

# Making the Grade

Emmanuel Jimenez, Elizabeth M. King, and Jee-Peng Tan

**Revamping what and how young people learn is the best way to help them and their home countries succeed**

**Y**OUTH in developing nations are spending more time in school than ever before, but they are not learning the skills they need to find gainful employment. Their working lives are thus less productive than they could be, which takes a toll on their countries' growth potential.

In other words, developing nations have made progress in achieving *quantitative* education goals. Over the past two decades alone, for example, the net enrollment rate for primary education increased from about 50 percent to 80 percent in low-income countries.

But developing countries have been less successful in achieving *qualitative* improvements in education, as measured by how well students perform on learning assessments. In addition, the young are not acquiring the *right types of skills* to function in a modern economy, which often leaves them unprepared to make the *right choices* among an expanded set of economic opportunities. And finally, either because the education system or their own choices fail them, or because of unexpected events such as civil conflict, young people may prematurely drop out of school or become unemployed. This calls for “second-

chance” programs that enable them to return to school or obtain new job-relevant skills.

Can developing countries improve the quality of their education systems, do a better job of imparting relevant skills, keep more students in school longer, and find them jobs when they graduate—or offer them a second chance if they drop out or don't find a job? Yes, but countries must take a systemic approach to changing what and how kids learn rather than relying on any single education reform.

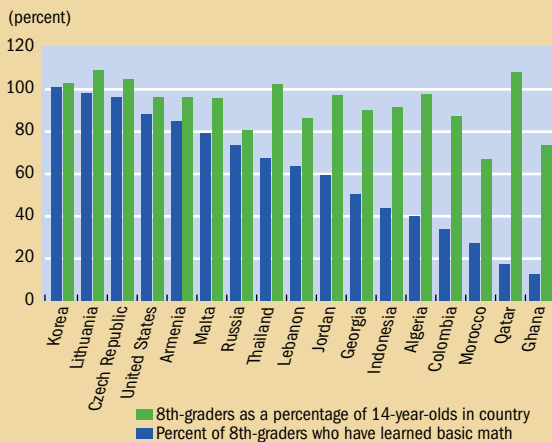
## Substandard basics

Because many young people are poorly educated when they leave school, they enter the world of work without the knowledge, skills, or behaviors necessary to adapt to changes in the economy and their lives. Country studies find alarmingly low learning levels in developing countries. Malian students tested did not possess the basic elements of reading, even in Grade 3. Between 50 and 60 percent of students could not read a single word on a list of frequently used words in their language (Ralaingita and Wetterberg, 2011). In Pakistan, tests of Grade 3 students show that only half could answer very basic multiplication questions (see World Bank, 2011, for citation and other examples). International student assessments, such as the Trends in International Mathematics and Science Study, confirm these low learning levels. Even middle-income economies that have achieved high enrollment rates in basic education, such as Colombia, Indonesia, and Thailand, show a large gap between the Grade 8 enrollment rate of 14-year-olds and the proportion of those 8th-graders who have learned basic math (see chart).

Moreover, within countries, learning levels are highly unequal, which points to a need not only for relevant and high-quality education at all levels, but also for basic education for hard-to-reach or disadvantaged groups. Research indicates that learning inequality more depends on the design and effectiveness of education policies than on income (Hanushek and Woessmann, 2008).

### Learning deficit

In many countries, being enrolled in a class does not mean children are learning the subject.



Source: National Center for Education Statistics, Trends in International Mathematics and Science Study database.



Students listen in a classroom in Jakarta, Indonesia.

### Irrelevant curricula

Even those who do manage to get an adequate basic education may be unable to find work because they do not possess the skills needed by today's—and, more important, tomorrow's—employers. Despite persistent joblessness among young people, surveyed employers complain that they can't find enough workers with the skills they need to grow their businesses.

One problem is that young people lack the technical skills they need to be productive immediately. In India, for example, the below-average competence of university and college graduates has led industry leaders in such businesses as software, banking, pharmaceuticals, and retail services to design their own training programs and in some cases even build their own campuses to open up a pipeline of future recruits (Wadhwa, De Vitton, and Gereffi, 2008). Young people's lack of technical skills would not be such a problem if employers considered them trainable for the jobs at hand. But poor basic skills mean that these workers may not benefit from on-the-job training—which employers tend to reserve for their more educated employees. Low enrollments in such fields as science, technology, engineering, and mathematics don't help.

Attention to noncognitive, or “soft,” skills also appears inadequate. Employer surveys in a number of regions reveal gaps in areas such as problem solving, creativity, team work, ability to communicate, willingness to accept responsibility, critical thinking, creativity, initiative, entrepreneurship, and punctuality (IFC and IsDB, 2011). These skills are more important than ever in the modern workplace, with its proliferation of information technology, shift to flat organizational structures, integration of geographically dispersed businesses into global production networks, and need to keep up with technological advances and respond to new market developments. The same factors suggest that knowledge of foreign languages, particularly English, and of basic computing are increasingly viewed by employers as essential skills.

