

THE BROOKINGS INSTITUTION

AFRICA'S EDUCATION FINANCING CHALLENGE

Washington, D.C.  
Wednesday, April 27, 2011

**PARTICIPANTS:**

**Moderator:**

MWANGI KIMENYI  
Senior Fellow and Director, Africa Growth Initiative  
The Brookings Institution

**Featured Speaker:**

ALBERT MOTIVANS  
Head, Education Indicators and Data Analysis  
UNESCO Institute for Statistics

**Panelists:**

SHANTAYANAN DEVARAJAN  
Chief Economist, Africa Region  
World Bank

JACQUES VAN DER GAAG  
Senior Fellow  
The Brookings Institution

\* \* \* \* \*

## P R O C E E D I N G S

MR. KIMENYI: Good morning. Please sit. We want to start now. Thank you very much.

My name is Mwangi Kimenyi, a senior fellow here at Brookings and the director of the African Growth Initiative. And it's my privilege to welcome you to the Brookings Institution, and on behalf of the Center for Universal Education, I would like to thank you, thank you all for attending, and the panelists for participating in this very important forum on financing education.

I am also personally very happy that the Center for Universal Education is taking on these very important issues that complement the work we do at the African Growth Initiative.

Education indicators show that in the past decade access to education in Sub-Saharan Africa has increased when measured in terms of enrollments and also expenditures per capita or per student. However, quality, and even the measurement of quality, remains a concern. Many countries still report very high dropout rates. For example, countries like Ethiopia report that only 40 percent of the pupils who enter grade one reach grade six.

Currently, the demand for education is increasing in Africa because of demographic pressures. All this is putting the issue of, sort of, providing access to education and also the quality of education to be a challenge to these countries. As such, of course, there is a real pressure in terms of financing education in terms of achieving the goals of education for all and since 1990 stakeholders have been working to achieve education for all, a global commitment to support six internationally agreed upon education goals that expand access, equity, and quality of education by 2015.

This forum brings together key players in the education for all to discuss and dispel to the state of education financing in Africa. The UNESCO Institute for Statistics, UIS, report that it's available and may have been distributed, which will be presented by Albert Motivans, the head of education indicators and data analysis at the UIS, highlights key strengths and challenges to education systems in Africa. Importantly, this report provides an educational financing knowledge base that is specific to Sub-Saharan Africa region.

So, we will be starting our presentation by Mr. Motivans soon.

In response to the identified challenges, there will be two speakers: Shantayanan Devarajan, the chief economist for the Africa region at the World Bank; and Jacques van der Gaag, senior fellow at the Center for Universal Education at Brookings. Shanta will place education financing and the UNESCO report in the context of the importance for future economic growth.

The second response to address the key challenges for Sub-Saharan Africa, which is the availability of data, Jacques van der Gaag will discuss the use of national education accounts as a method for tracking these financial resources to better assess education performance and from here then will be followed by discussions -- then we'll have a discussion amongst the panelists and then we open it to the floor.

So, I'll start with Mr. Motivans with a presentation for about 15 minutes. Welcome.

MR. MOTIVANS: Thank you very much, Dr. Kimenyi. I would like to start by expressing our gratitude for the Center for Universal Education and to the Brookings Institution for organizing this event and providing an opportunity for us to present some of the main findings from this new report.

The rationale for this report was several-fold. On the one hand we wanted to raise the profile of the importance of education finance data as a powerful tool for policy analysis and for decision making. And we also wanted to present what is a steadily improving data set on financing education, particularly domestic education expenditure in the Sub-Saharan African region, one where we've had many, many gaps in the past and where we're making, I think, great steps forward.

The report also sets out several key policy issues which these data can help to inform, even if they don't always provide an easy answer, and for those of you who understand these tradeoffs, they are quite complex and there are no real easy answers. It's give and take. It's always a tradeoff.

And finally the report identifies some ways to improve the evidence base for education and education finance itself.

The report was prepared by the UIS education finance team. It was led by Shinsako Namura, who was here with us this morning. It's the result of a partnership with several other organizations, including UNESCO IIAP, the Pole de Dakar unit of UNESCO BREDA in Dakar, and other experts including Larry Wolf, who's also, I think, joined us this morning, former Inter-American Development Bank and World Bank, and Yusuf Sayed of Sussex University. And I think they played a really important role in helping us to complete the policy picture, because for us our kind of entry point is really around the data and how we can better use the data for policy analysis and these authors help to really complete that picture.

So, in my short time this morning, I'd like to focus on two different perspectives, one that looks backwards at the last decade and the progress towards the international goals or universal primary education in Sub-Saharan Africa since about

2000, and another which sets out several policy challenges, and this is, again, reflecting the report structure of setting out several key policy challenges for moving the education agenda ahead in the next decade.

I won't be able to do justice to the detail that's found in the report. As Dr. Kimenyi mentioned, there are reports available on the outside of the room, so I would encourage you to have a look at the full report. I'll only be able to touch upon some of the main details.

So, let's begin. And I'll begin with some numbers that probably many of you are very familiar with already. And it's not a new storyline, but I think, again, just looking at it again, these figures are staggering, when we look at the increase in the stock of students at the primary level, but not only at the primary level, at higher levels of education as well, so some 20 -- in secondary and tertiary education we also saw an expansion of stock, and I think this is really important to recognize.

But I think what's also more important is that there has been clear progress in terms of flows, so we see a stock that's increasing but we're really also interested in flows, particularly if we're thinking about access to education. We really want to look at entry rates into grade one. What we've seen there in the last ten years is a significant improvement, not always on time, not always age -- intended age, but still great improvements in entry rates, and in terms of primary completion rates as well, which we'll see an example of here, we've seen, again, great improvements in many countries in the region. This isn't graduation rate, per se, this is a proxy measure that we use, it's the gross intake into the last grade of primary, so this is the percentage of students in the last grade of primary relative to the age -- the intended age for graduation, and it's nationally specific to national education systems.

And so you can see on the right hand of the chart some of the countries that really improved the greatest in terms of primary completion rate, and we do see some smaller countries, so some countries that were more easily able to affect change -- Madagascar, Sao Tome, Comoros, but we also see some very big countries there as well, some very high population countries -- Tanzania, Ethiopia, Mozambique, that were really able to lift up -- that children were actually -- are actually more likely to complete a full cycle of primary education.

As was alluded to already, we know that's only part of the picture and we know that the volume or the flows are important, but the issue around quality is something which is pressing and which the report addresses and I'll come back to that later, but where we see the report, I think, quite -- in great detail documents what evidence there is from the POSIC /SACMEQ surveys, from other sources like EGRA -- the Early Grade Reading Assessments -- to get some sense of where we are in terms of quality, and when we find that in some countries we're one out of five primary school graduates doesn't have basic literacy skills, that is really a dangerous signal.

