EDUCATION IN THE ASIA-PACIFIC REGION SERIES: ISSUES, CONCERNS AND PROSPECTS 13

Yasushi Hirosato
Yuto Kitamura
Editors

The Political Economy of Educational Reforms and Capacity Development in Southeast Asia

Cases of Cambodia, Laos and Vietnam

UNESCO UNEVOC INTERNATIONAL CENTRE
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It should be noted that research funding for this book was partly available from the Grant-in-Aid of the Japan Society for the Promotion of Science, and the Ministry of Education, Culture, Sports, Science and Technology, Japan, through its Initiative on International Cooperation in Education.

Lastly, we believe that academics in both industrialized countries and developing countries have to play much more active roles in the process of promoting capacity development in the education sector of developing countries. For this purpose, we wish this book will contribute to accelerate such a process and enhance debates over how we should support "indigenous" educational reforms in developing countries, not only in Southeast Asia but also in many other regions of the world.

Yasushi Hirosato and Yuto Kitamura
Co-editors

Introduction by the Series Editors

The vast and dynamic Asia Region is home to approximately 60% of the world's population of 6.6 billion. It is a region of great contrast which includes some of the richest and some of the poorest countries on earth, as well as some of the smallest and some of the largest countries, in terms of land area and population size.

Southeast Asia is a particularly diverse subregion with several tiger economies, and at the same time some of the least-developed countries in the region. Most of these are multiethnic, multicultural, and multilingual countries.

This book examines how less-developed countries in Southeast Asia are modifying their systems of education and schooling to achieve a more equitable access to high-quality Education for All. It also examines how these countries are addressing major development challenges associated with achieving the Millennium Development Goals, lifelong learning, and education for sustainable development. As they move from the industrial age to the information age, there is a demand for an increasingly sophisticated workforce. The authors in this volume explore what changes countries can and should make to best promote changing skills development for employability.

The contributors examine how several less-developed countries in Southeast Asia (called Indochina) are reengineering their education systems to address such issues and challenges.

One of the strengths of the book is that the contributors have diverse backgrounds in education research, policy, and practice. As a result, the book helps build a bridge of shared knowledge and understandings between research, policy, and practice concerning education reforms.

As countries in Indochina seek to cope with meeting the demands of globalization, increasing international cooperation, and the move to knowledge-based economies, they are looking to reform their education systems with a particular emphasis on promoting best practices and educational innovation for development. Many are not just examining ways to adjust, or "tinker with," their education systems, but are exploring cost-effective ways of fundamentally reengineering their systems. The reason for such major reforms is that education is seen as a key to achieving sustainable economic and social development.

This informative volume commences by providing an integrated conceptual and analytical framework for considering education reforms and capacity building in developing countries, with particular reference to the prevailing and emerging situation in Southeast Asia. The authors go on to provide insightful country case studies of education reforms and capacity-building approaches adopted in Cambodia, Vietnam, and Lao PDR. These case studies deal with various levels of education: basic education, lower secondary education, and higher education.

In addition to examining the education reform process and capacity development approaches in the countries concerned, the case studies provide valuable insights concerning quality assurance, equity, the indigenization of education reforms and the benefits of south–south collaboration, rather than just north–south collaboration.

Some of the main trends and challenges faced by the countries analyzed in these case studies include: how developing countries can achieve quality education for all, where there is equitable access; the importance of developing competitive workforces by renovating secondary and higher education; an increasing acceptance of decentralization of decision-making and control as an appropriate way to proceed; and the importance of adopting a sector-wide approach (SWAp) to education planning.

This book argues that much has been achieved to date by developing countries in Indochina, in promoting education reform, although much remains to be done in this regard in identifying the most productive pathways to follow in future.

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Introduction

Yasushi Hirosato and Yuto Kitamura

Developing countries, including Southeast Asian countries, face an enormous challenge in ensuring equitable access to quality education in the context of deepening globalization and increasing international competition. They must simultaneously meet the goals of Education for All (EFA) at the basic education level and of developing a more sophisticated workforce required by the knowledge-based economy at the post-basic, especially tertiary, education level. To meet this challenge, developing countries need to reform/renovate their education systems and service deliveries as an integral part of national development. However, most of them have not yet fully developed the individual, institutional, and system capacities in undertaking necessary education reforms, especially under decentralization and privatization requiring new roles at various (central and local, or public and private) levels of administration and stakeholders.

Provided that an ultimate vision of educational development and cooperation in the twenty-first century would be to develop indigenous capacity in engineering education reforms, this book analyzes the overall education reform context and capacity, including the status of sector program support using the sector-wide approach (SWAp)/program-based approach (PBA) in developing countries. We also address how different stakeholders have been interacting in order to promote equitable access to quality education, particularly from the perspectives of capacity development under the system of decentralization. In this book, based on analysis of the global trends of educational development and cooperation, we propose an "Integrated Framework" of international cooperation to education in developing countries. This framework posits capacity development as a key concept for enhancing aid effectiveness and comprises three main dimensions of integration: (1) interactions among stakeholders at various levels; (2) linkages among different subsectors in the education sector; and (3) linkages/combinations of different aid modalities, namely loans, grant aid, and technical cooperation. It is expected that by applying this model to assess current conditions of international cooperation to education in developing countries, donor countries and international agencies could clarify their roles in the process of promoting education reforms and enhance their aid effectiveness.

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Taking this framework as a theoretical and analytical reference, we present case analyses of those less-developed countries in Southeast Asia, i.e., Cambodia, Lao People's Democratic Republic (Lao PDR), and Vietnam, which are preparing or receiving sector program support using country-specific forms of SWAp/PBA. These country cases from the region called Indochina examine how the stakeholders in political arenas of each country have been interacting in the process of promoting education reforms focusing on basic education. In lieu of a conclusion, we discuss prospects of achieving EFA goals through capacity development of local stakeholders in developing countries.

It should be noted that the contributors of this book have diverse backgrounds, consisting of specialists from Southeast Asia (i.e., Cambodia, Lao PDR, and Vietnam), the USA, and Japan. This diversity of authors' backgrounds makes it possible for the book to present vivid pictures of education reforms in three country cases and unique perspectives for these countries to promote capacity development.

This book is composed of an introduction, three parts, and a conclusion. Followed by the Introduction, we present in Part I (Chapters 1–3) a theoretical and analytical framework of this book, which covers various dimensions of education reform in developing countries. Yasushi Hirosato and Yuto Kitamura, the editors, present a discussion of the historical background and significance of the prominence of sector program support in Chapter 1. This chapter particularly argues the need for turning development support for basic education into a program form in line with the major issues confronting the educational sector, and with the revision of the target attainment strategy for EFA goals and the Millennium Development Goals (MDGs). In Chapter 2, Hirosato suggests an outline for a conceptual model for "indigenizing" education reforms from the perspectives of a political economy approach using the concept of internal and external costs. In Chapter 3, Kitamura and Hirosato present a framework (diagram) of the interrelationship among actors involved in the education reform process in developing countries. This framework (diagram) helps us understand how different actors interrelate in the process of education reforms, which is outlined in the educational development conceptual model presented in Chapter 2.

