils the economic aspirations of families in the global capitalist market. Low-fee private schools have been presented as a pragmatic alternative to both high-fee, commercially driven private schools and free but failing and poor quality public schools (Pherali, 2013). This research demonstrates that the neoliberal trajectories (discussed in Chapter 2) are being manifested through the chain schools and low-fee private schools in Nepal.

**Recommendations**

As public services such as health and education are now the responsibility of local government under Nepal’s new Constitution, there is some optimism for positive change in the education sector, especially with respect to restoring the quality of education in the public schools. This report’s recommendations are structured mainly around two key areas as follows:

*Increase investments in public schools:* The Nepali state, through its most recent Constitution, has affirmed its commitment to free and compulsory basic and free secondary education. However, the translation of such commitment into practice will require not only a reversal in the current trend of education financing, but also a substantial increase in allocations to education to reduce the direct and indirect costs of schooling, and improve the overall quality of education in public schools, including provisions to:

- ensure that public schools receive the full provision of qualified and trained teachers by subjects and levels and in accordance with the national norms for student-teacher ratios so that the opportunity for improved learning is enhanced;

- provide a range of teaching-learning materials other than textbooks to enhance students’ access to a broad array of learning materials;

- cover the direct and indirect costs of students from poor and socio-economically marginalised and excluded groups, thus ensuring their access, participation and graduation across the grades; and

- develop appropriate legislation for ensuring compulsory participation, including repercussions for failing to do so.

*Develop stronger regulation for private schools:* Given that the contribution and the role of the private sector in the provision of school education has been firmly accepted by the Constitution, political parties and dominant development discourse, it is recommended that the state develop stronger regulatory mechanisms to oversee the operation of private schools in order to:

- ensure that private schools adhere to the minimum standards and norms within a given timeframe, and that the licenses of those that fail to adhere to such norms and standards within the given time frame be withdrawn;
- ensure that they adhere to financial regulations including, tax liability to the government;

- strengthen monitoring mechanisms to ensure that private schools continue to adhere to the regulations related to inter alia, fees, curricula, and teachers, in order to ensure that they continue to comply with the legislation and to hold them accountable;

- ensure that teaching is regarded as a profession, requiring recognised qualifications, provided with adequate salary and benefits, appropriate training and opportunities for the provision of continuing professional development for the teaching workforce; and,

- improve the quality of education not just in terms of successes in national exams but also in the development of critically aware, creative young people who are able to shape the development trajectories of Nepal.
1. Introduction to the Study

Background

Privatisation of (school) education is a much-talked-about but under-researched phenomenon in Nepal. Until now, most commentary on Nepal’s public and private education provision has focused on how private schools cash in on the supposed inferior quality of public schools (Bhatta and Budhathoki, 2013). However, education privatisation in Nepal deserves special attention for at least four reasons. Firstly, Nepal has seen a massive proliferation in the number and share of private education institutions over the past two decades. According to the Nepal Ministry of Education (MOE), 15.8 per cent of all enrolments at the basic level (grades 1-8) are in private schools, 19.3 per cent in secondary (grades 9-10), and 29 per cent at higher secondary level (grades 11-12) (DOE, 2015). In urban areas such as the Kathmandu Valley, the scale of private provision is significant, with nearly 70 per cent of all school-age children attending private schools. This is alarming given that the current forms of profit-oriented private schools were almost non-existent in Nepal before 1980.

Secondly, private schools have not only grown in number, they have also consistently outperformed their public counterparts in annual board examinations, such as the school leaving certificate (SLC) examinations, and the periodic national assessments conducted by the MOE for grades 3, 5 and 8 students (Bhatta, 2004; ERO, 2013, 2015). These results are consistent across both high-fee and low-fee schools.

Thirdly, the majority of private schools are for-profit institutions, funded exclusively from student fees, and operating as private companies registered under the Company Act.

And, fourthly, the period coinciding with the growth of private schools has seen increased government engagement (with support from various donor agencies) with public school reforms through programmes such as ‘Education for All’ and the ‘School Sector Reform Plan’. Such growing penetration by the private sector into school education (constitutionally mandated as free and universal, and considered the prime responsibility of the government in Nepal), raises serious concerns about the nature of the Nepali state, as well as its capacity to promote equity and social justice through education.

Objectives

This research seeks to provide an overview of the trajectories and forms of education privatisation in Nepal, and contribute to the ongoing critical debate about the relationships between students’ right to quality education, teachers’ right to quality
working conditions, equitable access to schools (especially for girls and other disadvantaged groups), and the regulation of private actors in the educational sector.

The overall objectives of this research are:

- To review privatisation patterns in the education sector with a specific focus on primary and secondary education
- To develop a framework for analysing government policies, actors, impact, and a political economy of private educational provision
- To explore the trajectories of private education provision in Nepal and implications for educational equality, social justice and sustainable development
- To develop case studies of two types of private education providers (Samata Shiksha Niketan Schools\(^1\) and Chaudhary Group [CG] Schools\(^2\)), focusing on equity in access, quality and wellbeing of educational staff and students (including of female students and staff)

These two types of schools were selected for this study because of their distinctiveness in the Nepalese education sector. For example, Samata is a unique model of a low-fee private school chain in Nepal's educational landscape and very little is known about its professional environment such as teachers' motivation, teaching practices and working conditions. CG Schools are private chain schools that have been involved in educational partnerships with international educational companies. Unlike other private schools, CG member schools follow standard operating procedures (SOP) to standardise their curricular and pedagogical approaches, ethos, and discipline across their network schools. By examining these two different types of educational models, this study hopes to contribute to the debate about privatisation of education in Nepal and also provide insights into similar educational practices elsewhere.

### Research Methodology

The research adopted a mixed methodology, comprising desk research and field work (survey and interviews). The desk research comprised a theoretical review of various debates about privatisation in and of education across the world from the perspective of economic globalisation and neoliberal reforms in education; a comprehensive review of periodic national development plan documents, national education commission reports, manifestos of political parties, MOE reports (including statistical reports), Education Act

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1. A low-fee chain schools that charge NRS.100 per month as a regular tuition fee and provide an English medium private education, mostly to children from marginalised communities. The first school was established in 2001 and now at the time of research there are 53 Samata schools across the country. They are also known as bamboo schools and the school buildings are constructed using bamboos.

2. CG Schools is a chain of private schools which are operated as private enterprises by Nepal's one of the largest business houses- The Chaudhary Group. These schools, have in the past, been run in partnerships with international educational companies such as Manipal Group of India and Pearson. CG Schools have been established in Kathmandu, Nawaalparasi and Birgunj.
Nepal: Patterns of Privatisation in Education  
A case study of low-fee private schools and private chain schools

and Education Regulations, and other related published and unpublished works. The major focus of the desk research was on:

- Identifying, using a political economy perspective, the growth trajectory of privatisation, and describing and analysing how such growth has shaped the education system in Nepal;
- Examining the overall policy, practice (e.g. medium of instruction, curriculum, pedagogical approaches and teachers’ working conditions), and legislative environment in which the private sector has proliferated; and
- Identifying prominent private actors, with a focus on low-fee for-profit private actors, and issues related to equity and social justice (including gender perspective) in Nepal’s education sector

The desk review was followed by fieldwork, comprising case studies of two types of private providers – (i) the Samata Shiksha Niketan Schools, and (ii) the schools operated by CG. Five Samata and three CG schools were selected. The case studies were conducted using a survey questionnaire and semi-structured interviews amongst teachers, students, school principals, and promoters/owners. The focus of these case studies was mainly on:

- Collecting information from teachers (especially for the Samata Shiksha Niketan Schools) on their experiences of working in such schools;
- Collecting information from students on their experiences of studying in such schools, and their perception of public schools;
- Collecting information from private school owners in relation to claims and promises as well as to the narrative/evidence private providers present in promoting their schools and services (e.g., quality of education, working conditions, breadth of curriculum); and
- Collecting information from the schools regarding their everyday functioning

In the case of CG Schools, in addition to the above, the focus was on investigating how their network of schools operates both at an organisational level and with different actors in the sector, including how these schools are financed, interconnected nationally and internationally (through the curriculum and standards, textbooks, teachers, etc.), and coordinated across the network.

Throughout the process of data collection, interpretation and analysis, special emphasis was given to gender as a cross-cutting perspective, focusing on legislation, statistics and other secondary data about female students and teachers, and also considering other intersecting factors such as socio-economic or class status, age, caste/ethnicity, or religion.
Structure of the Report

The rest of this report is structured as follows:

- Chapter 2 provides an overview of the global context for education privatisation with a focus on neoliberalism as the major driver of education privatisation across the globe.

- Chapter 3 then describes the legal and policy frameworks which have allowed and/or facilitated the growth of education privatisation in Nepal.

- Chapters 4 and 5 provide the case studies of the Samata and CG Schools, respectively, focusing on the branding and maintenance of education standards, teacher recruitment and professional development, terms and conditions of service, and equity in terms of student participation.

- Chapter 6 provides the major conclusions and recommendations for policy and further research.
2. The Global Context of Education Privatisation

Education: Global Agenda and Neoliberalism

Since the Jomtien declaration and the framework for action on Education for All in 1990, there has been a significant growth in demand for and advocacy on education. This global campaign for education was launched to respond to the crisis in education, particularly in low and middle-income countries where over 100 million children had no access to formal education and around one billion adults lacked in functional literacy, impeding their potential to participate in modern economic activities (UNESCO, 1990). Since then, increasing attention has been paid to educational access globally with renewed efforts in 2000 when the Dakar Framework for Action launched six Education for All goals (UNESCO, 2000) with key performance indicators - these have been regularly monitored and reported in the Global Monitoring Report almost every year since 2002. Currently, the Sustainable Development Goals (SDGs) have incorporated Goal 4 which aims to "ensure inclusive and equitable quality education and promote lifelong learning for all" by 2030 (UNDP, 2015).