But now I want to turn a little bit to the financing story. So, we've seen this great expansion, not only in primary education, but other levels of education as well. What's the finance story? Did finance facilitate -- how did finance facilitate this great expansion of education systems in Sub-Saharan Africa? What we see here is actually three groups. We've grouped the countries by income level, by GDP per capita, so you find the poorest countries on the left of the chart and the countries with the higher GDP per capita on the right side of the chart. And this is the percentage of -- this is education expenditure as a percentage of GDP, and this is really trying to capture the trend from around 1999, 2000, to the most recent year which in many cases is 2008 or 2009. And

we see that for a majority of the countries we see actually increases in the proportion and that alone, I think, is worth noting. But I think what also is important is that the economic growth that we've seen in the region during the 2000s -- so in the last, 30 or 40 years; maybe I'll be corrected -- we haven't seen the region actually sew together several years of at least steady growth rates in terms of GDP growth, but in the mid 2000s we have 5 years where the regional average is at 5 percent or greater, and that hasn't happened in the last 30 years.

So, there was a big increase in GDP. So when we look at the proportion of GDP, even those countries where it doesn't seem like that they increased over time, even those countries where it's stable or even slightly less, we're talking about a much bigger pie now for many of the countries.

I should be careful because it is -- the growth was concentrated in specific countries. It's not all countries in the region that benefitted from this economic growth, but in general we see a bigger pie and in many cases, a bigger slice for education.

As a result what we find is that in terms of real expenditure, for the countries where we have data, and I must say that that's for 26 out of the 45 countries, so we might see a different picture if we had more data, we see that almost every country increased education expenditure in real terms, so in constant local currencies since 2000. And you find a range, the average is around 6 percent a year increase in education investment, but it ranges from the one country that had a negative regression in terms of spending in the Central African Republic to about 12 percent in Mozambique.

So, those are pretty big numbers when we think about education expenditure, year on year, growing by 10 to 12 percent.

I don't really want to talk too much about Official Development Assistance, but I thought it was important at this point to also note because you'll find that some of the countries that are actually more likely to be dependent on budget support or Official Development Assistance for education expenditure, are some of those same countries where we saw this growth in expenditures over the period. OD aid to Sub-Saharan Africa did increase over this period, I think from 1- to \$2 billion, and the level to education also increased. The dependence to ODA, as you can see from this chart, is very high in some countries, so we have 4 countries here where it exceeds 50 percent of the education budget is coming from Official Development Assistance, and these are countries like Zambia, Mali, Rwanda and Liberia.

But in general when we look at the region as a whole, ODA accounts for only about 5.6 or -- let's just round it off to 6 percent of total education expenditures. So, in many ways as a region, it's a very small part of the total picture, which is why it's important, really, to better understand domestic education expenditure, but -- although we see in some countries it plays a really important role.

And just as a note, I think one of the things that the report picks up on is the difference between disbursements and commitments, that 9 percent of the commitments during this period were not spent and the report goes into more detail why that was the case, but it wasn't only on the donors side, it was also a question of absorption capacity.

So, I think this leads to my final chart about talking about the past and I think this is a really important one. We have seen at these kind of global aggregate -- national system level, aggregate level data we see this improvement in terms of the amount of funds invested in education, but I think it's also important to look at the unit

cost or per pupil expenditure, I think is a more accurate term here, and again we have a small base which to draw upon. We have, I think, 15 or so countries here, I know it's very small but maybe I can describe it a little bit. The countries to the right of the vertical line are those where the number of enrollments increased, and so you can see, for example, in Burundi, Burundi is the country here where the enrollments expanded most rapidly. It's on the far, far right-hand side of the chart. There's countries to the left of the vertical line where the number of students actually declined during the period, and this is Mauritius, South Africa, Cape Verde, but that and at the same time we're looking at per pupil expenditure, and every country above the horizontal line are countries where the per pupil expenditure actually increased.

So, in some cases we think that the accepted notion is that when countries apply policy levers such as school fee abolition, but somewhere that money has to be found in order to pay for the system, and I think that the normal -- the intuitive idea is that that's going to actually lower per pupil expenditures, that there's going to be the same amount of resources, but for far more students so the division of that resource is going to be distributed more thinly across the group, but in fact what we see is the opposite. So, in the context of this increased spending we actually see per pupil expenditure rates go up, and that's not saying that each pupil is getting equal quality, of course. This is just an average, but just to put it into absolute terms, we have two examples there: Swaziland, which appears here near the top, so the number of pupils increased only slightly but the per pupil expenditure increased markedly. We move from, in PPP terms, \$257 per student to \$683. So, quite a large increase. But then even in the case of Burundi where we see this very large expansion of students, albeit at a much lower level, the per pupil expenditure increases from \$43 to \$83 per pupil.

So, I think this is quite striking, this pattern, and I think it runs against a little bit of the intuition. But I think it's -- it underlines the commitment, let's say, or the increased investment to education in the region.

Okay, so now I'd like to shift to the second perspective which is really a little bit more future looking, and first of all we have to recognize that there's many constraints to building on these accomplishments of the last 10 years. And we know that there's gaps as well, there's a number of persistent constraints, and it was mentioned already about the demographic pressure. And just to put it into other terms to get a better handle on what this demographic pressure means, it means that in 2030 there will be 77 million more school age children than there were in 2010. So, this population growth of 2.5, 2.4 percent per year is still driving, is still a driving force in countries trying to maintain universal primary education. And you can see that's quite a large number. And there's still the number of children who are out of school, so right now in the region it's about 32 million primary school age children now out of school.

There's also economic constraints. I think -- I mentioned the fact that there was this kind of steady growth, at least at the regional level, during the 2000s, but when we look at the figures for 2009, we see a real serious drop, almost to no growth, at least these initial figures. And this economic downturn affects governments and government's ability to invest in education, but also households, and I'll talk a little bit more about the private sector as a funder of education in a moment.

There's also questions about domestic resource mobilization, the capacity in many countries is weak. Governance is also an issue. The issue about how effectively the resources are used, and then in terms of the ODA side of the balance sheet we also see some signs that -- well, we see some conflicting signs, I guess, some

countries actually making a stand and saying that they're going to increase spending on education while other donor countries seeming to suggest a more bearish -- more conservative view of what will happen in terms of funding in the future.

And then within this context there's also this idea of increase and diversified demand for education. We saw those huge numbers at the beginning of the presentation. Now, these are children and families and households where the expectation for education is going to rise and where there's, I think, going to be more pressure placed on secondary education and higher levels of education, but also this increased demand for better quality primary education and most of these are -- require major investments.

I'll just touch upon these very briefly, some of the key policy issues which the report sets out, and, again, in much greater detail than I will do. And one is around teacher recruitment, teacher remuneration, teacher management, teacher deployment. Teachers are really, I think, at the heart of the issues for Sub-Saharan Africa in the future. Great gains have been made in terms of head counts of teachers, so bringing teachers to the classrooms we see that it's increased by about 800,000 during the period.

