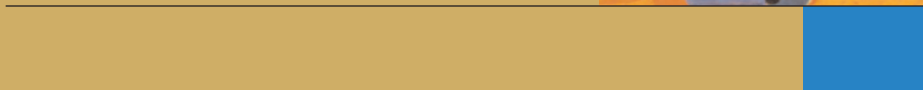


V. Improving Education



V. IMPROVING EDUCATION¹

Two of the Millennium Development Goals are directly linked to education. Their general aim is to achieve a minimum floor of progress in the area of economic and social development by 2015 (box 1).

BOX 1.
TARGETS AND INDICATORS LINKED TO EDUCATIONAL ACHIEVEMENT
GOAL 2: ACHIEVE UNIVERSAL PRIMARY SCHOOLING

Targets	Indicators
<p><i>Target 3:</i> Ensure that, by 2015, children everywhere, boys and girls, will be able to complete a full course of primary schooling.</p>	<p>6. Net enrollment ratio in primary education. 7. Proportion of pupils starting grade 1 who reach grade 5. 8. Literacy rate of 15- to 24-year olds.</p>
<p><i>Target 4:</i> Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015.*</p>	<p>9. Ratio of girls to boys in primary, secondary and tertiary education. 10. Ratio of literate women to men of 15- to 24-years old.</p>

*Eliminating gender inequality in education remains a challenge throughout the region. More detailed information on this subject can be found in Chapter VI, *Promoting Gender Equality and Empowering Women*.

These two goals and the processes leading to their attainment are and will remain a primary focus of governments and civil society throughout Latin America and the Caribbean. A brief description follows of the trends and developments observed in the region since 1990, as well as of the challenges that remain if these goals are to be achieved.

1. BACKGROUND AND DIAGNOSIS

Reforms initiated across the region during the 1990s and largely continuing to date have brought visible progress. More kids enter school and spend more hours, days and years in school than in generations past. Yet not all gains have been equitably distributed. Progress has been notably slower among ethnic, racial and other minorities and socially excluded populations; and issues of the quality and efficiency of the overall education provided remain.

1. This chapter was prepared by Juan Carlos Navarro and Aimee Verdisco, with help from Marta Durán. Viola Espinola also offered comments and Ferdinando Regalia made other contributions.

Achievements

In general, by most every measure, any long-term view of educational improvement finds that the education systems of Latin America and the Caribbean are better today than 30 years ago. There are more schools at all levels; the teachers that teach in them are better trained; the textbooks they use are widely and more equitably distributed, with far better quality in content; assessment systems have been introduced and information technology has made inroads in ministries and schools. More children attend school now than at any other time in the past. More importantly, these children represent all socioeconomic and ethnic backgrounds, enter school at earlier ages, attend school for longer periods of time and complete ever-higher levels of education. Through such expansion, average schooling achievement has been raised. Workers entering the labor force today have more years of education than those from previous generations.

Ushered in by a wave of democratization and the consolidation of democratic institutions, education reforms over the past decade have earned a widespread base of support among both traditional and newly activated stakeholders.

The resource base of education has visibly expanded, due to growing public and private willingness to make of education a real priority. Some subnational governments have developed considerable capacities and acquired responsibilities in managing education and civil society, including communities, have become more vocal in demanding accountability and results from schools.

Girls have made notable progress, with levels of literacy and enrollment that, in many cases, surpass those of boys. Teacher salaries have improved, and so has the availability of most inputs needed to produce education. Secondary schools have recovered from the sorry state in which the past decade found them. Evaluation and accreditation systems for higher education have been introduced in many countries. Innovation has flourished at all levels, in the form of public, private and nongovernmental initiatives driven by the perception that things can be done better. In a few but notable instances, audacious and encompassing reforms have taken place and found the continuity and leadership required to take them to fruition.