In Part II (Chapters 4–6), William K. Cummings argues that the experience of success stories of East Asian Newly Industrializing Countries (NICs) indicates that reforms of basic education need to be coordinated with reforms in other subsectors of the human resource development endeavor as well as with reforms in the broader economy and polity. The discussion presented in Chapter 4 should be considered as a future reference for countries in Indochina as well as other developing countries to further develop their social capacities of promoting and supporting required education reforms. Throughout these three chapters, we call for a new political economy of education reforms, and a whole discussion relates to the issue of "indigenous" capacity. In Chapters 5 and 6, we provide an overview of educational reforms and capacity development in basic education (Chapter 5 by Hirosato and Kitamura) and in higher education (Chapter 6 by David W. Chapman).

In Part III (Chapters 7–15), we examine three country cases from the region of Indochina, i.e., Cambodia, Lao PDR, and Vietnam.

Cambodia cases are in Chapters 7, 8, and 9, in which Sitha Chhinh and Sideth S. Dy introduce the education reform context and process, Ken Chansopeak focuses on the question of improving quality and equity of basic education under the large-scale education reform, and Chet Chealy discusses issues and challenges in the rapidly growing postsecondary education including the role of private higher education institutions.

Vietnam cases are in Chapters 10, 11, 12, and 13, in which Takao Kamibeppu examines the education reform context and process, highlighting aid coordination process in basic education, Donald B. Holsinger discusses the issue of education inequality based on recent empirical data as well as the political economy perspectives, Le Cong Luyen Viet argues, taking lower secondary education as a case in point, that reform measures which are largely piecemeal renovations are not sufficient for the rapidly changing economy of Vietnam, and Gerald W. Fry provides a comprehensive picture of higher education reform and its challenges and opportunities.

Lao cases are in Chapters 14 and 15, in which Inthasong Phetsiriseng explains the education reform context and process focusing on decentralization and capacity development in basic education, and Keiichi Ogawa examines the development process of the higher education system in Lao PDR including the establishment of a national university, regional universities, and private universities, and discusses higher education management and finance issues.

In conclusion, we highlight and synthesize significant characteristics of three country cases which are presented in nine chapters in Part III. Hirosato and Kitamura examine the characteristics of program formation in the light of the key constituents of the Integrated Framework for international cooperation to education. Also, by referring to the analytical framework (diagram) presented in Chapter 3, Hirosato and Kitamura analyze how different actors interrelate in the process of decentralization in three countries of Indochina, and highlight the prospects for "indigenizing" educational reform capacity of developing countries.

Both the conceptual and analytical framework and the country case analyses are intended to help developing countries simultaneously meet twin challenges of ensuring equitable access to quality basic education and of developing competitive workforces by renovating higher education in an era of globalization.

Part I
Theoretical and Analytical Framework

Chapter 1
An Integrated Framework for Analyzing Education Reforms and Capacity Development in Developing Countries: Why, How, and for Whom?

Yasushi Hirosato and Yuto Kitamura

1.1 Introduction

The World Conference on Education for All held in Jomtien, Thailand, in 1990 and the World Education Forum held in Dakar, Senegal, in 2000 led to the agreement on the Education for All (EFA) goals that aim to diffuse basic education. Throughout the world, especially in developing countries, attempts to realize these goals are being made.[1] The diffusion of basic education as symbolized by the EFA goals is widely recognized not as a task of the education sector alone but as one of many extremely important challenges facing the socioeconomic development of developing countries. This is readily appreciated by the fact that out of the eight Millennium Development Goals (MDGs) adopted after the UN Millennium Summit of 2000 the universalization of primary education (Goal 2) and the elimination of gender disparity in education (Goal 3) are the same as the EFA goals.

Nonetheless, despite the wide variety and successive efforts of the international community, many problems still beset the achievement of the EFA goals. A review of the strategies for achieving the EFA goals is underway in many developing countries, donor countries, and international agencies. Part of such reconsideration efforts has given rise to international debate from the position of each stakeholder on the ideal means of providing aid in regard to the development of basic education in developing countries. The impact of this debate is embodied in action at the frontline of basic education support, with the Sector-Wide Approach (SWAp) and the Program-Based Approach (PBA) becoming mainstream.[2] Also, in the context of decentralization that many developing countries are currently promoting, the major focus is on the importance of capacity development on many fronts. Such

[1] For details on EFA goals and the status of international cooperation to education underway for the achievement of these goals, refer to the websites of the United Nations Educational, Scientific and Cultural Organization (UNESCO) [http://www.unesco.org/education/] and the United Nations (UN) [www.un.org/millenniumgoals/] (both retrieved in September 2007).

[2] PBA signifies cooperation given based on the principle of providing coordinated support to locally owned programs of development. Typical examples are budget support to governments under the poverty reduction strategy and sector program support using SWAp (Lavergne and Alba, 2003).

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capacity development entails the strengthening of individuals, organizations, systems, as well as the social system on the regional level by means of support through a program-based approach.

This chapter, therefore, bearing in mind the international trends relating to the development of basic education, sets out to argue the need for turning development support for basic education into a program form in line with the major issues confronting the educational sector, and with the revision of the target attainment strategy for EFA goals. To manifest such programs, we propose an "Integrated Framework" for international cooperation to education in developing countries. Then, the chapter discusses countries in Indochina (Cambodia, Lao PDR, and Vietnam) where education sector program support by means of PBA is underway, thereby contemplating the ideal way forward using the proposed Integrated Framework and the approach of capacity development aimed at achieving the EFA goals.

1.1.1 The Political Economy Analysis of Educational Development and Reform

As a method of analyzing the collaboration and coordination ongoing in the educational development and reform process of the education sector of developing countries and in international cooperation to education, the political economy approach has been pioneered (e.g., Corrales 1999; Crouch and Healey 1997; Crouch and De Stefano 1997; Moulton et al. 2001; Pandey 2000; Gradstein et al. 2005). The common features of the political economy approach today are that it is not bound by the theory of economics of education in the narrow sense, which pursues the efficiency of an education system based on what is known as the education production function, and the identification of the supply and demand mechanism in the education and labor market. It actually looks at the educational development and reform process in a comprehensive and dynamic way by analyzing all the issues relating to the educational development and reform process from political, economic, institutional, social, and educational perspectives within a historical context (Riddell 1999a). Such an analysis from the political economy perspective seems indispensable to the investigation of the educational development and reform process in transitional economies such as the countries of Indochina, which are examined as case studies in Chapter 5 and the chapters in Part III of this book. In these countries, aid agencies and various other stakeholders, both domestic and foreign, as well as existing interested parties complexly interact (Hirosato 2001).

The political economy of educational development and reform subsumes the entire education sector, from central/local governments to school/classroom level. As such, SWAp/PBA is being introduced increasingly in the recent education reforms of developing countries. Therefore, a political economy approach can be effectively used as a more suitable conceptual and analytical framework in analyzing the political dynamism at work in the utilization of SWAp/PBA and the dynamics at play among

different actors. What is more, in the context of the decentralizing trend in educational administration/sector management, involvement in educational activities is not limited to central and local governments but has come to include stakeholders that constitute civil society and private sector in the broadest sense of the word, namely, non-governmental organizations (NGOs), private enterprises, community organizations, school committees, teachers' organizations, and parents. This points to the need for the use of analysis adopting a political economy perspective (Buchert 1998). Nonetheless, not much research has been conducted into the analysis of the actions of actors in the overall education system structure or the education reform process and into the various requisites for reducing the transaction costs in relation to the development policies and strategies of governments and aid agencies.

