

Electoral Incentives and Educational Outcomes: Evidence from High-Stakes Examinations in India

Executive Summary

This paper investigates how electoral incentives shape educational outcomes in India, focusing on high-stakes state board examinations for Classes X and XII. Given that these exams are crucial for determining students' educational trajectories, college admissions, and scholarships, they receive significant attention from families, schools, and governments. We ask whether the timing of state elections influences exam results, and through which mechanisms such effects may occur.

Using administrative data from 26 Indian states between 2005 and 2019, the study exploits India's staggered election calendar and standardized state exam system. The key identification strategy compares board exam outcomes in years leading up to scheduled state elections versus years farther away from elections. The paper documents three main findings. First, pass rates and high-achievement rates (first division) are significantly higher when board exams occur within a year of a scheduled state election. Specifically, Class XII pass rates increase by around 2.5 percentage points, and first-division shares rise by 2.8 percentage points. Class X exams see smaller and weaker effects. Second, the improvements are not explained by increased fiscal or educational expenditure. The study finds no evidence of political cycles in state education budgets, teacher hiring, or administrative oversight expenditures. Third, the gains accrue only to regular, school-going students, and not to private candidates who sit the same exams. This pattern rules out explanations such as lenient grading, relaxed invigilation, or easier exams, which would have benefited both groups. Instead, the evidence points to better delivery of educational services through greater teacher effort in schools.

We argue that state governments have levers to influence teachers because they control transfers and postings, which teachers value highly. Facing electoral incentives, incumbents can motivate teachers to increase effort before elections. While governments also appoint District Education Officers responsible for inspection and monitoring, the study finds no significant increase in administrative expenditure around elections. Thus, the most plausible mechanism is teachers' improved effort, likely in response to political pressure or anticipation of favorable postings.

The findings contribute to three literatures: opportunistic political cycles, education service delivery in developing countries, and the role of high-stakes exams in shaping human capital. Importantly, the study highlights both opportunities and concerns. On the one hand, electoral accountability can drive real improvements in service delivery without additional spending. On the other, such gains are tied to election cycles, raising issues of sustainability, fairness, and distortion. Education quality should not be contingent on political timing.

Overall, the paper demonstrates that electoral incentives can temporarily enhance school performance in India's high-stakes exams through increased teacher effort, especially for politically salient groups. The policy challenge is to design institutions and accountability mechanisms that sustain these improvements beyond electoral cycles.