As well secondary education has been bolstered, but there's still important shortfalls. There's still -- UIS estimates that \$1 million more teachers are needed by 2015 to meet the UPE goal. And there's also the issue of the kinds of teachers that have been brought in to supplement the teaching force and these new modalities for teacher recruitment and, let's say, status, contract status. There's parent teachers, volunteer teachers, community funded teachers. Some of these existed before, some of them have become much more prevalent more recently, but it raises a lot of quality issues in terms of support for teachers and what the future strategy will be

regarding what are often teachers without any kind of teacher training and little in the way of subject matter skills.

And then the issue about remuneration, I think that's the key one. It's one that everyone always brings up in terms of whether the primary teacher salaries are too high or too low. There's a lot of debate about this but one thing that we do know is that they've declined over time, so we see the teacher salary as a share of GDP per capita declining across Africa on a regular trend.

And again, teacher's salaries are the largest spending item of education budgets, so it's clear that they'll become the target of future policy. Seventy or 80 percent of current expenditure on primary education goes towards administration and teacher cost.

Another issue is around decisions about where to allocate resources. And, again, I wanted to come back a little bit to the constraints. What we see is that things will tighten up considerably in the next decade, so there won't be this increase that kind of fueled the expansion of the 2000 to 2008 period, but actually one which is much more working within these constraints.

So, there are decisions about where to invest, whether it's primary education, secondary education, tertiary education, and, again, there's very hot debates about this. In the case of Burundi we see that they actually made a very bold step in supporting primary education. So, first of all, the overall budget envelope went up considerably. School fees were abolished. And the percentage or portion of the budget going to primary education increased from 38 percent to 53 percent, so more than half of the education budget devoted to primary. And we see that -- and in fact the primary gross enrollment rate tripled. So, again, gross enrollment is a measure of capacity, not

one of coverage, but it shows that the system increased in terms of capacity by three times. And the number of out of school children dropped from 723,000 to 10,000, whether there might be some questions about those figures.

But again, we have an issue here, you see how little the secondary education actually moved during this period, so it came at a cost -- this commitment to primary education came at the cost of secondary, and these are the kind of tradeoffs that countries will face. What happens next for Burundi could be the story of Malawi where things, again, start to fall back because of low quality -- because of little opportunity to move further in education.

This slide is actually looking at primary versus tertiary, and so the figure on the left, we'll see Lesotho, and 50, and it means that in Lesotho a tertiary student costs 50 times the amount of a primary student. And so this is really about the kind of tradeoffs faced between investing in primary education versus tertiary education. And we see countries, like Botswana, Lesotho, obviously supporting students to do their studies abroad. The scholarships, the costs are quite high, but it's also coming at a great -- at a real significant expense, especially relative to other levels of education. You can see all these dots here along the bottom. These are non Sub-Saharan African countries. And you see that these are OECD countries here where it's quite high, 80 percent of gross enrollment ratio in tertiary education. But you see all across except when you get to the systems with very low capacity and tertiary sector costs which are under 5 to 8 percent of the ratio relative to primary education.

Okay, then turning to the private sector, I'll go quickly through these slides. One is really getting a better sense of the private expenditure, and I think we've always really been committed to getting a picture of what society invests in education, not

just what the government invests, but what does society invest. And we're having some trouble in bringing that information to bear but we've done some work in Pole de Dakar -- we've brought together a number of household surveys to provide a picture of this. And again this, I think, helps to look at not only what the households invest in education, so almost one-third of spending in primary education is coming from households, and almost 50 percent in lower secondary. So we see a real jump in terms of who's responsible for secondary versus primary education, which I think is very important, especially as African systems start to expand now to nine, ten grade basic education systems.

But I think the other thing to mention here is that households are paying more, a bigger proportion of spending on primary education than tertiary education, so only 22 percent of costs at a tertiary level are being covered by households. So, again, this kind of tradeoff between levels.

The private sector is also a provider of educational services and has a role to play in terms of the further development of higher levels of education. We do see some increased enrollment in private schools despite the fee abolition, some in primary, but mostly around secondary education. And again, I know many of you are familiar with the private education in Sub-Saharan Africa knowing that it's not just elite schools, that it's a wide range with a wide variety of quality and different types of private schooling, but there is some sign of increase.

And then the idea about regulation the report raises, and again, I think a very old idea, about allowing the private sector to increasingly finance higher levels of education so that governments can focus more on providing basic education. This isn't a new idea. This has been around for 20 or 30 years but we see actually very little movement towards it in some ways.

And then finally my last slide is around the cost-effective approaches towards improving the quality of education. So it's really about -- and I hate -- well, to use the term value for money, but it's really about the use of the funds. We can talk about, how much more is being spent, but is it being spent cost effectively, is it spent wisely, and, again, the evidence base for this is still rather thin. I think there's some interesting elements in the report which bring out ideas that first came out for a paper by Shefeline and Wolf looking at low cost interventions in Sub-Saharan Africa. But I think the premise is, is that despite the resource constraints, efficiency gains are possible without compromising the quality of education. But this is really one of the key issues, first getting a better understanding of where the quality problems are and then looking at the tradeoffs of investing in improving quality.

I won't go into the data part so much. Maybe that can come out in the discussion, but just -- I can give you some examples of the work that we're doing in African countries with African teams to improve the quality of the information base on education financing. But I'll end there. Thank you. (Applause)

MR. DEVARAJAN: Okay, thanks very much. And thanks, Albert, for a very lucid and fascinating presentation. And it's a pleasure to be here, see some old friends as well as some new ones.

Let me start by saying that the presumption of this report, of the UNESCO report, it starts out with the idea that there's a lot of evidence that there are externalities associated with education, which is why they -- most of the presentation, as you saw, was focusing on public spending on education. So I want to start by questioning that just slightly, which is while there is some evidence, although disturbingly very little, about externalities associated with education, even if that were true, there is a

huge private benefit to education. And we can't forget that when we try to talk about education policy, that there are -- that people who send their children to school, those children earn higher wages and there is a private benefit.

And it may be that by jumping from simply the existence of an externality to talking about public financing of education, we may have missed what is perhaps the central issue, which is that parents, including poor parents, including poor, illiterate parents, really care deeply about their children's education for the -- because it's a private benefit to them.

But I think where I see it from where I sit as chief economist of the Africa region at the Bank, is that this is the issue when you're talking about what is the purpose of education because we have a huge problem with skills in Africa. Everyone talks about Africa falling behind on competitiveness, and all of that is true, and you look at all the determinants of competitiveness and one of the big things that has come across the board, in Tanzania, in Uganda, in Ghana, in Burkina Faso, is the skills deficit. In Uganda we have something like 50 percent of the new entrants into the labor force haven't finished fifth grade, and that's the labor force we're talking about. That's the skills gap in that labor force.