Given this situation, Chapter 2 will attempt a reinterpretation and integration of the principles of efficiency and equity by using the concept of cost as referred to in institutional economics, based on a stance in political economy using the theory of political decision-making (equivalent to public choice) that was proposed by J.M. Buchanan and G. Tullock. Chapter 2 will also deal with educational development in developing countries and try to create a model of public policy as suggested by J.E. Stiglitz (the trade-off between efficiency and equity), with due reference to the theoretical framework of political economy discussed by economists from Buchanan and Tullock to the New Institutionalist School. This model will show that improvement in governance reduces the transaction cost in terms of focusing on the equity of educational development and reform.[3] Henceforth in this chapter, the model to be presented in Chapter 2 is borne in mind and investigation centers on the framework for analyzing how diverse actors interrelate to minimize the transaction cost in the educational development and reform process.

1.2 Approaches to Analyzing Education Reform

1.2.1 The Process of Education Reform

When examining the mechanism of education reform in developing countries, it is vital to understand both the background and the process of reform. In the undertaking of education reform, some kind of target is always set and new policies introduced. For instance, Haddad and Demsky (1995) describe the process as follows. First, the country concerned carries out an analysis of the status of the educational phenomenon that is recognized as an issue. Based on this analysis, several policy options are suggested. In so doing, the domestic education context is not the only thing to be considered; the social and political structures, the state of the economy, and the country's priority tasks are among those that need to be considered when

[3] However, we need to examine what kind of interaction among actors leads to the reduction of transaction cost as an area for further research.

making the policy options. Furthermore, these policy options must be assessed for feasibility, affordability, and desirability (in economic, political, and other terms) before a decision is reached. Then, the policy plan is drafted and actually implemented. Finally, the policy's impact assessment is conducted and the implication for the next policy cycle is induced. This process flow is exceedingly complex in reality and is formed as a combination of diverse events and situations.

Based on the research already carried out on such processes of formation of education policy and development of the education system (i.e., Haddad and Demsky 1994; Lockheed and Verspoor 1991), Williams and Cummings (2005) claim that policy must be placed in a broad process so as to understand education reform. In other words, contexts, processes, policy and planning, implementation of policy, evaluation of policy/reform, and institutionalization and organizational learning all comprise education reform. In particular, in analyzing education reform in developing countries, the contexts and processes of reform must be given special attention. As regards contexts, not only should the domestic political, economic, and social factors be considered but also the global economic impact and the post-Cold War political schema of the international community from the wide-angled perspective in understanding the background that necessitates education reform. It is essential then to analyze the processes in order to understand how reform is being conducted in each stage (e.g., planning, implementation, and evaluation). In analyzing the processes, we must elucidate what economic and social changes occur and for what reasons. Through such analysis, it is important to identify what kind of measures are required so that stakeholders that were hitherto not always included in each of the stages of the reform process (i.e., the socially and politically disadvantaged such as women, low income households, and ethnic minorities) can be guaranteed participation in such processes.

Meanwhile, it would be possible to analyze the mechanism whereby education in developing countries develops quantitatively and functionally using the interrelationship among the following actors, namely, governments and local authorities, schools, community and household (including the student himself or herself), civil society and foreign organizations. Education policies are decided through these actors embodying and serving as intermediaries for diverse social factors. This leads to the particularly important necessity to direct attention toward the presence of diverse "actors" that support the context or process of education reform and to understand what roles these actors are playing. In short, by the actors constituting that society coming to some agreement, the path to reform is drawn up, enabling the introduction of actual policy (Kitamura 2007). By and large, there exists some kind of order emanating from values such as democracy or human rights, but at the same time certain imbalances can arise with some actors acquiring greater influence than others due to the interplay of political, economic, social, and even cultural elements in the context of diverse relationships of power. That is, it must be realized that some interest groups generally referred to here as "actors," as Haddad and Demsky (1995) point out, may try to serve their own interest by obstructing reform.

Alternatively, even if no direct obstruction is made to the progress of reform, the process of reform could be distorted to strengthen the re-creation of political, economic, and social rights of self-interest groups. Such is the criticism leveled by neo-Marxists. For example, Carnoy and Samoff (1990), while discussing the

role that education should play in a nation undergoing the process of rapid social transformation to create a fairer and more equal society, indicate that the following contradictions and complications tend to arise. That is, to build a new social relationship (including the equal distribution of wealth and assets), economic growth must be promoted. In this social relationship, the aim is that more people enjoy well-being. To this end, there must be emphasis on improving basic education in the education sector. Nevertheless, because emphasis is actually placed on the training of technical, management, and bureaucratic personnel who directly drive forward economic growth, many countries tend to increase investment into vocational and technical training in secondary education or into higher education rather than into basic education. This state of affairs often reinforces existing social class divisions instead of promoting the equal leveling of society, with such contradictions and complications triggering tensions over education policies.

It is essential then, in the global community of today, to understand the roles played by actors who function within the respective country and also the roles of actors who operate in an international context (i.e., aid agencies of donor countries, international organizations, international NGOs). These issues will be revisited in Chapter 3, which is designed to reveal how the various actors in developing countries mutually interact in the processes of education reform.

1.2.2 The Context of Education Reform

The purpose of education reform is basically to improve the status of the education system, finance, and practice in the five domains of access, equity, quality, efficiency, and relevance (Buchert 1998; Williams and Cummings 2005). Normally, a combination of these five domains is designated as the purpose of education reform. To analyze the entire picture regarding education reform, Riddell (1999a) claims that we need to use three lenses – educational, economic, and political – to view the picture. First, the use of an educational lens means the analysis of education reform through an interest based on education research. The latest approach focuses mainly on three areas: school effectiveness, school improvement, and teacher–learner interface. Through the economic lens that analyzes the economic aspects of education reform, research has been conducted based on ideas such as the education production function that shows the correlation between the input and output of education; or the performance incentives, that is, a shift of interest to the demand-side from such a supply-side view; or the concept of individual incentives and institutional incentives.[4] The political lens may involve diverse theoretical

[4] Research that emphasizes the performance incentives (e.g., Hanushek, 1995) makes the criticism that the variables (e.g., educational level of teachers, their educational experience, class size, teachers' pay, and spending by school per pupil) that had been considered important in conventional research using the education production function are actually not important as factors that explain the output of education. Rather, instead of such observable variables, they suggest that what is important is the invisible way in which organizations work, such as the internal incentive structure within schools.

approaches of political science but depending on whether the viewpoint from society, state, or individual is adopted as the central view, the resulting method of analysis would differ.

