





## NEOLIBERALISM, DE-FACTO RENT-SEEKING AND SOCIAL INEQUALITIES IN PRIVATE EDUCATIONAL EXPENDITURE IN SECONDARY SCHOOL LANDSCAPE

Dr. Harvinder Singh<sup>1</sup>  & Dr. Angrej Singh Gill<sup>2</sup> 

### RESEARCH ARTICLE



#### Author Details:

<sup>1</sup> Assistant Professor,  
University Institute of Legal Studies  
(UILS), Panjab University,  
Chandigarh, India;

<sup>2</sup> Associate Professor (Economics),  
Panjab University Rural Centre,  
Kauni, Sri Muktsar Sahib, Punjab,  
India

#### Corresponding Author:

Dr. Harvinder Singh

#### DOI:

<https://doi.org/10.70096/tssr.250304010>

#### Abstract

The present study, utilising the cross-sectional statistics collected through a comprehensive and rigorous field survey from Haryana, examines the overall magnitude of household's budgetary outlays for secondary education and its disaggregated portrait across the two genders and the diverse caste cohorts. We found pronounced variabilities in private household human capital spending across the aforesaid delineated hierarchical stratifications, whereby those students which belong to the upper caste, more particularly the male ones are privileged to have higher household expenditure on secondary education. Its inherent ramifications are that the socially privileged students are enrolled in comparatively more resourced institutions (i.e. private schools) vis-à-vis their peers from SC/OBC segments and the female populace, who are disproportionately confined to access the state-owned institutions. The study suggests that the state should play a proactive role to address the social inequalities at the secondary level of education, which are getting deepened during the neo-liberalism era.

**Keywords:** *Secondary education, private investment, gender, region, caste, level of education*

### I. Introduction

Educational investment, as underscored by the human capital theorists, is imperative to build a better and augmented human capital which in turn effectuates the accomplishment of higher productivity, innovations and, as such, enhanced returns (Schultz, 1961; Becker, 1993). These returns are not only realised from the perspective of positive externalities framework, e.g. more engaged and informed citizenry, low crime rates, technological innovations and better public health, rather education also provide numerous private returns, such as increased employability, low unemployment rates and more career advancements leading to higher earnings (Tilak, 2018). The biggest advantage education can potentially provide to the developing countries like India is in form of intergenerational social mobility, which leads to transition to an equitable society (Gill, 2017; Deshpande, 2011). Among the various sub-levels of education, the secondary level (XI-XII) is termed as the phase of transition because it is the foundation of tertiary education and trajectory of the labour market, particularly for the several entry-level employment opportunities, providing the initial-level experiences and skills.

The qualitative and equitable access to education emerges as the challenge of paramount exigency under the neo-liberalism, which has precipitated to the commercialisation of this inherently imperative 'public good' (Jain, et al., 2018; Singh et al., 2023). Given this transformation in the educational landscape, the household investment (also termed as private expenditure) has emerged as new normal tendency for human capital investment (Chi and Qian, 2015). Various studies (Tilak, 2002; Mukherjee & Sengupta, 2021; Gill, et al., 2023) explained that the expenditure on education made by households is a vital element of educational funding across the world amid neoliberalism. This is predominantly true in countries of Asia because of higher parental expectations and considerable higher proportion of educational expenditure which is true for school as well as higher education level (Gill, 2017). In this context, parental educational attainments are also linked with private spending on education (Choudhary & Roy, 2006). Further, studies also investigated a strong gender bias in private educational spending patterns (Choudhary & Roy 2006; Iddrisu, et al., 2018).

Srivastva & Noronha (2016) found that the relatively privileged households who enrolled their offspring in private schools have a tendency to spend higher amount on education as compared their government school counterparts. Similarly, the urban households generally invest higher amount of their income on education in comparison to the rural level peers of them (Mussa, 2013). Additionally, the parents incur considerable quantum of expenses for various components of fee tuition fees, books, uniforms, transportation, other school fees and private tuition (Srivastva and Noronha, 2016). The phenomenon of social inequity

(land ownership, health, education, employment etc.) in accessing the resources is not a new concept. Various scholars (Velaskar, 1990; Kannan, 2021) have studied the aspect of social stratification considering various dimensions. In addition, earlier studies of household expenditure on education also examined the extent of social inequalities in spending patterns. A study by Singh and Mukherjee (2015) have found that the upper caste have more capacity to spend on education.