And all of that is a private benefit. We want those people to be skilled so they can earn higher wages, so they can be employed, that's a huge private benefit that we can't neglect, and we are, unfortunately, failing in giving them that education.

And the link between the two, between the original issue of the externalities and these skills is what Albert talked about, which is the learning outcomes, and Mwangi mentioned this as well, the learning outcomes for these children. Even though the enrollment rates are rising, even though primary completion rates are rising,

this is even more disturbing -- if you have primary completion rates rising, we still have the case that something like 50 percent -- 50 percent -- of the children who finished primary school in Tanzania cannot read the English language. And, English is the medium of instruction in secondary school, so basically half of those kids will not have a chance of going to secondary school. Something, by the way, about 30 -- 20 percent of them couldn't read a sentence in Kiswahili, which is their own language as well. So, we have a huge problem.

Now -- but now I want to shift the focus to say, what is the problem? Why are we faced with this problem? I think the importance of it is not without question. Why is it these kids who are going to school almost 100 percent of the time, you saw the enrollment rates are 80 percent and so on, how is it that they're not learning Kiswahili? How is it that they're not able to do a two-digit multiplication problem? Well, one of the problems is 25 percent of the time in Uganda, the teacher's not there. That's the average teacher absenteeism rate in public primary schools. In fact, it's worse than that because we've done this time in motion studies where you say, if the teacher is present, how much of the time are they teaching? It's 18 percent. And something like 34 percent of the time we have no idea where the teacher is and about 20 percent of the time they're doing administrative work, which I guess is similar to what academics in other universities do.

Now, so, in that context, it's not at all surprising that these children aren't learning anything. They're going to school but there's no teacher there. In fact, there's some cases where you see one of the children takes the place of the teacher when the teacher is not there. And, there's been quite a lot of work done on why that is and everyone talks about motivation, everyone talks about the incentive system, everyone

talks about that the teachers are paid whether or not they show up, and they usually -- the reason they're absent is because they're doing a second job somewhere else and so they're not in class.

But I am increasingly convinced that that's still only the symptom of the problem, that there's a deeper political problem which is what's behind the teacher absenteeism, because if it is simply a question of the teacher not getting paid, or getting paid in the wrong way, that is that instead of making their pay conditional on being present -- they're getting paid whether or not they're present -- we could always change that. We could make the pay conditional on performance and so on. But this is incredibly hard to do and that's because basically most of these teachers -- many of these teachers, and this is true both in Africa and in South Asia where I used to work, are actually involved in the political campaigns of the local politicians. So, these people are very powerful politically. In fact, in Uttar Pradesh, which is a state in India, a state of 160 million people, so it's bigger than any African country, 20 percent of the state legislatures are teachers and another 20 percent are former teachers. So, try getting any education reform of this type in UP, it's hopeless. And this is why we're having increasing difficulty getting some kind of reform along these lines.

So, that made me think -- and this is pure speculation on my part, that whether we've been looking at this problem the wrong way, that is, we normally think of the problem as first, let's get the children enrolled, and then let's get them to learn something. It's a sort of engineering view, right, that first you've got to get the kids into school before you can teach them something. So let's do that first, and then let's -- so, that's why the Millennium Development Goals has, universal primary enrollment first and then -- and in fact it still doesn't have a learning outcome.

But I wonder whether this is the reason why we're falling short, because if you think about it, if you're a public primary school teacher and the government embarks on a program of universal primary enrollment, that means more jobs for teachers, it means more enrollments, right, it means more funding. But if the government were to say, we don't care about enrollment. We want all children graduating from primary school to be able to reach a certain standard of learning. That's threatening, first of all, because, to be honest, we don't quite know how to get there, but, secondly, it starts giving lots of license to private schools and other NGO run schools, religiously funded schools, because if the government says we only care about learning outcomes, it's not a guaranteed job for the public primary school teachers.

So, it could be that we've actually played into the hands of this deeply politically entrenched set of interests by advocating primary enrollment first and learning second rather than turning it around and saying let's go for learning first. And, this is not idle speculation on my part because one thing I've noticed is that whenever governments come out with a program to say we want learning outcomes, there are protests in the streets.

Marylee Grindall's book documents in Latin America, whenever they actually -- the government introduced a program, there are -- literally people die on the streets in the demonstration. How can you be against learning outcomes? How could you protest learning outcomes? Right? And yet they do. Well, I think there's a problem here.

So, let me just say in the two minutes left that I think this problem, by jumping in with public financing, even though there's a huge private good, we may have actually shortchanged the very people we were trying to help, which are the poor children

who wouldn't be able to afford it who are the ones who are missing out on the quality education, who are the ones whose teachers are absent 25 to 30 percent of the time.

Now, when you talk about skills, though, it's not just primary education. We have the same problem in higher education. And as Albert showed very clearly the externality associated with higher education is actually smaller than the externality associated with primary education and yet the private contribution to tertiary education is smaller than for primary education. So we've got it backwards, that the rationale for public spending on higher education is often the weakest one and yet that's where most of the spending goes, and then in Lesotho or whatever, it was 50 times how much they spend on primary schools. And I think we have a problem with vocational training as well.

Again, there's arguments that have been made, I probably made it myself, that vocational training needs to be done by the public sector because there's an externality, you train a worker and then if they go to another firm then the firm that trained them doesn't get the benefit. And so we created all these public vocational training programs, which became hotbeds of corruption, and worse, they weren't training the workers for the jobs that the private sector was demanding. And in fact now what you're observing in Africa is that the private firms are actually developing their own vocational training programs, and they're paying for it. They've said, we've had enough of this. We need the training.

So, what can we do? Let me just end with just two suggestions, and I'm going to come back to the UNESCO report which I think is fascinating. The one is I think we need to drop the ideology here. This is not a question of -- that education has to be entirely publicly financed and publicly provided, nor should it

-- is it the case that education should be privatized. These are the two sort of ideological poles that has been debated. Also, let me add, that it's also the case that even if education were publicly financed and publicly provided in -- say, in France, it doesn't mean that it has to be that way in Senegal, even though Senegal was a French colony. There are lots of different ways of doing it and I think we just have to be much more pragmatic and allow for the private sector, because this is largely a private good with a public good element, allow for the private sector to actually provide it because that's what people are doing.

And, again, as Albert pointed out, even when there are no user fees, when it's free, parents are sending their children to private schools. That tells you something about the quality of that public school and it tells you something about how much -- these are desperately poor parents who are still investing 10 percent of their income to send their children to school -- to private schools.

But then finally -- and I think this is one way to tackle the problem, but I think if you believe my story that the problem is fundamentally political, then we have to change the political equation and we have to at least get people to vote along the lines of the quality of the services that they're getting. The problem here is that people -- these politicians who are in bed with a lot of these teacher's unions keep getting elected and reelected without services improving, and so for that I come back to the UNESCO report.