Challenges

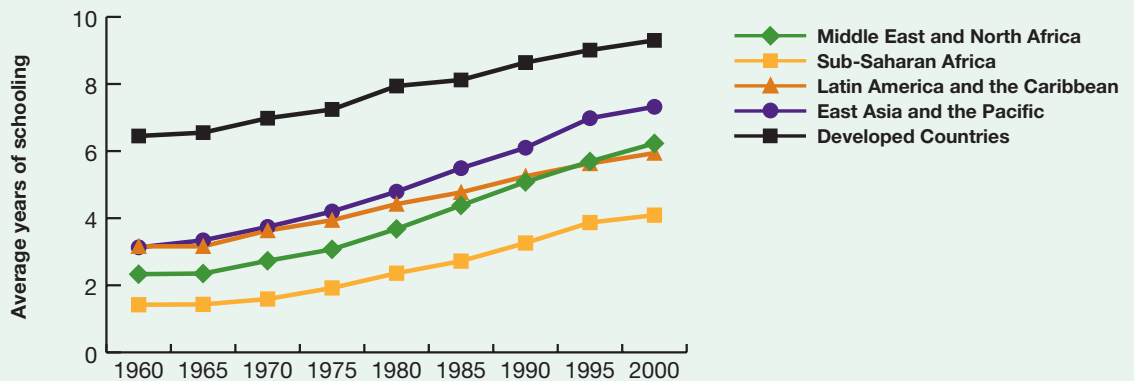
These advances and opportunities have not been as rapid as in other regions of the world nor have they been equitably distributed between and across societies. Education indicators in Latin America and the Caribbean reveal both a rate of progress visibly slower than elsewhere in the world and serious shortcomings in quality. In the 1960s, average years of education throughout the region for those aged 25 and above stood at 3.2 years. This figure climbed to five years in the 1990s. Over the same time period, however, average years of education increased from 4.3 to 7.2 years in Southeast Asia, from 2 to 4.6 years in the Middle East, and from 6 to 8.7 years in Eastern Europe. Only in Africa has educational progress lagged behind Latin America (figure 1).

Equity

Socioeconomic Inequities and Education

Such sluggishness stems from various factors. Education largely reflects socioeconomic inequalities. In most countries in the region, low levels of education have become one of the most important determinants of poverty. The incidence of poverty in households where the head has received only primary education (41.3 percent) is eight times higher than it is in households where the head has received some level of higher education (5.1 percent). Whereas better access to education has included larger shares of cohorts from more diverse backgrounds, prevailing socioeconomic fault lines in societies across the region continue to skew benefits toward the upper end of the scale to an extreme uncommon in other regions of the world. Quality continues to track (almost perfectly) socioeconomic trends, leaving many poor, rural and otherwise marginal groups shortchanged. Living in rural areas brings disadvantages as well. The supply of education, particularly at the secondary and tertiary levels, remains concentrated in urban areas.

FIGURE 1. AVERAGE YEARS OF SCHOOLING OF THE WORK FORCE BY REGION, 1960-2000



Source: Barro, Robert J. y Jong-Wha Lee, International Data on Educational Attainment: Updates and Implications (CID Working Document No. 42). HUMAN CAPITAL UPDATED FILES (April 2000). On the Internet: at <http://www.cid.harvard.edu/ciddata/ciddata.html>.

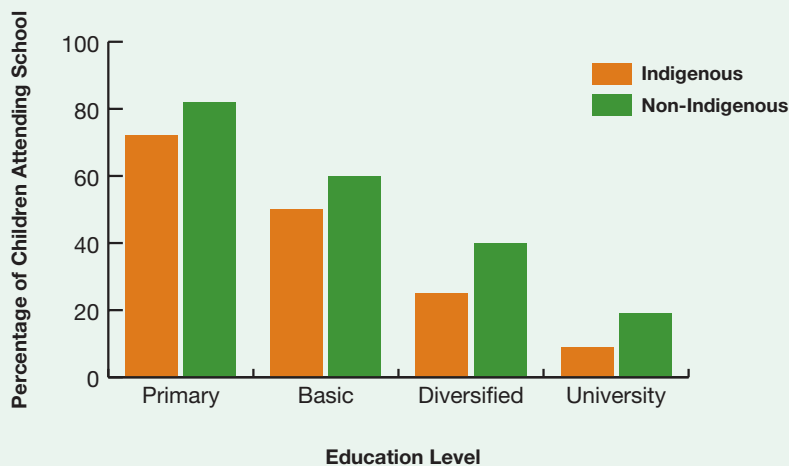
Gender Inequality

Contrary to a number of other regions in the developing world, enrollment rates in Latin America and the Caribbean are essentially equitable in terms of gender. There are, however, exceptions. For one, while coverage at the primary level and at the aggregate level is close to universal and gender-blind, in those countries with large populations of indigenous peoples (e.g. Guatemala, Bolivia), coverage falls short and girls' enrollment continues to lag. For another, at secondary and higher education, overall enrollment rates for women in the region exceed those for men, at the secondary level by more than four points and in tertiary by more than two points. Girls tend to come out on top in other areas as well. In many countries across the region, dropout and repetition rates for girls fall below those for boys, and female promotion rates are higher. A need for initiatives targeted toward improving the performance of boys thus emerges, particularly in the English-speaking Caribbean.

