Intro 0000	Literature 00		Models 000000	Annex 0000000000000

## Private Beats Public:

### A Flexible Value-Added Model with Tanzanian School Switchers

Kasper Brandt Department of Economics University of Copenhagen

June 2018

Intro	Literature	Theory	Data	Models	Results	Annex
●000	00	000	000	000000	0	0000000000000
The Pi	itch					

• What I do: Set up a flexible value-added model, and use it to estimate learning effects of private schools in Tanzania.

Intro	Literature	Theory	Data	Models	Results	Annex
●000	00	000	000	000000	O	0000000000000
The Pi	itch					

- What I do: Set up a flexible value-added model, and use it to estimate learning effects of private schools in Tanzania.
- What I expect: Better school inputs ⇒ better performance. Costs as proxy for school inputs?

Intro	Literature	Theory	Data	Models	Results	Annex
●000	00	000	000	000000	O	00000000000000
The Pi	itch					

- What I do: Set up a flexible value-added model, and use it to estimate learning effects of private schools in Tanzania.
- What I expect: Better school inputs ⇒ better performance. Costs as proxy for school inputs?
- Why I do it: Strong assumptions needed in existing literature and almost no evidence on Sub-Saharan countries.

Intro	Literature	Theory	Data	Models	Results	Annex
●000	00	000	000	000000	O	00000000000000
The Pi	itch					

- What I do: Set up a flexible value-added model, and use it to estimate learning effects of private schools in Tanzania.
- What I expect: Better school inputs ⇒ better performance. Costs as proxy for school inputs?
- Why I do it: Strong assumptions needed in existing literature and almost no evidence on Sub-Saharan countries.
- How I do it: Compare secondary school GPA for students getting the same primary school GPA from the same primary school.

Intro	Literature	Theory	Data	Models	Results	Annex
●000	00	000	000	000000	O	0000000000000
The P	itch					

- What I do: Set up a flexible value-added model, and use it to estimate learning effects of private schools in Tanzania.
- What I expect: Better school inputs ⇒ better performance. Costs as proxy for school inputs?
- Why I do it: Strong assumptions needed in existing literature and almost no evidence on Sub-Saharan countries.
- How I do it: Compare secondary school GPA for students getting the same primary school GPA from the same primary school.
- What I find: Private schools increase students' secondary school GPA by 0.40 of a standard deviation after two years of secondary schooling.

Intro	Literature	Theory	Data	Models	Results	Annex
0●00	00	000	000	000000	O	000000000000
Why i	is it impo	rtant to	study?			

• Huge increases in *quantity* of education, while *quality* of education remains weak or even worsens.

Intro	Literature	Theory	Data	Models	Results	Annex
0●00	00	000	000	000000	O	000000000000
Why i	s it impo	rtant to	study?			

- Huge increases in *quantity* of education, while *quality* of education remains weak or even worsens.
- Knowledge is good!

Intro	Literature	Theory	Data	Models	Results	Annex
0●00	00	000	000	000000	O	000000000000
Why i	s it impo	rtant to	study?			

- Huge increases in *quantity* of education, while *quality* of education remains weak or even worsens.
- Knowledge is good!
- Private schools tend to be cheaper to operate in developing countries.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	O	000000000000
Why i	s it impo	rtant to	study?			

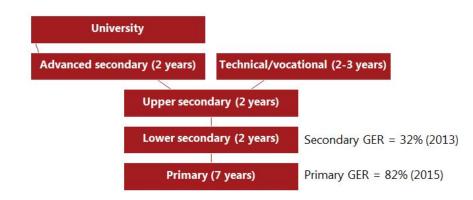
- Huge increases in *quantity* of education, while *quality* of education remains weak or even worsens.
- Knowledge is good!
- Private schools tend to be cheaper to operate in developing countries.
- Tanzania has launched the programme "Big Results Now". This programme presents several ambitious goals for six key sectors, including the education sector.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	O	000000000000
Why i	s it impo	rtant to	study?			

- Huge increases in *quantity* of education, while *quality* of education remains weak or even worsens.
- Knowledge is good!
- Private schools tend to be cheaper to operate in developing countries.
- Tanzania has launched the programme "Big Results Now". This programme presents several ambitious goals for six key sectors, including the education sector.
- Strong assumptions needed in the current literature estimating private school learning premiums.

