



Aid for Education: More Bang for the Buck

by Kate Vyborny and Nancy Birdsall

Darweshi, age six, goes to primary school in his village in Tanzania. His teacher often shows up three hours late or does not come at all. When he does come, he is one of only two teachers in a school with seven grade levels, so the students spend most of their class time practicing on their own. With few books and many students, studying usually means copying notes from an outdated textbook—for those students who have notebooks—and then memorizing facts that the students do not understand. Darweshi hopes to go to secondary school but knows that only seven or eight of the twenty students in his class will do well enough on the exam to get in.

Stories like Darweshi's are commonplace in poor countries. It is clear that education is important and that improving it should be a part of the global development agenda of the next U.S. president. But while aid for primary education has always appealed to U.S. policymakers and the public and is consistent with American values of expanding opportunity for all, U.S. aid for education has languished in the past two decades. Aid for health has increased six-fold while aid for education has grown by only a third.¹ The next president should consider announcing U.S. support for a big international push to expand quality primary schooling in low-income countries so that all children have the chance to learn.

Achieving primary education for all

Poor countries have made education a priority and are achieving remarkable progress. From 1991 to 2004, the percentage of children completing primary school in low-income countries shot from 66 percent to 74 percent;² many countries are progressing more quickly than today's rich countries did at similar levels of development.³ And the gender gap is closing, too, with eight girls now enrolled in primary school for every ten boys.⁴

But major challenges remain: how can schooling be expanded to reach the poorest and most marginalized groups? Among the children receiving no education, three-quarters of the girls are "doubly disadvantaged," excluded due to ethnicity, language barriers, or rural isolation in addition to being female.⁵ Two out of five children who are out of school suffer from disabilities.⁶ Reaching these children will be harder and more costly than achieving the initial broad expansion of enrollment.

What is needed to get children to school?

On the supply side, significant external funding will be needed to build schools, buy textbooks, and train teachers.⁷ But spending on supply is only one piece of the puzzle. On the demand side, measures such as conditional cash transfers or school lunch programs are known to increase attendance by compensating families for the costs of such things as uniforms and supplies and for the lost labor of children who may have had jobs or assisted in domestic or agricultural tasks.⁸

What is needed to get children to learn?

Getting children to school is only the first step; making sure they learn is harder. Almost half of third- to fifth-graders surveyed in Andhra Pradesh in India, for instance, could not count the three kites shown in a picture.⁹ Competency tests show very low levels of learning in many poor countries in every region.¹⁰

Why are children enrolling in school yet learning so little? A host of reasons exist: poorly trained teachers with high rates of absenteeism and moonlighting, particularly in rural areas; curricula that focus on memorization of facts; lack of materials; poor attendance or failure to do homework because of house or field work at home; and hunger or health problems that go unaddressed and keep children home or impede their concentration.¹¹

Low-quality education is linked with high dropout rates, even where initial enrollment is universal.¹² But what can be done to actually improve the quality of education? Doing so can be costly as well as politically difficult in many countries since powerful teachers' unions sometimes oppose initiatives to



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The White House and The World

Each day brings fresh evidence that Americans' well-being is linked to the lives of others around the world as never before. Accelerating advances in technology and the creation of new knowledge offer undreamed-of opportunities. Yet global poverty, inequality, disease and the threat of rapid climate change threaten our hopes. How will the U.S. president elected in November 2008 tackle these global challenges?

The White House and the

World: A Global Development Agenda for the Next U.S. President shows how modest changes in U.S. policies could greatly improve the lives of poor people in developing countries, thus fostering greater stability, security, and prosperity globally and at home. Center for Global Development experts offer fresh perspectives and practical advice on trade policy, migration, foreign aid, climate change and more. In an introductory essay, CGD president Nancy Birdsall explains why and how the next U.S. president must lead in the creation of a better, safer world.

The White House and the World Policy Briefs present key facts and recommendations drawn from the book in a succinct form designed for busy people, especially senior policymakers in the executive and legislative branches of government. This brief is drawn from "Aid for Education: More Bang for the Buck" by Kate Vyborny and CGD president Nancy Birdsall.