In this way, the approaches to analyzing education reform differ according to the academic discipline that they are based on. Great care must be taken when conducting multidisciplinary analysis. To illustrate this point, the perspective for the three important themes concerning education in developing countries today, namely efficiency, effectiveness, and decentralization, varies according to the lens being used. For example, if we are to view through the educational lens, which chiefly analyzes the content of education services provided, the interest in the effectiveness of education overrides the issue of efficiency. By contrast, if using the economic lens for analysis, looking at education from the supply and demand schema, the interest is stronger in cost and profit issues revolving around the education system and practices rather than the content of education, meaning that the question of efficiency is given most prominence. Finally, in an analysis through the political lens, the interest lies in what purpose the various stakeholders have in participating in educational activities, and the interest basically is keenest on the issue of decentralization, which is closely related to the issues of power and authority, although some attention is directed toward efficiency and effectiveness.

What is most important in propelling education reform as Williams and Cummings (2005) point out is not the introduction of a simple top-down management model and reform process but discussion and harmonization among the various stakeholders. This begins right at the beginning of the reform process, from the policy target finalization and goes through the drafting, implementation, and evaluation of policies right up to the establishment of the policies and reforms by means of institutionalization. Give and take among differing interests and benefits are vital. As Reimers and McGinn (1997) described using the phrase "informed dialogue," such an attitude coincides with the idea that suitable decisions can be made by information sharing between policymakers or administrators and researchers and also practitioners.[5] This is important in the process of education reform regardless of whether it is in a developed or developing country. If such dialogue is pursued further, it is hoped that policies and strategies with a contextual focus will be formed, leading to plans for the resolution of social and political problems.

However, in the process of education policy formation ongoing in many developing countries, such dialogue is often lacking. The information that should be the basis of dialogue (especially academic survey and research findings) is not fully made use of, as Reimers and McGinn (1997) point out. In particular, they cite as an example the Basic Research and Implementation in Developing Education Systems (BRIDGES) project of the United States Agency for International Development (USAID), to explain in detail the importance of informed policy-making. In addition to this process of policy formation, in the actual educational activities and in their monitoring and evaluation, surveys and research should be used (Buchert

[5] The articles contained in Ross and Mählck (1990) point out the importance of data and information use in the policy-making process.

1998). In this regard, Riddell (1999b) also points out that there are many cases in which survey research and monitoring/evaluation findings are not necessarily properly used as input into the education reform program supported by donors. These survey research and monitoring/evaluation findings should act as a link between educational administration such as donors and policymakers of developing countries, who are the actors involved in making the blueprint for education in the respective country in the "upstream" and the teachers, parents, and students, who are the actors that fulfill their own mission in the "downstream." They must be used in the sharing of education reform targets. In other words, "marrying local versions of success with national visions is the challenge of bringing together school improvement efforts with school effectiveness research, and the challenge for evaluation is in producing data that will facilitate communication between and the valuing of these different perspectives on success" (Riddell 1999b, p. 392). This is all the more important because different actors have their own different interests. For example, it is important for donors to know how effectively and efficiently their aid money has been spent. For policymakers, the ever-important interest is the improvement of performance in the education frontline (i.e., school attendance rate and standards of learning).

1.3 International Trends Relating to Basic Education Development

1.3.1 Trends in Goals and Areas of Aid

Since the adoption in 2000 of the Dakar Framework for Action (UNESCO 2000), which listed the EFA goals to be achieved by 2015, various international agreements have been created to give support to the diffusion of basic education in developing countries. The problem of resources mobilization for development assistance to developing countries became widely recognized as an important issue for the international community. It was agreed that the ownership of developing countries and the partnership among stakeholders should be reinforced; therefore, more financial resources should be mobilized to propel action on important development issues.[6] The point reached so far as regards this debate is the adoption in 2005 of the Paris Declaration on Aid Effectiveness. In other words, the model to follow in international development assistance became the establishment of ownership by

[6] What lies behind this agreement is the impact of international debate relating to development aid generally. Above all, the International Conference on Financing for Development held in 2002 in Monterey, Mexico, and the World Summit on Sustainable Development held the same year in Johannesburg, South Africa, and the High-Level Forum on Harmonization held in 2003 in Rome, Italy, were the chief forums for consensus building.

the developing country and of partnership, by harmonizing aid and aligning it to the plan and strategy of the developing country itself (OECD High-Level Forum 2005). Then, in the process of such consensus building on development aid, we cannot ignore the role of the series of summits held by the G8 nations, which generated international debate aimed at promoting EFA. Especially, the G8 Kananaskis Summit of 2002 resulted in the declaration: *A New Focus on Education for All*. The G8 nations emphatically renewed their commitment to providing support toward basic education in developing countries.[7] The 2006 G8 Summit in St. Petersburg placed emphasis on the necessity for support toward basic education in developing countries based on the principles and framework of EFA. It affirmed the importance for each nation of promoting the fostering of human resources that are rich in creativity.

Given such prominence of the international debate in support of promoting EFA, the EFA Fast- Track Initiative (EFA-FTI) began in 2002 under the leadership of the World Bank. This EFA-FTI is a new framework for financing basic education in developing countries, focusing on primary education, which is an especially important part of the EFA goals.[8] Under the EFA-FTI, a number of low-income countries that had shown strong political commitment toward diffusing basic education are selected and donors make a heavy input of financial and technical aid, with the aim of putting these countries as smoothly as possible onto a fast track, leading to the diffusion of primary education. Notably, the EFA-FTI sets out not only to widen opportunities of access to primary education but also to improve the quality of primary education.

As of the beginning of 2008, the EFA-FTI is regarded as the foremost mechanism for realizing the Dakar Framework for Action and the current model for international aid, the Paris Declaration on Aid Effectiveness mentioned earlier. The need to "operationalize" the international agreement on promoting EFA goals achievement precipitated action; the EFA-FTI was put in place to expand financial and technical support to the education sector of developing countries. To effectively and efficiently utilize this financial aid, the EFA-FTI introduced the Indicative Framework. This Indicative Framework is a distinctive attempt by the EFA-FTI and comprises indicators on standards and criteria relating to the efficiency and qualitative improvement of primary education.[9] The Indicative Framework, it is hoped, will provide a "common frame of reference for all countries" (World Bank 2002a)

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[7] For details of the discussions held in the G8 Kananaskis Summit, including discussions on education, refer to the Canadian Government's G8 website, "Canada's G8 Website" [http://www.g8.gc.ca/] (retrieved in March 2007). In addition, the Canada's G8 Website offers access to official documents relating to G8 summits held from 2001 onward. In the Kananaskis Summit, the Japanese Government announced the Basic Education for Growth Initiative (BEGIN) as its commitment to assisting developing countries in basic education.

[8] For details of the introduction of EFA-FTI, see World Bank (2002a, b) and Kitamura (2007).

[9] For details of the indicators comprising the Indicative Framework and the support toward government budget expenditure for the education sector, see World Bank (2004; 2006).

in properly assessing the financial condition and policy results in the education sector. Among the countries we analyze as cases, Vietnam has been selected as one of the first EFA-FTI eligible countries, and Cambodia has already developed its proposal which has been examined by donors, as of the fall of 2007.