Social Exclusion and Education

Ethnic minorities also appear to face barriers. Limited available data from Peru, Guatemala, Brazil and Bolivia indicate that working adults from indigenous and racial minorities lack on average at least three years of education when compared to their white counterparts. Although there is some evidence to suggest that gaps between different population groups are shrinking (e.g., in Brazil), attendance rates for indigenous children (e.g., in Bolivia and Guatemala, see figure 2) fall 10 to 15 percent below rates for non-indigenous children; dropout and repetition rates also tend to be higher for ethnic and racial minorities.

FIGURE 2. SCHOOL ATTENDANCE BY AGE GROUP AND ETHNIC ORIGIN IN GUATEMALA, 2000.



Source: CIEN/PREAL. Educational Progress Report. Guatemala, 2002.

Low Quality

Issues of education quality continue to assume considerable importance throughout the region. As alluded to above, more children are being educated, but the quality of the education they receive leaves much to be desired. Most children in the region receive four hours of class per day during an ever-shrinking school year. Curricula have been repeatedly reformed to reflect new priorities and expectations of societies and education systems. However, in many instances, curricular reforms have yet to be accompanied by a movement toward learning and teaching standards, namely, an articulated vision of what it is that children are expected to learn, how learning is to be measured and evaluated, and what competencies are required from teachers to ensure that learning at expected levels happens. It is worth pointing out that problems of quality not only affect core areas like math, science and language, but they also, and critically given the increasingly demanding social dynamics of the region, have a negative impact on topics such as citizenship education, environmental education, and the ability of the schools to deal with a growing list of pressing social issues such as violence, awareness and acceptance of diversity, low self-esteem, HIV/AIDS prevention and others.

Low Efficiency

Part of the problem lies with efficiency. According to recent estimates (see IDB-IEUNESCO, 2003), the costs of repetition throughout the region are as high as 0.7 percent of annual gross national product. The correlation between repetition and drop out is positive and direct. Repetition often serves as a prelude to dropping out: repetition in one grade can increase the likelihood of dropping out by 40 to 50 percent; repeating a grade for a second time can raise this figure to 90 percent. Thus, once a child repeats a grade, the likelihood that he or she will not continue further is great. There is also a high risk of failure in the first year where problems of repetition are more serious.

Many problems lie with how governments across Latin America and the Caribbean manage their education sectors. Education systems throughout the region tend to suffer from notable institutional weaknesses. Far too seldom have central governments had the capacity to establish clear norms and regulate compliance with them, but their bureaucracies attempt to control from afar what can and should occur in the classroom or at the school level. Schools, on the other hand, are left without the administrative and financial flexibility, and without the leadership, needed to deliver education relevant to the students they serve. Standards and assessments, although gaining currency, remain the exception rather than the rule, intermittently applied and often without comparability over time or between geographic regions. As a result, parents, employers and other interested parties are left without knowing how well or poorly local schools perform vis-à-vis others. In the region, thus, both accountability and effective, professional management of education at all levels remain, for the most part, pending tasks.

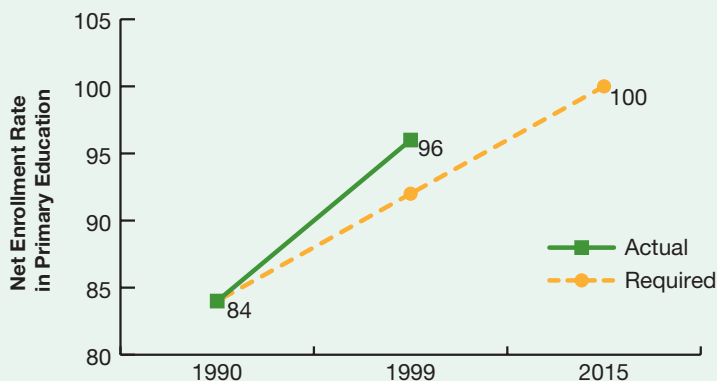
2. HOW CLOSE—OR FAR—IS THE REGION FROM ACHIEVING THE MDGs IN EDUCATION?

At an aggregate level, Latin America and the Caribbean have made considerable progress toward meeting the MDGs for education. Net enrollment rates at the primary level are approaching 95 percent and recent estimates (IDB-IEUNESCO, 2003) for the year 2000 for 26 cases suggest that kids entering education systems at age 5 can expect to receive more than eight years of schooling. As was said above, much progress has been made in many countries over the past generation. Some countries, such as Brazil, Guatemala, Nicaragua and Paraguay, were able to improve their rates of primary school completion by 2 percent a year during the 1990s; other countries, however, showed some sign of stagnation or regression. A recent World Bank analysis, which included most countries of Latin America and the Caribbean, did not find a single country seriously in danger of not reaching the MDG targets in education; five countries were found to have already met the goals; ten were well on their way to meeting them, and eleven showed a moderate degree of risk (World Bank, 2002).