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improve student achievement that might increase the burden on their often under-prepared and under-resourced members.¹³

Lack of information about what works to improve quality is also a factor. For example, teacher literacy and attendance are strongly related to student scores, but would introducing a particular training program for teachers or increasing their salaries or monitoring their attendance necessarily improve student scores?¹⁴ More and better impact studies are needed to test the effect on learning outcomes of specific interventions, including teacher training and community participation.

The tools to improve learning will differ from country to country; one role of U.S. aid can be to support countries' systems for evaluating their own attempts to improve the quality of education. And that requires improving data, which is very patchy in low-income countries, particularly data on learning outcomes and data that are comparable over time.¹⁵ This problem limits not only the ability of governments and outside researchers to evaluate efforts to improve education but also the ability of civil society, communities, and parents to push for such improvements. U.S. education programs could provide leadership in focusing on data systems, management information, and evaluation.

Another issue, often overlooked in U.S. and other aid programs, is reflected in this statement from an official in a low-income African country: "Donors will support building a school but not the road to the school. They will fund a health clinic but not the power plant to power the clinic." The reality is that many factors entirely outside the control of education officials and institutions matter for delivering good education. In rural areas, improving roads might increase access more than building more schools. U.S. aid should better reflect the limitations of narrowly directing funds to specific activities such as building schools, training teachers, and buying textbooks.

U.S. aid for education: unpredictable, wrapped in red tape, and under-evaluated

U.S. aid for education amounted to almost \$800 million in 2005, about a tenth of the world total. About a quarter of this went to Afghanistan and Iraq.¹⁶ So in terms of spending, the United States is only one player among many in aid for education. But by spending our money wisely, we can multiply the effects not only of our funds but also those of other donors.

Unfortunately, U.S. funding is typically short-term and unpredictable. This is especially problematic in education, where almost 90 percent of costs are recurrent, such as teachers' salaries.¹⁷ Hiring thousands of new teachers when funds could

dry up after three years is a risky proposition. To improve results in education, U.S. aid needs to be more predictable. It also needs to come with less red tape: congressional earmarks and other restrictions on how U.S. aid money can be spent leave recipients with little flexibility to fund their most important needs.

Finally, U.S. aid, like that of most donors, is seriously under-evaluated.¹⁸ Aid agencies frequently assess the success of an intervention—such as a teacher-training program or curriculum reform—only on the basis of how many hours of training were conducted or whether reform regulations were promulgated, instead of measuring the effect on school attendance or learning outcomes. Where final impacts are evaluated, it is often without any information about what was happening before the program began. Careful evaluations need to include collection of such baseline data and, where appropriate, can include techniques like randomized evaluation, in which individuals or communities are chosen randomly to receive an additional or an earlier service, over and above a standard package of services received by a “control” group.

Recommendations for the next U.S. president

The next president should consider supporting a big international push to expand quality primary schooling in low-income countries so that children everywhere have the chance to learn. And he should adhere to three practical principles to maximize every dollar of aid for education: (1) collaborate for