Against the above-elucidated overall backdrop, this paper endeavors to examine the household expenditure on secondary education level in the context of Haryana (India). The state, despite its patriarchal society, has exhibited impressive levels of economic and human development (Kumari, 2008; Singh et al., 2023). The state also boasts to have noticeable improvements in the important quantifiable parameters [e.g. “Gross Attendance Rate (GAR)” and “Net Attendance Rate (NAR)” at the secondary education level (NSSO 75<sup>th</sup> Round). All the impressive educational accomplishments in Haryana have been owing to two major developments. Firstly, the active intervention of the government through policy initiatives likes Rashtriya Madhyamik Shiksha Abhiyan (RMSA). Secondly, the neoliberalism has led to substantially proliferate the private institutions providing school education. Given these changes, it becomes highly important to investigate how the mushrooming of private schools and the active policies of the state regarding universalization of secondary education have impacted the parental investment on secondary education in general and social inequalities in particular. The paper is divided in four segments. Whereas Section II explicates the sources of the quantitative statistics used, methodology and other such important aspects, Section III provides a detail explanation about the results and discussions. Summary, findings and policy suggestions are explained in the section IV.

## II. Data and methodology

This investigation is based on cross-sectional primary data collected from the state of Haryana, using multi-stage stratified radon sampling technique. For this, at the first stage, three districts were chosen namely Rohtak (high literate), Kurukshetra (medium literate) and Fatehabad (lower literate) one each from the three strata: higher, medium and lower literacy respectively. Further, three blocks (rural sample) and three cities (urban sample) were selected; nine blocks and nine cities in total and in last, two villages (i.e. one each falling in higher literacy segment and lower literacy segment) and two municipality wards (i.e. one each falling in higher literacy segment and lower literacy segment) were selected. Finally, 180 households from rural areas and 120 households from urban areas were sampled out based, using probably proportionate to size method. Thus, the information is collected by using the semi-structured interview schedule from the 428 secondary school students (i.e. from the 300 sampled households). Table 1 provides elaborative description of the selected sample. The table exhibits that approximately 58 per cent of the students were chosen from rural areas while about 42 per cent were urban counterparts. The proportionate figure of male student was 53.5 per cent while the parallel share of female students was around 46 per cent.

**Table 1: Socio-economic and demographic characteristics of sampled students**

Indicators	Number of sampled students	% of sampled students
Rural	247	57.7
Urban	181	42.3
Male	229	53.5
Female	199	46.5
General	201	47.0
Scheduled Castes	88	20.6
Other Backward Classes	139	32.5
Higher Secondary	240	56.1
Intermediate	188	43.9
Total	428	100.0

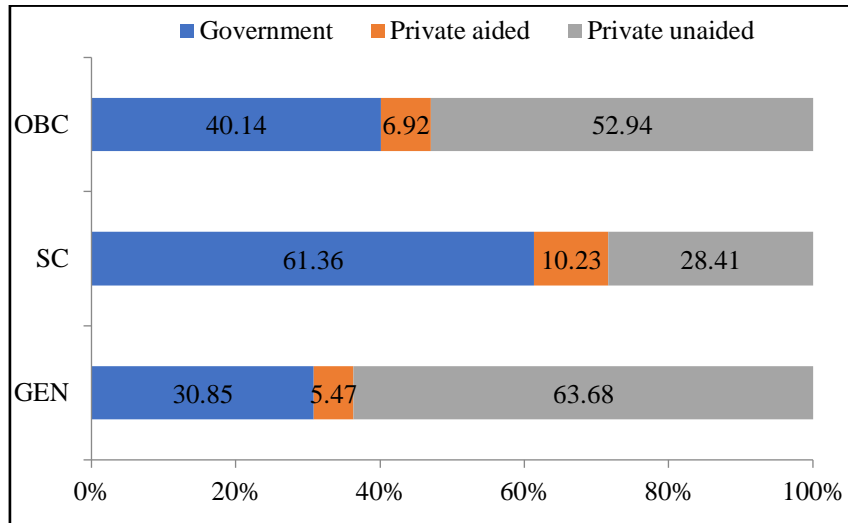
**Source:** Author’s calculations constructed from field survey

Further, 47 per cent of selected students belonged to the upper caste, where as scheduled castes (SCs) and other backward classes (OBCs) respectively represent 20.6 per cent and 32.5 per cent. The sample comprise of 240 (56.1 per cent) students of higher secondary education and 188 (43.9 per cent) students of intermediate level of secondary education. The main purpose of the present study is examining the differences in private spending of social groups across gender, region and level of secondary education. Therefore, descriptive analysis is used considering the three dimensions gender, region and level of secondary education across the three social groups.

