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DIRECTING FOREIGN AID FOR BASIC EDUCATION: TAKING ACCOUNT OF POLITICAL WILL

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Introduction: The Importance of Political Will

The goal of Education For All (EFA), an international commitment launched in 1990 with the aim of providing basic education to every child in the world by 2015, is in jeopardy. Today at least 77 million children do not attend primary school. One reason is a lack of resources: shortages of funding, as well as books, classrooms, and qualified teachers. But there is another reason that may be even more important: the dearth of government commitment to primary education—what, in this context, is often called “political will.” With political will, the other barriers are often surmountable. Without it, even unlimited resources will rarely produce access to quality primary schooling. For example, among the five countries in the world with the most children out-of-school is Saudi Arabia, a country which no one would mistake for poor.

Donors sometimes do try to judge a country’s political will before they offer their aid. In the past donors generally looked to the commitment of individual politicians and policymakers. Then when leaders failed to live up to their promises, the blame fell on their initial will. More recently, some donors, like the World Bank and the U.S.’s Millennium Challenge Corporation, have tried to take account of a government’s past performance and democratic accountability to its people as a guide to whether aid will be well-used.

But most aid for basic education is not directed this way. And even if it was, it probably would not be any more effective. Historically, many of the governments most firmly committed to providing quality, universal basic education were autocratic, not democratic: China, Cuba, Korea, and Taiwan are a few examples. And many governments can seem to switch their commitment in mid-stream; in the 1990s, for example, China became much less committed to basic education while many African countries, like Ghana, became much more committed. With such confusing evidence, how is a donor to know whether a government has enduring political will to provide basic education?

The answer comes from a government’s incentives in providing basic education. There are two groups in a country that may want the government to provide universal, or at least widespread, access to quality basic education. One group is employers; the other is the poor. The key to knowing whether a government will have political will is to know, first, when each of these groups will want the government to invest in primary education, and second, when the government will care what each of these groups wants. If the past is any guide, defining political will this way turns out to be very accurate and not very difficult.

Thinking Like a Government

The job of government leaders, first and foremost, is to stay in power; if they cannot stay in power, then nothing else that they want to do as leaders really matters. For a government to stay in power, it must keep happy all those who have the capability to overthrow it. This is true of all governments—autocratic and democratic—and it affects every policy decision the government makes.

Most of the world's leaders seem to think that Education For All is a good idea: delegates from 155 countries signed the 1990 World Declaration on Education For All, and 192 countries—all but 11—have laws making basic education compulsory. But neither a law nor a leader's personal commitment to EFA imply that a government has the political will to provide primary Education For All. That political will, if a government has it, will come from EFA's service to those citizens on whose support the government's power rests.

There are two groups of citizens who may want the government to provide Education For All.

The first group is the poor; for a poor family, the direct and opportunity costs of primary education are unaffordable if they do not have help. (In this regard the poor have a different demand from the wealthy, who can afford primary education on their own and prefer the government to put its resources into subsidizing higher education, which is inherently more expensive and provides a higher return in the job market.)

The second group is employers. Employers will not always want investments in primary education, but under special circumstances these investments help employers by lowering the wages they have to pay for skilled workers. Such employers: 1) face a domestic shortage of skilled workers, so that skilled wages are rising; 2) do not have access to foreign skilled labor; and 3) hire in a flexible labor market, in which wages fall when the supply of skilled labor increases.

The key question for donors is: when will a government's power depend on one of these groups?

Employers as Sources of Political Will

Employers are the easier group. Most governments need employers' support, because employers of skilled labor are usually very well-organized and politically powerful. Thus whenever organized employers meet the three conditions that tell us if they will want large-scale investments in primary education, we can be fairly certain that their government will have political will. (This is true because the employers with the greatest need for skilled labor are usually large public- or private-sector corporations, which are usually also well-organized politically; where employers of skilled labor are predominately small and medium sized enterprises, these may be less politically powerful. More on this at the end.)