I think we should get this data out to the voters. These data are not just for us. We should be able to inform the public, inform the voters, about the quality of education that they're getting, about the absentee rates of teachers in their villages, and, perhaps, and this is my latest hobby horse, is present this data by constituency. We tend to present data by rich and poor or by geographical regions. Let's put this data out

in terms of politicians' constituencies so people can see the difference between their own politician's performance and other politician's performance. This is the only way we can finally bring pressure to bear on the system. Thank you. (Applause)

MR. VAN DER GAAG: Let me repeat, Shanta, it's nice to see so many familiar faces and I'm looking forward to seeing a lot of new faces, too.

It's actually a bad idea to put Shanta and I on the same panel because we agree so much, so it's going to be very boring afterwards.

I really enjoyed reading this report and I really want to compliment the authors and the organization that put it together. I think it's timely, it's a lot of work, and it's really very well laid out, not only there were tremendous challenges, but tremendous constraints to face up to those challenges.

One of the things I like very much and which is very unusual in these kinds of reports is that at the start there's a bit of context. It doesn't start with there are so many schools in these countries. It says, hey, there are these big trends in demographics and they will continue for decades to come. And, yes, we have seen modest growth in Sub-Saharan Africa, but that's not going to be enough, and donor funding has roughly doubled over recent periods, when in fact it is declining. And so it's a very sobering first chapter, I think very important. And when we get excited about quality education for all, equity for all and all those goodies, that we run those things against this very sobering background.

So, then the report moves on, not surprisingly, to public financing of education and that makes a lot of sense because most of us -- most of us that are in the development business, and almost by definition, the World Bank, we only talk to governments. That's one of the problems. It's not that we have it upside down, but we

continue to reinforce that because we only talk to the government, so public financing is a big chunk of total financing but it's not the whole story. It's nice to see and very important to see strong government commitment to education and if you look at a percentage of the public budget that goes to education, I think that's a very positive sign, but, if you divide that subsequently by the demographic trends with an increasing number of students in absolute numbers, that doesn't add up to -- I wouldn't say that doesn't add up to much, but it's still not enough.

Much more is needed in the future and at the moment I would dare to say we have no clue where we would get those extra resources, and we should have a discussion on that.

One of the options, and Albert said correctly, a very old one, is to take from tertiary and give to primary. We know that indeed 20 years ago, 25 years ago, we knew that in Latin America and in Asia, we just don't know how to do it and I would have liked to see a little bit more about the political constraints of actually doing that. And maybe we can have a discussion on that because I really believe that if you open up the discussion pragmatically on what are the public and private roles in education, then that would be a very sensible place to see whether you could get some action and move resources to the lower levels of education.

I'll skip a few chapters but I liked chapter 4 a lot because it makes an honest effort to say something about private resources and mostly household resources, roughly, I believe, a quarter of total resources on average.

So, I repeat, when we talk about the education sector and then we run to the Minister of Education we ignore, at least in financing terms, 25 percent of the sector and that part is growing. Private education is growing, voters, in this case the parents,

who want to have their children -- give their children a decent education, they vote with their feet and they take the kids to a private school even when they are poor, and they do it in increasing numbers.

So, I think the call for something like public-private partnerships is probably quite correct, but we need to give that more hands and feet, a more open discussion on what the private sector could do and should do for the total sector, I think, should be a big part of the education agenda for the years to come.

The chapter on learning is important but I would have liked to see a little bit more oomph, a little bit more urgency. This is a crisis. This is really a scandal. We cannot just say, oh, X percent cannot read. No. Half cannot read. And on average -- I think it's a third on average, that is -- in the fifth grade, for the countries for which you have data for only a few countries. I would say this is a scandal and you cannot just say, yeah, that should not be. No. I think we should be very concrete what steps we should take to get out of that.

there's a lot of good stuff in the report, but there's also a lot of stuff to worry about. In the introduction, and I quote, it is said, "The process of effectively financing education expansion and quality improvement is rendered more complex by the lack of statistics on the cost and financing of education." And that lack of statistics is a red line throughout the report. You say that it's impossible to provide a complete description of private expenditures. The data on private expenditures is only available from 16 out of 45 countries and some public expenditures, I think, is only available for 26 out of 45 countries. So, that is yet another kind of urgent thing, that we talk about the education sector but we don't really know what the heck is going on for most countries.

In the conclusion chapter there is a need for credible education finance

data and the last sentence of the report says, "It is essential for Sub-Saharan African countries to have a comprehensive education finance data for strategic planning and decision making as well as for monitoring progress." That's the last sentence, and that's where I want to pick up and say, but this is the 21st century. That should not be that we don't have those data. This is not rocket science. Collecting data, we pretty much know how to do that and I would have liked to see in the report that you would not have made that your last sentence, but would have continued and said, "and this is what we need to do to get there." And since you didn't do it, I will make a proposal.

Here's what I'd like to propose -- The education sector is decades behind in this running after the health care sector. National health accounts, comprehensive accounting for all the resources that go into the sector and all the uses of those resources are available for 193 countries, and for many of those countries, for many years.

The equivalent, national education accounts, are available for four countries and for each of those countries they're available for one year, and then there are some accounts available for provinces in Nigeria, so let's be generous and say, are available for five countries, they are Morocco, Turkey, El Salvador, Guatemala, and Nigeria. So, we have excellent examples of national education accounts. We know how to put them together, how to use them, how to maintain them, how to keep them up to date. We also know how to get there from here. We know what mechanism to put in place, what movement to put in place, to get from the current situation of the tremendous lack of comprehensive data on the education sector, to get to national education accounts if you just take a page out of the playbook of the health sector. In fact, we also have the proof concept because we have those national education accounts for a handful of countries.

We also have organizations like the World Bank and USAID who have been major players in getting the countries to produce national health accounts and they are also major players in education so they can tap into their experience and their resources to make this process possible.

We have other organizations that have a great need and increasingly great experience just collecting data like UNESCO, obviously, but also, for instance, the Fast Track Initiative. And we have bilateral donors who are increasingly involved in sector support and for national education accounts, just as for health accounts, there's quite a bit of capacity building that goes underneath because we are not going to collect data that international organizations would like to have, but we will entice countries to collect data that they need and they should keep those data up to date.

We also have development in general to more result-based or performance-based financing and those activities also call for a lot of data collection. So, here is what the Center for Universal Education is going to try to do on it, and you will hear that a lot of that runs parallel to some of the conclusions in your report, Albert.

First of all, I would say, put all this experience together and start a concerted effort to build national education accounts, perhaps in 6 or 12 Sub-Saharan African countries, and gradually expanding to more countries in other regions. Particularly put a lot of emphasis on the use of those data within the countries, to agree again with Shanta, give them to the people. Let them see where the money comes from, how much it is, and where it ends up, because that's what national education accounts do.

