

PN-ABG-943

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**A Review of  
"Education: The Cornerstone for Development  
Let's Capitalize on Our Comparative Advantage"**

by

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for IIE Colloquium**

October, 1988

Prepared by

**Center for Research on Economic Development**

In partial fulfillment of

Contract #PDC-0180-0-00-8121-00

Bureau of Program and Policy Coordination

U.S. Agency for International Development

# **"Education: The Cornerstone for Development Let's Capitalize on Our Comparative Advantage"**

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## **Overview**

The authors provided an extensive list of "do's," "don't's," and even some "how's" regarding the need to aid education, especially primary education, in developing countries. They begin with a list of opinions upon which most people agree and proceed to sections on what the US should do, how it should be done, the appropriate size of the effort, and the need for commitment to the future.

## **Summary Points**

### **Commonly Held Opinions**

1. Education constitutes an essential and critical component--indeed the cornerstone-- of any country's economic and social development. Further, the greatest payoff to society comes from investments at the primary level.
2. Developing countries have made remarkable progress in creating and implementing education systems for the majority of their school age populations.
3. As remarkable as the progress has been in the past, the challenge of the future may well test both commitment and courage.
4. The fiscal resources that made the unprecedented growth possible are not continuing to increase.
5. The quality of existing education systems will suffer unless additional resources are put into the development and distribution of instructional materials/technology and more attention generally is paid to what is happening within the classroom.
6. All countries have to look anew at the distribution of resources among schooling levels.

### **What Should We (the US) Do?**

1. Concentrate on those countries where the education need, combined with possibilities for change, are the greatest.
2. Concentrate on improving the primary system.
3. Assist the countries to make sounder, data and analysis based resource allocation decisions.
4. Resist the temptation to vocationalize the basic education system.
5. Stay out of school construction, unless it is part of a very large assistance program.

6. Work with countries to rethink their growth strategy and to develop a model of education that is affordable in reaching the goal of educating all their children.
7. There will be times when assistance to higher education institutions will be both desirable and appropriate.

#### How Should It Be Done?

1. Not a project, but a program that is centered on careful, comprehensive analysis within the country.
2. Not a single shot, but an approach that begins by looking at the the whole human resource system, and which takes into account the relationships among the various components: primary, secondary, tertiary, vocational/technical training, adult literacy and other nonformal programs and, finally, the training that takes place in agriculture, health, and other sector programs.
3. Not for a short time--three to five year project time frame--but at least a ten year effort.
4. Not a brand new start with each new A.I.D. education officer or Mission Director, but one that builds on what has been done before, not only by the US and other donors but, most importantly, by the country itself.
5. Not in isolation, but to avoid duplication, contradiction, overlap, and waste, co-operate with donors to be certain that assistance is provided in the context and framework of the long term program which the country has designed.
6. Not simply to walk away at some pre-determined time, but to recognize that the most important contribution is likely to be strengthening the country's capacity to continue the ongoing operation when external assistance ceases.

#### What Will Be the Size of Our (US) Effort

- Countries traditionally have financed their own education systems--donors can't and shouldn't do it.
  - The centrality of education is a strong tradition in this country and the leaders in developing countries know it. They look to us to carry that same priority into our foreign assistance program.
  - Our response has been paltry. A little over one percent of the United States' development assistance budget last year was allocated to help countries improve their primary and secondary educational systems.
- Our Commitment to the Future
- We need a sustained commitment to a select number of countries willing to collaborate, flexible technical assistance guided by sound analysis and open to creative thinking, implemented according to a coherent plan that progresses step by step, in concert with other donors and with the specific objective of eliminating the need for outside help as soon as possible.

## **Evaluation**

While the paper provides do's, don't's and even some how's, it is very weak on "why's." For example, after listing how the US should aid education, the authors point out that most people in the assistance community recognize these characteristics of good assistance, but they fail to act upon them. The authors don't say why the US fails to follow this advice. Is there a flaw (or flaws) in the assistance policy making process? Do recipients not want this type of aid? These questions go unasked.

In addition, the authors often conclude that past aid policies have failed, and therefore new policies should follow opposite dictums. For example, if aid in the past has been short term, the solution to education's problem is long term plans. But why is the long term better than some medium term? What does a long term commitment do to incentive structures for example? The authors offer the opposite of present policies as the obvious solutions to current problems without justifying why their equally extreme advice is the best possible path.

