



GCE response to World Development Report 2004 outline

The Global Campaign for Education, a broad alliance of NGOs, child rights activists and teachers' organisations active in more than 150 countries, welcomes the World Development Report's focus on improving services for poor people. But we see significant weaknesses in the report's analysis, which could lead to policy recommendations that would in practice work *against* the interests of poor people. We believe the Report's analysis needs to be strengthened in five linked areas:

- Implementing existing international commitments on education;
- The priority given to resourcing for education, and donors' role in this;
- User fees in education;
- The role of public sector unions;
- Private sector involvement in education provision.

1. Existing international commitments

The World Development Report outline begins with the assumption that states have generally failed in the delivery of education services for poor people, and seeks creative solutions to the problem of this failure. It needs instead to acknowledge the successful historical examples of improved state provision, to analyse the factors which led to this success, and to outline recommendations for governments and donors to jointly work towards this goal in all countries.

The Report will be much stronger if it starts from the existing commitments by the international community to support strong universal national education systems. It needs to provide an analysis of how best to implement these commitments, rather than stepping away from them. The two Millennium Development Goals on education (universal completion of primary education by 2015, and gender parity in both primary and secondary education by 2005) are among the most achievable of the international development targets. A further set of goals for improving education quality, scope and access already have international backing

through donor and government commitments at both Jomtien in 1990 and Dakar in 2000. Yet the WDR outline undermines these goals (and the MDGs relating to poverty and other services) by making almost no reference to them, and hence avoiding discussion of donors' key role in resourcing the accelerated efforts needed to achieve these goals.

2. Resources and the role of donors

It is extraordinary that the current draft makes so few references to the inadequate resourcing of education and other basic services. Underfunding is dismissed as being an unimportant reason for poor service provision, hidden behind the statement that "public spending can lead to, but does not ensure, improved outcomes."¹ We agree that reforms to improve the efficiency, effectiveness, and equity of public education are vitally important. But reforms cannot take hold where administrative capacity, human resources and management systems have been eaten away through chronic underfunding. As the saying goes, "insufficiencies breed inefficiencies".

Countries in Sub-Saharan Africa saw an aggregate increase in primary school enrolment from 39% in 1960 to 80 - 85% in the early 1980s. Angola, Botswana, Cape Verde, Kenya, Mozambique, Nigeria and Tanzania had come close to achieving universal primary enrolment by that time.² These extraordinary post-independence efforts to build mass education systems on the elitist foundations inherited from colonialism did create some serious systemic challenges. The inability of many African countries to resolve these challenges before they reached crisis point contributed to a significant decline in quality and efficiency during the 1980s and ultimately helped to undermine enrolments. Yet the most fundamental cause of these problems was the sharp decline in spending during the 1980s (from an average of 3.8% of GDP in 1980 to 3.1% in 1988).³ Declining education access and quality, and the deterioration of education systems that contributed to this, was primarily due to lack of resources.⁴

The portrayal of the improvement in services as solely an issue of reform, rather than of financing, is a political choice: it bears no relation to the reality facing Finance and sectoral Ministries in southern countries. If the current balance remained in the final draft, the Report could be dismissed as a vehicle for the ideology of liberalised service provision, rather than a serious proposal for improving services. The World Development Report needs to address the question of resourcing with the same energy it devotes to the reform agenda.

Chapter 6 (on donors) needs radical revision to redress this balance. Its opening paragraphs should point to the extent of donor failure to meet their existing commitments, such as the Dakar pledge by donors that no country seriously committed to Education for All would be thwarted in its achievement of these goals by a lack of resources. It should demonstrate the difference between what donors have said, and the reality of their funding patterns for education and other services. It needs to use specific examples decreasing aid for education, from the 2002 Global EFA monitoring report, and could compare the outcomes of the November 2002 EFA donor consortium meeting with the World Bank's own estimates of the funding gap in education provision. Only through the same rigorous scrutiny of donor failure as it applies to southern government failure will the WDR be taken seriously.