A good example of employers demanding primary education is Taiwan from the mid-1960s to the mid-1980s. In this period Taiwan's employers met the three conditions. They were facing onerous in-

creases in skilled wages: manufacturing wages, for example, were increasing on average by seven percent a year in the 1960s. In addition, Taiwan had a very flexible labor market, and Taiwan's employers were reluctant to hire foreign workers: Taiwanese industrialists have long emphasized a culture and work ethic that they have not often found in non-Chinese workers, and the bulk of Chinese workers labored on the other side of the Taiwan Strait. Thus as skilled wages rose, Taiwanese employers began complaining about their skilled labor shortage to the Taiwanese government, which responded with a redesign of Taiwan's education system. The government invested heavily in primary education—enrollment was full and the government increased real per-student primary spending by an average of 10 percent a year from 1965 to 1987—and simultaneously the government created a huge system of vocational education into which it channeled the poorer graduates of Taiwan's primary schools; as these new vocational graduates entered the job market, skilled wages fell. The government maintained this system until the late 1980s, when a thawing of relations with mainland China allowed Taiwanese employers access to cheaper labor there.

Unfortunately, the confluence of factors that prompts employers to demand primary education does not arise often, and it is arising less and less: globalization has integrated world labor markets to the extent that employers today rarely find themselves in demand of, and willing to wait for, the training of large numbers of their fellow citizens. Instead, the more common source of political will is the poor.

The Poor as a Source of Political Will

The poor are a more common source of political will because, unlike employers, they will almost always want government investments in primary education. Yet the poor are unlike employers in another way: most governments need the support of employers, but there are many governments that don't need the support of the poor. The poor are numerically powerful but they face great difficulty organizing themselves into a politically powerful force. Organizing is costly, and the poor are short of money and time. They may also be dispersed in rural areas, which makes interaction difficult. When it comes to political organizing, it is wealthier elites who have the advantages, and absent other factors, the most politically powerful groups in a country are likely to be elite groups. When governments have such elite constituencies, they will try to keep elites happy when they are making education policy (by focusing resources and attention on higher education, not primary education).

But the poor's case is not hopeless. Very often, an individual or organization will act as a "political entrepreneur," and try to help the poor to organize. Political entrepreneurs of the poor can take many forms—they can be individual leaders, or organizations such as unions or churches—but they have a common role: to help organize groups that cannot organize themselves. Even if the poor's disadvantages bar them from organizing on their own, they may still organize with this help. And once the poor are organized, their numbers may make them very powerful politically, and capable of supporting, or helping to support, a government. To know whether a government depends on the poor's support, all a donor need do is check whether a political entrepreneur of the poor is affiliated with the government. Where a political entrepreneur of the poor is affiliated with the government, a donor can be fairly certain that any aid it gives for basic education will truly improve basic education.

Aid with Political Entrepreneurship

An affiliated political entrepreneur is a signal to a donor that a government depends on the poor's support; thus the government already has the political will to improve basic education. In that environment, there is true "ownership": donors and the government can work together, since the extra resources and technical expertise donors provide go toward goals that the government already has.

Ghana in the 1980s and 1990s is a good example of the positive role aid can play when the government is affiliated with a political entrepreneur of the poor. By 1980, Ghana's primary education system was in terrible shape. With little oversight and wages eaten away by rampant inflation, teachers abandoned their posts by the thousands in the 1970s. Although official statistics showed steady increases in enrollment, there is no telling how many students actually attended a school with a teacher for an entire academic year. The World Bank estimated at the time that the majority of primary school graduates were illiterate.

But in 1981, a political entrepreneur emerged in Ghana: J.J. Rawlings, a charismatic Flight Lieutenant in the Ghanaian armed forces. Rawlings came to power through a coup in 1981 directed against all Ghanaian elites, and thereafter he organized and courted the poor, whose strength he needed to counter the elites (Rawlings' first coup, in 1979, after which he had not tried to organize the poor, failed after three months). By organizing the poor through a variety of new institutional structures, Rawlings made them politically powerful and was able to rule Ghana with their support until 2000.

A few years after taking power, Rawlings' new government began to improve Ghanaian primary education. In 1986 the World Bank decided to help, and in the subsequent decade-and-a-half provided invaluable technical expertise and lent Ghana \$260 million for primary education; with the Bank as catalyst, other donors joined up, more than doubling the Bank's contribution.

The aid was a tremendous success. Primary education expanded and improved: the number of primary students increased by more than 60 percent between 1987 and 2000; inflation-adjusted per-student spending rose 16 percent. In 1988, World Bank surveys found that less than half of schools could use their classrooms in the rain, less than 80 percent had blackboards, and two-thirds reported shortages of chalk. Only 13 percent of English students and 21 percent of math students had a textbook. In 2003, when the World Bank again surveyed schooling in Ghana, two-thirds of classrooms could be used in the rain, 94 percent had a blackboard, and less than five percent reported shortages of chalk. 72 percent of English students and 71 percent of math students had at least one textbook. Of course, the real signs of success are found not in a school's buildings but in the achievement of its students, and here too the signs were positive: test scores increased in both math and English. For example, in identical English tests, two-thirds of primary school graduates in 1988 could not outperform guessing; in 2003, less than a fifth scored as poorly as if they had simply guessed.