Cooperation for International Development:  
U.S. Policy and Programs for the 1990s  
The Role of Education and Training in Development in the 1990s  
A Colloquium convened by the Institute of International Education  
April 11, 1988

Education: The Cornerstone for Development  
Let's Capitalize on Our Comparative Advantage

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The views expressed in this paper are not attributable to any organization or institution but are solely those of the authors.

Education and development is a daunting subject. When we place it in the context of United States' foreign policy and development assistance, I start more than a little concerned that in our effort to be comprehensive we will not fulfill our obligation to lead the new thinking for the 1990s. We need to have a set of recommendations that are specific yet general enough, practical yet imaginative.

One way out of the dilemma is to assume that there is a common body of knowledge and experience about which we all can agree. That done--we can concentrate on where we go next. We can discuss ideas that will point the way for programs to help the developing countries achieve their educational objectives for their societies.

We can all agree that the lack of education in developing countries is seriously affecting the lives of many people as well as negatively effecting the development of their countries. People without a basic education rarely participate fully in a country's social, economic and political

institutions. An illiterate and unskilled workforce doesn't contribute to the efficiency and productivity of a modern economy.

It is in light of our conviction that basic education is central to a country's economic growth that we are concerned about the fact that close to 900 million people cannot read and write. In the developing countries, where 98 percent of illiterate persons live, two out of every five adults above the age of fifteen are without the ability to read, write and handle simple computations and are seriously handicapped when attempting to function in a modern society. The problem is most acute in Asia, where India and China account for more than half of the total illiterate population in the world, and in Africa, where more than half of the countries have illiteracy rates above 50 percent.

While all segments of the population are affected, the effect on women is most profound. When looking at literacy rates for men and women across all the developing countries, the average difference is 21 percentage points worse for women than for men. Does it matter? I believe it does. For we can say with assurance that women, with basic educational skills, are better able to follow those practices which are so crucial to the survival and health of their children--be it better nutritional

practices, the use of oral rehydration therapy, monitoring of their children's growth, or the use of immunization services. It is important too, for agricultural production, since women in many parts of the world bear the primary responsibility not only for preparing, but also for producing the food for the family.

Just as there is general agreement on the magnitude of the problem and the importance of education in the development process, so there appears to be broad consensus about the current status of education in developing countries. Among developing country government officials, concerned academics, professionals and major donors there appears to be agreement on six points:

- (1) Education constitutes an essential and critical component --indeed the cornerstone-- of any country's economic and social development. Further, the greatest payoff to society comes from investments at the primary level. We no longer have to debate that statement. Thanks to many of you here today, it is fully substantiated. We know that an investment in basic education is a catalyst for improvements in agricultural production, in health, in nutrition, and in adaptability to new employment opportunities.

Education's contribution to the efficiency and effectiveness of investments in other development sectors is crucial.

- (2) Developing countries have made remarkable progress in creating and implementing education systems for the majority of their school age populations. While there are variations within and among geographic regions, the overall increase in school enrollments during the past twenty five years is unprecedented. Access is no longer the main problem for most countries.

Remarkably, even with these enrollment increases, pupil-teacher ratios at the primary level in all geographic regions have come down from 45 to 42 in Africa, from 33 to 29 in Asia, from 30 to 28 in Latin America and the Caribbean. Furthermore, the percentages of qualified teachers also appear to be increasing, even if those percentages remain significantly lower in rural areas.

- (3) As remarkable as the progress has been in the past, the challenge of the future may well test both commitment and courage. Rapid population growth, lowered infant mortality and steadily increasing demand for education require a consistent and high priority effort from the developing countries

just to maintain the current rate of enrollment. That will mean, for example, that to maintain the 1983 primary school enrollment rate in Africa in the year 2000, nearly twice as many children will have to be enrolled. Government leaders will have to maintain their commitment to the priority of education, despite competing demands on limited resources.

(4) The fiscal resources that made the unprecedented growth possible are not continuing to increase. In many countries the percentage of the national budget for education is beginning to decline. The major cause of the decline is the general economic downturn in the world economy since the mid-1970s. While countries have to maintain their commitment, they also have to look for savings from greater efficiency within the existing budget. It is not likely that either the countries themselves, or the donors, will find untapped sources of revenue to totally make up the difference between what is needed and what is available.