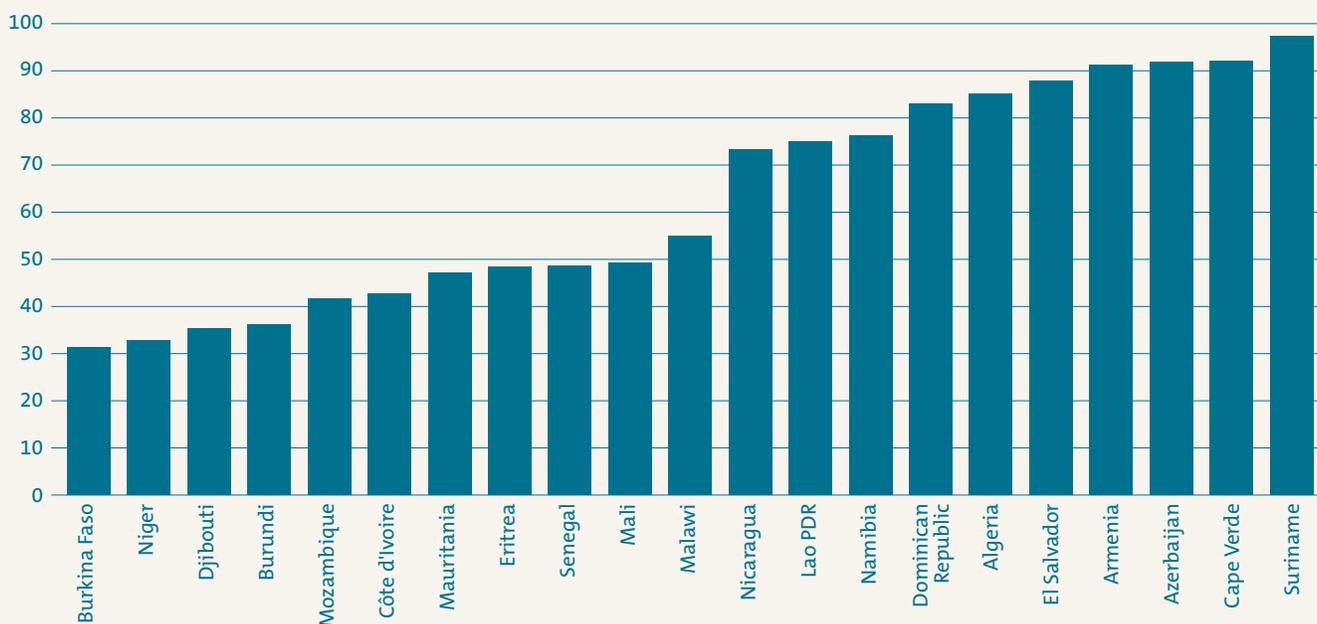
predictable, manageable funding, (2) innovate and evaluate to scale up what works, and (3) manage aid for outcomes and long-term systems.

Collaborate for predictable, manageable funding. A major international effort, the Education for All—Fast Track Initiative (FTI), has the potential to cut down the red tape in education aid, but it needs more commitment from the United States. Under the FTI, donors work together to fund education in countries that have developed credible education plans. FTI donors commit to providing long-term, predictable funding for educational needs identified by the countries themselves, and they jointly vet the countries’ plans to avoid costly duplication. The president should take the lead in supporting the FTI, contribute to its dedicated funds, and work with it more effectively through U.S. bilateral aid.

The president must also take farther-reaching steps in order to get more bang for each buck of aid for education and other purposes: exercise leadership with Congress to streamline the aid system, make more long-term agreements with recipient countries like the compacts used by the Millennium Challenge Corporation, and allow countries more flexibility to use funds for their priorities and needs rather than impose restrictive earmarks.¹⁹

Innovate and evaluate to scale up what works. Conditional cash transfers—the innovative idea of paying parents to send

Rates of completing primary school vary widely from country to country



The Millennium Development Goal (MDG) for education is to ensure that all schoolchildren will be able to attend and finish primary school by 2015, but that goal is more easily attainable for some countries than for others. The graph above shows the completion rates for selected countries in 2006 (as a percentage of school-age children).

Source: World Bank, *World Development Indicators* 2008 (Washington, D.C.).



their children to school—overcame much skepticism through rigorous evaluation of Mexico’s PROGRESA (now called Oportunidades) program; similar mechanisms have since been adopted in other developing countries, and even in New York City. Such innovative approaches are needed and welcome, but only evaluation can identify and generate knowledge about what works and which interventions work best in different settings. The governments of Kenya and Mexico, as well as NGOs like Pratham, a grassroots educational organization in India, have conducted exemplary rigorous evaluations to assess the impact of educational interventions, thereby helping to ensure the political sustainability and scaling up of successful initiatives.²⁰

High-quality evaluations generate knowledge that can be used to improve not only U.S. aid but also aid from other donors. Most importantly, it can inform poor countries how they can best spend their own money—this is crucially important, because most poor-country governments spend more of their own money on education and health than all foreign donors put together. And after all, improving how countries themselves tackle development challenges is the real prize on which development assistance should focus. The important question is not how to spend our money on bits and pieces of what is needed in the short term, but rather the long-term task of building the institutions for poor countries to provide education to all their citizens.