From 2007 and 2008, the United Nations Educational, Scientific and Cultural Organization (UNESCO), which serves the role as international coordinator for promoting EFA, is to conduct a mid-term review on the status of EFA goals achievement across the world. In readiness for this, UNESCO adopted the *EFA Global Action Plan* in 2006, setting out the direction to be taken by the EFA goals achievement strategy. This *EFA Global Action Plan* lists the following as the agenda for the international community to focus on: (1) early childhood care and development, (2) access to educational opportunities by poor and disadvantaged children, (3) adult literacy, (4) gender issues relating to educational access and school environment, and (5) qualitative improvement in education (including teacher training, learning outcome, teaching materials, language of instruction, and school environment) (UNESCO 2006). In addressing these agendas, a more effective and efficient collaboration among various stakeholders must be generated. To this end, the *Action Plan* has been designated as a "living document." That is to say, the *EFA Global Action Plan* does not fix the roles of each stakeholder but envisages a flexible change of roles depending on the progress of EFA goals achievement and the state of the international community at each juncture.[10]

1.3.2 Capacity Development as a New Approach in the Field of Development

An extremely important point when investigating the international trends relating to approaches toward aid is the rising interest in capacity development as a new approach in the field of development. In the 1990s, when the post-Cold War aid fatigue became apparent, discussions arose on the question: "Does aid really help developing countries?" In 1996, the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC) adopted a new development strategy entitled *Shaping the 21st Century: The Contribution of Development Co-operation* (OECD/DAC 1996). There was emphasis on the ownership of developing countries and the partnership among stakeholders, and a review of how aid should be given. The debate next led to the question of reforming technical cooperation, chiefly that of the United Nations Development

[10] Therefore, taking account of the state of affairs at each juncture, a regular review of the *Action Plan* is planned so as to reflect the opinions of donor countries, international agencies, and civil society organizations. In so doing, the EFA coordinator, UNESCO, will play the part of mediator. The information on *EFA Global Action Plan* is based on the authors' interview in November 2006 of UNESCO's executive officials and program specialists in the Education Sector at UNESCO Headquarters in Paris.

Programme (UNDP) (Fukuda-Parr et al. 2002). The former aid pattern adopted that overemphasized the strengthening of individual capacity and organization building was criticized as damaging the potential capacity of developing countries. The reasons for criticism included the policy distortion occurring from the additional influx of money that was divorced from the budget system of the developing country concerned, the overemphasis on the project implementation unit quite independent of existing organizations, and the increase in transaction cost involved due to the subject and procedure of aid for each donor being different. Consequent to the criticism, the international tide of opinion embraced the need for supporting the capacity development of developing countries when providing aid, especially technical cooperation (UNDP 2003).

According to the OECD/DAC, capacity is "understood in terms of the ability of people and organizations to define and achieve their objectives" at the levels of individual, organizational, and the enabling environment (OECD/DAC 2006, p. 18). Then, capacity development is "understood as a process of unleashing, strengthening and maintaining of capacity" and "necessarily an endogenous process of change" (ibid., p. 18). The Swedish International Development Cooperation Agency (Sida), which plays a spearheading role in developing discourse on aid, considers capacity development as a transfer of knowledge for, and empowerment of, poor people, and such efforts should focus on human resource development. Then, the conditions necessary to enable capacity development are knowledge, capability, and the presence of an effective and development-focused organization (Sida 2006). The Japan International Cooperation Agency (JICA) also takes a comprehensive view that the process whereby the issue-addressing capability of the developing country improves on the combined level of people, organizations, and society (JICA 2006). All these definitions place emphasis on the process of capacity development and recognize the need of building capability not only on individual and organizational levels but also on the community level of diverse constituents, including political, social, and other systems.

The education sector is no exception to adopting this attitude of emphasizing capacity development. Rather, capacity development in the education sector is an even more important issue in two ways. That is to say, in considering capacity development in the context of the education sector, we need two perspectives: one is the improvement of various capacities required within the education sector when undertaking educational development and reforms, and the other is the contribution that the human resource development in the education sector can make toward the development of human, organizational, or system capacities of other sectors.[11] Although in this book we mainly focus on the former perspective of capacity development, Chapter 4 discusses how such wider scope of capacity development which takes into account both perspectives should be incorporated into the context of education reforms and human resource development in developing countries.

It is also worth noting here that the achievement of EFA goals seems to be pursued nowadays in the context of decentralization. The problem many developing countries

[11] However, the latter's view of capacity development is the phenomenon that results from the expansion and improvement of the education sector; this chapter shall concentrate basically on discussing the capacity development of education sector as defined by the former.

confront in this process is the capacity development involving local government and community-level administrative organizations to which authority has been devolved or about to be devolved through decentralization. Even if the developing country has a certain level of capacity on the central government level for planning, management, implementation, and monitoring/evaluation, the administrative capacity on the regional and local levels is often extremely weak. In many cases it is difficult to deliver the services that decentralization brings both effectively and smoothly.

Such rise in awareness of the problem was fed into the agreement embodied in the Paris Declaration on Aid Effectiveness adopted in 2005. Thus capacity development became a proposition central to international development cooperation. The Paris Declaration deals mainly with capacity development in public finance management and procurement, but capacity development in the education sector signifies the provision of a high-quality learning environment (particularly, enhancing the learning effect continually) through the promotion of capacity development based on the needs of the developing country in regard to classroom-level management, organization/system building, and necessary skills improvement. To undertake capacity development with such an aim, the developing country itself must determine an all-round strategy that includes system building, organization building, and knowledge management. Nevertheless, for this new approach in the field of development, that is, capacity development, to be promoted in the developing country's education sector, we need to reconsider the financial and technical assistance given by donor countries and international agencies.

To illustrate, the donor community coordinated by the World Bank is attempting to apply a variety of measures to improve aid to the primary education of developing countries through the process of realizing the aforementioned EFA-FTI. In this context, it is essential to consider the issue of capacity development in the education sector of developing countries where an increased influx of external aid is expected from the EFA-FTI. In short, between some developing counties that had received sufficient funding till now and other developing countries that have received little donor support (the so-called *donor orphans*), a gap has already opened in terms of capacity as a result of the gap in funds. With support from the EFA-FTI, this gap will hopefully be narrowed.

For low-income countries without the capacity of developing an education sector plan/strategy on their own, the FTI Education Program Development Fund (EPDF) is providing financial and technical support. A mechanism is being created to give support in building the capacity these countries need to draw up an appropriate education sector plan/strategy. For low-income countries that have difficulty in obtaining additional external financial support because the number of aid donors is relatively limited, the FTI Catalytic Fund was established to provide transitional financial support (for 2–3 years). The aid-recipient country should be able to enhance its own education sector plan/strategy in line with the financial support provided by the fund and should be able to seek long-term support from new donors in the future.[12]

[12] For details on the FTI EPDF and Catalytic Fund, see World Bank (2004a) and the website of the FTI Secretariat of the World Bank [http://www.fasttrackinitiative.org/edcuation/efafti/] (retrieved in March 2007).

Alongside the creation of such a mechanism and moves toward additional fund provision, the developing country's government (the ministry of education in particular) needs to offer training opportunities to education administrators on both central and local government levels and to strengthen organizational capacity, including administrative systems and accounting management systems in the education sector. Meanwhile, what is important for the donor countries and international agencies is to clearly draw up a long-term road map on basic education aid for developing countries. It is hoped that the donor countries by showing them a clear road map for support would enable developing countries, the main actors in capacity development, to engage in action on a sustained basis. In this connection, it is promising that some governments have started to take a more holistic approach and address capacity issues through the production of a Capacity Development Framework (CDF) under the commitments made in each country's version of the Paris Declaration of Aide Effectiveness. The CDF is expected to provide baseline information, interventions needed together with time-bound targets and results with associated performance indicators, in order to enhance capacities in a structured and coherent manner.