In recent decades, on the one hand, these global movements have influenced educational planning, provisions and financing across the developing world and on the other hand, the role of the state in providing educational services is diminishing (Kumar and Hill, 2009, p.1). The state retreat in educational provision is pushed by the logic of neoliberal reforms in political, economic and social domains that underpin the notion that "education systems will be more efficient and effective if they are reorganised using the principles of the free market: those of choice and competition, and publicly available performance information on quality and standards" (McPherson, Robertson and Walford, 2014, p.13). There is an argument that neoliberalism is "a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets, and free trade (Harvey, 2005, p.2). As with other areas of the public sector, state investment in education, such as establishing schools, teacher recruitment and redeployment, providing textbooks, and provision of scholarships to children from poor families is declining in a bid to reduce public expenditure. The logic behind this is that public services are expensive and put a burden on taxpayers, thus undermining the market's entrepreneurial dynamics. Hence, alternatives should be created through the involvement of the private sector in order to realise effective and sustainable provision of education. In this process, neoliberalism asserts that the state be conceptualised as an enabler of a free market rather than the provider of services. Harvey (2005) further argues that:
The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defence, police, and legal structures and functions required to secure private property rights and to guarantee, by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks, the state must not interfere. (Harvey, 2005, p.2)

It is in this spirit that education is being increasingly reinvented and advanced as a ‘market’. Kumar and Hill (2009) argue that the global capitalist class demands that the education sector produce labour power relevant for commercial enterprises; be available for commercial activities to make profits and; offer opportunities for profit making through business deals with the state in privatisation activities. These agendas are facilitated by international financial organisations such as the World Bank, the International Monetary Fund (IMF) and the Organisation for Economic Cooperation and Development (OECD) that provide financial and technical support to low-income countries – this support comes attached with conditions that structural adjustment will involve a reduction in public expenditure by selling off state-owned assets to private companies.

The processes of globalisation have transformed the labour market and reorganisation of work worldwide which “generate new inputs for education policy-making” (Ball, 1998, cited in Verger, Novelli and Altinyelken, 2012, p.5). Equally, the expansion of economic markets has redefined the purpose of education and the skills, competencies and the notion of flexibility that are now required to be produced through education (Carnoy, 1999). These market demands influence national educational policies and parental choice around the type of education that is valued by employers. Indeed, the growing popularity of English-medium education in low-income societies such as Nepal is underpinned by the logic of maximising young people’s comparative advantages and potential to access new opportunities (Bhatta, 2014). Informed by these principles, neoliberalism has now become a dominant political-economic ideology that shapes the provision of education and deterritorialises the national policy process (Robertson, 2012) by involving international organisations. It redefines the scale, the space and the dynamics of education policy negotiation, formulation and implementation (McPherson, Robertson and Walford, 2014). This undermines the national capacity to control educational goals, curricula, pedagogies and the medium of instruction.

The introduction of market mechanisms in education means both the emergence of new providers of educational services as well as penetration of market logics such as competition, choice and varying price for a variety of educational products that are available in the educational market. Dale (1999) argues that external actors ‘impose’ educational policies that favour privatisation of education, pressurise some countries to ‘harmonise’ educational systems in order to produce homogeneous knowledge and skill sets, ‘standardise’ qualifications that are globally recognised, and force them to achieve common objectives responding to global demands such as education for all goals,
promoting tolerance rather than resistance to injustices, and responsibilities towards climate change and employability.

Neoliberalism impacts on education in three different ways. Firstly, the introduction of market mechanisms and logic in the education domain (Ball, 2007) facilitates the notion of school choice, competition between schools (e.g. publication of league tables and pass rates in private vs. public schools) and decentralisation of educational governance without necessarily providing additional funding. The agenda of social justice and equity is under threat as the new education policies render a false impression that all parents can choose a school for their children. The rhetoric of school choice downplays restrictions that schools impose on parents, impeding their ability to choose. These restrictions may include school catchment areas, entrance tests, high admission fees, and other hidden educational costs such as transport, school uniforms, text books and exam fees. This has resulted in growing inequalities between schools as, in many cases, ‘parental choice’ of schools has become the ‘schools’ choice’ of the most desirable parents and children – and rejection of others (Kumar and Hill, 2009, p.15). It is also argued that decentralisation in education has added a ‘burden’ on poor parents (Poppema, 2009) who do not have the economic and cultural capital that schools demand, resulting in ‘elite capture’ of school management committees and decision-making processes (Edwards, 2011). Nor does decentralisation in terms of where educational decisions are made benefit low-income students/areas in terms of improving educational outcomes (Car-Hill et al., 2015).

Secondly, neoliberalism promotes liberalisation and privatisation of the education sector (Ball, 2007), inviting private providers whose primary motive is to make profits from educational enterprises. Profit incentive in educational businesses relies on high tuition fees, large class sizes and exploitation of untrained, less qualified, and generally part-time teachers (Kumar and Hill, 2009). Little is invested in teachers’ professional development or in improving their working conditions with private institutions in low-income countries mostly depending on resources that are allocated for marketing (e.g. attractive school buildings, computer labs and well-furnished classrooms). For example, during admissions seasons, private schools in Asia lavishly advertise, highlighting their educational facilities and exam results in local newspapers and the digital media to attract students.

Thirdly, neoliberalism forces education systems to import management techniques from the corporate sectors (Verger, Novelli and Altinyelken, 2012). Efficiency and increased productivity are central to this kind of reform. Local communities that are not always competent in academic matters are tasked to hire and fire teachers (Stenvoll-Wells and Sayed, 2012). On the other hand, many private schools offer temporary contracts to teachers to avoid paying long-term benefits such as pensions, health insurance and vacation. Teachers are generally expected to work long hours and salaries are often low.

Decentralisation of public schools results in devolution of teacher recruitment and surveillance of teaching practices, such as pedagogical approaches, often by educationally inexperienced school management committees that scrutinise teacher attendance and time management (Chikoko, 2009). These changes are underpinned by the logic of
competition and choice, school autonomy and accountability (Hanushek and Woessmann, 2007). More broadly, as an OECD report stipulates, these strategies include:

... making the budget process more responsive to priorities; making management practices more flexible, such that defined priorities are easier to achieve; strengthening competitive pressures among providers of public services and, where not incompatible with equity considerations, containing the demand for public services (Curristine, Lonti and Joumard, 2007, p.5).

In recent decades, network schools (e.g. a school chain/ franchise) and low-fee private schools have grown significantly in low-income contexts in Africa and South Asia (Tooley, 2016). The former represents increasing commodification of education and the education sector as a domain of business investment, which is served by commercial enterprises in a “McDonaldization” (Ritzer, 1993) of education; the latter has emerged as a pragmatic solution (at least rhetorically) to the crisis of quality in public schools and the significant costs involved in private education.

Tooley (2016) provides an overview of three contested arguments in the body of literature concerning low-fee private schools in developing countries:

(i) Low-fee private schools, endorsing “parental choices”, are unhelpful to the “goal of promoting universal and free public education”

(ii) “Given the parlous state of public education”, parental choice is legitimate and should be understood as a pressure to improve the quality of public education provision

(iii) Given the existing crisis of access and quality of education in public institutions and growing parental preference for low-fee private schools, the education community should consider “the potential role of public and private sectors in education for development”, that “private education can offer a route to providing educational opportunities for all” (Tooley, 2016, p.228).

This study, drawing upon two network schools (the CG private school chain/franchise and low-fee private Samata Schools), explores a range of educational issues central to the goal of quality education for all. This study is theoretically grounded in the debates about neoliberalism and its impact on the education sector which faces neoliberal onslaught, as in other public sectors, in terms of its implications, manifested through privatisation of education for profit (both explicit or implicit) as well as emerging patterns of low-fee educational provision. This tendency can be characterised by some of the paradoxes of neoliberalism. For example, neoliberalism undermines sustainable indigenous cultures, local practices and diversities in favour of multinational corporations; forces national governments to reduce social welfare and public services such as health and education (Klein, 2007); and celebrates the culture of charity and humanitarianism, claiming to support populations who are faced with wars of geopolitical and economic interests (Rodan and Hewison, 2006). International aid and charitable work are often underpinned
by the idea of supporting the poor and vulnerable populations who are left behind in the free market system where state welfare provisions are significantly reduced. However, aid-based, charitable educational programmes without national ownership and commitments are financially difficult to sustain and less likely to promote access, quality and accountability.

Neoliberalism as a Driver of Privatisation in Education

Historically, the provision of private education has been a space to produce social elites or attempt to preserve distinct religious, cultural and social values through systemic engagement in the traditional knowledge, literature and indigenous practices (McPherson, Robertson and Walford, 2014). However, in the last couple of decades, privatisation ‘of’ and ‘in’ education (Ball, 2012) has been observed at a much larger ‘scale’, with a significantly wider ‘scope’ and much deeper ‘penetration’ in all aspects of educational processes (McPherson, Robertson and Walford, 2014, p.9) including, policy-making, formal provision, educational governance and ‘shadow schooling’ that involves out-of-school learning, aimed at boosting student performance at school (Bray, 2009).