The United States can boost such impact evaluation efforts by joining the International Initiative for Impact Evaluation, a new organization that will fund the independent evaluation of development interventions. In addition, the president should dedicate 1 percent of all U.S. aid funds to evaluation, and catalyze learning about education interventions by promoting the improvement of education data, particularly on learning outcomes.²¹

The president could also kill several birds with one stone by taking the lead in establishing an “innovation fund” in the FTI, of which a set percentage would be dedicated to evaluation. This would promote learning from innovations, support the FTI’s collaborative approach, and reduce administrative costs—all with a single commitment.

Manage aid for outcomes and long-term systems. To reduce red tape and micromanagement, the president should push the aid bureaucracy to manage for and measure success by outcomes, such as higher literacy rates, rather than inputs, such as building schools or buying textbooks. Education and aid experts Deon Filmer and Lant Pritchett have proposed a “Millennium Learning Goal” to focus international attention on the outcome of quality primary education.²² The president should demand that aid administrators report on their

progress toward meeting this goal and other outcome indicators. Innovative approaches, such as “Cash on Delivery Aid,” have great potential to reduce restrictions and push for results (see box).

Cash on Delivery Aid for Universal Quality Primary Education

One simple, progress-based measure proposed by CGD that the United States could adopt would be to pay poor countries a set amount, such as \$100, for each additional child completing a quality primary education.²³ Countries would agree to publish data on school completion and reading and math test results and allow independent verification of these results through random field visits and sample re-tests. Instead of receiving funds channeled through contractors or organizations chosen by the United States, the countries would receive the funds directly and would have complete flexibility to decide how to spend the money. This would strengthen the ability of countries to manage their own education systems.

This Cash on Delivery (COD) approach would give countries more flexibility and autonomy while holding them accountable for results both to donors and to their citizens. It would automatically make available a wealth of information that could be used to develop “school report cards” for parents and others to pressure governments and to push for improvements at the local level. Furthermore, the clear link to progress and the lack of waste of the COD approach would make it easier to command congressional and public support for increased U.S. funding for education.

Conclusion

These recommendations are concrete suggestions for how the next U.S. president could make our aid for education more effectively support learning in developing countries. More broadly, they provide an example of how the principles of better spending could be applied in other sectors as well. Supporting education in poor countries is not about finding all the answers for each country and programming them into U.S. aid; it is about finding ways to support countries in developing, implementing, and evaluating solutions. That is a lesson that, applied to U.S. aid for education, health, or any other purpose, would help us get more bang for the buck.

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Endnotes

¹ OECD/DAC (Organisation for Economic Cooperation and Development/Development Assistance Committee), Creditor Reporting System Database, www.oecd.org/dataoecd/50/17/5037721.htm.

² Deon Filmer, Amer Hasan, and Lant Pritchett, "A Millennium Learning Goal: Measuring Real Progress in Education," Working Paper 97 (Washington, D.C.: Center for Global Development, 2006), www.cgdev.org/content/publications/detail/9815.

³ Michael Clemens, "The Long Walk to School: International Education Goals in Historical Perspective," Working Paper 37 (Washington, D.C.: Center for Global Development, 2004), www.cgdev.org/content/publications/detail/2754.

⁴ Maureen Lewis and Marlaire Lockhead, *Inexcusable Absence: Why 60 Million Girls Still Aren't in School and What to Do About It* (Washington, D.C.: Center for Global Development, 2006), www.cgdev.org/content/publications/detail/15310.

⁵ Ibid.

⁶ Nancy Birdsall, Ruth Levine, and Amina Ibrahim, eds., *Toward Universal Primary Education: Investments, Incentives, and Institutions*, United Nations Millennium Project Task Force Report (2005).

⁷ Barbara Bruns, Alain Mingat, and Ramahatra Rakotomalala, *Achieving Universal Primary Education by 2015: A Chance for Every Child* (Washington, D.C.: World Bank, 2003). See note 6.