1.4 Conclusion

1.4.1 Diagram of an Integrated Framework for International Cooperation to Education

To summarize the overview given in this chapter about international debate and trends in development assistance to basic education, and trends in the sector support and the approaches taken, the emphasis is now on capacity development through support provided using a PBA while harmonizing aid, aligning it to the plan/strategy of the developing country itself and establishing the ownership of that country and the partnership among stakeholders. As a conclusion of this chapter, we propose an Integrated Framework for international cooperation to education, based on the premise that the education sector program support through PBA is effective in achieving the EFA goals, served by mechanisms such as the EFA-FTI. This Integrated Framework incorporates both improvements to the education sector overall and capacity development aimed at achieving the EFA goals. It is designed to provide a conceptual framework for the promotion of education sector support whilst being converted into programs.

In line with the discussion so far, Fig. 1.1 shows a rough diagram of the Integrated Framework. The constituents of the framework, as given on the left in the diagram, can be roughly divided into the poverty reduction framework and the education sector. The poverty reduction framework is a form of support that includes the "general budget support" that has been propelled by the World Bank and the UK since the

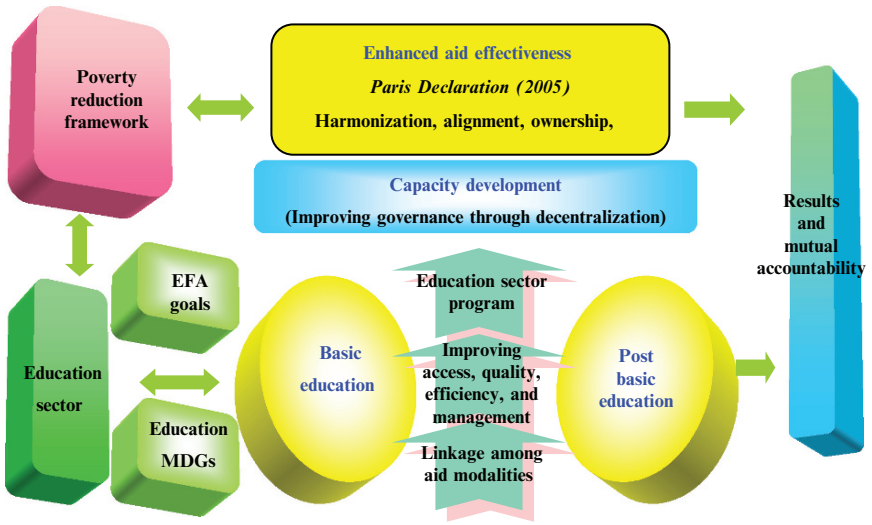

Fig. 1.1 Diagram of an integrated framework for international cooperation to education

second half of the 1990s and features the adoption of the Poverty Reduction Strategy Paper (PRSP). However, the injection of urgent general financial support in fact revealed the lack of the political conditions and governance required to make such support function effectively. Thus the poverty reduction framework had to undergo change until the Paris Declaration on Aid Effectiveness of 2005 was agreed upon. Since then, capacity development has been assigned the role of strategic technical cooperation fundamental to the promotion of harmonization and alignment and the establishment of ownership; the improvement of governance, especially in the context of decentralization, has become an issue to be addressed.

Against this background, the achievement of EFA goals and educational MDGs is being recognized as leading to poverty reduction, and the education sector as playing a key role in the poverty reduction framework (Caillods and Hallak 2004). The education sector has several dimensions that constitute the nucleus of the Integrated Framework: (1) the mutual interaction between stakeholders in building a partnership; (2) the liaison of the subsectors including basic education and post-basic education; and (3) the liaison of the aid modalities. By integrating these dimensions, the principal challenges in sector development, namely improvements in access, equity, quality, efficiency, and management improvement, should be turned into programs. In this form of education sector program support, it is vital to promote capacity development in developing countries. As the Paris Declaration emphasizes, these programs will be scrutinized for bringing success in achieving EFA goals and education MDGs.

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Chapter 2
A Conceptual Model for "Indigenizing" Education Reforms and Capacity Development in Developing Countries

[1]Yasushi Hirosato

2.1 Introduction

After the mid-1990s, the World Bank, the UK, and some other donor countries and agencies undertook a policy change from structural adjustment initiatives based on the neoliberalism of the 1980s to placing poverty reduction in developing countries at the top of the agenda. To achieve this goal, the developing countries' governance had to be strengthened and the best route to the creation of good governance needed to be explored. This switch in policy encouraged the emergence of a poverty reduction framework which placed emphasis both on developing countries' "ownership" of the development process and on greater collaboration among donor countries/agencies in allocating and administering aid.

Regarding aid modalities, the conventional cost–benefit/effective approach that was based on the "production function model" which used efficiency as the chief criterion divulged certain limitations. Thus, under the poverty reduction regime with the aim of realizing good governance, conventional project-type aid decreased and was increasingly replaced by general or sector budget support. Support for sector programs, using the sector-wide approach (SWAp), also increased with the explicit goal of reducing poverty, and often included a sectoral focus on education or health.

This chapter deals with educational development in low-income developing countries using an approach rooted in political economy which employs a new cost concept. An attempt is made to interpret both the governance-oriented aid philosophy that has become accepted throughout the education sector under the recent poverty reduction framework, as well as the framework of sector program support aimed at improvements throughout the entire education sector. Section 2 discusses the historical background to, and the significance of, the prominence of sector program support. Section 3 suggests an outline for an educational development model from the perspective of a political economy approach using the concept

[1] This chapter was based on previous works published in Hirosato (2001), and Hirosato and Hayashida (2006). It also owes to discussion presented in Riddell (1999). The views expressed in this chapter do not reflect the views of the Asian Development Bank.

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of internal and external costs. In conclusion, positioning of such a conceptual model is discussed as an educational development model incorporating "indigenous" capacity and the remaining future challenges are highlighted.[2]

2.2 Changing Conceptual Trends in International Aid for Educational Development and "Sector Program Support" in Education

2.2.1 Brief History of Current Thought on Educational Development and Cooperation

Full-scale effort for educational development was triggered by the success of the human capital theory propounded in the 1960s. This theory constitutes one of the backbones of modernization theory of that age. In real terms, it dramatically increased education aid to developing countries. The resulting rapid increase in school enrollment rates is described as "the education explosion." In the 1970s, the acute nature of the north–south problem grew in prominence due to the advent of dependency theory and world-system theory based on neo-Marxist ideology. Despite criticism of human capital theory and modernization theory from these theories, education aid for developing countries continued to expand. During the Cold War, the goal of keeping developing countries within one's own camp or of maintaining a presence in those countries became factors in continuing education aid. Furthermore, the rapid economic development experienced by some developing countries at that time (mainly in East and Southeast Asia) was regarded in no small part as the result of educational investment.