As I said, education is decades behind the health sector, but that allows for a quick catch up. We don't have to reinvent the wheel.

In parallel, in addressing the learning crisis, and this is very much along the lines laid out in the report we are discussing, push for the systematic collection of more and more relevant data on learning outcomes. Enrollment is not the objective; learning is the objective. If we don't collect learning data, we don't know what's going on in the education sector. So, then of course it's somewhat obvious: find ways to connect the resource use to those learning outcomes. And I think at various places in the report that Albert just presented a couple of chapters, that is also a recommendation you can find there.

And then a final one, we can do that in the discussion, probably take that up in the discussion, take on board some of the lessons from the healthcare sector. In terms of financing issues, the education sector is a bit stuffy, if you allow me to say so. There is no global fund for education. There is no GAVI for education. There is no innovation in financing for education. If we take on the line of argument that leads to a greater emphasis on the role of the private sector in education and maybe a change in emphasis of both the role in the public sector, then why not look at more innovative forms of financing? For instance, private development of education facilities, why not bilateral and multilateral donors talk to the private sector and see what you can come up with innovative ways to get more resources and create more abilities for those children to actually learn something. Thank you.

MR. KIMENYI: I'd like to thank you very much for a very rich discussion. We shall start by providing -- we will give the panelists about -- just about five minutes to comment on issues that the other said just in case there are hot issues there that they want to comment on. And as they are wired, I just want to -- I was part of this Tanzanian study on educational outcomes that Shanta was talking about. I actually went to the field

because we are doing a broad study on evaluating education performance and absenteeism and all those things, and of course we had those absenteeism issues. I spent 10 days in the field, but what really surprised me is that we also gave a test to the students in grade three and five and I think in seven. And we also gave the same teachers, the teachers who teach the same course, we gave them the same test, part of test, like in math and English, part of their test was the same as the students. And 60 percent of the teachers didn't pass the portion the students passed. So, it's something that I am still not clear what was going on, but I was there. I was in the field myself so I can't say that someone is messing up with the data. So, it's a real serious issue and we did the same for Tunisia, we got the same results, so it's a very serious issue here.

So, I will ask the panelists to start with -- make any short comments before I open it to everybody else about the other participants. Albert?

MR. MOTIVANS: Oh, I don't know. I have so many comments I really have to now decide. I think one of the issues that Shanta mentioned about the ideology and the public private. We find in Africa that public private partnerships have evolved over a long period of time. I'm coming from Quebec and really the state only took over education from the Catholic Church, in the last 40 years, so these kinds of things existed in the past.

But I think, there's really a serious information gap there, we know very little about the private sector. We go into some case studies in the report which actually try to describe what kind of provision there is, and really the variety and the diversity is really amazing. I think we really need to get a better sense of that landscape to better understand what's happening and the difference between private education, which is for the poor and that which is for elites. And I think that there's a lot of important issues.

But in terms of the private benefits, I think they do -- I think that that's part of basis for the discussion about where funds should be allocated, and that at higher levels the benefits -- individual benefits are higher and, therefore, perhaps greater inputs could be expected then of students in tertiary education or families of students in tertiary education than in primary. But I think at the primary level, I think there's still a strong case for the -- the fact of having a literate population or having a workforce with basic skills is really an important public role.

And just to say something about the learned outcome, we do find, and the report documents some of this, and it's been mentioned already, this idea about learning outcomes. I think actually Africa, it's got some really interesting things going on - - SACMEQ, POSIC, there's been some involvement in -- and I think SACMEQ was the study that also tested the teachers. Some of these have evolved, like SACMEQ, for example, has evolved over a number of years. And I remember I was always unhappy with this initiative because it really didn't -- they were very cagey about providing the data. And I didn't understand at that time that it was kind of acclimatizing the ministers to, the power of this information and I think that there was nervousness on the government side first, but I think that's completely -- that really has disappeared from what we see now. I think there's a greater use of it. I think it's been used already to reallocate resources, within countries because you can see from the school questionnaire where there are poor schools for poor children and some of that has actually been addressed.

So, I think there's actually some innovation already in that respect that's happening and that's locally owned and locally used by the ministers in Africa.

And I guess I'll come back maybe to the data issue later when there's a

more general discussion.

MR. KIMENYI: Very good. We open to the floor and I will take three questions at a time. I would appreciate if you got to the point so that we can take more questions, so not too long. So, let's start here and the first three here and then we'll go back.

SPEAKER: What is SACMEQ and POSIC?

MR. MOTIVANS: You can find more details in the report, but SACMEQ is Southern African Consortium for Monitoring Education Quality. It's covering, I think, 15 countries, doing student assessments of sixth graders. POSIC, it's a little bit different, but there's more details; it's working in Central and West Africa.

MR. KIMENYI: And I'll take three questions at a time then the panelists will answer.

SPEAKER: May I ask two quick questions? The first is for Albert, and I wondered if there's any data or information available on education as a tradable commodity in Africa. In the United States the Department of Commerce and university presidents and associations are working together to look at the export of education as a commodity, gathering data for this, and also the reverse transfers of flows. That's one question.

And then for Shantayanan, I agree with you that the skills deficit is a political problem, but what is the difficulty with teachers serving in political campaigns? Julius Nyerere was a teacher. Some of the major politicians in post-apartheid South Africa have been teachers. They have come out of the educational sector. So, I think you said, well, let's not ideologize private-public, but your sympathies are on the private side. And I'm wondering whether education should be regarded as a right, not only as a

private-private good, and that the difficulty, as I see it, is really with the ownership of education, the proper role of the public sphere. So, the issue really here -- the elephant, I think, in the room, is the neoliberal paradigm, and this is being challenged as never before in the educational realm.

MR. KIMENYI: Thank you. Again, let's try to be brief.

SPEAKER: I'm from Global Business School Network and formerly World Bank. Listening to you I had the impression of being not in the 20th century but in the age of the steam engine with statisticians sitting in a dusty office and bad computers trying to collect statistics. To me the big revolution in Africa is the cell phone. And I wonder if there are any initiatives around -- funded by foundations or whoever -- to mobilize populations by going directly to them and asking them what they think about the education that their children are getting and kind of stirring up the pot? I think that you would get good data and you could use this against the unions in the neoliberal way.

MR. KIMENYI: This one, then we'll go to the back after this.

SPEAKER: And to Guy's point, remember that famous moment when the Secretary of Education asked the President of Korea why his schools are so good and why his scores are so high, and he said, the parents, they won't stand for anything else.

MR. KIMENYI: Okay, quick comments on this?

MR. MOTIVANS: Right. I think that's something, which is moving ahead in the region. I think there's some efforts to kind of look at quality assuring programs across countries. I think I'm much more familiar with it in terms of actual qualified workforce, for example, pharmacists or teachers, the Commonwealth of Education actually put forward some kind of guidelines for how teachers can be brought in --

exported or imported to different countries.