Intro 00●0	Literature 00		Models 000000	Annex 000000000000

## Education in Tanzania



Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	000000000000

# Private School Enrolment in East Africa

	Private school enrolment						
	Primary school Secondary school						
Burundi	1.2% (2013)	9.1% (2013)					
Kenya	16.0% (2014)	No recent data					
Rwanda	2.7% (2013)	18.0% (2013)					
Tanzania	2.4% (2013)	21.4% (2013)					
Uganda	16.2% (2013)	No recent data					

Source: World Development Indicators.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	●O	000	000	000000	O	000000000000
High-	quality stu	udies (1)				

 Singh (2015) (JDE) employs a value-added model to Indian students accounting for unobserved ability by including lagged Raven's test scores. Positive pivate school learning premium, but depends on rural/urban status, age of the child, and school subject.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	●0	000	000	000000	O	000000000000
High-	quality st	udies (1)				

- Singh (2015) (JDE) employs a value-added model to Indian students accounting for unobserved ability by including lagged Raven's test scores. Positive pivate school learning premium, but depends on rural/urban status, age of the child, and school subject.
- Andrabi et al. (2011) (AEJ: Applied) study the effects of measurement error and unobserved ability when estimating a private school learning premium in Pakistan. Accounting for these, they find a positive effect of 0.25 of a standard deviation per year.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	○●	000	000	000000	O	0000000000000
High-	quality st	udies (2)				

• Angrist et al. (2002) (AER) study learning effects from a random allocation of private school vouchers in Columbia. Three years later, "lottery winners" were less likely to repeat grades, and they scored 0.21 of a standard deviation higher on tests.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	○●	000	000	000000	O	000000000000
High-	quality st	udies (2)				

- Angrist et al. (2002) (AER) study learning effects from a random allocation of private school vouchers in Columbia. Three years later, "lottery winners" were less likely to repeat grades, and they scored 0.21 of a standard deviation higher on tests.
- Muralidharan and Sundararaman (2015) (QJE) study learning effects from a random allocation of private school vouchers in India. Four years later, "lottery winners" scored 1.07 and 0.23 of a standard deviation higher in Hindi and English test scores, respectively. Insignificant effects on test scores in Telugu, mathematics, science, and social studies.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	00	000	000000	0	000000000000

# Cumulative learning production function

Todd and Wolpin (2003) (EJ) present a cumulative learning production function:

$$T_{ija} = T_a[\boldsymbol{F}_{ij}(a), \boldsymbol{S}_{ij}(a), \mu_{ij0}, \varepsilon_{ij}].$$
(1)

 $T_{ija}$  is achievement for student *i* in household *j* at age *a*. **F** is a vector containing family inputs, **S** is a vector containing school inputs, and  $\mu$  is unobserved ability for each student *i*.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	○●○	000	000000	0	0000000000000
Stan	dard value	-added m	nodel			

$$T_{ija} = \boldsymbol{F}_{ija} \boldsymbol{\varphi}_a + \boldsymbol{S}_{ija} \boldsymbol{\alpha}_a + \gamma T_{ij,a-1} + \eta_{ija}, \qquad (2)$$

 The arguments in the cumulative learning production function are additively separable.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	O●O	000	000000	O	000000000000
Stand	lard value	-added n	nodel			

$$T_{ija} = \boldsymbol{F}_{ija} \boldsymbol{\varphi}_a + \boldsymbol{S}_{ija} \boldsymbol{\alpha}_a + \gamma T_{ij,a-1} + \eta_{ija}, \qquad (2)$$

- The arguments in the cumulative learning production function are additively separable.
- **2** The coefficients on inputs are non-age varying.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	0●0	000	000000	O	0000000000000
Stand	lard value	-added n	odel			

$$T_{ija} = \boldsymbol{F}_{ija} \boldsymbol{\varphi}_a + \boldsymbol{S}_{ija} \boldsymbol{\alpha}_a + \gamma T_{ij,a-1} + \eta_{ija}, \qquad (2)$$

- The arguments in the cumulative learning production function are additively separable.
- **2** The coefficients on inputs are non-age varying.
- **3** Learning effects from school and family inputs decay at the same rate over time.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	0●0	000	000000	O	0000000000000
Stand	lard value	-added n	odel			

$$T_{ija} = \boldsymbol{F}_{ija} \boldsymbol{\varphi}_a + \boldsymbol{S}_{ija} \boldsymbol{\alpha}_a + \gamma T_{ij,a-1} + \eta_{ija}, \qquad (2)$$

