



# EDUCATION

V I E W P O I N T P A P E R

*Benefits and Costs of the Education  
Targets for the Post-2015 Development Agenda*

Save the Children

# Benefits and Costs of the Education Targets for the Post-2015 Development Agenda

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Post-2015 Consensus

Save the Children

<b>INTRODUCTION .....</b>	<b>1</b>
<b>A SILOED APPROACH TO EDUCATION’S COSTS AND BENEFITS .....</b>	<b>1</b>
<b>A ‘BUSINESS AS USUAL’ APPROACH TO DELIVERING EDUCATION OUTCOMES.....</b>	<b>2</b>
<b>INADEQUATE DISCUSSION ON EDUCATION FINANCING .....</b>	<b>2</b>
<b>FAILURE TO DISCUSS THE COST OF NOT INVESTING IN EDUCATION.....</b>	<b>3</b>
<b>LIMITS OF AN ECONOMIC APPROACH TO DETERMINING POST-2015 EDUCATION TARGETS.....</b>	<b>4</b>

## Introduction

The 'Post-2015 Education Challenge Paper' is useful in the context of debates around a post-2015 education goal in drawing attention to the need to carefully consider where best to focus efforts in order to achieve optimum results in education between 2015 and 2030. This need for focus and prioritisation is at risk of being lost among 'shopping lists' of possible education goals, targets and indicators being produced in the context of the post-2015 debates. As such, this paper provides an attempt to take a step back and review such proposals against a set of preferred criteria – in this instance the benefit-cost ratio of particular areas of focus.

In doing so the paper provides useful findings from an economic perspective of the need for a continued (and perhaps increased) focus on early childhood and primary education going forward, particularly in low-income countries, if benefit-cost ratios are to be maximised. Though these sub-sectors will undoubtedly be part of the post-2015 education framework, there is evidence that since 2010 donors have been decreasing the amount of aid they give to basic education, particularly in low-income countries. According to the latest Global Monitoring Report, in sub-Saharan Africa (the region which this paper identifies as having the highest benefit-cost ratio for investments in preschool and primary education) aid to basic education fell by 9% between 2010 and 2011.<sup>1</sup> As many donors increasingly put resources behind higher levels of education this paper provides a timely reminder that investment in lower levels of education post-2015 will continue to be beneficial and prudent.

The paper should be commended for its 'nod' to the issue of education quality and reference to findings highlighting the correlation between institutional changes and improvements in quality of education. This highlights an important area for the post-2015 education framework to address – policy and process inputs that enhance education quality. By nature such frameworks are reductionist and this, coupled with the increasing focus on quantifying results through development interventions, could lead to a post-2015 framework that prioritises quantity over quality, specifying numerical targets to be reached rather than focussing on the process of how these are achieved in order to optimise quality.

However, the paper has a number of weaknesses which must be taken into account when applying its conclusions to decisions concerning where to focus efforts in a post-2015 education agenda. These are outlined below.

## A Siloed Approach To Education's Costs And Benefits

One of the fundamental flaws of the paper (and one acknowledged by the author himself) is that the analysis fails to adequately capture the wider externalities of education. Consequently, costs and benefits are assessed from a *purely* education-related perspective,

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<sup>1</sup> UNESCO (2014) *Education for All Global Monitoring Report. Teaching and Learning: Achieving quality for all*. Paris: UNESCO.

without consideration of pay-offs in, and economic efficiencies with, other post-2015 goal areas.

The post-2015 debate is not purely about advancing education, it is about ending extreme poverty in all its forms, sustainably and within planetary boundaries. As such, as recognised in Save the Children's proposed framework, the post-2015 sustainable development goals must be pursued in a holistic, integrated manner which recognises the synergies between different goal areas. For example, eradicating preventable child deaths and ensuring good nutrition will depend on access to basic drinking water, sanitation and hygiene, as well as women's and girls' empowerment and increased educational opportunity.<sup>2</sup> Consequently any investment in education is also an investment across the spectrum of post-2015 goal areas. This is particularly important in the context of the post-2015 debates with the imperative to be more cognisant of linkages between goal areas. Given this, the relative merits of various education targets in the post-2015 framework should really be assessed against not just the impact they will have on education outcomes between 2015 and 2030 but also on outcomes related to health, poverty eradication, economic growth, inequality etc.<sup>3</sup> Although noted, this is not reflected in the conclusions drawn by the paper.