That said, few countries in the region can boast universal net enrollment at the entire primary cycle.

By counting the number of years in which net enrollment is universal or nearly universal, the extent to which education systems reach all kids can be determined. In some countries, enrollment rates exceed 90 percent for the first six years, indicating that the education system manages to keep kids in school for a relatively long period of time. This reflects the trends observed in net rates of enrollment across the region. Thus, there is room for some degree of optimism in its ability to meet Goal 3 (see figure 3). Yet, in other countries the situation is far less satisfactory. In Guatemala, for example, enrollment rates reach 90 percent in only two years.

FIGURE 3. NET ENROLLMENT RATE IN PRIMARY EDUCATION (%)

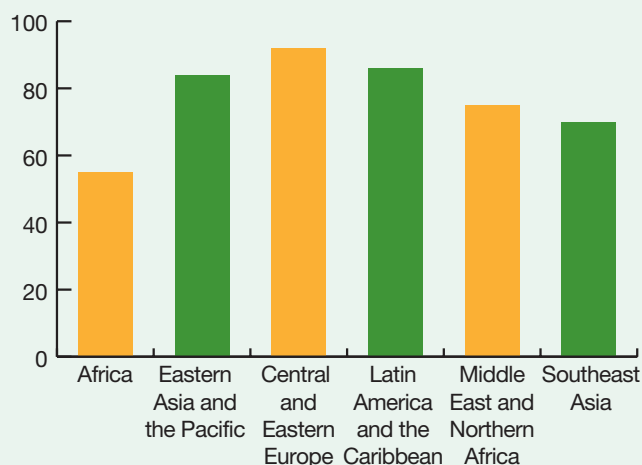


Source: SDS/POV preliminary estimate using data from the World Bank (1990); UNESCO 2002. "Education for All Monitoring Report" and World Bank 2002, World Development Indicators.

The fact that completion of primary school differs from enrollment in primary school merits reiterating. The distinction is especially relevant in Latin America and the Caribbean. Whereas most countries have created enough spaces to accommodate each successive cohort in their education systems, problems of repetition tend to block this progress, leaving many kids without the access that would otherwise be guaranteed if student flows were managed more efficiently.

Related to this are problems of dropout. Between a quarter and half of those who enter primary school do not reach fifth grade. Of those students who remain enrolled, 40 percent repeat one or two grades. A significant difference thus exists between “remaining in primary school” and “advancing” toward the goal of completing the primary cycle. It is in this respect that, although Latin America may be in a good position relative to other regions, its current situation does not yet reach a satisfactory level defined by the MDGs (see figure 4).

FIGURE 4. PRIMARY EDUCATION COMPLETION RATE, 2000



Source: Levine, R. et al. (2003)

Serious problems of equity remain as well. A family’s socioeconomic status still largely determines who will benefit from higher levels of education. Whereas kids from families with comparatively high incomes finish primary, and increasingly secondary and tertiary, education, kids from lower-income strata receive far less education. In Colombia, for example, virtually all kids start primary school. By fifth grade, however, an estimated 40 percent of children from poor families have dropped out; most all kids from rich families remain (see Levine et al., 2003). Likewise, a recent study found that, for the 1994-96 period, average years of education among the population in the highest 10

V. IMPROVING EDUCATION

percent income bracket was 10.5 years; for the poorest 30 percent, the figure fell to 2.5 years of education (IDB-IEUNESCO, 2003).

The situation is perhaps most acute in those populations where poverty, isolation and social exclusion coalesce. Data for Bolivia find that less than half of school-aged girls in rural areas are enrolled in school; 14 percent of school-aged girls in rural areas never have attended school. These figures compare with 55 percent and 8 percent, respectively, of boys (UNDP, 1998). Of the adult population in rural areas, two-thirds of women report having had no formal education (ibid). In Guatemala, where some 60 percent of the population is indigenous (Tovar, 1999), boys' enrollment in primary schools exceeds girls' enrollment by more than 10 percent,² with an even wider gap in rural departments. By some estimates, three-quarters of indigenous women in Guatemala have no education at all; those that do, on average, have completed less than one year (World Bank, 1995). Data on adult illiteracy paint a similarly grim picture: 51 percent of women in Guatemala (versus 7.5 percent of men); 17 percent in Peru (versus 6 percent of men) and 24 percent in Bolivia (versus 9.5 percent of men) remain illiterate.