Two oil crises prevailed. The debt accumulation of developing countries increased and many developing countries' governments faced the danger of financial meltdown. In the 1980s, the International Monetary Fund and the World Bank attempted to address this debt problem with their structural adjustment policies. These were liberalization and deregulation policies focusing on a more competitive market mechanism, based on neoliberal theories. The same policy package was actively introduced in the developed countries of the West, spurred by pro-small government Thatcherism and Reaganomics that were in their heyday at the time, as well as in Latin America and sub-Saharan Africa. However, in developing countries, the negative impact of structural adjustment policies was an escalation of poverty due to financial expenditure cuts made into social development sectors such as education and health. In sub-Saharan Africa, this became a period sometimes referred to as "the lost decade." The development of primary education there came to a standstill or, even worse, regressed (Samoff 1995, World Bank 1988).

[2] This chapter essentially aims to construct a preliminary conceptual model. At this time, it does not involve any verification of the model using actual monetary or numerical indicators.

As the 1990s approached, various attempts were made to overcome the failures of the 1980s. Notably, the United Nations Development Programme (UNDP) published its Human Development Report in 1990 and put forward a new concept geared toward human-centered rather than economy-centered development. The World Bank adopted poverty as a main theme in the World Development Report 1990 and emphasized greater investment in the social sector, by incorporating the human development concept developed by Amartya Sen known as "Capability Approach." Sen also took a leading role in criticizing structural adjustment policies (Sen 2000). Similar criticisms were asserted by the New Institutionalist Schools, associated with thinkers such as Joseph Stiglitz.[3] Development economists such as Sen and Stiglitz reexamined the relationship between the state and the market with regard to promoting economic development, stressing the importance of the government's role and of the social system in producing justice and individual welfare.

Faced with criticisms of this kind, the World Bank and donor countries/agencies claimed the necessity of developing countries' governments establishing greater "ownership" of development efforts and of strengthening their partnership with donor countries/agencies. The World Bank and donor countries and agencies refocused their efforts on the creation of a more comprehensive development framework and on poverty reduction. Specific examples of resulting policy initiatives include: the adoption in 1996 of the New Development Strategy by the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC 1996); preparation of the Poverty Reduction Strategy Paper starting in 1999; and a White Paper on International Development reflecting the British Labour Party's new welfare state ideal (Command for Her Majesty 2000). As a result of the influential role of the World Bank and some donor countries, mainly the UK, poverty reduction strategies became a major policy goal for most donor countries/agencies. After the United Nations Millennium Summit of 2000, the UN adopted the Millennium Development Goals (MDGs) for poverty reduction. In this way, the poverty reduction regime came to its current level of prevalence.

In 1990, at the World Conference on Education for All (EFA) held in Jomtien, Thailand, EFA Goals for 2000 were agreed upon in order to break the standstill in primary education development. Moreover, the switch to the poverty reduction regime urged a renewed priority in basic education so that it would lead to poverty reduction. In 2000, the World Education Forum held in Dakar, Senegal, reconfirmed these EFA Goals. Meanwhile, MDGs established the goals of universal completion of primary education and the elimination of gender inequality in education by 2015 (UNESCO 2000).

[3] Stiglitz was the World Bank's Senior Vice President and Chief Economist between 1997 and 1999. He led the policy adjustments of the World Bank at the time. According to him, development is comprehensive change requiring transformations of politics, government, society, and culture beyond purely "economic" change in the narrow sense (Stiglitz 1998).

2.2.2 *Changes in Aid Policy and Modalities – New Concepts and Methods*

The reorientation of aid policy to primarily target poverty reduction was not simply limited to the review of budget cuts in the social sectors including education. Significantly, greater attention was given to improving conditions under which aid would function more effectively. An important element of this policy shift was to improve those political structures and social organizations in developing countries, which otherwise diminish the positive effects of aid. Specific issues to be addressed in an attempt to improve developing countries' governance include: prevailing government corruption; lack of transparency in the policy decision-making process; lack of accountability; disregard for, or the inadequacy of, law; and the inefficiency of the public sector. The shortcomings in governance came to be recognized as a bottleneck impeding development.[4]

This new focus on improving governance led at the same time to a reassessment of the conventional modalities and methods of aid provisions. Aid for individual projects had been the general method used until then. Two fundamental criticisms of this method were: (1) appropriate positioning of the project within the whole sector was difficult, and (2) sector improvement targets were unclear and inconsistent. Moreover, this method did not lead to questioning of how to improve the country's governance. Thus, during project implementation, structural profiteering often emerged, impeding both "ownership" and "indigenous" capacity development. Compounding these problems was the fact that the approaches and procedures of donor countries/agencies differed from one another, resulting in slower aid coordination and higher transaction costs for the developing countries. The administrative capacity of developing countries to effectively organize such diversity was often exceeded, limiting absorption of aid.

By way of responding to such criticism, the World Bank, the UK, and Scandinavian countries led the way for many other donor countries/agencies by introducing two changes. The first change was to introduce specific criteria in improving governance as one of the goals within their poverty reduction strategy requirements. The second change was to develop a new method of aid provision to replace the conventional project-oriented approach. These changes resulted in the adoption of sector program support using SWAp (Buchert 2000).[5] A prime example of this new method is sector budget support, wherein donor countries/agencies contribute to a common "basket" and administer unified control over aid funds together with the developing country's government within the sector (Warrener 2004).

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[4] Under the poverty reduction regime, international aid agencies and donor countries became involved in democratization and human rights issues, with increasing "politicization of aid."

[5] Sector program support using SWAp is known by different names depending on the donor country or aid agency but can be regarded as having the following basic requirements: (i) it targets the entire sector; (ii) there is a consistent sector policy; (iii) the developing country has ownership; (iv) all aid agencies and donor countries are guaranteed participation; (v) the procedure for cooperation is shared through aid collaboration; and (vi) the use of a long-term consultant(s) is to be kept to the minimum. The first definition of the sector program was given by Harold et al. (1995).

In brief, sector program support is a process promoted under the poverty reduction regime whereby a consistent sector policy and a unique sector development program are initiated by the developing country itself. Progress is assessed by improvement in specified targets within the overall sector as well as its subsectors, and the monitoring and evaluation of which is conducted jointly by the developing countries' governments, and donor countries/agencies.[6] In this way, sector program support aims to ensure transparency by eliminating the inefficiency and corruption/structural profiteering that often afflicted the project-type aid approach. This new modality is designed to reduce developing countries' aid dependency in the medium to long term and to establish their "ownership" of the development process so as to increase the developing country's "indigenous" capacity to meet their development challenges.

2.2.3 An Interpretation of the New Modalities and Methods of Allocating Aid, and the Need to Create a Model

What theories and concepts can be employed to model these policy changes in international aid? Setting aside debate of the positive and negative effects of the structural adjustment policy itself, the efficiency approach based on the economic rationale of market and competition principles had a pronounced impact on aid policy by establishing that efficiency criteria can certainly measure and evaluate the optimal distribution of a resource. However, the criticisms leveled by Sen and Stiglitz on the limitations of the efficiency approach highlighted the fact that it has little bearing on whether or not the distribution of the resource is socially desirable. Moreover, if one relies solely on efficiency criteria to implement policy across the board, the socially disadvantaged inevitably bear the negative impact of changes. The efficiency approach therefore cannot by itself produce a theory or policy that will solve the problem of poverty.