This report argues that privatisation in education is underpinned by neoliberal ideology that regards education as a product and as an industry that offers economic incentives. The cost of education is transferred to learners and local communities or, in some cases, education and educational facilities are contracted to private companies, or a combination of both. In low-income countries in Asia, Africa and Latin America, this process is introduced through decentralisation of education that devolves management and financial responsibilities to local communities (World Bank, 2008) that are increasingly under pressure to raise their own funds to sustain the educational provision. Whether it is concerned with the ‘private’ within public education or the ‘private’ as a provider of the educational service, education is increasingly conceptualised as a commodity, learners as consumers, and educational institutions as business enterprises.

Neoliberalism has also emerged as an offensive to the labour movement, social justice and collective rights of workers (Harvey, 2005). Austerity in wages and social welfare for workers is central to its goal for maximising profits and in this process, neoliberalism exploits the conditions of growing unemployment and deregulation of the labour market. Unrestricted and poorly regulated labour markets curtail workers’ rights and impose unfavourable working conditions on them (Harvey, 2005). As Acton and Glasgow (2015, p.110) argue, “neoliberal policy regimes are deeply problematic for establishing a sense of professional wellbeing in teachers”. Teachers’ wellbeing is undermined through poor working conditions such as long working hours, low salaries, big class sizes, no pensions or other benefits, and the prevalence of temporary teaching contracts.
Deregulation of economic markets and expansion of global job opportunities has direct implications on the medium of instruction and curricular choice. For example, English is perceived to be a language of competitive advantage in economic terms. In Nepal, parental attraction to English-medium education has compelled some public schools to adopt English as the medium of instruction. A quantitative analysis by Azam et al. (2010, p.22) in India shows that “wages are on average 32% higher for men who speak fluent English and 13% higher for men who speak a little English relative to men who speak no English”. English skills seem to be beneficial in gender terms as well, i.e. the average returns for fluent English-speaking women is 22 per cent and 10 per cent for those who speak a little English (Azam et al., 2010). However, English skills do not necessarily translate into higher incomes if the individuals do not complete secondary schools nor do English classes benefit adults in increasing their wages (Azam et al., 2010). In other words, only highly educated people and more experienced people tend to experience higher returns on their English language skills. Low-income families who cannot commit to the full range of good quality English-medium education up to the tertiary level may not be able to see the returns in the same way that economically better-off families do.

The poor and disenfranchised communities lack in the social and cultural capital, aspirations and ability to access the membership of and connections with the social network that facilitates social mobility (Bourdieu and Passeron, 1990). This social condition is nurtured and perpetuated through exclusive curricular framework, inequitable access to and outcomes in education. Direct costs to parents for their children’s education means that access to a good quality English medium education which increases social and economic chances would be largely inaccessible to children from poor families. This would lead to a situation where new opportunities created by global economic markets are likely to be monopolised by socially privileged groups. It is also argued that education in the mother-tongue offers a more conducive learning environment for children from poor families and cultivates national identities but this may be detrimental in terms of maximising their opportunities in the global economic market (Azam et al., 2010).

The growing pattern of low-fee private schools in several low-income countries such as India, Pakistan, Nepal, Kenya, Ghana and South Africa represents a new type of market-oriented approach underpinned by the neoliberal notion that “the poor should be allowed to be consumers, like middle and ruling classes” (McPherson, Robertson and Walford, 2014, p.15). This new educational pattern deflects genuine public efforts to improve quality of provision in public schools and seriously undermines the agenda of free universal education for all (Lewin, 2007).

Neoliberalism is highly adaptive and dynamic in co-opting criticisms against its underlying values. In this regard, the low-fee private provision is a shrewdly constructed discourse that asserts that neoliberalism offers opportunities to the poor as well. It is conceptualised as a win-win proposition for the poor who need not be stuck with poor quality public education nor be excluded from private education due to its high costs. However, one major concern is whether this kind of provision is really low-cost or is merely a
repackaging of widely criticised private provision to downplay the profit-making motive at its core. When public education is staggeringly slow to improve, waiting for national governments and international organisations to fix the problem of access, quality and outcomes for poor children, the rapid expansion of private education and its claims about a good quality education without financially burdening parents becomes of serious interest to researchers, practitioners and policy-makers (Tooley, 2016). Low-fee private education is often promoted as offering a viable alternative or playing a supplementary role for national education systems that are struggling to sufficiently fund public education, and economically disadvantaged communities could potentially access a better quality education at a reasonable cost. There is also a genuine hope that it could offer an alternative model of education. However, an increasing number of academics and civil society actors observe low-fee private schools cautiously with regards to ‘controversial’ claims:

… first, because to some observers, they exploit the aspirations of the poor to do well for their child; second, because they are relatively expensive for the poor, the result is that households on meagre incomes will be faced with choosing which child the family invests in, making it particularly divisive; and third, these schools may not be any better than the government school – but the promise of a (not particularly good) private education and in some cases an English medium private education, is regarded as highly desirable by families. (McPherson, Robertson and Walford, 2014, p.15-16)

There is also a concern around the financial sustainability of such a provision and whether such schools offer dignified working conditions for teachers and educational staff. There are several additional questions:

- What are the indicators of success for this new model of educational provision?
- To what extent are its practices continually informed by pedagogical innovations, supported by required financial investments, and integrated with much wider educational provisions in the country?
- Is this a more effective model of education or just a manifestation of the ‘private’ in education with some attractive rhetoric that capitalises on the failures of weak public provision and perceived costliness of private education?
- In terms of social justice, who can access this type of education and who is excluded?
- Are the educational outcomes equitable and “benefit societies in the round, rather than some individuals at the expense of others” (McPherson, Robertson and Walford, 2014: 10)?

These questions need to be rigorously examined in order to make evidence-based claims about what low-fee private schools offer.
In conclusion, neoliberalism drives privatisation in and of education globally and the educational context in developing countries such as Nepal is not an exception. The emerging pattern of low-cost trust schools or chain schools might dwell upon new public discourses of justification (e.g. quality education at low costs, English-medium education at low cost, better education than in failing public schools etc.), but they embrace the private sector approach to educational management such as selection of pupils, teacher recruitment and working conditions, private tutoring, English-medium instruction and curriculum, and excessive focus on exam preparation rather than broad experience of learning.

The next chapter will critically examine Nepal’s legal and policy framework relating to educational privatisation.
This chapter describes the legal and policy frameworks which have allowed and/or facilitated the growth of education privatisation in Nepal. It also analyses the trend of private education expansion and the salient features of such expansion in the country.

At the outset, it should be emphasised that the business of school establishment and operation in Nepal was, historically, a private or community initiative (CERID, 1984). It was not uncommon for such initiatives to rely on nominal fees and community donations to pay the teachers (Bhatta, 2016). Prior to the nationalisation of all schools by the National Education System Plan in 1971, the presence of private schools was quite significant, and there were at least two types of private schools, both of which were ‘not for-profit’: government-aided and unaided. However, the current version of for-profit private schools is a post-1980 phenomenon, when Nepal, like many other developing countries, also embarked on neoliberal economic reforms.

**Legal Provisions for the Establishment and Operation of Private Schools in Nepal**

The major legislation for the establishment and operation of private schools in Nepal is the Education Act 1971 (which has subsequently undergone nine amendments up to September 2017) and the Education Regulations that are based on the Education Act. The process involved in establishing a private school was not well defined in the Education Act until 2001, although the growth of private schools had already been a matter of public and policy concern by then.

In 2001, the Seventh Amendment to the Education Act renamed private schools as 'institutional' schools and classified such institutional schools into two types: company schools and trust schools. Trust schools are further classified into public and private trust schools. Company schools are required to register with the Company Registrar’s Office and trust schools are required to register at the Guthi Sansthan (Trust Corporation). The element of profit is the most important component of such a classification. For example, a company school is allowed to make profit, which can in turn be distributed as a dividend amongst the school’s investors or owners. However, the profit accrued (if any) in a trust school cannot be divested to trustees and must be ploughed back into the school. However, the Eighth Amendment to the Education Act in 2016 has put an end to the establishment of company schools. This study uses the term ‘private schools’ to refer to...
the institutional schools and ‘public schools’ to refer to community schools as defined by the Education Act and Education Regulations.

The Education Act defines private schools as those schools that do not receive any funding from the government and operate from their own resources. Furthermore, they are required to pay taxes and allocate at least 10 per cent of places in the form of scholarships for poor, marginalised and meritorious students. However, certain types of private schools (particularly the trust schools) may be allowed certain concessions (e.g. waivers on land registration and customs duties on import of vehicle and other equipment, subventions on the guarantees/deposits required when applying to establish private schools).

As per the Education Act and the Education Regulations, both public and private schools are required to follow the national curriculum, use the textbooks that are developed, prescribed and/or approved by the Curriculum Development Centre, and sit in the same board examinations at the end of grades 8, 10, 11 and 12. Likewise, institutional schools are also held responsible for ensuring that the service conditions of the teachers and non-teaching staff (including salary and perks, allowances, leaves, and other benefits) are at par with the minimum government norms and standards. There are also standards for setting fees in institutional schools – which in turn are based on the facilities and services provided by the school. However, the current monitoring mechanisms for ensuring that private schools conform to the regulations are weak and insufficient, allowing for private schools to engage in non-compliance or to challenge compliance (Action Aid, 2017; Bhatta, 2014).

