

***THE EDUCATION CHALLENGE
IN SOUTH ASIA***

Introductory Speech by

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The Education Challenge in South Asia

It is a great privilege for me to launch the 1998 Report on *Human Development in South Asia* in India this morning. We are very fortunate in having Honourable I. K. Gujral as our Chief Guest. Mr. Gujral is one of those rare individuals who are even more valuable outside government than inside. His clear vision, outstanding intellectual leadership and deep commitment to human development issues make him a great asset for the entire international community.

Let me also thank Dr. Brenda McSweeney for her great help and support in our intellectual enterprise. We all get inspired by Brenda's unabashed enthusiasm and intellectual courage. We have prepared our Report in close collaboration with UNDP, though I would like to make it clear that UNDP bears no responsibility for the views expressed in our Report. The Report is a totally independent exercise of the Human Development Centre, a regional policy think-tank based in Islamabad.

Our first Report on *Human Development in South Asia 1997* was released almost a year ago here in New Delhi. The central message of our 1997 Report was simple but powerful. The key challenge for South Asia was to travel the vast distance between its performance and its promise. On the one hand, South Asia had emerged as the poorest, the most illiterate, the most malnourished, and the least gender-sensitive region in the world. On the other, it had all the potential to become the most dynamic region in the twenty-first century if there was massive investment in human development. We, therefore, proposed a set of policy strategies for the countries in the region to implement a human development agenda – a concrete plan of action that would allow the region to reach its true development potential by earmarking another 1.6 per cent of its combined income to this priority task.

The response to our 1997 Report, both in India as well as in the rest of South Asia and internationally, far exceeded our expectations. It came as a rude shock to the South Asian policy-makers and to the global community that the South Asian region had slipped behind all other regions of the world, including Sub-Saharan Africa, in its human development levels. Even more encouraging for us was the response of the civil society in South Asia, particularly the extensive coverage in the local media, which did not allow policy-makers to forget the urgent message of human development.

The 1997 Report made it clear to the world that the real challenge of human development lay in this, the most populous, region of the world. And to meet this development challenge, the Report stressed that the two most critical components would be: first, basic education for all; and second, relevant technical skills. It is these themes which are now the focus of our 1998 Report. We ask, and then try to answer, how South

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Asia can emerge as a dynamic, egalitarian, and prosperous society in the twenty-first century, and how basic education for all and relevant technical skills can be at the forefront of such a development revolution.

Our exploration of South Asia's bleak educational wasteland in this year's Report turns up some extremely disturbing facts. One in two adults is illiterate. One in three primary-school age children is not attending school. Two in five children drop out of primary school before completing their studies. Only one in fifty secondary-school age children enroll in technical or vocational programmes.

But the basic objective of our report is not merely to rattle the skeletons in South Asia's educational closet. Our purpose is to convince people that universal primary education for all in the next five years is an achievable reality, not a utopian vision. And to ensure that politicians and policy makers realize that they not only can, but they *must*, act *immediately* to end the region's shameful neglect of basic education.

Let me start with a brief outline of the bleak education scenario in much of South Asia, except in Sri Lanka and the Maldives. South Asia has now emerged as the most illiterate region in the world, with about 400 million illiterate adults, nearly one-half of the world total. Over three out of every five illiterate adults have a woman's face. And, despite some progress made over the last few decades, the current generation of students do not have a bright future either. There are 50 million children not attending primary school, over two-fifths of the world total. Another 60 million children drop out of primary school each year. If all children have to be placed in primary schools in the next five years, it involves an additional number exceeding the total population of the United Kingdom today.

There is yet another cause for alarm. The schools in South Asia have failed to teach the basic skills needed for a productive and useful life to even those children who *do* enroll. The evidence assembled in the Report indicates that many of South Asia's multi-lingual, multi-age, multi-grade classrooms are nothing short of a multiple disaster zone. A survey in Pakistan found that over 80 per cent of primary school completers could not write a simple letter. Nine out of ten girls taking the School Leaving Certificate examination in Nepal failed the test. In fact, the time available for learning in South Asia is sometimes a quarter of the level in the educational high-achievers of East Asia: a recent UNICEF study in Dhaka revealed that the annual classroom contact time in Bangladesh in grade one was only 384 hours compared to about three times that much in China and Indonesia.