Before concluding this discussion of the feasibility of the MDG targets, it merits noting that the MDGs for education are consistent with, and somewhat less demanding than, the goals established at the Summit of the Americas (Santiago, Chile, 1998). There, officials representing governments from the entire region adopted an Action Plan for Education that defines more ambitious goals. The plan commits countries to ensuring that by 2010, 100 percent of children will complete a quality primary education, and that at least 75 percent of young people will have access to a quality secondary education, with increasingly higher percentages of young people completing their secondary studies. The targets defined at the Summit also emphasize the commitment to offer educational opportunities to the general population throughout life.

With regard to secondary education, the completion of which has become the single most important educational indicator separating upper and lower income groups in the region, it is difficult to avoid the impression that Latin America and the Caribbean are falling behind. Assuming that the transition to secondary education is made, less than 50 percent of the cohort that enters completes the cycle. In many countries, only a third or less of children of secondary school age actually enroll in school. In rural areas, levels fall precipitously, rarely exceeding 10 percent. And, despite steady increases in levels of academic achievement, a third or less of the urban workforce has completed the 12 years of schooling deemed necessary to guarantee a decent standard of living and keep pace with the demands and changes of an increasingly globalized economy.

2. The 1990-1997 gross enrollment rate in primary school for boys was 90 percent, as compared to 79 percent for girls (see UNICEF, 2000).

Quality constitutes another indispensable issue in this discussion. The fact that most countries in Latin America and the Caribbean do not yet participate in international standardized tests makes it difficult to draw comparisons with other regions. However, available national and international evaluations show that student learning remains deficient. For example, Chile, which took part in the version of the Third International Mathematics and Science Study in 1999 (TIMSS-R), placed 35th among 38 countries, far below the international average and considerably lower than its Asian competitors, including Malaysia and Thailand. Colombia, which participated in the 1995 version of that same test placed 40th out of 41 countries examined, below all the other countries taking part from Asia, Eastern Europe, and the Middle East. Mexico and Brazil, the only two countries that participated from the beginning in the OECD comparative PISA test, came in next-to-last and last, respectively, among 32 participating countries. In 2001, when the same test was applied in 11 non-OECD member countries to the participants in the region—a group that also included Argentina, Chile and Peru³—the results were very similar in the global comparative context; they all finished well below the average. Argentina performed best in relative terms, just above Thailand (34th among 43 countries).

In conclusion, the preceding discussion points to the need for disaggregation (to explain the differences between and within countries) when monitoring the Millennium Development Goals in education and designing strategies for meeting them. Large and extreme differences often exist in terms of the percentage of the population that has access to basic education, as well as in the quality of the education provided. Achievement tends to lag in rural or otherwise isolated schools, where qualified teaching staff are often lacking and the distribution of books and materials, assuming it occurs, is less than timely. Even in countries where completion of the primary cycle is nearly universal and enrollment rates at the secondary level are comparatively high (e.g., Argentina, Uruguay, Peru) some skewing in attainment can be noted by socioeconomic status. Youth in lower income quartiles tend to drop out earlier, repeat more and complete fewer years of education than youth in higher quartiles.

Thus, the relatively good situation of a significant proportion of the countries of Latin America and the Caribbean in terms of their ability to reach the targets for 2015 should be no reason for complacency, but rather an incentive to view in their complexity the serious obstacles that the education situation of the region presents in terms of equity, quality, and the possibility of building competitive and sustainable economies.

3. Mexico belongs to the OECD. Brazil participated in the first round of testing, while Argentina, Chile and Peru did so in the second.

3. IS REACHING THE GOALS FEASIBLE?

As global goals that represent a uniform vision of where countries should be headed, the MDGs obscure tremendous heterogeneity within both countries and regions. For example, while most of the goals today appear unattainable without major improvement in current trends throughout many countries in Africa (at least by the year 2015), they have already been surpassed, in some instances, in Latin America and the Caribbean (see Levine, et al., 2003). In addition, it remains an open question whether the goals and activities designed to meet them can withstand pressures from competing domestic constituencies or from adverse economic shocks.