The reason for this success was that the Ghanaian government already wanted to increase the quality and availability of primary education for Ghana's poor, whose support it needed to stay in power. In fact, the World Bank's own assessment of its success in Ghana credits the Ghanaian government's political motivations:

“Why did the PNDC [Provisional National Defense Council, the ruling body] embrace reforms that had proved politically difficult for well over a decade, and how was it able to successfully implement them? [The reason is that] the reforms made sense given the political position of the ruling Provisional National Defense Council (PNDC) at the time.”¹

Aid without Political Will

But what happens when donors give education aid to a country that lacks political will—either from employers or a politically organized poor? This is perhaps the trickiest question for donors, for many of the out-of-school children donors wish to help live in countries that lack political will. Indeed, these children are perhaps the *most* in need, precisely because they cannot count on their governments to help. Yet donors facing this question must view it realistically: unless a donor is willing and able to completely take over a school system, it needs to work in combination with the government. Where a donor’s goals and the government’s are aligned—i.e., where the government has political will—the donor and the government can together make more of a difference than either could separately. But where the goals of the donor and the government are in conflict—i.e., where the government lacks political will—the donor will generally find that its resources are either channeled toward goals that *do* fit the government’s political logic, or are simply wasted.

The poor northeastern region of Brazil in the 1960s and 1970s is a good example of how education aid is wasted or misused when the government lacks political will. In the 1960s and 1970s, Brazil’s impoverished northeast received hundreds of millions in aid for basic education from foreign donors. But this aid came at a time when Brazil lacked political will either from employers or the poor. Brazil’s poor had no political entrepreneur and were disorganized, and Brazil’s employers operated in a relatively inflexible skilled labor market and were not facing a skilled-labor shortage. Instead, the 1960s and 1970s were a time when the Brazilian government depended on a coalition of business and agrarian elites. In the Northeast, these agrarian elites secured their control through extensive patronage networks, and it was those patronage networks, not any student’s education, that foreign assistance served.

The hundreds of million in aid was therefore wasted. The very most that can be said for it is that it facilitated the construction of schools and, thereby, provided new teaching jobs, and that some students attended schools who would not have otherwise. What cannot be said is that these students received primary education by any minimal standard. A large number of studies have found that the construction of schools and the hiring of teachers were strictly political decisions: the contracts and jobs were doled out to secure support for county executives, through whom northeastern elites kept control of the rural populations. By the early 1980s, 60 percent of rural primary teachers in northeast Brazil had not themselves finished primary school, and the schools where they taught frequently appeared and disappeared according to the politics. The quality of the education was predictably low, and it fiercely resisted donor attempts to improve it. For instance, in 1972, less than half of rural first graders progressed to second grade; by 1982, it was only a third. The most exhaustive study of the impact of an educational aid project in the northeast found that the \$100 million EDURURAL project, part of which the World Bank helped finance, made little measurable impact on student achievement.²

The reality is that political will is a necessary condition for the effectiveness of education aid. Governments, not donors, build most of the world's schools, hire most of the teachers, set most of the fees, and provide most of the aid or loans to offset the fees. What the private sector, not the government, provides, it does so only with the government's blessing, under the government's regulations, and often with substantial amounts of government money. Donors can do little about governments' monopoly on education systems: they lack the resources, not to mention the will and legal justification, to take over and run a country's education system; instead, donors have little choice but to work with the government. If the donors' goals coincide with the government's, the donor will see its aid used effectively. But if a donor's goals are at odds with the government's, the government will only accept the aid if it believes it can manipulate its use or siphon it off to other uses. To stay in power, the government must serve its constituents, not the donor or the international community, and it will not allow any aid it receives to do otherwise.

What to Look For

If political will is essential to the success of education aid, how does a donor know if a country has political will? When considering whether to give education aid to a country, donors should try to answer two questions.

1. *Does the government's power depend on the poor?* This is the first and most important question a donor should ask. A government that depends on the poor will want to improve basic education and will welcome donor assistance.