In February 2013, the Government issued an ‘Institutional School Standards and Operations Directive’ to ensure that appropriate standards are set for the regulation of private schools (MOE, 2013). This comprehensive Directive covers various areas such as permission for establishment and operation of private schools, physical infrastructure, educational aspects, school classification and fee determination, and the roles of various agencies with respect to the implementation of the Directive (MOE, 2013). The Directive was prepared and approved after extensive consultations with various stakeholders including representatives of private schools (Private and Boarding Schools Organization-Nepal [PABSON], National Private and Boarding Schools Organization-Nepal [NPABSON]), and various teacher organisations.

However, the private schools refused to follow the directive immediately after it was issued, and it has yet to be implemented. There have been other incidences in which private schools have refused to follow government orders, including a refusal to pay the five per cent education tax as per the Seventh Amendment to the Education Act, and a refusal to follow the 2012 Supreme Court order related to a moratorium on fee increases in private schools for three years (Action Aid, 2017; Bhatta, 2016). Such growing
assertiveness by private schools fits neatly with the success private schools have enjoyed by becoming better organised into interest groups such as PABSON, NPABSON, Higher Institutions and Secondary Schools’ Association Nepal (HISSAN), and the Association of Private Education Institutions Nepal (APEIN).

**Education Privatisation as Political and Policy Agenda**

A significant feature of education privatisation in Nepal is the lack of policy clarity regarding the establishment and operation of private schools. On the one hand, successive constitutions since 1990 have emphasised the right to education as a fundamental right and have made provision for free and compulsory basic education and free secondary education. However, these provisions are yet to be fully implemented in the absence of necessary legislation. On the other hand, the major political parties and the national development plans and policies have duly recognised the important role of the private sector in the country’s overall growth and development.

*Education Privatisation in the National Development Discourse:* The restoration of multiparty democracy in 1990 heralded Nepal’s espousal of neoliberal reforms, with the subsequent periodic development plans emphasising privatisation and market-led economic reforms. In this regard, the Eighth (1992–1997) and the Ninth (1997–2002) plans stated that a policy of encouraging the role of private sector will be adopted to make meaningful participation in education management (NPC, 1992, 1997). However, the rapid growth of private schools in the ensuing period, followed by widespread allegations of commercialisation and inequalities between public and private schools, seem to have contributed to the perceived need in the development plans for a better regulatory framework. As a result, the Tenth Plan (2002–2007) stated that a regulatory framework would be formulated and implemented in order to systematise the growth and management of institutional schools (NPC, 2002). Subsequent development plans have continued to highlight the growing inequities between public and private schools, and emphasised the policy need for better regulatory frameworks to govern and manage private schools.

Another common theme that emerged after 2006 is that of partnerships between the public, private and non-government organisation (NGO) sector in the provision of education as well as in the improvement of quality standards (NPC, 2008, 2013).

The post-1990 period also saw the formation of three national education commissions to provide strategic policy directions to education in the changed political context.

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4 In terms of constitutional provision, the rhetoric of the right to free and compulsory education has grown stronger in recent years. For example, the Constitution of 1990 only loosely recognised education as a fundamental right. However, both the Interim Constitution 2007 and the Federal Constitution 2015 strongly assert the right to free education as a fundamental right. In this regard, the Interim Constitution 2007 states that “Every citizen shall have the right to receive free education from the state up to secondary level as provided for in the law” (UNDP, 2007, p.68). Likewise, Article 31 of Part 3 (fundamental rights) of Nepal’s Constitution 2015 states that “Every citizen shall have the right to access in basic education” and that “Each citizen shall have the right to free and compulsory basic education and free secondary education from the state” (Constituent Assembly Secretariat, 2015, p.14).
All three Commissions have included a detailed analysis of education privatisation, indicating the sector’s growing importance. These Commissions have lauded the role of the private sector in providing high quality education, but also expressed concern at the management and operation of private schools (Bhatta, 2016). The 1992 Commission recommended measures to encourage the establishment and operation of schools, colleges, higher education institutions and universities as part of quality improvement. It stated that the government should: (i) provide support and encouragement for the establishment and operation of model private schools in each development region, and (ii) extend cooperation to approved and operational private schools to acquire land and get soft loans for construction, procurement of vehicles and educational materials, and the training of special education teachers (NEC, 1992). However, the Commission raised concerns about excessive commercialisation, exploitation of teachers, and haphazard expansion of private schools. It recommended that private schools should be of two types – (i) business oriented, profit making, and (ii) service-oriented, non-profit making – to control the commercialisation of education (Ibid.).

Likewise, the 1998 Commission emphasised that private schools should be encouraged to bear social responsibility and suggested that permission to establish and operate private schools should be based on more stringent criteria related to physical facilities, teachers, nature of ownership, etc. At the same time, the Commission stated that private schools should be granted full autonomy in their operation within the scope of national curricula, national examinations and education regulations. It also recommended that quality private schools should be encouraged to establish their branches in remote and disadvantaged areas with support from government (HLNEC, 1998).

It was, however, the 2001 Commission that recommended far-reaching changes to the establishment and operation of private schools. It suggested that school education be provided through two types of schools: community and institutional, with existing government schools converted into community schools and existing private schools converted into institutional schools. Furthermore, institutional schools should be registered either as for-profit ‘company’ schools or as not-for-profit ‘private and public trust’ schools. It also suggested that private schools be classified into various categories based on their physical an educational infrastructure and quality of service delivery, and that their fees be based on such categorisation (HLWGE, 2001). It should be noted that the Seventh Amendment to the Education Act was largely influenced by the recommendations of the 2001 Commission.

Whilst the various commissions and development plans engaged extensively with education privatisation in the post-1990 period, it is surprising that there has been relatively little engagement with education privatisation in the national education reform programmes implemented in the same period. In this period, Nepal, like many other developing countries, committed to the global Education For All movement and implemented large-scale education reform programmes, through significant contributions from donor organisations. Both the Basic and Primary Education Programmes I and II
(1992-1999 and 1999-2004, respectively) made absolutely no mention of the private education sector. Likewise, the Education For All programme (2004–2009), the school sector reform programme (SSRP 2009-16), and the school sector development plan (SSDP 2017-21) also make no reference to the private education sector (Action Aid, 2017; Bhatta, 2016).5

**Education privatisation as a political agenda:** There has been a gradual acceptance of the role and contribution of the private sector in education amongst the major political parties, as evidenced from their election manifestos for various national and local elections (Bhatta, 2016). Nepali Congress party (NC, a centrist party that has been in power for the longest time period) has continually advocated for a respectable yet better regulated place for the private sector. The leftist parties, such as the Communist Party of Nepal–United Marxist Leninist (CPN-UML) and the United Communist Party of Nepal–Maoist (UCPN-Maoist, now called the Maoist Centre) have been more critical of the growing commercialisation of school education. For example, in most of its manifestos, the NC has expressed concern at the education disparities between private and public schools, and emphasised the need to create equality of opportunity by improving the quality of public schools. In its more recent manifestos, the NC has called for compulsory provision of social responsibility for private schools. At the same time, its recent manifestos have also emphasised the role of the private sector in the expansion of employment-oriented technical and vocational education, and the need to ensure security to private schools by factoring in the contributions of the private sector towards improving the quality of education in the country (Table 1).

<table>
<thead>
<tr>
<th>Year</th>
<th>Nepali Congress</th>
<th>CPN-UML</th>
<th>UCPN-Maoist</th>
</tr>
</thead>
</table>
| 1991 | • Improve quality of education in public schools to reduce education disparities between public and private schools | • Discourage commercialisation in the education sector  
• Provide equality of opportunity | / |
| 1994 | • Launch special programme to improve the quality of education in public schools in rural and urban areas | • Develop appropriate standards for private education institutions  
• Decrease educational disparities between private and public schools | / |

5 However, the SSRP and SSDP have certain programmatic activities that broadly encourage public schools to emulate private schools. These include, amongst others, provision of English as an optional subject from grade 1, use of English as a medium of instruction, public-private partnerships, and twinning of good performing (private) schools and poor-performing (public) schools in order to improve the performance of the poor schools in the national SLC examinations.
<table>
<thead>
<tr>
<th>Year</th>
<th>Nepali Congress</th>
<th>CPN-UML</th>
<th>UCPN-Maoist</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>• Encourage community management of public schools to reduce the disparities between private and public schools &lt;br&gt; • Improve quality of education in public schools to decrease the increasing disparities between private and public schools &lt;br&gt; • Make provision for ensuring that the fees raised by private schools are compatible with the services provided and conduct regular monitoring of private schools</td>
<td>• Set appropriate standards for private education institutions to operate according to national education objectives &lt;br&gt; • Ensure equality between private and public schools</td>
<td>/</td>
</tr>
<tr>
<td>2008</td>
<td>• Improve quality of education in public schools to decrease the increasing disparities between private and public schools &lt;br&gt; • Make compulsory provision for social responsibility for private schools &lt;br&gt; • Expand technical and employment-oriented education through state and private participation</td>
<td>• Increase state responsibility for educational development &lt;br&gt; • Ensure education of same standard across the nation</td>
<td>• Eliminate rampant commercialisation in education &lt;br&gt; • Make education free for all up to grade 12</td>
</tr>
<tr>
<td>2013</td>
<td>• Ensure full guarantee of private sector investment in education as they have contributed to improving the quality of education in the nation &lt;br&gt; • Encourage private sector’s social responsibility towards poor and marginalised groups</td>
<td>• Eliminate disparities and production of dual citizenship by improving the effectiveness of education in public schools</td>
<td>• Control the increasing commercialisation and mal-practices in education</td>
</tr>
<tr>
<td>2017</td>
<td>• Ensure full guarantee of private sector investment in education as they have contributed to improving the quality of education in the nation &lt;br&gt; • Encourage private sector’s social responsibility towards poor and marginalised groups &lt;br&gt; • Encourage private schools to implement voucher scheme and social responsibilities</td>
<td>• Increase investment in public education to reduce the disparities between private and public schools &lt;br&gt; • Regulate private investment in education</td>
<td>• Make necessary provision for the state to provide compulsory, free, quality, employment-oriented, relevant and easily accessible public education</td>
</tr>
</tbody>
</table>

Source: Adapted from Bhatta (2016). Information for the 2017 local elections has been updated.