- The arguments in the cumulative learning production function are additively separable.
- **2** The coefficients on inputs are non-age varying.
- **3** Learning effects from school and family inputs decay at the same rate over time.
- The impact of unobserved ability decays at the same rate as the effects from school and family inputs.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	○●○	000	000000	O	0000000000000
Stand	lard value	-added n	nodel			

$$T_{ija} = \boldsymbol{F}_{ija} \boldsymbol{\varphi}_a + \boldsymbol{S}_{ija} \boldsymbol{\alpha}_a + \gamma T_{ij,a-1} + \eta_{ija}, \qquad (2)$$

- The arguments in the cumulative learning production function are additively separable.
- **2** The coefficients on inputs are non-age varying.
- **3** Learning effects from school and family inputs decay at the same rate over time.
- The impact of unobserved ability decays at the same rate as the effects from school and family inputs.
- **5** Unobserved ability does not influence the return to school and family inputs.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	00●	000	000000	0	0000000000000

## A flexible value-added model

Including a *lagged school*  $\times$  *lagged test score*  $\times$  *cohort* fixed effect, I am able to loosen assumption 3, 4, and 5 from the previous slide.

$$T_{isgc} = \boldsymbol{F}_{i} \boldsymbol{\varphi} + \boldsymbol{S}_{i} \boldsymbol{\alpha} + \mu_{i0} \boldsymbol{\beta} + \theta_{sgc} + \eta_{isg}$$
(3)

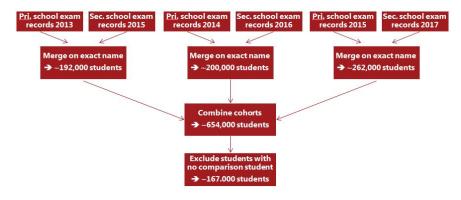
 $T_{isga}$  is secondary school test score for student *i*, who attended primary school s, got primary school test score *g*, and belongs to cohort *c*.

Current school inputs include private school enrolment, peer effects, and school size.

Family inputs are excluded. Fortunately, the literature agrees they are irrelevant when controlling for lagged achievement and peer effects.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	00000000000

Data source



NOT representative sample, but...

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	00000000000

## Descriptive statistics

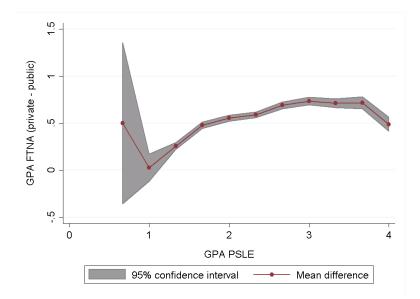
	Pop. Mean	Pop. Std.	Sample Mean	Sample Std.	Private Mean	Public Mean
GPA (secondary)	1.308	0.881	1.661	0.953	2.347	1.397
GPA (primary)	1.664	0.832	2.411	0.739	2.718	2.293
Proxy for unobs. ability	1.713	0.780	2.316	0.632	2.439	2.268
Private (primary)	0.034	0.180	0.167	0.373	0.390	0.081
Private (secondary)	0.182	0.386	0.278	0.448	1.000	0.000
Secondary school size	146	95	180	106	123	202
Peers' GPA (primary)	2.224	0.426	2.353	0.492	2.721	2.211
Female	0.516	0.500	0.539	0.498	0.557	0.532
Cohort 2016	0.325	0.468	0.315	0.464	0.319	0.313
Cohort 2017	0.388	0.487	0.388	0.487	0.379	0.391
Ν	See	notes	167,334	167,334	46,560	120,774

Source: Author's own calculations.

Notes: Population means of GPA PSLE, GPA PSLE other, and Private Primary are based on 2,314,638 primary school students. The population means of the remaining variables are based on 1,246,267 secondary school students. The two last columns provide mean values for sample students attending private and public secondary school, separately.