(5) The quality of existing education systems will suffer unless additional resources are put into the development and distribution of instructional materials/technology and more attention generally is

paid to what is happening within the classroom. The tremendous gains in enrollment mask the all too prevalent problems of grade repetition and early drop out that afflict schools in all regions of the world. If schools fail to teach and children fail to learn, even current investments in education are at peril. In such circumstances it is likely to be difficult even to maintain the support of parents, an important constituency recognizing the value of and demanding education for their children, let alone hard strapped governments. But this need not be; among other things that can be done, we now have proven instructional technologies, ranging from textbooks to radio, that can directly improve learning at the classroom level.

- (6) All countries have to look anew at the distribution of resources among schooling levels. Mainly because of colonial legacies, many developing countries are overly subsidizing higher education students. This allocation of limited resources is having an adverse effect on all other levels of the system. It is not that universities are over-funded in developing countries. Far from it. Their facilities and instructional resources are rapidly deteriorating. But, what most of us can perhaps agree is

unreasonable, is the free ride given university students---the majority of whom are the very ones who can most afford, along with their families, to assume some responsibility for the cost of their education.

I am presuming that we can generally agree with these six points. The more difficult and challenging task -- and where there may be differences of opinion -- is to determine what we can do to help the countries to improve the current state of education. Since the focus of the program sponsored by Michigan State University is on the United States' policy and programs for the 1990s, my comments will concentrate on U.S. policies for education in the assistance program.

I'll divide my remarks into four sections:

- A. What should we do?
- B. How should it be done?
- C. What will be the size of our effort?
- D. What is our commitment to the future?

A. What Should We Do?

What should the United States do in the 1990's to assist countries in their efforts to provide more and better education for their citizens?

1. Concentrate on those countries where the education need, combined with possibilities for change, are the greatest. This means providing most resources to countries where enrollment and completion rates at the primary level are low, and openness to policy reform is high. The current group of countries receiving the major share of donor assistance in education bears little relation to need. For whatever reason and often without regard to need, the smallest countries --such as Botswana and Swaziland-- are receiving a disproportionate share of education assistance at present. It is time to take a fresh look for example, at countries such as Somalia and Bangladesh, which have greater needs, and larger populations.

2. Concentrate on improving the primary system. This is the only level of education that most people in the country will ever receive. And it is also the critical building block for the next levels. If the primary level isn't sound, the whole system suffers. If this level is not improved, then 15 years from now developing countries will be facing the same problems of illiteracy and ignorance -- or worse. As I said earlier, this is also the level that has the highest economic return for the country. The countries themselves put most of their education budget into the primary level, yet only ten percent of donor education assistance goes to the improvement of primary schooling. In Africa, donors provide five times more assistance for universities than they do for primary education

3. Assist the countries to make sounder, data and analysis based resource allocation decisions. Help countries to modernize the planning and administration of their systems. Developing countries are already spending a significant portion of their national budgets on education and there is no alternative but to use these resources more productively. At the same time we should encourage greater involvement by local communities within a national framework, in the management and financing of local education systems. By increasing local tax authority, revenues can be retained in local communities, under the control of local officials and for the support of local education programs. Also, we should share the immense talent in this country for administering education systems. Our skills in managing the scheduling and logistics, for example, of complex systems is desperately needed by developing countries.

4. Resist the temptation to vocationalize the basic education system. As far as I can tell the pressure to do so is coming from two sources: those who want the students to "become better farmers" and those who want to produce "ready-made industrial workers". But the purpose of primary school is to lay the foundation which will permit students to become productive members of society; to help students learn to read, write, handle numbers, know basic facts about science and acquire

problem solving skills. In addition, in most countries the schools will be expected to create a greater awareness of the nation and a deeper understanding of the country's religion. That's enough. Primary education is a great investment for a country, let it do the job it can best do.

5. Stay out of school construction, unless it is part of a very large assistance program. Most countries have properly turned that responsibility over to local communities where it belongs. If there is a need for foreign funding for construction and equipment, let others, better suited, do it.

6. Work with countries to rethink their growth strategy and to develop a model of education that is affordable in reaching the goal of educating all their children. The emphasis has to be on finding a practical solution to the only acceptable goal -- universal primary education. Within that context, it is important to realize that no other social service has the number of contact hours with a professional that education has. The teacher is often the most highly educated and best trained person in the village. Given the fact that rural areas of many countries will experience a tremendous shortage of teachers over the next ten years, we should raise the question whether all countries can afford to have that level of expertise available all day every day for all students at a

relatively low pupil/teacher ratio. The possibility of using technology to complement the teacher and at the same time expand coverage and improve quality should be investigated.