Even in the case of the leftist parties (that have traditionally called for the nationalisation of all private schools), their agenda related to privatisation of education has gradually shifted from “nationalisation” to “control” and “better regulation”. The CPN–UML, in its manifestos, has called for equality of opportunity by eliminating disparities in education,
discouraging commercialisation of education, and setting appropriate standards for the operation of private schools according to national objectives, thereby acknowledging the role of the private sector. The UCPN-Maoist, which came to power after it staged a civil war from 1996–2006, had submitted a 40-point demand to the government prior to 1996 that included the following demand: “Free and scientific ... education should be available to all. The commercialisation of education should be stopped” (Thapa, 2003, p.395). Following this trend, the party in its first Constituent Assembly (CA) elections manifesto in 2008, stated that “Commercialisation in education will be eliminated and education up to grade 12 will be made free for all”. However, in the manifesto for the second CA election in 2013, the Maoist party had diluted its emphasis by stating that such commercialisation will be “controlled”.

The Growth of Private Schools in Nepal

In the context of a more conducive environment for the establishment and operation of private schools in the post-1990 Nepal, the pace at which private schools continued to expand in the country was rapid,\(^6\) even though the public education system continues to be prioritised financially by both the government and many aid agencies (Figures 1 and 2).\(^7\) According to the MOE, enrolments in private schools have more than doubled at all levels: from 6 per cent to 15.3 per cent at primary level, 7.6 per cent to 16.2 per cent at lower secondary, and 9.7 per cent to 19.3 per cent at secondary level between 2005 and 2015 (DOE, 2005, 2015).

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\(^6\) For a similar scenario in higher education, see Bhatta, 2015.

\(^7\) In terms of budgetary allocation, the education sector has been receiving over 16 per cent of the government’s annual budget since the 2008/09 fiscal year, the highest for any sector. Under the sector-wide approach, nine donor agencies have been supporting school sector reforms and they account for more than 22 per cent of the total budget.
Salient Features of Education Privatisation in Nepal

**Geographic and Socio-economic Inequities in Provision and Access:** The increasing role of the private sector in the provision of school education has led to several inequalities, including inequities in performance between public and private schools. Private schools in general have tended to have better pass rates in the secondary education examinations (SEE, previously known as the SLC or SLC examinations), as well as better scores in the periodic national assessments of student achievement conducted by the MOE for grades 3, 5 and 8 students (Thapa, 2012; ERO, 2013, 2015).

There are significant geographical disparities in the distribution of private schools in the country. In general, private schools are concentrated in urban areas (such as the Kathmandu Valley) and geographically more accessible regions (such as the southern plains adjoining India known as the Tarai/Madhesh). Another region with a lot of private school enrolments is the Western Hill districts that have historically enjoyed high levels of literacy and school education. Geographical inequities in the distribution of private schools and share of students are graphically depicted in Figures 3 and 4 below. The Tarai region has the largest share of private schools (42 per cent), followed by the Hilly region (28 per cent) and the Kathmandu Valley (27 per cent). In fact, in Kathmandu, the district with the highest concentration of private schools, about 78 per cent of all schools are private and 70 per cent of the total students attend private schools. In Lalitpur, another district with a high concentration of private schools, 58 per cent of all schools are private and 62 per cent of all students attend private schools. In contrast, private schools account for only three per cent of all student enrolments in the entire Mountain Region.
Within these broad geographical zones, there are significant intra-regional variations in the share of private schools. In particular, the Eastern Mountains, Mid- and Far-Western Mountains, and the Far-Western Hills have a very low share of private schools (MOE, 2015).

Figure 3: Share of Private Schools across the Eco-Development Regions

Source: DOE, 2015.

Figure 4: Ratio of Students attending Private and Public Schools across Eco-Development Regions

Source: DOE, 2015.

There are also significant gender disparities in access to private schooling. According to the MOE, the gender parity index (GPI) in basic and secondary levels in private schools is only 0.77 compared to 1.10 in community schools (DOE, 2015), an indication of significant gender disparities in access to private schools (Action Aid, 2017). There is a difference of more than 14 per centage points between the enrolment share of boys and girls in private schools. In contrast, there are more female teachers in private schools compared to the public schools. According to the MOE, female teachers constitute nearly 54 per cent of the total teachers at the primary level in private schools compared to 39 per cent in public schools. However, the scenario changes in the secondary level, where the share of female teachers decreases to 23 per cent in private schools and only 15 per cent in public
schools (DOE, 2015). It should be noted that, according to the government regulations, primary school teachers require lower academic qualifications and are paid less than the secondary teachers. Further, private school teachers, in general, are provided with lower salaries and benefits as compared to permanent teachers in public schools. With respect to the socio-economic dimensions of participation in private schools, evidence from the Nepal Living Standards Survey III suggests that 60.1 per cent of the individuals from the richest income quintile currently enrolled in school/college were attending private institutions, compared to only 6.4 per cent from the poorest quintile (CBS, 2011). Moreover, of those enrolled in school/college, 56.1 per cent in urban areas were attending private schools/colleges as compared to only 19.6 per cent in rural areas (Ibid.). This has led to a gradual "pauperisation" of public schools (Bhatta, 2014), in the sense that public schools are becoming residual places for the poor as the rich migrate to private schools.

**Growth of For-Profit Private Schools:** Most private schools in Nepal are registered as company schools, i.e. they were established as and operate largely for profit, indicating the rise of commercialisation of education (for further details, see Bhatta and Budhathoki, 2013). Furthermore, when asked to self-accredit their school (based on the provision and quality of physical and educational infrastructure) for the determination of fee ceilings, Category B was the most popular selection amongst the majority of the schools - Category B indicates that they were catering mostly to middle and upper-class households (as opposed to low-fee schools catering to poor and lower-class households) (Bhatta and Budhathoki, 2013). Such schools place a very strong emphasis on English, in some cases explicitly discouraging students from using non-English language within the school premises. This may well be in response to the desire of parents to educate their children through English medium.

**Growing Penetration of International Curriculum and Examinations:** The recent trend of education privatisation in Nepal shows the application of global trends at local level, including the growing penetration of international curricula, examinations and non-degree education programmes in Nepal's school education (and higher education). These include the GCE-A level, Central Board of Secondary Education (CBSE), international baccalaureate (IB) and tertiary degrees (Table 2). More importantly, it can be seen that a single school offers a combination of multiple curricula and examinations (both national and international) in order to attract students in the increasingly competitive market.

Apart from those institutions listed in the MOE website, there are other chains such as the FastTrack schools and the EuroKids preschools (which is claimed as India's number one preschool chain with operations in India, Nepal, Bangladesh, Sri Lanka, Dubai and Singapore). Private schools are also making claims as to the growing use of international pedagogical methods and practices, and educational and co-curricular programmes such as the Bank's Street College of Education (Rato Bangla School) and International Baccalaureate Primary Year Programme (Premier International School).  

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Growth of Chains and Networks: Significantly, private education within Nepal is increasingly being operated by branches, networks and chains. Private schools under individual proprietorship are gradually being merged into chain or network schools.9 While the CG schools and the Samata schools represent the most obvious examples of such phenomena, evidence suggests that it is occurring at a larger scale involving bigger investments. For example, the Little Angels School System already includes Little Angels’ Schools in Hattiban and Jhamsikhel, Small Heavens’ Boarding School in Chitwan, the Ideal Model School in Dhobighat, the Little Angels’ College in Hattiban, the LAB School in Kirtipur, and Durbar High School, Kathmandu.10 Another example cited by the this research survey's respondents is the group of Kathmandu Model College (KMC) educational network, which consists of secondary, higher secondary and bachelor level programmes. The network runs many other academic programmes such as MA (English), MBS, and KMC School that runs classes from kindergarten to class 10.11 Premier International School also has several sister organisations including Montessori training institutions, a chain of pre-schools across the Kathmandu Valley and school.12

Table 2: Nepali Education Institutions affiliated to International Programmes, 2017

<table>
<thead>
<tr>
<th>Degree/Board</th>
<th>Name of Affiliating Institution</th>
<th>No. of Institutions</th>
<th>Kathmandu Valley</th>
<th>Outside Kathmandu Valley</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 GCE - A Level</td>
<td>University of Cambridge</td>
<td>31</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>2 CBSE</td>
<td>Central Board of Secondary Education, India</td>
<td>6</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3 IB</td>
<td>International Baccalaureate Organisation</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>4 BBA/MBA</td>
<td>Various</td>
<td>31</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>5 Hospitality/Hotel Management</td>
<td>Various</td>
<td>13</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>6 Computer/IT</td>
<td>Various</td>
<td>16</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>7 Others (Fashion designing, Engineering, Architecture, etc)</td>
<td>Various</td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Source: MOE (2017)

9 For example, in 2016, Ghattekulo-based Suryodaya Jyoti Secondary School, Ananda Bhumi High School and Blue Sky Public High School merged to form SAB Public School under Suryodaya Education Foundation.

