Evaluating Education Reforms: Four Cases in Developing Countries

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This symposium features four studies of education reforms and their impact on enrollment and learning. Three are part of a research project funded by the World Bank’s Development Research Group and its Research Support Budget to evaluate innovations in the education systems of selected developing countries. Two of the articles focus on Latin America, where decentralization reforms have been in place since the early 1990s. El Salvador has implemented a program that involves community education councils in the operation of public schools, and Colombia ran a voucher program that subsidized poor students, enabling them to attend private secondary schools. The third article analyzes a government subsidy program in Pakistan that encourages communities to establish nongovernmental schools that enroll girls. The symposium’s fourth study evaluates a pilot project in the Philippines that uses different school inputs to improve student enrollment and performance in primary school.

Together, these four studies make an important point for development: by evaluating ongoing policies and programs, policymakers can learn what works and what does not work under specific circumstances. Learning requires some planning on the part of program managers and policymakers. It involves systematically collecting and analyzing information on communities, schools, and students, so as to identify changes in outcomes that can be attributed to the program.

In most developing countries the central government provides basic education. The frequently cited reasons for central control are that the technical expertise to establish and enforce educational standards, to plan and manage budgets, and to hire and train teachers is not broadly available. Further, local capacity to finance and operate schools is uneven across communities. Central funding, with centralized management and centralized norms, is believed to ensure better quality education and more equal access to education. Yet centralized management has its own blind spots: learning occurs behind classroom doors and away from the direct gaze of government officials. Consequently, at the risk of losing some of the advantages of centralized control, a growing number of countries have...
been experimenting with ways to transfer responsibility and authority away from the center. Fiske (1996) describes this movement as a global phenomenon:

Nations as large as India and as tiny as Burkina Faso are doing it. Decentralization has been fostered by democratic governments in Australia and Spain and by an autocratic military regime in Argentina. It takes forms ranging from elected school boards in Chicago to school clusters in Cambodia to vouchers in Chile.

One type of decentralization reform is school autonomy reform, which shifts management responsibility and resources directly to the school. The hope is that bringing decisionmaking power and accountability closer to those who teach and manage schools will make schools more efficient in allocating and using resources and more effective in instructing students. The hope is also that making those who teach and manage schools more directly accountable to students, parents, and communities will, in turn, establish local incentives that reduce the need for centralized control and supervision. The reform must change the relationships among the actors in the education system—government officials, school principals, teachers, parents, and even students—and must affect what teachers do in the classroom.

El Salvador's Community-Managed Schools Program (Educación con Participación de la Comunidad, EDUCO) has been expanding education in rural areas by enlisting and financing community management teams to operate schools. These teams are made up of parents, who are elected by the community. They are required to follow a centrally mandated curriculum and maintain a minimum student enrollment, but they have the power to hire and fire teachers and to equip and maintain the schools. In this issue Jimenez and Sawada examine the impact of this program on several educational outcomes. They find that, compared with traditionally managed schools, EDUCO schools have lower teacher and student absenteeism and comparable student achievement, holding the characteristics of students constant.

When publicly funded schools rely on nongovernmental management or when private schools receive public funding, the separation between public and private education becomes blurred. Increasingly, governments are relying on partnerships with the private sector to meet educational needs for which government resources alone are inadequate. Private schools already enroll a large number of students in many developing countries, often with the assistance of government subsidies. Governments have pushed private schools to increase their capacity in several ways—by paying for construction but relying on private groups to build and manage private schools (as in the Philippines), by subsidizing part of the construction and maintenance costs of private schools and assigning some public school teachers to teach in private schools (as in Indonesia), by financing a large proportion of the salaries of private school teachers (as in Bangladesh), by providing tax incentives to private education foundations (as in Colombia and the
Philippines), and by establishing a student voucher scheme (as in Chile and Colombia).

If the government wants to induce private schools to locate in areas that have few schools, directly funding communities, nongovernmental organizations, or education foundations to build schools that will be privately managed may be more effective than indirectly funding schools through student vouchers. How private schools and communities respond to these incentives depends on the elasticity of school supply in the target area. The more elastic is the private supply of educational services, the more attractive it is for the government to expand educational services by subsidizing private schools. To our knowledge, no one has estimated such elasticities. However, supply seems to be more elastic in urban areas than in rural areas, implying that a larger government subsidy is needed to induce private investment in rural areas than in urban areas. Even so, unless the elasticity is zero, private school subsidies represent a potential strategy for expanding school capacity.