⁸ Ibid. See also Samuel Morley and David Coady, *From Social Assistance to Social Development: Targeted Education Subsidies in Developing Countries* (Washington, D.C.: Center for Global Development, 2003), www.cgdev.org/content/publications/detail/2913.

⁹ See note 2.

¹⁰ Competency tests of reading and mathematics measure only some of the benefits education provides. But learning these basic skills is unquestionably a key part of the missing link between schooling and education. There is also much evidence that rote learning of knowledge is a large component of class time in many low-income countries, suggesting that other skills not tested by competency assessments, like critical thinking, are also not emphasized.

¹¹ Maurice Boissiere, "Determinants of Primary Education Outcomes in Developing Countries: Background Paper for the Evaluation of the World Bank's Support to Primary Education" (World Bank: Washington, D.C., 2004). See note 6.

¹² Closely related to the learning gap is the abrupt drop-off in school enrollment after primary school. In Senegal, for example, nine out of ten children enroll in primary school, and five of the nine complete primary school, but only two or three continue to secondary school. The low numbers of children who continue to secondary school reflect low achievement in primary school as well as access to secondary school, which is limited by the number of schools and teachers, farther distances to travel, and higher fees, as well as issues like concern for the safety of teenage girls, who in some places may be subject to sexual assault on the way to school or in school—even by the teacher. Limited access to secondary schooling gives parents little reason to keep their children in primary school.

¹³ Javier Corrales, "The Politics of Education Reform: Bolstering the Supply and Demand; Overcoming Institutional Blocks," Education Reform and Management Series 2:1 (Washington, D.C.: World Bank, 1999).

¹⁴ See note 4.

¹⁵ Marlaire Lockhead, "Measuring Progress with Tests of Learning" (Washington, D.C.: Center for Global Development, 2008), www.cgdev.org.

¹⁶ Ibid. See also White House, "Fact Sheet: Today's Education Announcement," Press Release (September 24, 2007), www.whitehouse.gov/news/releases/2007/09/20070924-3.html.

¹⁷ See note 6.

¹⁸ Evaluation Gap Working Group, "When Will We Ever Learn? Improving Lives through Impact Evaluation" (Washington, D.C.: Center for Global Development, 2006), www.cgdev.org/section/initiatives/_active/evalgap.

¹⁹ DFID (U.K. Department for International Development), Foreign and Commonwealth Office, and Her Majesty's Treasury, "Partnerships for Poverty Reduction: Rethinking Conditionality" (2005), www.dfid.gov.uk/pubs/files/conditionality.pdf.

²⁰ Esther Duflo and Michael Kremer, "Use of Randomization in the Evaluation of Development Effectiveness," Paper prepared for the World Bank Operations Evaluation Department Conference on Evaluation and Development Effectiveness (Washington, D.C., July 15–16, 2003), <http://econ-www.mit.edu/files/765>.

²¹ Much of this could build on existing instruments, such as national data collection, and instruments such as the Diagnostic Health Surveys (which have used an assessment of retained literacy), existing international standardized tests, and adapted tests such as those currently being developed by the World Bank and others.

²² See note 2.

²³ Owen Barder and Nancy Birdsall, "Payments for Progress: A Hands-Off Approach to Foreign Aid," Working Paper 102 (Washington, D.C.: Center for Global Development, 2006), www.cgdev.org/content/publications/detail/11550. See also Nancy Birdsall, William D. Savedoff, and Katherine Vyborny, "Cash on Delivery Aid for Education: A Proposal for a Hands-Off Approach" (Washington, D.C.: Center for Global Development, 2007), www.cgdev.org/doc/Cash%20on%20Delivery%20AID/PBAfulldoc.pdf. For more information, see "Progress-Based Aid for Education: A Hands-Off Approach," www.cgdev.org/section/initiatives/_active/pbaedu.

Further Reading

Nancy Birdsall, William Savedoff, and Kate Vyborny. Forthcoming. *Cash on Delivery: A New Approach to Foreign Aid with an Application to Primary Schooling*. Washington, D.C.: Center for Global Development. See http://www.cgdev.org/section/initiatives/_active/pbaedu.

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