A peace agreement signed in 1992 ended decades of war in Mozambique, but by that time much of the country’s economy and infrastructure were decimated. Based on GNP per capita, Mozambique was the world’s poorest country in 1997.

THE STUDY

Human Capital, Household Welfare, and Children’s Schooling in Mozambique focuses on education, a key to human welfare and economic growth. The study seeks to inform policymakers how education affects other aspects of well-being, such as income and health, and how household characteristics in turn affect the likelihood that children will attend school. The report explores how public policy can most effectively raise educational levels by influencing the supply side of education—for instance, the number, location, and quality of schools and teachers—as well as the demand side, such as parental decisions to send children to school and keep them enrolled.

To address these questions, IFPRI researchers performed econometric analyses and policy simulations based on Mozambique’s first nationwide household survey of living conditions, the Inquérito Nacional aos Agregados Familiares Sobre as Condições de Vida 1996–97, as well as data from the Ministry of Education.

KEY FINDINGS

- The educational level of adults in the household greatly influences household income, child health and nutritional status, and the likelihood that children attend school.
- Adult educational level and other demand factors are more important than supply factors in determining whether children are enrolled or not.
- The influence of adult educational levels on school enrollment is especially strong in rural areas. The probability of a rural child enrolling in school increases by 15 percentage points if the head of the household can read and write, by an additional 18 percentage points if any adult in the household has completed full primary school, and an additional 17 percentage points if any woman in the household has completed lower primary school.
- Raising incomes and adult educational levels, and reducing the financial burdens of schooling, all lead to greater enrollment, according to the policy simulations. Efforts to reduce the opportunity costs of sending children to school, such as relieving the need for child labor, can help as well.

Adults’ education increases household income and child health and nutrition

Other things equal, the higher the proportion of adults who have completed at least the first stage of primary school (escola primária de primeiro grau, or EP1), the higher is household income as measured by per capita consumption. This effect is stronger in rural areas, and stronger for rural women than for rural men.

In rural Mozambique, a mother’s education, even basic literacy, also strongly influences the health and nutritional status of her preschool children. Literate mothers have taller children, and the children are more likely to be fully vaccinated (by 16 percentage points), and have a health card (by 11 percentage points) than the offspring of illiterate mothers.

In urban areas, maternal literacy has a positive influence on children’s nutritional status (height-for-age), but a smaller and often statistically insignificant effect on other health outcomes for children.

Adults’ education raises children’s school enrollment and performance

In both urban and rural Mozambique, the educational level of parents and other adults in the household is one of the most important determinants of primary school enrollment.

In cities and towns, household income and child’s age also affect primary school enrollment: enrollment tends to increase until age ten, and then fall. In rural areas, though, gender plays a large role, with boys more likely to enroll than girls.
For children who have gone to school, higher levels of parental education, such as completion of primary school, also leads to children progressing year to year, and reaching higher grade levels before dropping out. But basic literacy does not influence these outcomes.

**Supply influences enrollment too, though far less than demand factors**

Primary school enrollment is partly shaped by local schools' 1) availability, 2) quality—including the pupil-teacher ratio, supplies available, and percent of trained teachers, and 3) efficiency—the proportion of children who advance a level each year.

- **Availability:** In rural areas, not surprisingly, the presence of a school in the village strongly influences enrollment rates of children in the village. For primary school enrollment, the presence of a village school has a larger impact on the enrollment of children from poorer households.

- **Quality:** Adding new schools appears to be a more cost-effective way of raising enrollment rates than improving the quality of existing schools—although both encourage enrollment. Enrollment rates are higher in schools with more trained teachers, and the gender composition of the teaching staff also matters, as enrollment rates increase with the proportion of trained female teachers. The pupil-teacher ratio does not have a strong effect on the initial enrollment decision, but it is an important factor in the number of grades that students complete before dropping out.

- **Efficiency:** The only aspect of school efficiency to significantly influence rural enrollment is the proportion of girls who pass from one grade to the next each year. Holding all other variables constant, raising the female pass rate to the level of the male pass rate would raise rural enrollment by approximately 10 percentage points.

**MAJOR POLICY IMPLICATIONS**

1. Investing in girls’ and women’s education in rural areas should be a priority, as it will bring large monetary and nonmonetary benefits to both the family and society at large. On the demand side, raising the literacy of adult household members can dramatically raise girls’ enrollment. This finding implies a potentially important role for adult education or literacy campaigns in rural areas. On the supply side, improving the physical quality of the school can raise girls’ enrollment as well.

2. The quality, availability, and efficiency of schools all have a positive impact on rural primary school enrollment. Important school characteristics include:
   - the proportion of female teachers,
   - the pass rate for girls,
   - the presence of a school in the village, and
   - the presence of higher levels of primary and secondary schooling in the administrative post.

3. In urban areas, policies that ease the financial burden of schooling can increase school enrollment. Such policies could include providing school lunches as well as reduced fees for tuition, books, and uniforms.

4. Also in urban areas, primary school dropout rates rise significantly at around age 10. Policies that focus on retaining schoolchildren of this age could be an important option for raising educational levels in Mozambique.