10 For further information, please visit: http://idealmodel.edu.np/demo/about/ (Accessed on 4 September 2017).


12 For further information, please visit: http://www.premier.edu.np/introduction-1 (Accessed on 8 September 2016)
4. The Case of Samata Schools

The Samata Schools chain began as an individual initiative led by Uttam Sanjel in 2001 with the establishment of a low-cost school for the children of garment workers and carpet weavers in the Boudha/Jorpati area of Kathmandu. The first Samata school was established with the motto of providing education for 100 Rupees (NPR) per month throughout the school life. Soon after, the initiative gathered momentum, with the added involvement of prominent personalities (see below). Currently, Samata schools operate in 53 (out of 75) districts across the country. University education (Bachelors’ and Masters’ degrees) are also offered at the premises of the first Samata School for NPR100 per month. According to Sanjel, it is his objective to establish at least one Samata School in each of Nepal’s 75 districts as well as in each of the member states of the South Asian Association for Regional Cooperation (SAARC). Today, Samata is the largest chain of low-fee private schools in Nepal, with nearly 70,000 students, about 55 per cent of whom are girls.

Operation and Funding Mechanism of Samata Schools

According to the founder of the Samata Schools, every Samata school is individually registered with the MOE as per the relevant provisions made in the Education Act and the Education Regulations governing private schools. Of the 53 registered Samata schools, 42 were registered as private trust schools and the remaining 11 were registered as company schools. However, even if they are registered as autonomous and independent units, they are de facto under one umbrella and technically overseen by the ‘centre’ located in the premises of the first Samata school in Jorpati, Kathmandu.

As well as offering itself as a low-cost school, Samata has targeted children from poor and working class families, claiming to provide them with a high quality education through the medium of English, whose quality is comparable to any general private school. The association of Samata schools with the poor and destitute children was recalled by a principal who has been associated with Samata for a long time as follows:

In the beginning, everybody used to call our school a Khaate School (literally Scavenger School). However, the public perception towards our school began to change after we did well in the SLC. Even then, many upper-class families still hesitate to send their children to our school (Source: interview).

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13 The Samata School has been covered widely in the national and international media, especially with respect to what motivated its founder, Uttam Sanjel. As a result, in our interview with Sanjel, we did not focus on this aspect. According to media reports, Sanjel returned from an unsuccessful career in the Bollywood film industry to carve a niche in the Nepali film industry. After facing failure there too, he started to conduct informal classes for poor and orphan children in Jorpati, Kathmandu, which then motivated him to start the Samata School in the same locality. For further information, please refer to Gihmire and Siwakoti (2009) and Jayashi (2010; http://www.ipsnews.net/2010/02/education-nepal-unique-school-aims-to-be-a-ticket-to-equality/).

14 According to Uttam Sanjel, a Samata School has already been established in Raxaul, across the Nepal-India border in Birgunj.
Of the teachers surveyed for this research, more than 70 per cent stated that the majority of children attending Samata schools were from poor families (Figure 5). However, teachers also stated that Samata schools reflected the socio-cultural diversity of the country, with students from all districts of Nepal. Samata has also branded itself as a bamboo school, with most of its schools closely resembling each other in terms of their exterior and interior architecture and design that consists of bamboo walls with mud or cement plaster in the inner walls, corrugated sheet roofing, and mud or cement flooring with inexpensive furniture. All the schools have been constructed on rented land, and it was stated that nearly NPR20 million is paid out annually as rental fee for the land.

It should be emphasised at the outset that Samata Schools are low-fee – not low-cost – schools, implying that the actual costs of education are subsidised from other sources. It was not possible in this research to gain complete and accurate information on how the initiative is funded and continues to subsidise its costs while also rapidly expanding across the nation. The principals and the founder stated that the monthly tuition fees account for only about 22 per cent of the recurrent expenditures of the school. From the information publicly available regarding these schools, it can be seen that there are more than 5,000 donors within and outside of Nepal who make once-off or annual contributions to the initiative to cover the construction and recurrent expenditures. Prominent contributors include Dr Upendra Mahato (a wealthy businessman and non-resident Nepali based in Russia), the famous comedian artist duo of MaHa (Madan Krishna Shrestha and Hari Bansha Acharya), Buddhist nun-cum-singer Ani Choying Dolma, Dr Kul Chandra Gautam (who served as Nepal’s representative in the United Nations), journalist–turned politician Rabindra Mishra, and journalist Bijaya Kumar.15

Figure 5: Socio-economic Background of Samata (as perceived by Samata teachers)

Source: Fieldwork, 2017

Moreover, the general perception that the cost of attending Samata schools is only NPR100 per month masks the actual costs of attending such schools, although the actual total costs of attending Samata School would still be much cheaper than attending a comparable private school. According to the principals, teachers and students, all Samata schools charge additional costs for examinations (held at least six times per year), books, stationery, school dress, school tie and belt, communications diary, computer classes, and additional but compulsory coaching classes (conducted especially for students in grade 10). The costs vary by levels and grades. In addition, many Samata schools operate near-compulsory hostel facilities for grade 10 students to prepare them for the annual board examinations referred to as the SEE. Principals reported that the revenue generated from these additional fees enabled the school administration to pay teachers' salaries and meet the school's recurrent costs. Principals also stated that they sought help from the Samata Centre when fiscal deficits arise, although they expressed ignorance of how the Centre manages its funding.

**Mechanisms for Quality Standards and Performance across Samata Schools**

According to the founder and the principals interviewed, all Samata schools follow the national curriculum defined by the Curriculum Development Centre of the MOE, and participate in the mandatory district level annual examinations at the end of grade 8 and the SEE at the end of grade 10. All Samata schools also use the same set of textbooks published by the private publishing houses in accordance with the national curriculum and approved by the Curriculum Development Centre. As a result, there is already some degree of standardisation across the entire chain. It was also stated that biannual orientations are conducted for all the Samata school principals (at either regional or national levels), with a focus on reiterating the chain’s mission and objectives, sharing strategies and emphasis on performance in the annual board examinations.

The major focus of Samata schools is, according to one principal, on student discipline and academic pursuits, with little time for other co-curricular and extra-curricular activities. Students reported that teachers were very strict with attendance and homework, and that punishment was normal in the case of laxity or negligence in discipline or schoolwork. The principals and teachers stated that they constantly emphasise to students the importance of doing well in their studies and especially in the annual SEE. For this purpose, Samata schools conduct additional coaching classes, organise mock examinations and some operate hostel facilities for grade 10 students (which is near-compulsory) and conduct exam-oriented teaching for up to 16 hours per day. Further, most Samata schools rely on ‘reputed’ part-time teachers with known expertise in preparing the students for the board examinations at the end of grade 10. There is also intense competition amongst the Samata schools to perform well in SEE examinations. As a part of preparing for the annual SEE, it was stated that all Samata students sit for the common model examinations. The
best performing male and one female student from the entire Samata chain are rewarded with prize (laptop) for best performance in the SEE. Likewise, the best teacher and principal amongst the Samata schools are also rewarded annually.

Both the Samata students and teachers perceived the school to be much better than other private and public schools in the vicinity. For example, more than 80 per cent of the surveyed teachers stated that their school offered much better education than public schools; 67 per cent stated that it was better than the other private schools. Likewise, more than 85 per cent of the surveyed students stated that their school offered much better education than the public schools; 55 per cent stated that it was better than the other private schools.

As stated, there is very little focus on co-curricular and extra-curricular activities in the Samata schools. Research for this study did not discover any evidence of a common education philosophy in the Samata schools other than their branding as ‘low-fee’ schools that enrolled students on a first-come first-served basis rather than through competitive admission procedures characteristic of many private schools. However, the Principal from one of the school stated that they had to introduce an entrance test for admissions as the school was becoming oversubscribed due to its growing popularity among parents from a broad range of socioeconomic backgrounds.

Strategies for Teacher Recruitment and Teacher Professional Development

One of the most significant strategies followed by all Samata schools is their strategy of hiring teachers at low cost. According to the principals surveyed, such a strategy arose out of their commitment to provide education for a very low fee. Teachers are generally young, mostly local residents, unmarried and living with their parents, attending higher secondary school (10+2) or college education, and also engaged in additional income-generating activities (see Figures 6 and 7). Nearly 65 per cent of the teachers stated that they were also studying in college while teaching at Samata, and nearly 37 per cent stated that they were also teaching either tuition classes or in other schools. Such student-teachers (as they were often referred to in interviews by the founder and the principals) are willing to work for low wages that cover their subsistence costs. A closely related strategy of Samata schools is to also hire, to the extent possible, Samata alumni who are well inculcated into the aspect of equity and social justice promoted by the initiative, and are willing to work for low wages.

Furthermore, most teachers do not have a teaching license or pre-service training, elements required by the Education Act and Education Regulations. Of the surveyed teachers, nearly 75 per cent did not have a teaching license. However, in the case of grades 9 and 10, the majority of Samata schools rely on part-time teachers who are

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16 According to Samata Schools founder Uttam Sanjel, “Samata Schools do not select, but collect the students.”
renowned for their expertise in preparing the students for the SEE examinations and who are also paid at market rates. There is no explicit strategy for teachers’ continuous professional development other than the occasional short packages that some teachers may receive, together with their public-school counterparts, from the district education office quotas. Likewise, some publication houses have also trained teachers, especially in English-language teaching. In total, 58 per cent of the teachers surveyed stated that they had not received any training in the past year. However, even if not trained, more than 92 per cent of the Samata teachers felt that they had either high or adequate expertise in the subjects they taught.