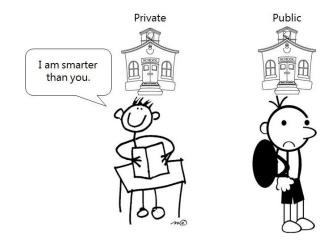
Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	000000000000

## Differences in test scores conditional on lagged test scores



Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	●○○○○○	O	00000000000000
OLS						

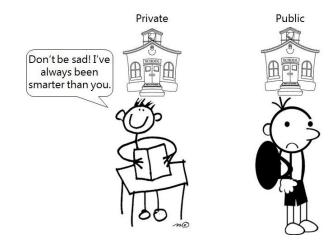
 $\begin{aligned} & \textit{GPA}_i = \beta_0 + \beta_1 \textit{private}_i + \beta_2 \textit{school size}_i + \beta_3 \textit{female}_i + \beta_4 \textit{cohort16}_i + \\ & \beta_5 \textit{cohort17}_i + \varepsilon_i \end{aligned}$ 



Literature 00		Models ○●○○○○	Annex 000000000000

## Standard value-added model

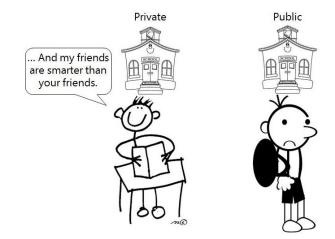
 $GPA_{i,t} = \beta_0 + \beta_1 private_{i,t} + \beta_2 school \ size_{i,t} + \beta_3 female_i + \beta_4 cohort 16_i + \beta_5 cohort 17_i + \beta_6 GPA_{i,t-1} + \varepsilon_{i,t}$ 



Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	000000000000

Standard value-added model including peer effects

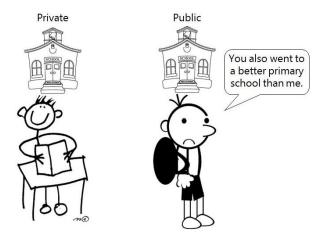
 $\begin{aligned} & GPA_{i,t} = \beta_0 + \beta_1 private_{i,t} + \beta_2 school \ size_{i,t} + \beta_3 female_i + \beta_4 cohort 16_i + \\ & \beta_5 cohort 17_i + \beta_6 GPA_{i,t-1} + \beta_7 peer \ effects_{i,t} + \varepsilon_{i,t} \end{aligned}$ 



Intro 0000	Literature 00	 Data 000	Models 000●00	Annex 000000000000

# A flexible value-added model

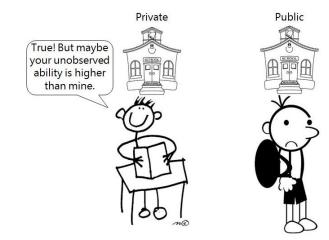
 $\begin{aligned} & \textit{GPA}_{\textit{isgc},t} = \beta_0 + \beta_1 \textit{private}_{i,t} + \beta_2 \textit{school size}_{i,t} + \beta_3 \textit{female}_i + \beta_6 \textit{peer effects}_{\textit{isgc},t} + \\ & \theta_{\textit{sgc}} + \varepsilon_{i,t} \end{aligned}$ 



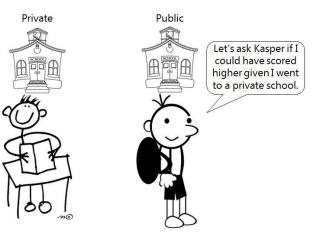


# Flexible value-added model including unobserved ability

 $\begin{aligned} & \textit{GPA}_{\textit{isgc},t} = \beta_0 + \beta_1 \textit{private}_{i,t} + \beta_2 \textit{school size}_{i,t} + \beta_3 \textit{female}_i + \beta_6 \textit{peer effects}_{i,t} + \\ & \theta_{\textit{sgc}} + \beta_7 \textit{GPA other}_{i,t-1} + \varepsilon_{\textit{isgc},t} \end{aligned}$ 



Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	000000000000



Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	•	000000000000
Result	ts					

Dependent variable: GPA <sub>t</sub> (FTNA)	(1)	(2)	(3)	(4)	(5)
Privatet	1.004*** (0.040)	0.661*** (0.023)	0.527*** (0.022)	0.379*** (0.012)	0.396*** (0.011)
$log(School size_t)$	0.006 (0.023)	-0.042*** (0.013)	-0.061*** (0.012)	-0.085*** (0.008)	-0.088*** (0.008)
Female	-0.041** (0.017)	0.029*** (0.008)	0.025*** (0.007)	0.059*** (0.005)	0.126*** (0.005)
$GPA_{t-1}$ (PSLE)		0.546*** (0.008)	0.450*** (0.005)		
Peer effects <sub>t</sub>			0.173*** (0.010)	0.216*** (0.006)	0.188*** (0.006)
$GPA other_{t-1} (PSLE)$					0.228*** (0.003)
Accounts for $\theta_{sgc}$	No	No	No	Yes	Yes
N R <sup>2</sup>	167,334 .221	167,334 .491	167,334 .505	167,334 .690	167,334 .706

Source: Author's own calculations.

Notes: Standard errors are clustered at secondary school level.  $GPA_t$  is the grade point average of the subjects Kiswahili, English, and mathematics. Peer effects<sub>t</sub> is the average grade point average of the subjects Kiswahili, English, and mathematics in primary school for secondary school schoolmates. GPA other<sub>t-1</sub> is the grade point average of the subjects Community Knowledge and Science in primary school.  $GPA_{t-1}$ , Peer effects<sub>t</sub>, GPA other<sub>t-1</sub>, and  $GPA_t$  are standardized by their sample means and standard deviations. Significance levels: \* p < 0.1, \*\* p < 0.05, \*\*\* p < 0.01.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	O	00000000000000
Refere	nces					

- T. Andrabi, J. Das, A. I. Khwaja, and T. Zajonc. Do Value-Added Estimates Add Value? Accounting for Learning Dynamics. *American Economic Journal: Applied Economics*, 3(3):29–54, 2011.
- J. Angrist, E. Bettinger, E. Bloom, E. King, and M. Kremer. Vouchers for Private Schooling in Colombia: Evidence from a Randomized Natural Experiment. *American Economic Review*, 92(5):1535–1558, 2002.
- K. Muralidharan and V. Sundararaman. The Aggregate Effect of School Choice: Evidence from a Two-Stage Experiment in India. *The Quarterly Journal of Economics*, 130(3):1011–1066, 2015.
- A. Singh. Private school effects in urban and rural India: Panel estimates at primary and secondary school ages. *Journal of Development Economics*, 113:16–32, 2015.
- P. E. Todd and K. I. Wolpin. On the Specification and Estimation of the Production Function for Cognitive Achievement\*. *The Economic Journal*, 113(485):F3–F33, 2003.

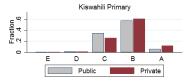
Intro 0000		Models 000000	Results O	Annex •000000000000

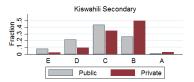
### Regional distribution of secondary school students

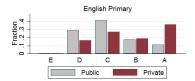
	Population	Sample	Private	Public
Arusha	0.056	0.069	0.068	0.069
Dar Es Salaam	0.106	0.217	0.158	0.240
Dodoma	0.035	0.039	0.036	0.040
Geita	0.032	0.020	0.010	0.023
Iringa	0.035	0.038	0.038	0.038
Kagera	0.048	0.030	0.033	0.029
Katavi	0.008	0.005	0.002	0.006
Kigoma	0.031	0.025	0.032	0.022
Kilimanjaro	0.071	0.082	0.129	0.064
Lindi	0.016	0.007	0.004	0.008
Manyara	0.027	0.013	0.012	0.013
Mara	0.043	0.024	0.019	0.026
Mbeya	0.075	0.095	0.088	0.098
Morogoro	0.050	0.045	0.054	0.042
Mtwara	0.027	0.015	0.012	0.017
Mwanza	0.077	0.061	0.068	0.058
Njombe	0.022	0.025	0.025	0.025
Pwani	0.034	0.042	0.072	0.030
Rukwa	0.016	0.010	0.007	0.011
Ruvuma	0.032	0.022	0.026	0.021
Shinyanga	0.029 0.023	0.027	0.024 0.005	0.028 0.012
Simiyu		0.010	0.005	
Singida	0.023 0.001	$0.016 \\ 0.001$	0.012	$0.017 \\ 0.000$
Songwe Tabora	0.028	0.001	0.004	0.000
Tanga	0.028	0.024	0.025	0.023
i aliga	0.055	0.036	0.057	0.036
Ν	1,246,267	167,334	46,560	120,774