## III. Results and Discussion

A caste-wise comparative portrait of the private expenditure on secondary education, as exhibited in the Table 2, clearly underscores that the GEN category households spend Rs. 39,453 and OBC category household spend Rs. 30,837, respectively on this level of education, while the households of SC category spend only Rs.15,079 in absolute terms. These differences are also observed in terms of proportionate share; GEN (8.15%), OBC (7.56%), and SC (4.55%). The de-facto rent-seeking patterns are, *inter-alia*, influenced by access to government vs. private schools across the caste cohorts. The data indicates that students from SC households predominantly attend government schools, with a proportion of 61.36%. In contrast, OBC students make up 40.14%, and GEN category students account for 30.85% of government school attendees. (Figure 1). Additionally, the state provides financial aid to SC/ST and BPL families for secondary education in government schools. Consequently, SC students in

government schools spend significantly less (Rs. 1,320) compared to private aided and unaided schools (Rs. 32,979 and Rs. 38,355, respectively). Private schools are 24.98 to 29.06 times costlier for SC community students. In contrast to this, GEN category households spend significantly more on secondary education regardless of the school type, with cost variations of 7.16 and 8.53 times. Similarly, OBC category households exhibit slightly different spending patterns compared to the general category households, with cost variations of 7.21 and 7.91 times.



**Figure 1: Access of schools at secondary education level in Haryana by diverse social groups, 2018-19**

Source: Author’s own estimates constructed from the primary survey

**Table 2: Gender-wise private educational expenditure at secondary education across the social categories in Haryana**

Social category	Gender of the student	Govt.	Private Aided	Private Unaided	Total
GEN	Boys	8,616	53,833	57,769	42,220
		(3.19)	(9.79)	(10.76)	(8.35)
	Girls	5,708	44,135	50,433	36,174
		(1.98)	(8.55)	(10.67)	(7.91)
	Overall	6,851	49,425	54,388	39,453
		(2.64)	(9.22)	(10.72)	(8.15)
SC	Boys	1,568	35,093	39,475	16,593
		(1.08)	(10.38)	(11.11)	(5.10)
	Girls	1,032	30,338	36,675	13,177
		(0.80)	(7.80)	(9.97)	(3.87)
	Overall	1,320	32,979	38,355	15,079
		(0.95)	(9.23)	(10.65)	(4.55)
OBC	Boys	6,404	43,504	53,940	34,834
		(3.52)	(9.35)	(10.97)	(7.98)
	Girls	4,899	41,263	47,202	26,663
		(2.66)	(12.45)	(11.19)	(7.12)
	Overall	5,962	42,689	50,868	30,837
		(3.05)	(10.48)	(11.07)	(7.56)

Source: Author’s estimates based on primary survey

Asadullah (2018) found that parents have higher tendency to enrol their girl child in madrasah (non-private) as compared to their male counterparts for whom parents prefer private schools. Several studies (Glick & Sahn, 2000; Aslam and Kingdon, 2008; Khajikhan, 2021) explains the gender differences in households spending on education. The findings of this study are in consonant with these studies. Table 2 explains the gender differences (pro-male discrimination) in the household investment in Haryana. Specifically, SC households allocate less spending to female offspring’s secondary education (Rs. 13,177) compared

to male counterparts (Rs. 16,593) and such differentiation is found in the proportionate terms also. Similarly, pro-male gender discrimination exists among the upper category households, including OBC and GEN households.

**Table 3: Region-wise private educational expenditure at secondary education across the social categories in Haryana**

Social category	Region	Govt.	PA	PUA	Total
GEN	Rural	5,940 (2.35)	48,939 (9.11)	53,473 (10.96)	35,533 (7.65)
	Urban	9,263 (3.41)	50,275 (9.42)	55,457 (10.45)	45,382 (8.90)
	Overall	6,851 (2.64)	49,425 (9.22)	54,388 (10.72)	39,453 (8.15)
SC	Rural	903 (0.65)	29,071 (9.06)	36,405 (10.48)	11,023 (3.52)
	Urban	2,028 (1.46)	37,865 (9.44)	39,655 (10.77)	20,176 (5.86)
	Overall	1,320 (0.95)	32,979 (9.23)	38,355 (10.65)	15,079 (4.55)
OBC	Rural	5,607 (3.04)	38,458 (10.16)	48,280 (10.93)	25,347 (6.77)
	Urban	6,672 (3.05)	47,765 (10.87)	53,036 (11.19)	37,655 (8.54)
	Overall	5,962 (3.05)	42,689 (10.48)	50,868 (11.07)	30,837 (7.56)