## **A 'Business As Usual' Approach To Delivering Education Outcomes**

Secondly, the analysis in the paper is based on the premise that efforts to reach the 2030 education goal and targets will continue on the same trajectory as pre-2015 efforts. In doing so, the paper concludes that we cannot afford zero goals but must focus efforts on particular populations or geographic areas, which will yield the greatest returns on investment. There is no consideration of how things might be done differently over the next period in order to meet a zero target. Recent analysis by Save the Children, found that zero targets for education could be achieved by 2030, but only by scrapping 'business as usual' approaches and focussing on issues of equity and governance.<sup>4</sup>

## **Inadequate Discussion On Education Financing**

Thirdly, the paper's comments on funding the post-2015 education targets seem to be based on the premise that development assistance should continue to play a large part in meeting the education financing gap, with no consideration of how other forms of funding may be mobilised in the post-2015 period. Ultimately, national governments are responsible for financing education for all. Indeed, the UN Convention on the Rights of the Child mandates that States Parties should undertake all appropriate measures to fulfil the right of the child to education "to the maximum extent of their available resources' and, *where needed*, within the framework of international co-operation".<sup>5</sup>

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<sup>2</sup> Save the Children (2014) *Framework for the Future: Ending poverty in a generation*. London: Save the Children.

<sup>3</sup> Impacts which the Global Partnership for Education has captured well in its recent publication '250 Million Reasons to Invest in Education: The Case for Investment' <http://www.globalpartnership.org/content/250-million-reasons-invest-education-case-investment>).

<sup>4</sup> Save the Children (2013) *Getting to Zero: How we can be the generation that ends poverty*. London: Save the Children.

<sup>5</sup> Article 28, emphasis added.

Arguably, the majority of developing countries do have the resources to fund universal basic education but many choose not to or are not mobilising sufficient revenue through, for example, fairer taxation.<sup>6</sup> According to the Global Monitoring Report:

“25 countries, including Bangladesh, the Central African Republic, the Democratic Republic of the Congo and Pakistan – most of which are still a long way from achieving EFA – dedicate less than 3% of GNP to education.”<sup>7</sup>

The globally recognised benchmark is 6% of GNP. Though the signs are encouraging – with most low and middle income countries having increased education spending since 1999<sup>8</sup> – more must be done post-2015 to hold national governments to account for the progressive realisation of the right to education for all citizens.

Moreover, the paper identifies education financing as “a means of achieving goals, not a goal in itself”. A number of more recent propositions for post-2015 education goals and targets have now recognised that, in fact, enshrining a specific financing target or targets in the post-2015 education framework will be critical to achieving both access and outcome targets.<sup>9</sup> Indeed, according to the EFA Global Monitoring Report:

“One vital lesson for setting post-2015 goals is that we cannot take for granted that resources will be available to meet international commitments. To avoid the mistakes of the past decade, the post-2015 framework must include a time-bound, measurable financing target for governments, donors and others committed to reaching the goals.”<sup>10</sup>

The paper states that as financing is a “means of achieving goals” it cannot be subjected to cost-benefit analysis. However, we know that data do exist which speak to the economic returns on investment in education and this should be considered in putting forward any post-2015 education proposals based on economic analysis.

## **Failure To Discuss The Cost Of Not Investing In Education**

Fourthly, the paper fails to factor into its analysis the financial consequences of not investing in quality education, which could potentially have an impact on the level of benefit one identifies accruing from expenditure on education. For example, the recent

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<sup>6</sup> Global Campaign for Education (2013) *A Taxing Business: Financing education for all through domestic resources*. Johannesburg: Global Campaign for Education.

<sup>7</sup> UNESCO (2014) *Education for All Global Monitoring Report. Teaching and Learning: Achieving quality for all*. Paris: UNESCO, p.113.

<sup>8</sup> UNESCO (2014) *Education for All Global Monitoring Report. Teaching and Learning: Achieving quality for all*. Paris: UNESCO.

<sup>9</sup> See, for example, the draft Outcome Statement from the UNESCO Global Education Meeting 14 May 2014 (The Muscat Agreement).