The Report clearly shows that the burden of educational deprivation falls most heavily on girls and women. With an adult female literacy rate of only 36 per cent, the lowest in the world, South Asia is entering the 21st century with 243 million illiterate women, who represent two-thirds of its total adult female population. The gender gap in primary enrolment is 19 percentage points in South Asia compared to only 5 percentage points in developing countries. Girls spend, on average, only one-third as much time in

schools as boys. Less than one-third of the teachers at primary level are females in South Asia compared to an average of one-half in the developing world.

The findings in the Report also suggest the need for drastic reform in South Asia's technical and vocational education policies. At present, vocational and technical education programmes in South Asia are often inadequate, irrelevant, and qualitatively poor. Less than 5 per cent of the total educational budgets in South Asia are devoted to technical education. Consequently, only 1.6 per cent of children at the secondary level are enrolling for technical education, compared to over six times that percentage in East Asia and fifteen times in Latin America. Not only is enrolment low, but about half of the students drop out before completing their studies. Even the fortunate few who complete their education are often not rewarded when they enter the labour market: over half fail to get a job at the end of their training. As a result, South Asia is a technical wasteland, often stuck with technologies of the past, instead of focusing on new technologies of computer software, electronics, and informatics, for which there is an expanding global demand.

The many shocking statistics and disturbing graphs in the 1998 Report are sufficient to shatter the complacency of policy-makers in South Asia and the relatively detached attitude of the international community. But the report is not pessimistic about the future of South Asia. In fact, it offers a new vision of hope. The real wealth of this region are its people. If sufficient investment is made in these people, they can radically change the development prospects of South Asia in the twenty-first century. The Report analyses the three great development waves in Asia, starting from Japan in the 1940s and 1950s, spreading to the East Asian industrializing tigers in the 1960s and 1970s, and emerging in China in the 1980s and 1990s. Each time, the development model was based on basic education for all, modern technical skills, open economies, fast growth accompanied by good distribution, and strong, accountable institutions of good governance. South Asia can emerge as the next economic frontier but only if it builds up its human capital and adopts sound policies for accelerating its economic growth, treating globalisation as an opportunity not a threat.

The Report presents a concrete five year plan for ensuring universal primary education in South Asia. This will require providing school facilities for an additional 65 million children and training 2 million additional teachers over the next five years. More importantly, the Report shows that such an ambitious educational agenda can be implemented by assigning only one billion dollars each year in recurrent expenditure – less than 0.3 per cent of the region's annual combined GNP. Even if capital expenditure is included, the total additional cost will be less than one per cent of GNP – a real bargain for South Asia, considering the huge pay-off.

The Report points out several realistic financial strategies that can finance this education package. Almost all the required resources can be provided simply by restructuring existing budgetary priorities in South Asia. First, even a freeze on current military spending (at current prices) will release more than enough resources to attain the target of universal primary education. Current military spending levels are extremely high,

particularly in India and Pakistan. If military spending levels are cut by 5 per cent a year over the next five years, it could release about \$22 billion as peace dividend – over four times what is required for the goal of universal primary education.

Second, South Asian countries can free themselves from crippling domestic debt burdens by privatizing their public assets quickly and efficiently. These domestic debts consume 5 to 6 per cent of their GNP, which can be spent instead on balancing budgets and on greater provision of social services, including education. Unfortunately, the slowest, the most hesitant, the most bureaucratic privatization in the world is presently taking place in South Asia. It is time to speed it up.

Third, there must be a major restructuring of existing allocation priorities in the education budgets of South Asia, with the bulk of resources devoted to providing basic education, closing gender gaps in primary education, and imparting technical training. The current bias in favour of higher education must be reversed: private initiatives to provide high-quality university education should be encouraged, with liberal state scholarships and student loans, and fiscal incentives to business community to create tax-free education endowments. At least 70 per cent of education budget allocations should be earmarked for primary education compared to less than 50 per cent now. South Asia has excelled in building inverted pyramids of education in the past, concentrating state resources on higher education for a few rather than basic education for all. It is time to correct the architecture of these pyramids.