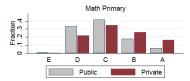
Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	0000000000

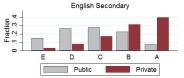
### Distribution of subject-specific exam scores

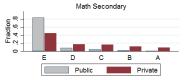












Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	00000000000

#### Value-added model versus Heckman-type correction and IV models

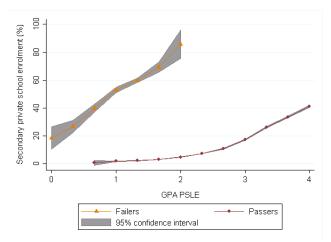
Dependent variable: $GPA_t$ (FTNA)	Value-Added	Heckman	IV	IV	IV
	(1)	(2)	(3)	(4)	(5)
Privatet	0.719***	0.730***	0.728***	1.153**	0.733***
	(0.024)	(0.024)	(0.048)	(0.531)	(0.048)
Nearby private schools <sub>t</sub>	0.023***	0.025***	0.023***	0.020***	0.023***
	(0.001)	(0.001)	(0.001)	(0.003)	(0.001)
Nearby private schools <sup>2</sup>	-0.000***	-0.000***	-0.000***	-0.000***	-0.000***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
No nearby private schools <sub>t</sub>	-0.037***	-0.055***	-0.037***	-0.028	-0.037***
	(0.011)	(0.012)	(0.011)	(0.017)	(0.011)
Inverse Mills ratio		0.106*** (0.017)			
Instruments: - Failing PSLE - Private school share 10 km			Yes No	No Yes	Yes Yes
Cragg-Donald Wald F statistic			>32,000	401	>16,000
Hansen J statistic					0.633
N	592,499	592,499	592,499	592,499	592,499
R <sup>2</sup>	.432	.432	.432	.421	.432

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level. The Inverse Mills ratio is estimated in a firststep probit model, using the dummy "failing the overall PSLE" and the continuous variable "private secondary school share within 10 kilometres" as the exclusion restriction. The same two variables are used as instruments for Private<sub>t</sub> in the IV model. GPA<sub>t</sub> is the standardized grade point average of the subjects Kiswahili, English, and mathematics. Nearby private schools<sub>t</sub> is the number of private secondary schools within 10 kilometres of a student's primary school, whereas No nearby private schools<sub>t</sub> is dummy taking the value one if there is no private schools within 10 kilometres. The models further account for school size, peer effects, gender, test scores in primary school, private primary schooling, year fixed effects, and region fixed effects. The Hansen J statistic has a chi-squared distribution with one degree of freedom. Significance levels: \*  $\mathbf{p} < 0.01$ .

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	0000000000000

Secondary private school enrolment for PSLE passers and failers



Source: Author's own calculations.

Notes: *GPA PSLE* is the average of primary school test scores in English, Kiswahili, and mathematics. The figure is based on 652,405 secondary school students. Basing the figure on the main sample of 167,334 students, increases the shares of students attending a private school for all levels of primary school GPA and independent of whether a student fails or passes the overall PSLE.

Intro	Literature	Theory	Data	Models	Results	Annex
0000	00	000	000	000000	0	000000000000

#### Sequential sample selection and weighting

Dependent variable: GPA <sub>t</sub> (FTNA)	(1)	(2)
Private <sub>t</sub>	1.119*** (0.040)	0.435*** (0.012)
Inverse Mills ratio, $\lambda_1$	-1.575*** (0.056)	
Inverse Mills ratio, $\lambda_2$	-0.323*** (0.026)	
N R <sup>2</sup>	167,334 .734	167,334 .706

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level. In column (1),  $\lambda_1$  and  $\lambda_2$  origin from two first-stage probit models explaining whether a student's PSLE records have been identified and whether the student is in the sample, respectively. In column (2), sample weights are applied to get a representative sample in regard to student ability, gender, private schooling, year of exam, ability of peers, and school size. *GPA*<sub>t</sub> is the standardized grade point average of the subjects Kiswahili, English, and mathematics. The models further account for school size, gender, peer effects, "Primary school × Primary school GPA × CohortÂŽÂŽ fixed effects, and GPA of the subjects Community Knowledge and Science in primary school. Significance levels: \* p<0.1, \*\* p<0.05, \*\*\* p<0.01.

