Outsourcing Education: Experimental Evidence from Liberia

In 2016, the Liberian government delegated management of 93 randomly selected public schools to private providers. Providers received US$50 per pupil, on top of US$50 per pupil annual expenditure in control schools. After one academic year, students in outsourced schools scored 0.18σ higher in English and mathematics. We do not find heterogeneity in learning gains or enrollment by student characteristics, but there is significant heterogeneity across providers. While outsourcing appears to be a cost-effective way to use new resources to improve test scores, some providers engaged in unforeseen and potentially harmful
behavior, complicating any assessment of welfare gains.

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