7. Finally, and parenthetically, for our purposes this morning, we should recognize that there will be times when assistance to higher education institutions will be both desirable and appropriate. But I leave that discussion to our colleagues.

B. How Should It Be Done?

It is curious but it may be best to start by saying what we should not do. Experience should have taught us, yet I expect it hasn't that we can no longer be effective by:

designing and implementing discrete projects,

that focus on only one aspect of the education system,

for a relatively short period of time,

without reference to what has gone on before,

without coordination with other donors,

with little attention to implementation and follow up,  
or without strengthening the permanent capability in the  
cooperating country.

That may sound like setting up a straw donor. I don't think  
so. Sadly, it is still too often the normal routine for almost  
all donors, including the United States.

Even in the best of times, the proportion of the aid funds that  
is made available for education will not be all that we can  
use. Thus it becomes even more critical that the funds be  
spent wisely. Perhaps the best approach may be to change  
radically the way we have been doing things. This is based on  
my conviction that the traditional project approach in education  
no longer meets the needs of the developing countries.

1. Not a project, but a program that is centered on careful,  
comprehensive analysis within the country. This analysis can  
determine on a continuous basis where the critical bottlenecks  
are and where the most effective leverage points might be for  
donor assistance. The overwhelming emphasis on project design,  
that has been our practice for so long, works against this type  
of flexible response on the part of the donor. There is one  
generalization I will allow myself on this point: if you can

specify exactly what will happen four or five years in advance on a project, you are either fooling yourself or not taking any chances--or both. Assistance in education is not like building a road. We have to be able to adapt reasonably to changing conditions. At the same time we have to make sure that our advice and our shifts in emphasis are based solidly on the latest and most reliable information available in the country, on the longer term requirements of the education system, and not on the latest fashions.

2. Not a single shot, but an approach that begins by looking at the whole human resource system, and which takes into account the relationships among the various components: primary, secondary, tertiary, vocational/technical training, adult literacy and other nonformal programs and, finally, the training that takes place in agriculture, health and other sector programs. The collection and analysis of relevant information for the entire system is imperative. Providing this kind of assistance can help countries make careful resource allocation decisions. It is only after this type of assistance has been put in place that we or any donor should concentrate on any single component within the system.

3. Not for a short time--the three to five year project time frame--but at least a ten year effort. Surely, there is a realization that substantial improvement of the kind that is needed for a national education system will take a sustained effort over an even longer period of time.

4. Not a brand new start with each new A.I.D. education officer or Mission Director, but one that builds on what has been done before, not only by the United States and other donors but, most importantly, by the country itself. Develop the program to which the agency makes a commitment, despite the predilections of its agents.

5. Not in isolation, but to avoid duplication, contradiction, overlap, and waste, co-operate with donors to be certain that assistance is provided in the context and framework of the long term program which the country has designed. (For the United States it is particularly important that we coordinate closely with the World Bank, the largest donor in education.)

6. Not simply to walk away at some pre-determined time, but to recognize that the most important contribution is likely to be strengthening the country's capacity to continue the ongoing operation when external assistance ceases. No objective of foreign assistance is more often stated than this one and none

is so seldom accomplished. We often start too late to focus on capacity building and generally the project ends too soon for the capability to be sustained. As outside technical advisors we have to begin working ourselves out of the picture and be constantly aware of the need to turn over tasks and responsibilities.

These are all characteristics of good donor assistance. And I know that each of them alone or in some combination often are stated in many AID projects. We certainly recognize them all and talk about them often. Seldom, however, do they get combined into one effort and actually accomplished. The projects are normally too short in time and priorities often change with the changing of personnel. Coherent, sustained development assistance often gets lost in the shuffle.

C. What Will Be The Size of Our Effort

Countries traditionally have financed their own education systems--donors can't and shouldn't do it. For most developing countries education is often the single largest item in a national budget after the military, averaging close to 20 percent. Collectively, the developing countries spend

approximately 70 billion dollars on education each year. The donors' combined effort comes to approximately 4.5 billion dollars (6.5%) but that relatively small sum can be very influential if effectively applied.

But before we talk about improving the operation of "their" systems and getting "their" policies right, let's look at our experience in this country. And then a brief look at our record as a donor might be instructive.