0	Literature 00	Theory 000	Data 000	Models 000000	Results 0	Annex 00000	000000
_	/	Analysis of s	subject-specif	ic exam scor	es		
	Dependent va	ariable:	Kiswahili FTNA score	English FTNA sco	re F	Math TNA score	=
P	rivate <sub>t</sub>		0.338*** (0.015)	0.371*** (0.014)		0.391*** (0.017)	-
lo	g(School size <sub>t</sub> )		$-0.115^{***}$ (0.012)	-0.080*** (0.009)	× .	-0.069*** (0.012)	
Fe	emale		0.182*** (0.010)	0.049*** (0.007)		(0.012) 0.012 (0.010)	
Pe	eer effects <sub>t</sub>		(0.010) $0.031^{***}$ (0.009)	0.026*** (0.007)		(0.010) $0.091^{***}$ (0.010)	
	Primary school × Cohort" fixed eff		Yes	Yes		Yes	-
N R			66,291 .49	76,594 .665		62,958 .637	-

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level. PSLE score is the subject-specific exam score in primary school, and it is instrumented by the exam scores in all other primary school subjects. The dependent variables are standardized by their sample means and standard deviations. The sample sizes in columns (7), (8), and (9) are smaller than the full sample due to more lagged achievement possibilities and the requirement of only comparing students with the same lagged achievement. Significance levels: \* p<0.1, \*\* p<0.05, \*\*\* p<0.01.

Literature 00			Annex 000000●00000

### Analysis with different geographical sub-samples

Dependent variable: $GPA_t$ (FTNA)	(1)	(2)	(3)	(4)
Privatet	0.450***	0.391***	0.386***	0.379***
	(0.015)	(0.012)	(0.013)	(0.014)
"Primary school × Primary school GPA × Cohort" fixed effects	Yes	Yes	Yes	Yes
N	101,874	148,701	142,995	124,362
R <sup>2</sup>	.726	.707	.71	.71

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level. Column (1) excludes urban areas with more than 100,000 inhabitants, column (2) excludes the regions of Singida and Mbeya, column (3) excludes the regions of Iringa, Njombe, and Kilimanjaro, and column (4) excludes the regions of Singida, Mbeya, Iringa, Njombe, and Kilimanjaro. *GPA*<sub>t</sub> is the standardized grade point average of the subjects Kiswahili, English, and mathematics. The models further account for school size, gender, peer effects, and GPA in Community Knowledge and Science. Significance levels: \* p < 0.1, \*\* p < 0.05, \*\*\* p < 0.01.

Intro	Literature	Theory	Data	Models	Results	
0000	00	000	000	000000	0	0000000000000

### Analysis of public and private primary school students separately

Dependent variable: $GPA_t$ (FTNA)	(1)	(2)
Private <sub>t</sub>	0.433*** (0.012)	0.215*** (0.022)
"Primary school × Primary school GPA × Cohort" fixed effects	Yes	Yes
Sample	Public primary school students	Private primary school students
N R <sup>2</sup>	137,449 .627	27,500 .626

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level.  $GPA_t$  is the standardized grade point average of the subjects Kiswahili, English, and mathematics. The models further account for school size, gender, peer effects, and GPA in Community Knowledge and Science. Significance levels: \* p < 0.1, \*\* p < 0.05, \*\*\* p < 0.01.

	Literature 00					Annex
0000		000	000	000000	0	00000000000000

#### Analysis with private school and peer effects interaction

Dependent variable: GPA <sub>t</sub> (FTNA)	(1)
Private <sub>t</sub>	0.387*** (0.011)
Peer effects <sub>t</sub>	0.152*** (0.008)
$Private_t  imes Peer \ effects_t$	0.072*** (0.010)
"Primary school × Primary school GPA × Cohort" fixed effects	Yes
N R <sup>2</sup>	167,334 .707

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level.  $GPA_t$  is the grade point average of the subjects Kiswahili, English, and mathematics. *Peer effects<sub>t</sub>* is the average grade point average of the subjects Kiswahili, English, and mathematics in primary school for secondary school schoolmates. The model further accounts for school size, gender, and GPA in Community Knowledge and Science. *Peer effects<sub>t</sub>* and *GPA<sub>t</sub>* are standardized by their sample means and standard deviations. Significance levels: \* p<0.1, \*\* p<0.05, \*\*\* p<0.01.