For many of the surveyed teachers, teaching in Samata was their first job, and they viewed their job there as a platform and experience for further career development. As shown in Figure 8 below, 45 per cent of the respondent teachers have been working for two years or less in Samata. The founder and principals of the schools were expressed their content with this strategy as long as the teacher(s) did not leave in the middle of the academic session. It is seen as mutually beneficial to both parties: teachers acquire experience, schools deliver teaching-learning at lower costs.
The majority of the teachers working in the Samata schools have a temporary contract, which entitles them to 12 month of salary and no other benefits such as provident fund (PF), gratuity, insurance, leave or allowances (Figure 9). Teachers stated that schools often struggled to pay them on time. However, more than 70 per cent of the teachers stated that the school would help them in times of needs, such as providing salary advances and leave.

Figure 9: Availability of Various Facilities for Teachers

Source: Field Survey, 2017
Despite being paid substantially less than the government norms, most surveyed teachers (about 85 per cent) were fully satisfied or satisfied with the facilities and with their work (Figures 10 and 11). Furthermore, teachers were motivated and dedicated towards their work, and also exhibited a high level of commitment to the goals of equity and social justice espoused by the school. However, it was observed that teacher satisfaction with the job decreased as years of service increased, with older teachers citing increasing dissatisfaction with the poor salary and lack of other benefits, and stating that they would grab a new job opportunity as it arrived (Figure 12).

Figure 10: Teacher Satisfaction with the Facilities

Source: Field Survey, 2017

Figure 11: Teacher Satisfaction with the Job/Work

Source: Field Survey, 2017
Figure 12: Length of time the Teacher Plans to Work in the School

Source: Field Survey, 2017
5. The Case of Chaudhary Group (CG) Schools

CG schools are owned by one of Nepal's biggest industrial and business conglomerates founded by Binod Chaudhary, which “comprises over 112 companies and 76 brands in the global market, with a strength of over 10,000 employees”. The CG schools are operated by CG Education, which is a unit of the Chaudhary Group, with the declared objective to “be the best in the education sector in Nepal”.17

The first school to be operated by the CG was the Chandbagh School, which was established in Kathmandu in 1996. However, it was only after the political changes of 2006/07 that the CG started to seriously expand its investment in the education sector. As a part of this expansion, CG partnered with the India-based Manipal Group in 2009 to acquire the schools that were being run under the name of Campion Schools (an initiative that dates back to the mid-1990s) and operate them as CG Manipal schools based on the education philosophy of the Manipal Group.18 In the third year of this partnership, Manipal's K-12 component was acquired by the London-based Pearson Group and the CG Manipal partnership became the CG Pearson partnership. However, a lack of policy clarity by the Nepalese government around foreign direct investment in school education led to the termination of this partnership.19 The Campion Schools and the Chandbagh School then proceeded to be operated under the management of CG Education. Today, the CG schools and colleges operate mostly in the Kathmandu Valley, with the exception of a vocational training institute in Chaudhary Industrial Village in the Nawalparasi district in western Nepal and a Delhi Public School in Birgunj in Central Tarai.

Management and Operation of CG schools

CG schools offer access to multiple curriculum and examination options that includes the state's curriculum (SEE and higher secondary or 10+2), the CBSE of India as well as the General Certificate of Education-Advanced (GCE-A level) of the University of Cambridge, UK. Further, CG Education also offers both general and technical tertiary education. Its overall strategy for development and growth is described in the following statement:

CG Education thus caters to all age groups from PG (playgroup) to PG (post-graduate) and is a one-stop educational system in Nepal. The major

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18 Based on interview with the academic head of the CG Education Unit and CG school principals. It should be noted that the Manipal Group had already been involved in medical education in Nepal since 1991 with the establishment of the first private medical college, Manipal College of Medical Sciences, in the city of Pokhara.
19 This information is based on interviews with CG school principals as well as with a joint-secretary of MOE.
The strategy of the CG schools is to expand across the major urban areas through both organic (establishment of new institutions from the beginning grades) and inorganic means (acquisition of existing schools). It was stated by the principals that CG is very aware of its niche as one catering to middle class and upper-middle class students, providing them with world-class education at affordable cost. The majority of teachers felt that the economic status of the students enrolled in the CG Campion schools was either good or average (meaning upper-middle class or middle class) (Figure 13).

**Figure 13: Socio-economic Status of CG School Students (as perceived by CG School teachers)**

Quality Assurance and Standard Setting in the CG Schools

Because of its partnerships with, first, the Manipal Group and, later, Pearson, CG Education has developed so-called standard operating procedures (SOP) for education in its constituent schools. According to the academic head of the CG Education Unit, these SOP cover four foundations – academics, co-curricular/extra-curricular activities, discipline, and values and beliefs – and serves as the basic pedagogical tool to guide the curricular and co-curricular activities in all CG schools. Teachers are provided with refresher training on a trimester basis in the use of the SOP to structure classroom delivery processes.

The CG schools visited had ‘DigiClass’ classrooms which were equipped with interactive smart boards, operating on software bought from a Pearson-owned company (DigitALly, located in Bangalore, India). According to the principals, each of the CG schools using the software pays NPR 400,000 annually as subscription charges to DigitALly for the use of the digital learning materials. In addition, while conducting co- and extra-curricular activities, CG uses services from other external service providers such as EduSports (a Bangalore-based company that “works with schools to implement a best-in-class Physical Education
and Sports programme designed to offer the same rigour in sports and physical education as in academics”) and V-Star (or Virtuous Stars, which is “a moral education programme for youths, conducted in cooperation with the International Buddhist Society and thousands of schools throughout Thailand with the common goal of cultivating the universal values of cleanliness, tidiness, politeness, punctuality, and mind-purifying meditation in the minds of the youth”).20 CG Education’s academic head stated that the Chandbagh School in the CG network is also a member of the Round Square schools (a worldwide network of ‘innovative’ schools) as well as a member of the Quality Kathmandu Schools (a network of elite private schools in Kathmandu aimed at fostering student and teacher exchanges across the network). Furthermore, as a part of an emphasis on English, CG schools also participate in the Cambridge English for Speakers of Other Languages’ (ESOL) assessments, aimed at assessing the English skills of the students at various ages/grades.

**Strategies for Teacher Recruitment and Teacher Professional Development**

According to the principals, CG schools generally follow the provisions outlined in the Education Act and Education Regulations in teacher recruitment.21 While recruiting new teachers, it was stated that preference is given to candidates who have completed at least higher secondary education for the primary grades, Bachelor’s degrees for lower secondary, and Master’s degree for secondary/higher secondary grades. Mastery of the English language is a key criterion for the selection of teachers. The principals stated that they gave preference to candidates with an academic degree in teacher education (pre-service education) and with at least two years of teaching experience in private schools. However, possession of a teacher license is not a mandatory requirement for working in the CG schools. Therefore, of the teachers included in the survey, 56 per cent did not have a teaching license.

Results from the sample survey show that teachers in CG schools have a higher level of education and are also more experienced than their counterparts in the Samata schools (see Figures 14 and 15). More than 80 per cent of the teachers included in the survey have a Bachelor’s or Master’s degree. Most are full-time teachers, apart from some specialised teachers for secondary grades or for co-curricular and extra-curricular activities (Figure 16). However, 54 per cent of the teachers said they were studying in college besides teaching in the CG school, and 37 per cent stated that they were conducting either tuition or other school classes. There is also evidence of systematic teacher professional development in the CG schools, mostly to familiarise the teachers with the SOP as well as some subject-specific training. In fact, 100 per cent of the teachers stated that they had received some training in the past year.

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20 This information is based on interviews with CG school principals as well as on the information provided in the website (http://cgeducation.com.np/), Accessed on 7 September 2017.
21 According to the government regulations, the minimum academic qualification for basic teachers (grades 1-8) is higher secondary (grade 12 pass) and for secondary (grades 9-10) is a bachelor’s pass degree.
Figure 14: Teacher Qualifications in CG Schools

Source: Field Survey, 2017

Figure 15: Teaching Experience (in number of years)

Source: Field Survey, 2017

Figure 16: Status of Teachers

According to the information provided from the school management as well as from the teacher survey questionnaires, the working conditions and terms of service of the teachers are in accordance with the CG corporate policy for its employees, which adhere to the minimum standards set by the government. The terms of service and the benefits are basically dependent upon the number years served in the school and, as a result, there is considerable variation in the working condition of the teachers. However, in general, teachers are entitled to 13 months’ salary, various types of leave, PF, gratuity, and other benefits after completing the probation period and meeting the basic eligibility criteria as defined by the corporate policy (Figure 17).

Figure 17: Availability of Various Facilities for Teachers


Figure 18: Teacher Satisfaction with the Facilities

Based on survey data, the working conditions of teachers in CG schools appeared to be much better than their counterparts in the Samata schools. As a result, a greater percentage of CG school teachers expressed satisfaction with the working conditions compared to the Samata schools (Figure 18 and 19). Furthermore, most of the teachers also stated that they would continue to work in the CG school in the foreseeable future (Figure 20).
6. Conclusions and Recommendations

Conclusions

This research has highlighted the major trends and key issues related to the growth of private schools and education privatisation in Nepal. These include:

*Growing emergence of the private sector as a key player in the national education landscape:* This growing emergence of the private sector stems not only from the increasing share of private schools in the total enrolment, but also the fact that most of the socio-economically advantaged groups and classes are participating in such schools, leading a gradual pauperisation of public schools. On the other hand, there is growing evidence that, in the context of mass education delivered through public schools, private schools have taken on the traditional role of education related to elite (re)production through the use of fees as a tool to restrict entry into such institutions.