Achieving the MDGs in education has a high price tag. Based on actual per student expenditures, extrapolated to a larger population of school-age kids, and a number of assumptions, global resource needs have been estimated to be as high as an additional US\$11.4 to US\$27.6 billion a year through 2015 to achieve universal primary education (see table 1), figures that represent more than four times the total amount currently spent by donors, and far more than current government spending. Economic conditions and resulting fiscal adjustment, as well, can have and have had an immediate impact on the resources available for education—at the individual, household and government level. For Latin America and the Caribbean, estimates range from an additional US\$730 million to US\$8.1 billion per year.

TABLE 1.
ESTIMATED ANNUAL COST OF UNIVERSAL ENROLLMENT (IN BILLIONS OF US DOLLARS)

Region	If US\$110.60 were spent per out of school child	If regional/group median of spending per student were spent on each out of school child	If country level of spending per student were spent on each out of school child	If 13% of GDP per capita were spent on all children of school age
Sub-Saharan Africa				
Africa	4.94	2.63	2.15	1.27
Middle East and North Africa				
North Africa	0.90	0.87	2.18	5.73
Southeast Asia	3.69	2.24	1.80	1.58
Latin America and the Caribbean	0.73	1.45	3.23	8.10
East Asia and the Pacific	0.89	0.89	0.38	10.40
Europe and Central Asia	0.30	0.47	0.63	0.46
All regions	11.40	14.90	10.40	27.60

Source: Levine et al., 2003.

Various implications arise from these and other costing exercises. First, and perhaps most basically, the cost of achieving universal primary enrollment falls short of the actual cost of achieving the outcome of interest: universal primary completion. Few solid data at either the country or region level exist on the full set of inputs required to provide the “quality” education with the best chance of retaining all kids in school from first through the final year of primary school. Nor is enough known about the marginal costs of getting and keeping the hard-to-reach kids in school. Indeed, extrapolation from the current costs of children currently in school is likely to underestimate true costs.

By contrast, and as a favorable element that could reduce the financial burden of reaching the education MDGs in the region, mention is often made of a “window of opportunity,” the ever smaller school-age population and rates of dependency (IDB-IEUNESCO, 2003; IDB, 2001). By some estimates for the region, the secondary school-age population will increase by only 6 percent between 1995 and 2010, from 46 to 49 million, and the overall school-age population will remain stable. The “window of opportunity” thus refers to the opportunity to reallocate education budgets, investing whatever windfall there may be in aspects related to quality. Yet, the window is not open to the same extent for all countries. Countries such as Bolivia, El Salvador, and Paraguay will see a 10 percent increase in primary enrollments due to population growth alone.

That said, economic growth alone is unlikely to provide the additional resources necessary to meet the MDGs. Nor are private contributions. Families throughout the region are already contributing a comparatively high level of private resources to educate their children. According to recent estimates (see BID-IEUNESCO, 2003) a number of countries in the region reach or exceed the OECD average (4.9 percent of GDP) public spending on education, yet in many countries private spending on education exceeds figures found across the OECD. For example, in Chile and Jamaica, private expenditure at the pre-primary, primary and secondary level amounts to 30 percent of total educational expenditure; in Ecuador, the share of private expenditure rises to more than 50 percent. As alluded to above, such expenditures often fluctuate with economic conditions.

Given evidence like this, and in view of the estimates presented above, there is little doubt that even if outside financing sources stay steady or even increase, public education budgets will need to grow if the MDGs in education are to be achieved. Public funds remain the most important source of financing for education systems. During most of the 1990s, however, Latin America and the Caribbean experienced a considerable expansion of government funds devoted to education, thereby unavoidably raising issues of efficiency and sustainability of the fiscal effort devoted to the sector. Indeed, by 2000 several countries in the region were approaching or even exceeding average OECD government spending devoted to education (4.9 percent of GDP).

At the same time, the importance of distortions of school flows in the region offer an opportunity. Based on a sample of 15 countries that collectively account for over 90 percent of all repetition in the region, an estimated US\$11 billion (PPP) is lost each year on repetition (see BID-IEUNESCO, 2003). Lost because these resources are used by older students enrolled at levels intended for younger students, all of whom, as a consequence, receive an education that is neither age-appropriate nor of high quality. Combined with high rates of repetition and slow progression through the primary cycle, this means that resources targeted toward children of a specific (e.g., official) age group may not reach their intended beneficiaries. Hence, progress must be made toward more detailed estimates of the resource needs and, at the same time, the considerable space that exists for obtaining resources within education systems through improved efficiency.