Intro	Literature	 Data	Models	Results	Annex
0000	00	000	000000	O	000000000●00

### Analysis of secondary schools offering religious courses

Dependent variable: GPA <sub>t</sub> (FTNA)	(1)	(2)	(3)
Privatet	0.410***	0.391***	0.414***
Religious courses <sub>t</sub>	(0.014) -0.000	(0.013)	(0.013)
$Private_t  imes Religious \ courses_t$	(0.010) -0.037*		
Bible course <sub>t</sub>	(0.019)	-0.010	
$Private_t  imes Bible \ course_t$		(0.015) 0.024	
Islamic courset		(0.023)	-0.008
$Private_t  imes Islamic \ course_t$			(0.011) -0.128*** (0.024)
"Primary school $\times$ Primary school GPA $\times$ Cohort" fixed effects	Yes	Yes	Yes
N R <sup>2</sup>	167,334 .706	167,334 .706	167,334 .707

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level. *Religious courses* is an indicator for whether the school offers either Bible Knowledge or Islamic Knowledge as elective courses.  $GPA_t$  is the standardized grade point average of the subjects Kiswahili, English, and mathematics. The models further account for school size, gender, peer effects, and GPA in Community Knowledge and Science. Significance levels: \* p<0.1, \*\* p<0.05, \*\*\* p<0.01.

	Literature				Results	Annex
0000	00	000	000	000000	0	00000000000

(1)	(2)	(3)
0.381***	0.397***	0.380***
0.079***	(0.011)	(0.012)
0.101***		
(0.032)	0.066	
	`0.052´	
	(0.060)	0.038
		(0.024) 0.120*** (0.030)
Yes	Yes	Yes
167,334	167,334	167,334 .707
	0.381*** (0.012) 0.079*** (0.029) 0.101*** (0.032) Yes	0.381*** 0.397***   (0.012) (0.011)   0.079*** (0.011)   0.032) 0.066   (0.052) 0.052   (0.060) 0.052   Yes Yes   167,334 167,334

### Analysis of same gender secondary schools

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level.  $GPA_t$  is the standardized grade point average of the subjects Kiswahili, English, and mathematics. The models further account for school size, gender, peer effects, and GPA in Community Knowledge and Science. Significance levels: \* p < 0.1, \*\* p < 0.05, \*\*\* p < 0.01.

Intro 0000	Literature 00		Models 000000	Annex 00000000000●

### Analysis of cohorts separately

Dependent variable: $GPA_t$ (FTNA)	(1)	(2)	(3)	(4)
Private <sub>t</sub>	0.376***	0.349***	0.457***	0.375***
	(0.017)	(0.014)	(0.017)	(0.014)
Private <sub>t</sub> × Cohort16 Private <sub>t</sub> × Cohort17				-0.011 (0.015) 0.071***
log(School size <sub>t</sub> )	-0.082*** (0.014)	-0.096*** (0.010)	-0.078*** (0.011)	(0.015) -0.085*** (0.008)
Female	0.137***	0.108***	0.132***	0.126***
	(0.008)	(0.007)	(0.008)	(0.005)
Peer effects <sub>t</sub>	0.184***	0.203***	0.177***	0.187***
	(0.008)	(0.008)	(0.007)	(0.006)
$GPA \ other_{t-1} \ (PSLE)$	0`.200***	0.213***	0`.261***	0.228***
	(0.005)	(0.005)	(0.005)	(0.003)
"Primary school × Primary school GPA × Cohort" fixed effects	Yes	Yes	Yes	Yes
FTNA cohort	2015	2016	2017	All
N	49,803	52,680	64,851	167,334
R <sup>2</sup>	.702	.714	.692	.706

Source: Author's own calculations.

Notes: Standard errors are clustered at the secondary school level.  $GPA_t$  is the grade point average of the subjects Kiswahili, English, and mathematics. *Peer effects*<sub>t</sub> is the average grade point average of the subjects Kiswahili, English, and mathematics in primary school for secondary school schoolmates. GPA other<sub>t-1</sub> is the grade point average of the subjects Community Knowledge and Science in primary school. *Peer effects*<sub>t</sub>, GPA other<sub>t-1</sub>, and  $GPA_t$  are standardized by their sample means and standard deviations. Significance levels: \* p<0.1, \*\* p<0.05, \*\*\* p<0.01.