Thomas Jefferson said: "If a nation expects to be ignorant and free, it expects what never was and never will be." That typified the thinking of the early policy makers in this country and they acted accordingly. Education was and is the cornerstone of our society. The village school was critical to each community's sense of cohesion and purpose. There was strong belief that progress for one's children and for the country would only come about through education. As a nation we knew we needed a literate and skilled workforce to survive and compete in the world market place. Our current experience would confirm that.

The recent national upset about the quality of American education, especially at the primary and secondary levels, reflects the continuing high priority we place on education. We are embarrassed by our 25 percent dropout rate from

secondary schools and the overall poor performance of our students in math and science. We know that we will not stay competitive without a better educated workforce. Management through quality circles alone won't do it. Reading, writing and arithmetic are essential.

The centrality of education is a strong tradition in this country and the leaders in developing countries know it. They look to us to carry that same priority into our foreign assistance program. They expect that we will agree with their judgment that an education is absolutely critical—not just for the elite few but for everyone. Since the United States was the first major country to deliberately offer educational opportunity to all her citizens, they expect that we will work with them to establish a comprehensive and open educational system for all. They look to us for help.

Our response has been paltry. A little over one percent of the United States' development assistance budget last year was allocated to help countries improve their primary and secondary educational systems. I am well aware of all the political commitments and just causes that currently receive 99 percent of that budget. But if we are going to make a fresh start in the 1990s, the one percent is unconscionable.

We certainly have the technical skills in the United States to assist. Our extensive record of education assistance at all levels in the 1960's and the early 1970's is impressive. Outstanding results were achieved with our help in South America, Korea and Jordan--to name but a few places. Most recently, the new initiative to improve the efficiency of entire education systems in Liberia, Somalia, Botswana, Yemen, Nepal, Indonesia and Haiti gives great promise and is thoroughly consistent with the mode of operational assistance recommended here today.

D. Our Commitment To The Future

Clearly, providing education for all children, at least to a minimum level, has not been simple or easy to do, or it would have been done long ago. Yet, there is a simple question which requires an answer: "what is the level of the United States' commitment to help all children learn how to read and write?" Do we really believe that 900 million people unable to read and write is a serious problem -- not just for the developing countries but our economic well-being and security? The American people always respond to physical calamities--regardless of where they occur. What about a pervasive and growing calamity that isn't catastrophic in the

usual sense but nevertheless catastrophic for the individual, robbing him of his potential for growth and retarding a nation's ability to develop?

The time is at hand to demonstrate our commitment. As a major world donor we can simply assert an end to the debate about the priority of basic education. No country can afford not to have a literate population. No donor can fail to recognize that a basic education system is a sine qua non to sustained social and economic development.

The United States can take the lead in bringing donor rhetoric about education in line with donor funding. For example, the World Bank in collaboration with many African countries has produced an outstanding strategy for assisting the development of education systems in Africa. We could step forward tomorrow and pledge our support in implementing that strategy in concert with all the major donors. The U.S. is currently assisting education programs affecting less than five percent of the primary school age children in Africa. We could set a goal of increasing our assistance in the 1990s to support improved education for at least 50 percent of the primary school children in Africa.

While the need is apparent in most countries in Africa, the numbers are even greater in South Asia. Once again, we have the opportunity to take the lead among the major donors and pledge our renewed commitment to countries such as Nepal, India, Bangladesh and Pakistan where fewer than 30 percent of the children who enter first grade ever finish primary school.

We know what to do. We have the national experience to draw from and successful lessons of transferring that experience over the past thirty years. We have also learned from our failures. We know that increasing access is easier than improving quality and the absence of the latter over time will mean the eventual failure of the entire educational system. We know that permanent change will come slowly. Our commitment to help has to be grounded in that reality but it has to be bound as well to the absolute conviction that there is an affordable solution within our grasp.

Sustained commitment to a select number of countries willing to collaborate, flexible technical assistance guided by sound analysis and open to creative thinking, implemented according to a coherent plan that progresses step by step, in concert with other donors and with the specific objective of eliminating the need for outside help as soon as possible.

These are the ingredients of a program that can literally change the future for millions of boys and girls over the next ten years. We may be uncertain about what will happen when intellectual horizons are opened and ignorance is dispelled. But we do know there is no other way to build a free and just world in which each individual has the capability of living a productive and happy life.