4. AGENDA FOR REFORM

Even though all countries in the region need to focus on quality and equity to a greater or lesser extent, each of them is striving to draw up its own sets of solutions based on its economic resources and its current level of educational development. It is increasingly clear that reforms have to be designed so that they percolate down to the school and classroom. Hence, education officials in the region are, in general, paying special attention to policies aimed at improving teaching by upgrading teacher qualifications, training, and performance. This includes not only, as traditionally, in-service training, but also pre-service training, pedagogical support mechanisms, career incentives and regulations, teacher's personnel management practices, standards and evaluation systems.

The MDGs and the concomitant Summit of the Americas targets indicate that emphasis will need to be placed on achieving universal completion of primary school where the conditions dictate, and on expanding access to secondary school and its quality. In all cases, attention shall be given to gender equality in excluded populations and to ethnic minorities. Priority also will be given to the use of criteria and policies aimed at improving equity in key education policies, in order to maximize the impact of the equality of access and opportunities generated by interventions in the sector, and to reduce poverty and combat social exclusion.

Experience from the region also indicates that the demands of the knowledge economy require investments at all levels and in all types of education. In particular, improving access and quality at lower levels inevitably and quickly leads to pressing needs at higher levels; at the same time, neglecting higher levels can have a negative impact on lower levels.

Along these same lines, changes in the labor market increasingly have placed the issue of educational relevance at the top of reform agendas. In some cases, curricula should be reformed to better reflect the priorities and expectations of society of its education systems. Technologies integrated into the education process to maximize levels of learning assume considerable importance, as do efforts to intensify connections between education systems and national systems of innovation. There is also a need to create and articulate nonformal and nontraditional programs to respond to the demand of the labor market, including training in basic skills and distance learning as educational alternatives for young people and adults who have dropped out or not completed their formal education.

This highlights the importance of institutional capacities at every level, understood technically as well as politically, as, for example, in data gathering and analysis and in their use in decision-making, policy planning, execution, monitoring, and evaluation. Indeed, gains from policies and foreign financing will be limited if institutional capacities are not commensurate with the tasks at hand. It is clear that, in the near future, there will be a need to pay attention to issues of technical design and evaluation of policies, budget and personnel management, sustainable financing arrangements, effective regulation of the private sector, accountability, public communications and participation, efficiency, transparency and a focus on results.

Superimposed on all these considerations are questions related to education financing. Increasing aid to education in the past decade has translated into an expanded resource base for the sector. In order to take advantage of the positive effect of sector gains in many countries and not to lose ground in terms of the resource base available for education, it is critical to encourage the broad participation of all sectors involved in policy design and implementation, in achieving greater transparency and bolstering a more informed dialogue on education in each country. This takes on greater importance in a context of economic volatility, and accordingly, of severe restrictions on education budgets.

5. THE IDB

As illustrated above, the real challenge in meeting the MGDs in education is incorporating those children who remain outside the formal system; that is, children living in extreme poverty, those living in isolated and/or rural areas, and those with disabilities. Reaching these kids and ensuring that they complete the primary cycle requires interventions specifically targeted to their realities and needs. The Bank has played an active and sustained role in this regard. Support to primary education has been and remains a key area of investment; more than US\$2.6 billion have been invested in activities designed to increase access, quality

and equity of the primary cycle across the region.⁴ Through and with these interventions, the Bank supported a number of innovative and promising approaches, many of which are reforming the institutions and mechanisms through which education becomes accessible to ever-wider sectors of the population. Bank operations in education often are aimed at directly improving the education situation of a country in relation to one of the specific indicators considered in the definition of the MDGs (box 2).

BOX 2. **MULTI-PHASE BASIC EDUCATION FOR YOUTH AND ADULTS IN NICARAGUA.**

One of the indicators to be applied for measuring progress toward the MDGs in education is the literacy rate of people aged 15 to 24. In Latin America there is a significant flow of population dropping out of the education system before completing primary school and who therefore show low literacy rates. To deal with the needs of this population, the IDB is developing a project to lower youth illiteracy in Nicaragua from the current 19 percent to 10 percent by 2015, and to increase net enrollment in basic education from 77 percent to 90 percent by 2015.

Objectives

- 1) Raise education achievement of adults over 15 years who have never been enrolled in school or who dropped out of the formal education system before completing basic education.
- 2) Improve income-generating capacity and employability of graduates from adult basic education (ABE).
- 3) Increase the basic education graduation rate of youth aged 10 to 15.
- 4) Enhance the system for managing, monitoring, and evaluating the impact of investments in basic education of youths and adults.