It is common to think that democratic governments will depend on the poor and autocratic governments will not. This is today the prevailing method of determining political will to help the poor, used by donors like the World Bank and the U.S. Millennium Challenge Corporation. But it is misleading. To be sure, many democratic governments do depend on the poor and many autocratic governments do not; but there are also many autocratic governments that do depend on the poor—and that do invest heavily in primary education—and many democratic governments that do not. In both Ghana and Taiwan, the countries we considered above that had political will, the governments were autocratic. Both became democracies in the 1990s, and since then Taiwan's political will for basic education has increased, while Ghana's has fallen.

Rather than looking for democratic institutions, donors should look for whether the government includes a political entrepreneur of the poor. In particular there are two things to look for.

First, a political entrepreneur of the poor will be *organizing* the poor—helping the poor to bridge the gaps between them created by their poverty and dispersion, so that they can act together as a political entity. Political entrepreneurs can be political leaders like J.J. Rawlings in Ghana, or they can be other organizational entities like unions, churches, or political parties. Their key feature is not their particular form, but what they do—organize the poor into a political force.

Second, the political entrepreneur must be *affiliated* with the government. In any country there will be many would-be political entrepreneurs trying to organize many groups of citizens—unions trying

to organize workers; political parties trying to organize supporters. But when a government is *affiliated* with a political entrepreneur of poor citizens, that is when those poor have a seat at the table and a say over how the government spends its money, and that is when the government will listen to the poor's demand for investments in basic education. A government affiliated with a political entrepreneur is a signal to a donor that the government needs the support of the citizens the entrepreneur is organizing—the union's members or the party's supporters. Thus affiliation is the second thing donors should look for.

Both organization and affiliation are necessary to political will. It is not enough that a union claims to speak for the working poor; the union must be actively organizing the workers it claims to represent. And it is not enough for the workers to be organized; the union must also be affiliated with the government. When a donor does see a political entrepreneur organizing the poor and affiliated with the government, the donor can give education aid with confidence, knowing that it will actually help to improve basic education.

2. Are the country's employers organized, and do they face rising skilled wages, a lack of access to foreign labor markets, and a flexible labor market? The second question donors must ask is whether employers are a source of political will.

Like the poor, employers must be organized to have political power. In most countries, the big employers of skilled labor are well-organized, but small and medium sized enterprises (SMEs) may be less well-organized. If so it may be worthwhile for donors to try to help SMEs to organize and facilitate their consultations with the government. (The World Bank's 2005 *World Development Report* provides some guidance on facilitating employer organization and government-employer dialogue.)

But in most countries, the employers of skilled labor will be predominately large public or private corporations, and they will be well-organized and politically powerful. Thus the question donors should ask is whether employers meet the three conditions for demanding large-scale investments in primary education: rising skilled wages; a flexible labor market; and no or very limited access to foreign labor markets. In today's global economy, the answer to all three of these questions will rarely be "yes," but if it is, employers will likely want the government to invest in primary education, and donors can confidently give aid for basic education.

Table 1 summarizes how to determine whether a government will have political will.

Table 1 - Determining Political Will for Investments in Basic Education

| <i>Possible sources of political will</i> | <i>When will they want investments in primary education?</i> | <i>When will the government care what they want?</i> |
|---|--|--|
| Employers | When they: 1) face a shortage of skilled workers; 2) hire in a flexible labor market; 3) cannot hire foreign workers or ship production abroad | Almost always |
| The Poor | Almost always | When they are organized by a political entrepreneur who or which is affiliated with the government |

Donors should take account, before they give, of whether the country's government has the political will to improve primary education from one of these two sources. Education aid works when a government already has the political will to improve its population's access to quality primary education. Either the country's poor should be organized by a political entrepreneur who is affiliated with the government, or the country's employers should be facing a skilled-labor shortage in a flexible labor market that they cannot address by hiring foreign workers. If donors give aid to countries with one of these two factors, they can be much more confident that their resources would actually put more children in good schools, and advance the goal of Education For All.

Endnotes

1. World Bank. 2004. *Books, Buildings, and Learning Outcomes: An Impact Evaluation of World Bank Support to Basic Education in Ghana*. Washington, DC: World Bank Operations Evaluation Department.
2. Harbison, R. W., and E. A. Hanushek. 1992. *Educational Performance of the Poor: Lessons from Rural Northeastern Brazil*. New York: Oxford University Press.