**Source: Author's estimates constructed from primary survey**

Moreover, these differences in parental spending on secondary-level education are also present on the regional level (rural and urban) across the social categories (GEN, SC, OBC) and gender. Table 3 describes that rural households who belong to SC group tend to incur only Rs. 11,023 while the amount spend by the urban counterparts is Rs. 20,176. Further, these variations are also found by enrolment by institutional typologies (viz. government schools and their private aided and private unaided counterparts). The financial burden for enrolment in urban areas is found to be more as compared to rural areas schools. And, similar variations are observed for GEN and OBC category households; more expenditure by urban households as compared to their rural counterparts. The proportionate share analysis explains that the OBC category households bear the maximum burden of secondary education as compared to their SC and GEN category households. However, the financial burden of private unaided schools is more than 10 per cent in rural as well as urban areas across the three social castes, with exception of 11.19 per cent for OBC category households to send their wards in private unaided schools located in cities.

**Table 4: Private educational expenditure at secondary education across the social categories in Haryana**

Social category	Level of Education	Govt.	PA	PUA	Total
GEN	Higher Secondary	4,657 (1.94)	48,330 (7.85)	49,995 (10.82)	38,181 (8.39)
	Intermediate	8,779 (3.26)	50,338 (10.37)	61,240 (10.57)	41,053 (7.85)
	Overall	6,851 (2.64)	49,425 (9.22)	54,388 (10.72)	39,453 (8.15)
SC	Higher Secondary	659 (0.48)	33,003 (9.59)	36,690 (10.02)	14,980 (4.33)
	Intermediate	1,934 (1.39)	32,950 (8.78)	40,158 (11.34)	15,178 (4.78)
	Overall	1,320 (0.95)	32,979 (9.23)	38,355 (10.65)	15,079 (4.55)
OBC	Higher Secondary	3,724 (2.15)	39,389 (9.57)	47,881 (10.86)	29,826 (7.33)
	Intermediate	8,696 (4.14)	48,463 (12.07)	56,344 (11.46)	32,380 (7.91)
	Overall	5,962 (3.05)	42,689 (10.48)	50,868 (11.07)	30,837 (7.56)

**Source: Author's estimates constructed from primary survey**

The inter-stratum contrastive analysis across the sub-level of secondary education evinces that the households in the state spend more on secondary education at intermediate level than on higher secondary education. In absolute terms, Table 4 reveals that the GEN category households spend Rs. 38,181, while OBC households spend Rs. 29,826, and SC households spend only Rs. 14,980 on higher secondary education. These disparities are also evident in terms of proportionate share, with the GEN category spending 8.39%, OBC spending 7.33%, and SC spending 4.33%. The data shows that, at both the intermediate and higher secondary sub-levels of secondary schooling, there are notable variabilities in the expenditure patterns of households among the three social categories.

#### **IV. Summary and Conclusions**

The foregoing analysis investigates the magnitude and emerging patterns of parental spending on human capital formation at secondary level of school education in Haryana. The analysis demonstrates that the state's private aided and unaided schools impose considerable educational costs on the households, which limits the access of such schools only to those who have ability to pay. The analysis further suggests that there is a clear interplay between social category of the household, student's gender, and parental spending on secondary education. While the upper caste students, more particularly the male gender is privileged to afford higher amount of private spending on secondary education which entails that they are enrolled in comparatively expensive private institutions vis-à-vis their SC/OBC counterparts and females. Given that education is recognised as a critical driver of for bringing social mobility (i.e. enabling individuals to climb the socio-economic ladder), the inequalities in educational spending and resultant accessibility to comparatively lower quality of schools restrict the chances of certain marginalized groups to upward mobility. Thus, those who belong to the lower castes and female gender, despite regularly going to the schools, are apparently destined to remain trapped in vicious cycle of poverty and in disadvantaged conditions, i.e. in the absence of unequal educational opportunities; they remain destined to face the struggle of exploring the good jobs, which, in fact, remain largely inaccessible to them. The findings of the paper underscore the significance of effectively addressing the persistence of educational inequalities, which have been created by commercialization of education amid neo-liberalism.