Innovative Aspects

- 1) The program is based on offering ABE evening courses with a shorter duration and at a lesser cost per student than regular primary school.
- 2) Funding will be provided for standard tests to assess if learning needed for each level is achieved.
- 3) Redesign of training program and monitoring of facilitators in study circles.
- 4) Quality materials on hand so that expanded coverage can be effectively accomplished.
- 5) Tries to establish a connection with the work world. To that end the Bank proposes the inclusion of basic skills modules in ABE programs as a training initiative by businesses.
- 6) Expands primary school coverage and improves educational progression of children.

4. This estimate is based on a review of all Bank loans approved for the education sector. Included are all loans officially classified as operations for the primary school level, as well as investments made at this level as part of loans aimed more generically at reforms in the education sector (for example, loans supporting reforms at more than one education level). The oldest loan dates back to 1977; the most recent from 2003.

In particular, demand-side actions have had notable results. Programs such as *Bolsa Escola* in Brazil, PROGRESA/OPORTUNIDADES in Mexico, and the *Red de Proteccion Social* in Nicaragua, provide financial incentives to poor families (granted on the basis of economic need) to send their kids to school and keep them there.

The *Escuela Nueva* in Colombia (see box 3), community education delivered through CONAFE (*Consejo Nacional de Fomento Educativo*) in Mexico, and the multi-grade schools in the Dominican Republic, among others, merit mention as additional examples of promising programs specifically targeted toward poor children in rural areas.

BOX 3.
INNOVATION IN COLOMBIA: ESCUELA NUEVA

- This initiative seeks to respond to problems of inefficiency, lack of coverage and irrelevance in centralized schools.
- It is based on the use of study guides for students and teachers.
- The activities can be grouped into four components: training and monitoring of teachers, curriculum development, administrative strategies, and relations with the community.
- Evaluations of *Escuela Nueva* indicate that this innovation produces better results than traditional rural schools, especially in student performance.
- The IDB is supporting this program in Colombia, and the experience has been the inspiration for different educational innovations in Guatemala, El Salvador, Honduras, and Chile.

Efforts to increase quality and results by increasing time-on-task are taking hold in various countries, including Brazil and Uruguay, as are innovative programs to combat repetition early on in the primary cycle by placing good teachers in early grades (e.g., the *Programa de Aceleração* in Brazil and the *Salvemos el Primer Grado* in Honduras) and to increase access and quality through technology and distance modalities (e.g., *Telesecundaria* in Mexico; Interactive Radio Mathematics in Jamaica, and support for technological infrastructure in El Salvador and Barbados). Considerable expansion of preschool across the region can be noted and, as readiness to learn improves, flows and retention at the primary level are expected to increase. In addition, insofar as the quality of the teaching force is directly related to the quality of learning, programs designed to improve teacher competencies and capacities, such the *Centros Regionales de Profesores* in Uruguay, again, among others, also warrants highlighting.

V. IMPROVING EDUCATION

Decentralization or deconcentration of service delivery increasingly appears as a priority for education reform. Countries across the region, from El Salvador, to Nicaragua, Honduras, Bolivia and Ecuador have embarked on ambitious programs to transfer a number of responsibilities to schools while placing a clear emphasis on results. Transparency and equity figure prominently, as do input and participation from stakeholders.

REFERENCES

Barro, Robert J., and Jong-Wha Lee. 2000. International Data on Educational Attainment: Updates and Implications (CID Working Document No. 42). April. On Internet: <http://www.cid.harvard.edu/ciddata/ciddata.html>.

Inter-American Development Bank, IDB. 2001. *Reform of Primary and Secondary Education in Latin America: A Strategy for the IDB*. Washington, D.C.: IDB.

Inter-American Development Bank and the Institute of Statistics, UNESCO, IDB-ISUNESCO. 2003. Investment for the Future: Financing Education in Latin America and the Caribbean. Paper prepared for the Third Summit of the Ministers of Education, Organization of American States, Mexico City, 2003.

Levine, Ruth, Nancy Birdsall, Amina Ibrahim, and Prarthna Dayal. 2003. Achieving Universal Primary Education by 2015: Background Paper for the Millennium Project Task Force. UNDP. On Internet: <http://www.unmillenniumproject.org/documents/tf03edapr18.pdf>.

Tovar, Marcela. 1999. Perfil de los pueblos indígenas de Guatemala (Draft Document). October. World Bank.

UNICEF. 2000. *State of the World's Children 2000*. New York: UNICEF.

United National Development Program. 1998. *Human Development in Bolivia 1998*. La Paz: UNDP.

World Bank. 2002. Achieving Education for All by 2015: Simulation Results for 47 Low-Income Countries. Washington, D.C.

_____. 1995. *Guatemala Basic Education Strategy*. Washington, DC: World Bank. January.