Fourth, foreign donors should be requested to allocate a higher percentage of their funds to basic education and technical training: at present, only 9 per cent of external assistance to South Asia is allocated for human priority needs. This is less than half of what needs to be done in the spirit of the 20:20 compact endorsed at the 1995 World Summit for Social Development. If South Asian governments are willing to devote more resources to the goal of basic education for all, the international community must also be willing to support these efforts.

Community participation is an integral part of the Report's five year plan for universalizing primary education. New and innovative partnerships between central and local government, non-governmental organisations, and local communities are vital. The Report stresses that any plan to extend universal primary education by the year 2003 will not succeed unless major reliance is placed on non-formal education. With flexible school hours, local teachers, and active parental involvement, non-formal schools succeed in meeting the needs of local communities rather than distant central planners. Non-formal education is also extremely cost-effective. For example, a non-formal school in Pakistan costs less than 2 per cent of the capital costs of a formal school, and can be built in less than a month compared to an average start-up time of two years for a formal school in a new building. The unit cost per student of running a non-formal school is generally less than one-half that of a formal school. Non-formal education is not the second-best option; often, it is the only realistic option available.

The Report also suggests a revolutionary new strategy for mainstreaming vocational training in the formal educational system. The key elements in a comprehensive programme of reform are measures to ensure the equivalency of degrees from technical institutes and general education universities; the integration of the academic and technical stream at the secondary level; comprehensive surveys to link technical training to the requirements of the job market; the extension of technical education to neglected groups, particularly women and children in rural areas; special tax incentives to encourage the business community to provide technical skills; and the creation of tripartite councils between governments, private sector firms, and labour unions to identify technical skills and design relevant training programmes. The Report indicates that South Asia faces the promising opportunity of combining its cheap labour with modern technological skills and taking over the global markets in the export of low-and medium-tech consumer goods to the expanding middle class in the world.

The Report stresses that, ultimately, the key ingredient for educational success is always political commitment. When government's have shown the political will to make an investment in basic education, the results have been spectacular. The experiences of Sri Lanka, the Maldives, Bangladesh in recent years, and the Indian state of Kerala clearly show how solid political resolve can lead to rapid education revolutions. The Report suggests several key steps that South Asia's political leaders can take to express their commitment to the goal of basic education for all. These include: enacting and strictly enforcing compulsory education legislation; decentralizing the administrative structure for managing primary education; and making a constitutional provision that funds for attaining the goal of universal primary education will be treated as the 'first claim' on budgetary resources.

However, the Report points out that political commitment is not merely a matter of a few concrete steps; it is a matter of deep convictions. When such convictions are missing, brilliant technocratic blueprints may not produce tangible results. The evidence amassed in the Report clearly indicates that the time has come for South Asian leaders to make a concerted effort to provide universal primary education. South Asia's children cannot - and must not - be forced to wait any longer.

I have presented here only the regional picture of South Asia in the global context. In a little while, Khadija Haq will briefly summarize the conclusions of the Report about India.

Let me conclude by saying that while we intend to take the messages in our Report to all South Asian nations and all South Asian people - to the public, to NGOs and community organizations, to international donors and the national media, to teachers and students -- the real challenge outlined in this report is for the politicians and policy makers of South Asia. And the challenge for policy makers is this: to devise and implement strategies that unleash the creative potential of one-quarter of humanity. Extending basic education for all and creating relevant technical skills are the keys to meeting this challenge. South Asia is fast approaching an historic watershed. It can realize the promise

of a new dawn in the twenty-first century. Or it can disintegrate into anarchy and confusion. 'Human history', as H. G. Wells remarked a few decades ago, 'becomes more and more a race between education and catastrophe'. Our hope is that this Report forces the policy makers of South Asia to analyse this choice as objectively and honestly as possible.