In the city of Quetta in Balochistan, Pakistan, the government has initiated a pilot project that subsidizes the establishment of private girls' schools. Parents in ten neighborhoods were given the financial resources and technical assistance to contract a school operator to open a private school in their neighborhood. The amount of financial resources available was tied to the number of girls that the new school could attract. This financial assistance proved to be much less than the cost of opening and operating a government school in the area. In their analysis of this program Kim, Alderman, and Orazem find that all ten neighborhoods attracted bids from school operators and that the enrollment of both girls and boys rose significantly in response to the creation of the new private schools. The success of this program bodes well for expanding primary schooling by directly subsidizing private schools.

Several countries have been experimenting with voucher programs, which transfer resources directly to parents to help pay private school tuition. The pro-voucher literature argues that since school resources are tied to parental demand, which presumably responds to school quality, voucher programs force public and private schools to provide quality education efficiently. Schools that offer poor-quality education or use resources inefficiently will have to improve or face bankruptcy. Opponents of voucher programs dispute the efficiency and quality claims, suggesting that vouchers further segregate access to schools by wealth. To date, there is limited empirical evidence to guide the debate over which view is correct.

For developing countries the efficiency concerns may be secondary to the more basic problem that demand for schooling exceeds supply. When poor students are prevented from continuing in school because of overcrowded public schools or the lack of schools, the private sector may offer a way to expand school capacity. Vouchers can be targeted to the poor to prevent benefits from leaking to the wealthy and to induce private schools to locate or expand in areas that cater to the poor. In this issue King, Orazem, and Wohlgemuth examine how schools and municipalities responded to Colombia's national voucher system. They demon-
strate that municipalities were more likely to participate if excess demand for schooling was present but modest and if local private schools already had the capacity to absorb additional students. The schools that accepted voucher students tended to have fees and average student test scores that were in the lower range among private schools, although the design of the voucher program may have prevented the lowest-price and lowest-quality schools from participating. Most important, the targeted vouchers appear to have increased secondary school enrollment among poor children, allowing very little leakage to rich households or to schools catering to the wealthy.

Although many countries are reforming their education systems, few are systematically evaluating the impact of those reforms. This is the case in both industrial and developing countries. Yet impact evaluations are powerful tools for policymakers. They provide the information needed to terminate or improve ineffective policies or programs. And this information may be especially important for evaluating innovative reforms or programs that do not have well-charted histories.

Often the impact of a specific reform or program cannot be isolated from the impact of coincident changes in the policy or economic environment. We can measure the impact if we know how the participants (or treatment population) would have fared without the program. This is the counterfactual state, and the selection and observation of appropriate control populations to characterize this state are important features of evaluation strategies.

The Philippine study demonstrates the benefits of monitoring and evaluating education programs when the use of randomized control designs is feasible. In the Philippines the central government continues to play a key role in supplying primary education, as decentralization has not yet progressed to the extent that it has in the other countries. This article illustrates that even within the public sector, the government can benefit from routine monitoring and evaluation activities. Tan, Lane, and Lassibille examine four experimental interventions in selected low-income areas, using pre- and post-intervention data collected from program and control schools. The authors find that providing teachers with learning materials and encouraging parents to get more involved in the schooling of their children were more effective than a school feeding program in reducing dropout rates and increasing learning.

The four articles in this symposium illustrate that it is not always easy, however, to determine whether or not a particular policy or program has attained its objectives. The authors apply a variety of impact evaluation strategies depending on the nature of the reform, the stage at which the evaluation began, and the availability of appropriate data. Although developing an evaluation strategy at the inception of the reform or program makes evaluation a little easier, doing so is often not possible. In the absence of baseline surveys, evaluations may have to rely on more advanced statistical methods that may be more difficult for nonstatisticians to understand and undertake.
The ability to rank interventions is a valuable policy tool, as countries search for effective strategies to improve schooling outcomes within constrained education budgets. For the World Bank the practice of evaluating the most innovative components of its investment projects both improves the quality of its portfolio and enriches the knowledge base that it can share with its member countries.

REFERENCES