But in terms of education itself, I think it's still kind of early days. I think there's kind of a nascent development of qualification frameworks which might be used then to be able to provide equivalent skills across different countries, but I think it's still very early and most of the development is happening in the south of Africa.

MR. DEVARAJAN: Okay. Thanks for those two questions. I know that Julius Nyerere was a teacher and this was not to say that you shouldn't -- politicians shouldn't become teachers, but I was -- I am concerned, and this is not an ideological point, this is a purely pragmatic point -- it so happens that there's a cozy relationship between the teacher in the local village and the local politician. Because the teachers are usually respected elders in the area so the politician uses them to actually campaign for them, and in return for which, the politician guarantees them a job for which they don't have to show up. And that's exactly what's going on. And this has, nothing to do with the public sector or the private -- well, it is, unfortunately, a feature of the public sector because of the way the public sector is organized.

Just to give you one factoid on that: We've done the analysis to look at absentee rates and there is some absenteeism in private schools, although it's much, much less than in the public schools. But the other feature that we find is that in public schools, the teacher absenteeism rate -- in private schools the teacher absenteeism rate declines; the teacher's salary declines with the absentee rate. The more absent teachers get paid less. In the public schools, it's the reverse. The highest paid teachers are the ones that are most absent. Typically it's the principal because -- think about it -- it's the one that nobody's monitoring. And so this is a deep problem of incentives in the public sector. So it's not a neoliberal revolution that we're trying to do. We're just trying to say,

let's fix the incentives in the public sector.

And Guy's point is exactly right, that you can use cell phones, for instance, for both allowing people to monitor whether the teacher is there, you can actually send them -- and by the way, we do this in the health sector, too, as well as collect the information on that. And one very exciting experiment that we are doing right now, it's on my blog, is using cell phones in South Sudan to actually monitor welfare, all aspects of welfare, at a time when the country is just becoming a country.

MR. VAN DER GAAG: Yeah, I was going to once again say that we can look at other sectors where the cell phone is being used, but you already said that. I like the idea to focus on the parents because -- and to give the parents a voice, but that means that they need to get the information that they need to actually speak up. They do speak up. It's with their feet. They send their kid to private schools in larger and larger numbers. That raises a very difficult question, and I'm not quite sure where I come out, but, if even poor people, obviously from their behavior, you can see that they are willing to pay for their children's education, why are we so hell bent on saying, no, that's not going to happen or that should not happen or that should be verboten for primary education?

It's very difficult. It seems to me we can be smarter in – In the report a couple of times it says that there is this movement towards abolition of fees, and then it says in the report that if government funding replaced those fees. I wonder to what extent that is true. Even if government funding would replace those fees 100 percent, the resources in the sector are not going up. My guess is that government funding almost nowhere made up 100 percent of the fee income for schools.

MR. KIMENYI: Very good. I may want to comment on this issue of

teacher involvement and, briefly, one study we've been doing in Kenya after the abolition of school fees, we find very high enrollments of private schools and very low -- much lower quality of public schools. And when we did -- we visited the schools and talked to the parents, before the abolition of schools they had to pay some fees for their parent-teacher association. They had to do the buildings; they were responsible for construction. Once the government abolished all fees, they felt that they didn't have anything to do with the schools. It's your school, it's your education. So, I think the idea of abolishing of fees totally can be a problem and at least economists know this, the fiscal issue, that you think this is zero price, so why do you need to invest on anything?

So, I think there needs to be that issue to consider when you abolish fees, how do you retain investment -- the parental involvement?

I'll go to the back now and take about three.

MR. CARUNJA: Daniel Carunja with the Partnership to Cut Hunger and Poverty in Africa. Two quick questions. How did you define in this study tertiary education? Does it just include universities or also polytechnics -- village polytechnics, et cetera -- coming back to the vocational training issue that the gentleman from the World Bank talked about?

I would think that of interest to politicians also would be not just the public expenditures to these different segments of education, but also what are the benefits. What are the impacts of those expenses? And I was wondering whether there will be a follow up report that will try to capture that.

Lastly, on the private sector, besides just household expenses, did you try to capture expenses from private sector firms? Because I think that's important and motivation of getting the private sector involved in public -- in financing of education.

MR. KIMENYI: Thank you very much. And if you could say your name and also the organization would be helpful. And again, brief. So this gentleman; then we go to the back.

SPEAKER: Thank you very much. I haven't read the report yet so it may be that my question is answered in the report, but I was surprised that none of you spoke about the allocation within the contributions to education toward the proportionate share used for innovation within the education budgets. I think we know from long experience that the investment, not only in teacher's salaries and of course being in the school but whether or not they're being touched through in-service training and by material support or by education technologies application. And more and more we don't see any statistical data since this is on financing of education. I'm wondering if it's in the report or whether that's an area for future investigation to really break down whether or not investments and improvement of learning through the allocation of resources within the budgets, public and/or private, can be measured. I think we have a lot of indication that when it is tracked, and then when we see a proportionate share going into innovation, then we get the kind of learning outcomes and teachers come to school because they're supervised in terms of a substantive output that's expected of them.

Could any of you address that? Thank you.

MS. YOON: Yang-Ro Yoon, Foundation for Empowerment. Shanta, I have a question for you. You are talking about the role of the private financing, particularly in tertiary education and that is very important. I have done some comparative studies between Korea and East Africa between 1960s and 1990s. It's amazing that still Africa maintains such a high financing of the tertiary education, while Korea was such a low -- the public financing for tertiary education because of the

externality. But on the other hand, I'm wondering why you keep talking about skill deficiency, especially higher skill -- high skill deficiency in Africa. What is the unemployment rate? What is the job opportunities for them? I think that one of the driving forces for Korea or Korean parents to be really involved in education was private return -- high private return because of the highly growing economy. How do you deal with these employment opportunities, which is the strongest incentive in the world?

MR. KIMENYI: I think I will take two more and then we will go.

MR. RUBA: Hi, my name is Mammah Ruba. I am coming from Guinea. I am actually representing Manchester Trade. My question is related to the corruption. I can't see in the report -- I haven't covered the report in general but I can't see any data related to corruption in Africa in terms of education.

I have -- I was born and raised in Guinea. I know how the system works. I am lucky to have the Fulbright Scholarship, but the chance that I had was the fact that it was managed by the U.S. Department of State through the U.S. Embassy. But there are many foundations or scholarship that are going there but never reach the people who really want it. So what would be your thought about corruption in general in African education?

MR. KIMENYI: Okay, next. Yes, the lady next.

MS. WAX: I'm Laurie Wax with the Institute of International Education and I have two questions. The first was, I was really intrigued by the 9 percent of money that's obligated and can't be spent, and I was just wondering if somebody could talk to that, about some of the main reasons about the capacity issues of using obligated money.