Related to this, the report needs to present a more critical picture of the impact of structural adjustment programmes on social service spending. While the IMF has claimed that ESAF

¹ WDR outline, p 4

² World Bank, World Development Indicators CD Rom 2000

³ Africa Recovery, UN. See www.un.org/ecosocdev/geninfo/afrec/vol14no2/educat.htm

⁴ SAPRIN 2002

loan programmes during the period 1985-`998 protected, or increased, public spending for basic social services, there is still considerable controversy over the extent to which a relatively narrow set of macroeconomic targets continue to take precedence over social development goals in the policy advice given by the IMF and World Bank.

The report should also analyse the impact of funding gaps on service provision more broadly, including the links between funding and regulatory capacity, and capacity of government systems more generally. The Global Campaign for Education accepts that new funding should be accompanied by improvements in the use of funds, but equally the WDR needs to acknowledge that new financing is in many cases a precondition for service improvement – a necessary ingredient to strengthen the capacity of service systems undermined by years of inadequate resourcing.

3. User fees

Just as donors and the World Bank have begun to take a strong line against user fees, the WDR outline seeks to water this down:

“In primary education, the consensus is that user fees may do more damage than good . . . Nevertheless, some disturbing signs of quality declines in Uganda and Malawi.”⁵

The implication is that the question is quite finely balanced, that a case could be made for user fees in education, and that user fee withdrawal in Uganda and Malawi was responsible for the decline in quality. That final implication is particularly invidious, given donors’ failure to reward good government policy with adequate additional financing to prevent the decline in quality associated with the rapid expansion of access in those countries.

The evidence is unequivocal, and the World Development Report writers must have the courage to resist those who lobby for the door to be left open on user fees in education. User fees are an inefficient method of financing; they rarely lead to improved quality; they discriminate, particularly against girls, and safety-net subsidies do not compensate for these failings. The debate is not balanced: the conclusions of rigorous evaluations are stark, for example:-

“Cost sharing policies have not had the effects anticipated by those who introduced them. Without complementing measures, cost sharing will not increase total resources for education, nor will it enhance the efficiency of resource use, as is often proposed, to give more equitable public finance targeting. Cost sharing has undoubtedly contributed strongly to falling and stagnant enrolment ratios where these have occurred, and the failure of cost sharing to improve the supply of learning inputs and better infrastructure is part of a wider failure to achieve good quality education services provision in many countries.”⁶

The World Development Report needs to include this analysis and make the case for donors and governments to live up to their commitments to deliver genuinely universal and free national primary education systems.

4. The role of public sector unions

⁵ WDR outline, pp17-18

⁶ Cost Sharing in Education, Perran Penrose / DFID 1998: p.131

We are deeply concerned that the WDR paper by Devarajan and Reinikka conceptualises teachers' unions and other collective bargaining organisations as a block to effective service delivery, a drain on the public purse, a privileged interest group liable to "capture" a disproportionate share of social sector budgets, and above all a force to be "countered". These statements appear to be heavily influenced by a knee-jerk anti-union ideology – ironically enough, an ideology that has long since been discarded by major businesses and developed country governments, who now look on unions as indispensable channels for negotiating sustainable compromises to conflicting social and economic expectations. Whatever the source of the WDR's views, they are most certainly not an accurate reflection of the facts:

- Experience shows that education reforms are most likely to succeed when teachers are consulted and involved at all stages. As representative bodies, teachers' associations are the most effective way to reach out to teachers. Education International and its affiliated national unions are working together with donors and education ministries in several pro-active efforts to enlist teachers as forces for positive change, for example in relation to HIV-AIDS prevention.
- Adequately trained, paid and motivated teachers are the single most important ingredient of a successful education system and money spent on teachers' training, salaries and benefits therefore needs to be considered an investment, not a drain on the public purse.
- Not only have teachers' salaries steadily declined in real terms in most developing countries, but so have the resources invested in their training, ongoing support and career development. This has directly contributed to the steady erosion of teaching and learning quality, and certainly challenges the idea that unions have "captured" an unfair share of education resources.
- Rather than a force that needs to be "countered", teachers' unions and other trade unions, especially organisations of public sector workers, are important and influential allies to be recruited in the effort to build a strong electoral constituency to demand accountable, high quality public services funded through tax revenue. Unions have always considered it their role to educate, inform, and organise their members and have an impressive root-and-branch structure for doing so. They are more independent of government and ruling elites than many NGOs and through their membership structure, they certainly have stronger links to poor and working people than most NGOs.