### Unwise and uninformed choices

Young people face more challenges than adults when making long-term decisions—such as how much to invest in learning today—about their future. First, they are inexperienced decision makers and may lack the information to make informed choices. For example, in the Dominican Republic, boys sur-

veyed in 2001 during their final year of primary school accurately estimated the return on completing primary school, but severely underestimated—by one-third—the payoff for a secondary school diploma. This was because they based their estimates only on the wages of those who remained in the village after completing secondary school; the high earners had moved away (Jensen, 2010).

Another reason for poor education choices by young people is lack of resources. After early secondary school, young people start to finance their education and training with more of their own resources. Even when these investments are heavily subsidized, the opportunity cost of spending time on training is largely borne by the young. And grants and loans to finance education are not widely available in most developing countries.

Finally, recent research shows that significant brain development occurs after puberty, especially in the frontal lobe, where executive functions occur. These functions enable young people to make rational education choices by comparing the present and projected benefits and costs of schooling. There is no room for youthful myopia or risk taking when students have only one chance at success.

### No second chances

Even with adequate opportunities for quality education, young people, their parents, or their governments are still likely to make some bad choices.

In 2009, 67 million primary-school-age children and 72 million of lower secondary school age worldwide did not attend school. Most of these youths live in sub-Saharan Africa and in south and west Asia, which together claim 46 percent and 57 percent, respectively, of primary- and secondary-school-age youths not in school worldwide. Most of these children will probably never acquire even basic literacy and numeracy through formal schooling.

For these young people, second-chance programs are a lifeline. Such programs include literacy courses, equivalency degree programs, and vocational courses geared toward employability. Information on their availability is patchy, but one survey of sub-Saharan Africa identified 154 programs in 39 countries serving 3.5 million children in 2006; 52 million African youths were out of school in 2009 (DeStefano and others, 2006).

Because the intended beneficiaries are, by definition, disadvantaged, second-chance programs often lack the political backing required to mobilize sustained financial commitment. The programs are often costly and lack a reliable path back to the mainstream education system (for example, through equivalency certification of course completion) and links to jobs, which is particularly important for older adolescents.

### Moving ahead

There is no dearth of ideas on how to improve access to education, nor is effort lacking. Many countries devote a large portion of public spending to education and training. But countries need to do more to broaden learning opportunities for the young, especially by improving quality. They also need to help young people (and their parents) choose wisely among those opportunities and—in the almost inevitable event of poor choices—countries must develop cost-effective second-chance programs.

The most promising initiatives take a systemic view of learning centered on measurable results (World Bank, 2011).

First, *accept that reforming a youth-oriented learning system is not just about improving public postprimary schools and institutions, but also about expanding informal and private institu-*

## There is no room for youthful myopia or risk taking when students have only one chance at success.

*tions and making continuous learning something that happens at home and in the community.* This systemic approach would prevent piecemeal reforms—which can result in misalignment between the increased number of graduates from the basic education system and the limited number of places available at higher levels of education—and gaps between the skills taught and those demanded by private sector employers. This approach also means that children must enter adolescence well nourished and healthy, so they are able to learn during their formative years. It calls for good preschool and primary education and greater parental support for learning.

Second, *acknowledge that better learning outcomes take more than investment in school buildings and classrooms, trained teachers and professors, and textbooks: those inputs must improve teaching and learning within the classroom through good governance of the education system and a focus on results.* This focus starts with measuring and monitoring learning, which then must be used to guide how schools are managed and financed, and how teachers are recruited and promoted. Teachers and principals need appropriate tools and adequate resources and must be held accountable for well-defined outcomes. Because failures of governance and accountability typically hit schools that serve disadvantaged groups hardest, a systemic approach promotes equity as well as efficiency.

Third, *develop programs that teach young people to make good decisions when investing in their human capital, by giving them information, resources, and second-chance opportunities, so they can get back on track when they or others make the wrong choices.* More information about the returns on educa-

tion pays off, as the above-mentioned case of the Dominican Republic shows. Eighth-graders who were shown data on the actual earnings of high school graduates were more likely to enroll in secondary education than their counterparts who did not receive this information and underestimated the return on continuing their education (Jensen, 2010).

Fourth, *evaluate the impact of innovative programs.* Second-chance programs include a wide range of interventions for young people who have been out of school and out of work for several years. These programs have not been particularly popular because they are thought to cost more than formal schooling. But recent studies of efforts such as the *Jóvenes* program in Latin America show that, with the right design and vigorous implementation, these interventions lead young people back into the mainstream labor market in a cost-effective way (World Bank, 2006; Attanasio, Kugler, and Meghir, 2011).

These initiatives are not the perfect answer, but they will help young people make use of their talent and energy and increase their chances of success. That, in turn, is good news for economic growth. ■

*Emmanuel Jimenez is Director of Public Sector Evaluations for the Independent Evaluation Group, Elizabeth M. King is Director of Education of the Human Development Network, and Jee-Peng Tan is Education Advisor in the Human Development Network—all at the World Bank Group.*

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