And then my second question was also about the effects of technology on education, which relates to two of the other questions asked, but I was also intrigued

by the possibility of using apps on smart phones, maybe in the future, as supplementary learning materials. So, I was just wondering if there's any work being done or if somebody could talk to that as well. Thank you.

MR. KIMENYI: I think we are almost out of time. I have several questions -- I'll take the lady in front here as the final.

MS. MEYER: Thanks. My name is Lauren Meyer. I'm from Chemonics International. And I'm curious whether in your research you've seen that access to credit is a limitation in the growth of the education sector, whether it's public or private education. So, it could be credit for parents of school children, for teachers or school administrators, or in the case of private schools, for the individual opening new schools. Thank you.

MR. KIMENYI: Thank you very much. I think we'll get the panelists now to respond and sort of their closing statements as the finish.

MR. VAN DER GAAG: All right. I think that's a very good question, in fact, that was what I was hinting out, be more creative in thinking about getting more resources to the education sector, and if you talk about the relative roles of the public and private sector, then credit is a very important one. Credit is very important for households, you cannot really lend -- borrow money to send your kid to primary education, but you can think about borrowing money for sending your kids to tertiary education. That's fine. But it's a very rare thing as far as I know in Sub-Saharan Africa.

But what we never think about is why not facilitate the building of more schools or even, the starting of new universities by the private sector and provide credit for those type of activities, which I believe is very hard, especially if you look at the health care sector there are now some activities -- IFC has started this bit -- to make funds

available to private sector players who want to expand the available services in that sector. I think for the education sector that may be very well possible, but to the best of my knowledge it's not happening at all.

MR. KIMENYI: Thank you. Shanta?

MR. DEVARAJAN: Okay. Thanks. Let me take this question. You're absolutely right that the private returns to education are very, very high and that's why you would find people investing in education, particularly tertiary education. The problem is that that system is stuck with the dominant public university, which in some cases actually refuses new entrants into the system, because, frankly, it's competition. And so we have countries where you have -- like in Senegal or other places, you have a prestigious public university, which, by the way, is mostly filled with students from the richest 20 percent of the population, so it's not even serving the poor, and yet it's very difficult to start a private university because they have to get accreditation and things like that.

SPEAKER: And credit.

MR. DEVARAJAN: And credit, yeah. But that seems to be the problem. But I also want to make a point that it's not unemployment that's the problem in Africa. Most of the new entrants into the labor force are actually employed because they don't have the option of unemployment, but they're employed in low productivity jobs in the informal sector, and those are the people whose skills we'd like to upgrade. These are not rocket scientists, these are people who are making -- doing manufacturing, very small scale manufacturing service jobs, but if we can upgrade their skills they might be able to compete even in domestic markets let alone in foreign markets.

I can't resist the question on corruption and the fellow from Guinea, because I think you have to say that the absenteeism that we were all talking about is a form of corruption. These people are getting paid and they're not providing the service for which they're getting paid. The other big corruption that we observe is in textbooks, procurement of textbooks. The government pays for textbooks to be sent to these school children and there are no textbooks at the end of the day. I remember being in Mali once looking at this very problem and then you walk to the streets of Bamako, text books are being sold in the local markets, so somebody on that chain has pilfered the books and started selling them in the open market.

And then let me just end with a -- I like this point about technology and applications, because one way we're trying to get around that, in Nigeria we have a project that actually gives school children Kindles so that they can download the textbooks electronically. It turns out that the biggest cost of textbooks is their transport costs, and so we're actually experimenting where the students can, and once you give them a Kindle they can download lots of other things that we probably have no control over, but, at least they get the textbooks. And this lowers the cost and also lowers the corruption associated with transport of textbooks.

MR. KIMENYI: Data, please.

MR. MOTIVANS: Data issues are very few. One, just about the tertiary sector, yes, it does include then all types of tertiary education which might include technical education as well as traditional university kind of education.

There are some ideas raised about capturing the impact of public expenditure, particularly in terms of different kinds of interventions. For example, extending the school year, assigning teachers to different grades, and so on, but again,

it's kind of thin on the ground for evidence.

In terms of private sector contributions, yeah, reading the transcript from the last Brookings seminar on innovative financing, I thought that was really fascinating, the role of corporate contributions to education in North America. I think we find that in many other instances around the world, in South Asia and in Africa as well.

Statistically we try to capture it, it's other private entities, but I think in practice we don't do a very good job of capturing what's coming from that kind of philanthropic or other private entities.

The share of innovation in the budget, I think that's still woefully underdeveloped. I think largely that's kind of focused more on kind of monitoring and evaluation of specific projects, and it doesn't get -- tend to be mainstreamed into the educational management information systems. And it kind of is always seen as something on the side or separate, and I think that's -- I think that would be something interesting to see if there were ways to take that further. And I think ICTs could provide a useful platform because we see those kinds of developments happening system-wide -- scaled up already.

The corruption question, no, we do try to mention issues around governance in the context, but we don't go into great detail. We know that there's instruments like the Public Expenditure Tracking Service, which help to capture or help to quantify some of these issues, but we don't go into detail in this report. But, you're right, it is an important issue.

On the 9 percent obligated but not spent, perhaps we could talk on the side. It's kind of the donor's not coming to disbursement point. Sometimes it's that they're not able to spend the money actually in the country, but we can talk about this a

little bit more on the side.

And then finally just in closing, I did want to kind of address some of the points raised by the distinguished panel here. I would be cautious about portraying all private education as better quality. I think in Africa we see that there are very often low-quality private options and it's that persistence of those most disadvantaged to get education likely they're the ones who are more likely to even obtain an education which isn't up to standard.

And also about the teachers, I think there also have to be -- and this is this idea about tradeoffs, there's a wide range of policy tradeoffs that need to be made. But I would also look at the teachers, on the one hand there might be issues around their performance, but I think it's also about their abilities, about their capacity, and it's about enabling teachers as well. And I think, a lot of the problem that comes, I think, from the results of the early grade reading where we see children aren't able to read a word in second grade, a large number; it's around pedagogy, even. It's about the process; it's about helping teachers to teach and not just policing, but really supporting and facilitating growth among skills and among teachers.

MR. KIMENYI: Thank you very much. I think we agree that this has been very informative panel and I thank all of you for the contributions and I am really honored to have moderated this panel. And thanks to the Center for Universal Education for organizing this and to all of you for coming and for your contributions. I think this issue of education for Africa is quite important we hope that we will continue having these types of discussions.

We heard just another panel not long ago with Shanta, but in Nairobi on higher education, I think about six months ago, so these are very important issues.

So, thank you very much everyone. (Applause)

\* \* \* \* \*

## CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

/s/Carleton J. Anderson, III

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2012

ANDERSON COURT REPORTING  
706 Duke Street, Suite 100  
Alexandria, VA 22314  
Phone (703) 519-7180 Fax (703) 519-7190