We find it equally worrying that the paper enthuses over so-called "volunteer" or "contract" teacher schemes as a shortcut to reduce the wage bill – and, as is hinted, to progressively de-unionise the teaching force. Since the evidence on the impact on student performance is not only "mixed" (as the paper admits) but also very sketchy and inadequate, the rush to endorse such schemes once again suggests an outdated and highly ideological hostility to unions per se.

There may be circumstances in which ministries need to recruit an enormous number of new teachers quickly – for example, in order to deal with the massive enrolment increases experienced when fees were lifted in Tanzania. However, hiring untrained teachers on temporary contracts is one thing if it is intended as a stopgap measure, and if mechanisms are put in place to ensure that the best and most dedicated of these contract teachers are eventually co-opted into a stable and well-trained permanent teaching force, with labour rights, social benefits and a career development path to match. It is another thing altogether if it is intended as a means to permanently drive down teachers' salaries and deskill and de-unionise the teaching profession, as the paper hints ("over time," it says approvingly, "these contractual workers have come to dominate the public service, as in Benin").

4. Private sector provision

The World Development Report outline makes some assumptions about the benefits of private sector provision of services: these assumptions need to be made explicit, and assessed rigorously against their likely impact on service provision for the poorest. Choice is assumed inherently to lead to improved provision; private involvement is assumed to make state systems more efficient and responsive; the regulation of services is assumed to be an easier task for the state than the provision of good services. The World Bank's own education strategy is more open and explicit about its assumptions here, e.g.:-

“The more that better-off families pay for education (as they do when they choose private education), the more the government can use its resources for the poor.”⁷

This assumption appears reasonable, but evidence suggests that other consequences of privatisation outweigh possible advantages and lead to negative impacts on equity and quality of provision for the poorest:-

- Private services tend to "cream off" the most affluent and influential service users - leaving the most vulnerable, hardest to reach, and poorest people behind in the public system.
- It is often impossible for understaffed, under-resourced governments to enforce regulations that are supposed to ensure the quality, equity and accessibility of privately run services. Even rich country governments, with battalions of lawyers and inspectors in tow, struggle to achieve this.
- Those left behind in the public system also tend to be the least organised and influential citizens. An exodus of middle class and wealthy people into private schools means that "no one" (who matters) cares when public services deteriorate.
- At the same time, resources that used to go into the public system are often diverted into the new private services, leaving public services worse off than ever.
- Unless governments have extremely strong capacity to monitor and regulate private providers, there is an inevitable tendency for the fees to escalate over time, further reducing access for the poor.
- The private sector often lures the most skilled personnel away from the public sector and exacerbates shortages of trained and qualified staff.
- It is often claimed that resources and capacity will be freed up in the public system when the affluent pay for their own schooling or health care, allowing the public system to do more for those most in need. However, the World Bank's private sector arm, the International Finance Corporation, recently admitted that there is no real evidence that this actually happens.⁸

⁷ World Bank Education Sector Strategy. See [http://wbi018.worldbank.org/HDNet/HDdocs.nsf/2d5135ecbf351de6852566a90069b8b6/f23230e81323b6a385256a67006b8e6c/\\$FILE/educbody.pdf](http://wbi018.worldbank.org/HDNet/HDdocs.nsf/2d5135ecbf351de6852566a90069b8b6/f23230e81323b6a385256a67006b8e6c/$FILE/educbody.pdf)

⁸ Save the Children UK, 2002. Globalisation and the Rights of Children.

The World Development Report needs to assess the consequences of private service provision as rigorously as it investigates state failure to provide good services. Strong, unified and universal systems of free public education are the foundation for delivering the Millennium Development Goals on education. The next WDR draft needs to shift its attention away from untested hopes about improving education for poor people through private provision, and towards enabling donors and governments to work together to implement the Millennium Development Goals and Dakar commitments on education.

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African Networks Campaign for Education for All (ANCEFA)
Asia-Pacific Bureau of Adult Education (ASPBAE)
Brazilian National Campaign for the Right to Education
CAMPE
Education International
Global March Against Child Labour
Oxfam International
South African NGO Coalition (SANGOCO)

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