*Weak regulation of private schools:* Even if successive development plans and political party agendas have highlighted the need and desire to strengthen the regulation of private schools, these efforts have often been half-hearted and some have been met with strong resistance from an increasingly organised and powerful private sector. In theory, the mechanisms for monitoring the adherence of private schools to the national norms consist of school supervisors and resource persons (who are also responsible for the public schools). In practice, these represent insufficient human resources and institutional arrangements to effectively monitor all schools. Furthermore, the MOE’s role has been more reactive than proactive in the case of establishing appropriate mechanisms for the regulation of the private actors. All of this has happened in the context of an increasingly stronger private sector that has become more organised (PABSON, NPABSON, HISSAN, APEIN), and through important representation in the national parliament. All of these organised interests have hitherto acted directly to uphold and further the interests of private providers, as well as to systematically challenge any state efforts to tighten the noose around education privatisation.

*Growth of networks and chains and greater penetration of transnational actors:* The recent trend of education privatisation in Nepal reflects similar trends globally. This is reflected in the growing penetration of ‘international’ education programmes in Nepal’s school system, including the growth of franchise schools, and affiliation to international curricula, examinations and co-curricular and extra-curricular programmes. Likewise, within Nepal, schools under individual proprietorship are gradually being converted into
chain or network schools involving mergers, acquisition and partnering, indicating the rise of more organised and powerful groups in the education sector. There is also the growth of both formal and informal clustering of like-minded private schools around a common curriculum and co-curricular activities, often deriving from their claims of catering to a particular social class or status group.

**Spread of a very constricted view of education:** The growing infatuation of both Samata and CG schools (and other private schools as well) with a high degree of standardisation in teaching-learning content and processes, and the equation of educational success in terms of student performance in the annual SLC/SEE examination (distinction or high achievement in such examinations) has promoted a very narrow conception of education that limits education to subject-based teaching-learning and adequate training and preparation for the examinations. The provision seems to be largely attached to the notion of education through ‘English’ and ‘good exam results’ such that the broad notions of education, teacher development and holistic learning experience for children are not the explicit priorities. Such a constricted view of education fits neatly with the neoliberal agenda of equating good quality with efficiency.

**De-professionalisation of teaching:** In the Samata low-fee private schools, there is a high prevalence of untrained teachers who work under severe constraints characterised by paucity of educational materials, low salaries, long working hours and congested classrooms. Most Samata teachers are motivated and enthusiastic about teaching and helping children to succeed in exams. Many of them would like to stay in the profession and are committed to contributing to Samata’s ‘mission’ but, simultaneously, are hopeful that an improvement in their school’s financial conditions would translate into reward for their labour. However, only few of them who are based in urban settings wanted to develop their career as a teacher, let alone stay in the school. For the most part, teaching at Samata was an opportunity to gain some professional experience momentarily until a better opportunity is available or until they complete their university education and move on to their desired profession. There is an acceptance of the notion that teacher turnover is normal and teaching qualifications are unnecessary as long as teachers help children achieve good results in the exam. This underlying thinking across the Samata schools is contributing to a de-professionalisation of teaching which undermines the need for teacher education and professional development. This also has negative repercussions on teachers’ unions and teachers’ professional wellbeing. As in many other fee-paying private schools, the Samata teaching and learning environment is also dominated by rote-learning and exam preparation rather than holistic development of the child.

Teacher professionalism is also undermined by the misconception about the quality of education which is largely measured in terms of success rates in the national examinations. Schools publicise success through publications of individual student results in the media (e.g. the name and photographs of students who secure good results in national exams or those who gain entry into highly regarded university programmes such as medicine are published in the newspapers and social media). This success does not
necessarily reflect improved teaching and learning methods or quality in its broadest sense; rather, it capitalises on the conventional assessment practice that rewards rote-learning and the narrow focus on exam preparation which helps achieve good results. Children's overall development and broad indicators of education quality are neither valued in the national education culture nor included as priorities at Samata schools or CG Education chain schools. This is evidenced by rigorous preparation, in some cases 16 hours of study for children who are preparing for the SEE examinations, contributing to Samata's reputation in Nepal's education market. Parents in these schools do invest financially in private tutoring for these exams, equivalent to or more than the costs incurred in other private schools. Most importantly, this success is on the back of poorly paid teachers who are committed to achieving high success rates for their schools.

**Gender dimension of teacher recruitment in private schools:** It was interesting to observe that the majority of full time teachers in Samata schools were females, whereas most of the part-time teachers (who were mainly hired to teach secondary level students, especially the students preparing for the SEE examinations) were male. This scenario fits very neatly with the national data which shows that there are more female teachers at the primary level (in both private and public schools, but more so in the private schools). The male teachers were reported to have been paid at the same level, if not more than those working in other average private schools. However, female teachers reported that their salaries were significantly lower than what one would need to make their ends meet. In a gender-hierarchical society such as Nepal, where women have traditionally been confined within home and usually not expected to work in the professional sector, private schools (including, Samata) seem to be offering teaching positions that do not require professional qualifications or training. It appears that the following female teachers seem to be attracted to low-salary teaching positions: 1) those who have household commitments (e.g. young children) and less flexibility in terms of mobility for job; 2) young female university students who attend their own study in the morning and work at school in the afternoon and; 3) those who are in transition after completing their school/first degree. In all cases, the female teachers generally do not have or cannot bear the major financial responsibilities such as paying rent, mortgage or daily expenses for food, etc. A lack of legal requirement for a minimum wage seems to create an economic environment where historically marginalised social groups are likely to be easily exploited. Clearly, the deregulation of the labour market seems to work against the welfare of workers, and teachers seem to be the victims of this neoliberal framework in the education sector. However, more research is needed to expand the scope of this claim.

Capitalising on the discursive success of neoliberalism: Private education through the medium of the English language is conceptualised as a good quality education that fulfils the economic aspirations of families in the global capitalist market. The public perception of education quality in post-colonial societies is dominated by what modern, westernised education offers (as in an education system that resembles the ideals of a liberal, technologically advanced society and physically manifests those characteristics through educational facilities, curriculum and the medium of instruction). Low-fee private schools
have been presented as a pragmatic solution to perceived discontent towards high-fee commercially driven private schools and failing, poor quality public schools that are corrupt and politicised (Pherali, 2013). But these schools have emerged within the broad neoliberal framework that allows a free education market, providing parental ‘school choice’ on the basis of their affordability and autonomous decisions on which education (product) to buy for what price, offering a competitive advantage for parents (customers). This case study demonstrates the neoliberal trajectories discussed in Chapter 2 being manifested through the chain schools and low-fee private schools in Nepal.

**Recommendations**

Based on the analysis of this case study, this report proposes recommendations for the government and other educational stakeholders in Nepal. However, it must be noted that there are barriers to implementation of these recommendations in the absence of strong governance arrangements in the education sector. As public services such as health and education are now the responsibility of local government under the new Constitution, there is some hope for positive change in the education sector and provision of quality education. This would potentially enable better monitoring arrangements with regards to professional and service standards in education. This report’s recommendations are structured mainly around two key areas as follows:

*Increase investments in public schools:* The Nepali state, through its most recent Constitution, has affirmed its commitment to free and compulsory basic and free secondary education. However, the translation of such commitment into practice will require substantially increased government investment in school education to reduce the direct and indirect costs of schooling. However, current trends in education financing show a net decline in the allocation of public expenditure for education, both in terms of the share of the total budget and share of gross domestic product (GDP) (Action Aid, 2017). Therefore, there is an urgent need for education to be allocated at least 20 per cent of the national budget in accordance with the commitment made by the government in various international fora. This increase in funding should be allocated to improve the overall quality of education in the public schools, including provisions to:

- ensure that public schools receive the full provision of qualified and trained teachers by subjects and levels and in accordance with the national norms for student-teacher ratios so that the opportunity for improved learning is enhanced
- provide a range of teaching-learning materials other than textbooks to enhance students’ access to a broad array of learning materials
- cover the direct and indirect costs of students from poor and socio-economically marginalised and excluded groups, thus ensuring their access, participation and graduation across the grades
At the same time, there is a need to develop appropriate legislation for ensuring compulsory participation, including repercussions for failing to do so

**Develop stronger regulatory frameworks for the private schools**: Given that the contribution and the role of the private sector in the provision of school education has been firmly accepted by the Constitution, political parties and dominant development discourse, it is not this report's intention to demand a forceful end to private provision of education. Rather, the concern is to ensure that the constitutional commitment to free and compulsory education is materialised. In such a context, it is recommended that the state develop stronger regulatory mechanisms to oversee the operation of private schools in order to:

- ensure that private schools adhere to the minimum standards and norms within a given timeframe, and that the licenses of those that fail to adhere to such norms and standards within the given time frame be withdrawn
- ensure that they adhere to financial regulations including, tax liability to the government
- strengthen monitoring mechanisms to ensure that private schools continue to adhere to the regulations related to, inter alia, fees, curricula, and teachers, in order to ensure that they continue to comply with the legislation and to hold them accountable
- ensure that teaching is regarded as a profession, requiring recognised qualifications, provided with adequate salary and benefits, appropriate training and opportunities for the provision of continuing professional development for the teaching workforce
- improve the quality of education not just in terms of successes in national exams but also in the development of critically aware, creative young people who are able to shape the development trajectories of Nepal
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Nepal: Patterns of Privatisation in Education

A case study of low-fee private schools and private chain schools

Pramod Bhatta and Tejendra Pherali
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