<sup>10</sup> Education for All Global Monitoring Report (2013) *Education for All is affordable – by 2015 and beyond*, Policy Paper 06, p.3.

Global Monitoring Report estimates that “[t]he cost of 250 million children not learning the basics is equivalent to US\$129 billion, or 10% of global spending on primary education”.<sup>11</sup>

## **Limits Of An Economic Approach To Determining Post-2015 Education Targets**

Finally, and most critically, though the remit of this paper was to examine proposed post-2015 education goals from an economic perspective, a post-2015 education goal and targets must be based on a wider vision of education as a fundamental human right with the power to transform individuals and societies and enable them to reach their full potential.

There is no doubt that smart investments must be made in seeking to maximise available resources to advance access to quality education in the next period. However, a simple consideration of the ‘market benefits of education’ in order to identify where investments are best made will not serve to uphold and advance human rights commitments or channel funding to education in such a way as tackle one of the most important issues facing education, and development more broadly, in the 21<sup>st</sup> Century: inequality.

Over the next period, the primary challenge for education will be to address the stark inequalities in access and opportunity that persist and these extend beyond the areas identified in the paper as providing the highest rates of return for investment. Prioritising global investments in education on a purely benefit-cost ratio would mean that inequality in education would fail to be addressed across the board.

This pervasive inequality in education is first and foremost a rights issue but, secondly, it is an issue that, if ignored, will continue to undermine wider development efforts and spending. Today’s inequalities in education are tomorrow’s inequalities of income, wealth and power. There is a growing consensus that inequality matters, not just for moral reasons, but also because high levels of income inequality have a range of corrosive effects on societies, from increased fragmentation to inhibited economic growth.<sup>12</sup>

So, any assessment of the relative merits of post-2015 education proposals must go beyond a benefit-cost ratio based on a narrow understanding of social rates of return to analyse the extent to which they will address pervasive inequalities, narrowing the gap between the educational opportunity afforded to the ‘haves’ and the ‘have-nots’ and promote the rights of all children to a quality education at all levels.

The paper does suggest that perhaps post-2015 efforts should best focus on the ‘most needy’ as this is where the social returns on investment are highest. Though an increased focus on those who have so far been marginalised in education is welcome, the paper advocates for a focus on ‘some’ at the expense of the ‘all’. This has the potential to promote

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<sup>11</sup> UNESCO (2014) Education for All Global Monitoring Report. *Teaching and Learning: Achieving quality for all*. Paris: UNESCO, p. 19.

<sup>12</sup> Save the Children (2013) *Ending the Hidden Exclusion: Learning and equity in education post-2015*. London: Save the Children.

action in some areas, towards some groups in order to maximise benefit-cost ratios, whilst ignoring the rights of those in other groups that fall outside of 'the most needy'. Instead, what needs to be captured in a post-2015 education framework is a twin-track approach, which promotes quality education for all, while, at the same time, seeking to narrow the gaps in educational outcomes and opportunities between the most and least advantaged in societies.

Education is a fundamental human right and, as such, the provision of quality education for all children, rather than just some, is an imperative for governments pre- and post-2015, irrespective of the relatively low benefit-cost ratio investment in education may yield in some contexts<sup>13</sup>. Consequently, post-2015 education efforts should strive towards zero targets in terms of all children being able to access quality education, with sufficient funding being mobilised to enable these targets to be met across countries.

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<sup>13</sup> If such a ratio is assessed narrowly without consideration of wider externalities as it is in the paper.



This paper was written by Save the Children, an international non-governmental organization which promotes children's rights. The Post-2015 Consensus project brings together more than 50 top economists, NGOs, international agencies and businesses to identify the goals with the greatest benefit-to-cost ratio for the next set of UN development goals.

For more information visit [post2015consensus.com](http://post2015consensus.com)

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Copenhagen Consensus Center is a think tank that investigates and publishes the best policies and investment opportunities based on how much social good (measured in dollars, but also incorporating e.g. welfare, health and environmental protection) for every dollar spent. The Copenhagen Consensus was conceived to address a fundamental, but overlooked topic in international development: In a world with limited budgets and attention spans, we need to find effective ways to do the most good for the most people. The Copenhagen Consensus works with 100+ of the world's top economists including 7 Nobel Laureates to prioritize solutions to the world's biggest problems, on the basis of data and cost-benefit analysis.