**Acknowledgment:** No

**Author's Contribution:** *Dr. Harvinder Singh:* Data Collection, Analysis, Referencing &  
*Dr. Angrej Singh Gill:* Literature Review, Methodology, Drafting

**Funding:** No

**Declaration:** All the authors have given consent for the publication.

**Competing Interest:** No

#### **References**

1. Asadullah, M. N. (2018). Madrasah for girls and private school for boys? The determinants of school type choice in rural and urban Indonesia. *International Journal of Educational Development*, 62, 96-111.
2. Aslam, M., & Kingdon, G. G. (2008). Gender and household education expenditure in Pakistan. *Applied Economics*, 40(20), 2573-2591.
3. Becker, G. S. (2009). *Human capital: A theoretical and empirical analysis, with special reference to education*. University of Chicago Press.
4. Chaudhuri, K., & Roy, S. (2006). Do parents spread educational expenditure evenly across the two genders? Evidence from two North Indian states. *Economic and Political Weekly*, 5276-5282.
5. Chi, W., & Qian, X. (2016). Human capital investment in children: An empirical study of household child education expenditure in China, 2007 and 2011. *China Economic Review*, 37, 52-65.
6. Deshpande, A. (2011). *The grammar of caste: Economic discrimination in contemporary India*. India: Oxford University Press.
7. Gill, A. S. (2017). State, market and social inequalities: A study of primary education in the Indian Punjab. *Millennial Asia*, 8(2), 194-216.
8. Gill, A.S. (2017). State, market and social inequalities: A study of primary education in the Indian Punjab. *Millennial Asia*, 8(2), 194-216.
9. Gill, A.S., Narwana, K., & Choudhury, P. K. (2023). Neoliberalism, compulsory education and compulsion to pay: Magnitude, patterns and determinants of household expenditure in Indian Punjab. *Review of Development and Change*. 28(2), 245-267.
10. Glick, P., & Sahn, D. E. (2000). Schooling of girls and boys in a West African country: The effects of parental education, income, and household structure. *Economics of Education Review*, 19(1), 63-87.
11. HDR. (2023/24). *Breaking the gridlock: Reimagining cooperation in a polarized world*.
12. Iddrisu, A. M., Danquah, M., Quartey, P., & Ohemeng, W. (2018). Gender bias in households' educational expenditures: Does the stage of schooling matter? *World Development Perspectives*, 10, 15-23.
13. Jain, M., Mehendale, A., Mukhopadhyay, R., Sarangapani, P. M., & Winch, C. (Eds.). (2018). *School education in India: Market, state and quality*. New York: Taylor & Francis.
14. Kannan, K. P. (2019). India's social inequality as durable inequality: Dalits and Adivasis at the bottom of an increasingly unequal hierarchical society. *Centre for Development Studies: Working Paper 488*.
15. Kumari, P. (2008). Dilemmas of Development in Haryana. *IASSI Quarterly*, 27(1&2), 49-74.
16. Mukherjee, A., & Sengupta, S. (2023). An analysis of factors affecting private expenditure on education in India. *Arthaniti: Journal of Economic Theory and Practice*, 22(2), 206-227.

17. Mussa, R. (2013). Rural–urban differences in parental spending on children's primary education in Malawi. *Development Southern Africa*, 30(6), 789-811.
18. Narwana, K. (2019). Hierarchies of access in schooling: An exploration of parental school choice in Haryana. *Millennial Asia*, 10(2), 183-203.
19. Schultz, T. W. (1961). Investment in human capital. *The American Economic Review*, 1-17. Singh, H., Gill, A. S., & Choudhury, P. K. (2023). Household expenditure on secondary education in Haryana (India): Levels, patterns and determinants. *Millennial Asia*, 14(4), 605-635.
20. Srivastava, P., & Noronha, C. (2019). The myth of free and barrier-free access: India's Right to Education Act – private schooling costs and household experiences. In *Non-State Actors in Education in the Global South* (pp. 71-88). Routledge.
21. Tilak, J. B. G. (2002). Elasticity of household expenditure on education in rural India. *South Asia Economic Journal*, 3(2), 217-226.
22. Tilak, J.B.G. (2018). *Education and development in India*. Singapore: Palgrave Macmillan.
23. Velaskar, P. (1990). Unequal schooling as a factor in the reproduction of social inequality in India. *Sociological Bulletin*, 39(1-2), 131-145.

#### **Publisher's Note**

*The Social Science Review A Multidisciplinary Journal* remains neutral with regard to jurisdictional claims in published data, map and institutional affiliations.

#### **©The Author(s) 2025. Open Access.**

This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>