Ladies and Gentlemen,

I am honoured to have the opportunity to be here on behalf of the Committee for Development Policy.

The role of education in development was discussed, among other issues, at the 13th plenary session of the Committee held in New York, last month. The report on the session will be available in late May. I am pleased to contribute the main themes of our deliberations to the preparations for the 2011 Annual Ministerial Review.

The benefits education can bring to individuals and to society at large are indisputable both for their intrinsic value and as a means to many other aspects of development. Already in 1990 the World Conference on Education for all in 1990 recognized the importance of education for socio-economic development. With the MDGs in 2000 the international community renewed its commitments on education for all. Since then, many low-income countries, supported by the international community, have made remarkable progress towards achieving universal primary education.

Against this background, the CDP identified the emergence of two major challenges. One refers to a growing “learning crisis”, the other relates to the inadequacy of educational systems in meeting the socio-economic needs of countries.
First, let me say a few words on the learning crisis. Enrolment rates have increased, but the quality of education provided has left much to be desired. Competency tests for school children in developing countries have often showed that significant portions of students do not possess basic literacy and numeracy skills. For example, 45 per cent of 3rd grade students in one African country were not able to recognize a single letter while 30 per cent of the 15-16 year olds in schools in one Asian country could not read the text of a basic story or do division. These poor outcomes show that the increases in enrolment ratios have not led to improvements in students’ basic abilities.

The MDG framework is useful but risks encouraging a quantity – rather than quality – driven strategy. We suggest that in addition to the quantitative targets, qualitative targets should also be set and monitored. The international community needs to recognize the importance of developing appropriate indicators for quality education, and to provide support to developing countries to collect the relevant information in order to strengthen their education systems.

The second challenge in education is to prepare workers with appropriate skills which in today’s world also require a component of flexibility. Workers need to adjust to the ever-changing labour market conditions. Higher enrolment ratios have not translated into faster economic growth. A part of the problem is related to the issue of educational quality, which I raised earlier. But this is not all; there are other factors at play. While we should not neglect primary education, we need to recognize that primary education alone will not provide individuals with the skills that are demanded by today’s labour markets.

We have to move beyond universal primary education.

Education systems need to keep up with the pace of new trade and investment opportunities in an increasingly globalized world and the faster pace of technological change. Without adjusting the curricula and teaching methods in light of these needs, students may not be employable and productivity cannot be raised. Life-long training and
re-training are also crucial for workers already in the labour market so as to avoid skill obsolesce and redundancy.

Of course, education policies alone do not solve the problem of unemployment or slow growth. Insufficient demand for skilled workers is often a reason for high unemployment and brain drain from developing countries.

The macroeconomic context affects the pattern of labour demand. Jobs that require advanced knowledge or high skills are dependent on the investment climate, trade and financial flows, including foreign direct investment. Counter-cyclical, sectoral and trade policies can have significant influence on employment as well.

Education policies do not exist in a vacuum and need to be placed in the broader context of national development strategies. In particular, education and skill development policies should be coordinated with technology and innovation policies. As economies develop, they may need to adjust their focus from providing universal education to the secondary general and technical education and to tertiary education.

The provision of quality tertiary education is costly, which raises the issue of financing and access, and brings me to the final point I want to make: equity.

Education can be a powerful tool to promote greater social mobility and reduce inequality. However, it can also have perverse effects when access and quality of education are unequal. Problems of poor quality and poor outcomes disproportionately affect disadvantaged groups -- the poor, rural areas and minorities.

Equity gaps are an urgent policy priority. Equitable access to quality education at all levels is an important factor for both economic efficiency and social cohesion. Issues of adequate financing and allocation, fee structures, subsidies and scholarship programmes are all elements that need to be in place to ensure equitable opportunities. The
international community also needs to rethink ways in which its aid to recipient country could improve equitable access to quality education.

Education contributes to a person’s quality of life and to improved citizenship. But without due consideration about the quality of education and the nature of knowledge and skills transmitted and how they are put into use, education cannot automatically bring personal growth, increased opportunities or to better material lives. The virtuous circle between quality education and improved economic opportunities has been at the core of all successful development experience. I hope that today’s meeting and, subsequently, the debate on this year’s AMR at ECOSOC will help to realize the potential benefits education can bring to individuals and the societies they belong.

Thank you.