Application of the efficiency approach in the education sector during the structural adjustment era in the 1980s was based on the "educational production function," which expresses the profitability of educational investment at the national level, and at the project level as a function of costs and benefits of education inputs and outputs.[7] Despite the application of this approach to maximize the cost-efficiency of investments in education, the policy goal of universal primary education, upheld for over half a century since the second half of the 1950s, is still part of the EFA Goals and MDGs.

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[6] However, it has been pointed out that coordination between the poverty reduction strategy and the education sector was inadequate (Caillods & Hallak 2004). Vast improvements on this score have been made through the Medium-term Expenditure Framework (MTEF) which includes general financial aid accompanying the implementation of the poverty reduction strategy, and also by the E-MTEF directed at the education sector.

[7] In the 1990s, the "effective school model" was employed at the school level. This model incorporated a variable relating to education process, which had been a black box in the early "education production function" (i.e., the head's leadership in a school or the learning environment). This model also was an application of the "education production function" approach that conceptually prioritizes efficiency.

This fact alone bears witness to how difficult it is to attain the goal of universal primary education and indicates that sheer pursuit of efficiency cannot achieve this goal.

The equity approach, rooted in social justice theory, emerged to replace this efficiency approach. One example of this shift is the British Labor Party's new welfare state ideal applied to developing countries. This example is particularly pertinent in the context of the education sector, where aid policies' impact is often significant and directly felt, and the distribution of resources is more likely to be a question of public choice than in other sectors. As opposed to the efficiency approach, the approach which prioritizes equity is an attempt at reaffirming the existence of a political domain. It is important to keep in mind that efficiency is still essential; indeed the "aid fatigue" of the developed countries has resulted in a short supply of aid resources, and donor countries/agencies have begun to tighten their accountability requisites. Theories that ignore efficiency, such as the dependence theory, may revert to the ideological battleground or may lead to financial collapse by leaving inefficiency left unchecked. This is the reason why we need a new approach or model that integrates these efficiency and equity approaches.

2.3 An Outline of a Political Economy Model in Educational Development

2.3.1 Integration of the Efficiency and Equity Approaches

A wide variety of definitions and approaches originally exist in political economy. The method used in this chapter is an approach new to educational development stemming from the political economy that integrates two concepts of efficiency and equity, and is similar to the approach of the New Institutionalist School.[8]

[8] Because of the existence of a wide variety of theories in the field of political economy, it is difficult to give a strict definition of the discipline. It is possible to distinguish three broad strands classified within this field, although it has already been suggested that a diversity of political economy exists outside these three categories: (i) with regard to development policy and strategy of governments and donor countries/agencies, the International Relations approach that examines the mutual action among all sectors (central and local government, donor countries/agencies, non-governmental organizations, local community, school, and teachers) in the overall education system structure in the education reform process; (ii) the Neo-Marxist approach that regards development as the product of class struggle between states and within states; and (iii) the New Institutionalist School approach that reexamines the roles of government and the market, taking a critical view of neoliberalised pursing efficiency. It would be justifiable to position this chapter as most closely related to the New Institutionalist Approach that reassesses the roles of government and the market. The common features of all three of political economy's categories is that they are not bound by any narrow theory of economics of education which would try to maximize the efficiency of the education system based on the education production function, or scrutinize a supply-and-demand mechanism in the education and labor market.

A prior attempt to integrate these two different concepts can be found in Stiglitz's public policy model.[9] Stiglitz shows that efficiency and equity exist in a trade-off relationship and expounds that policy choices can be plotted on these two axes of efficiency and equity criteria. Thus, to discuss these two approaches using two variables, it is necessary to consider appropriate, measurable indicators. If we take one of the variables to be a quantitative indicator such as school enrollment rate, "cost" can be used to approximate investment and be used as the other variable.

However, policy implementation necessarily brings about both positive and negative exogenous effects. Because exogenous factors need to be included in a "cost" variable when assessing the entire policy outcome, there is need for a conceptual model that handles as "cost" all the external effects including equity. The first to create a model for such a concept were Buchanan and Tullock, who proposed a model of decision-making from the political economy perspective (Buchanan and Tullock 1999).[10] This section begins the following discussion using their model as a basis for investigation, taking quantitative indicators as explanatory variable (Q) and cost as the dependent variable (P). Then, a new model employing the political economy approach to educational development is developed, by providing the author's own interpretation to internal, external, and total cost concepts defined by Buchanan and Tullock and supplementing Stiglitz's public policy model.

2.3.2 Internal Cost, External Cost, and Total Cost

The following is an explanation of the concepts of internal cost, external cost, and total cost, which constitute this model.

2.3.2.1 Internal Cost

Internal cost can be defined as the rate of marginal cost (Marginal Internal Cost) associated with any increase or decrease in spending needed to maintain or expand the education system. This "cost" can be subdivided into two subcategories. The first subcategory can be labeled as "software cost," which comprises the outlays

[9] Stiglitz proposed a model in which efficiency and equity are in a trade-off relationship assuming optimal resources allocation as is found in welfare economics when the Pareto optimality is realized (Stiglitz 1993).

[10] Buchanan and Tullock introduced the cost concept into the public decision-making process in a society. Cost was used as a dependent variable and the number of people involved in a society's political decision making (same as public choice – "decision") was taken as an explanatory variable. The cost of obtaining the consent necessary to reach a decision was marginal internal cost and the opportunity cost paid by people who are excluded from the decision was marginal external cost. These costs were said to be in a trade-off relationship and their total value was shown to be the total cost involved in that society reaching a decision (Buchanan and Tullock 1999).

required to create the necessary organization/system to make an education system function and to deploy staff. Some examples of these outlays are: the creation and implementation of a school establishment plan; the creation of a school management system, chain of command, and organization that links each school with central and local governments; the creation of organizational and management systems within schools; the recruitment and deployment of teaching and non-teaching staff; the creation/development of curriculum; and the implementation of teacher training/qualification examination. The second subcategory can be labeled as "hardware cost" which are the outlays made for actual goods or labor. A few examples of such outlays are: the construction of schools/teaching equipment; the creation/distribution of textbooks/teaching materials; the maintenance and management of schools; and staff salaries.

All these costs are contained in the explanatory variable x (the unit of the x-axis is a quantitative indicator, Q, such as school enrollment rate and other quantifiable educational indicators), and cost is the dependent variable y (the unit of the y-axis is the hypothetical converted sum of cost, P). The internal cost function can thus be expressed in terms of x and y as in Fig. 2.1 [I: $y = f(x)$].

Educational development incurs large expenditures during the initial stages of investment. Initial outlays required for system and institution creation include facilities, equipment, textbooks, instructional materials and teacher training, all of which are expressed as internal cost. As education diffuses in a society, this cost diminishes. As school enrollment rates rise, the marginal cost needed per pupil to keep children in school decreases. High internal cost at the initial stages of investment gradually falls as a result of accumulated experience and learning. For example, initial provision of school facilities and equipment requires much more time and money than its replacement in later years. Similarly, the first round of introducing textbooks and instructional materials requires assembling and explaining a greater body of knowledge than revision and improvement of subsequent editions. Therefore, this function is a decreasing one (Fig. 2.1).

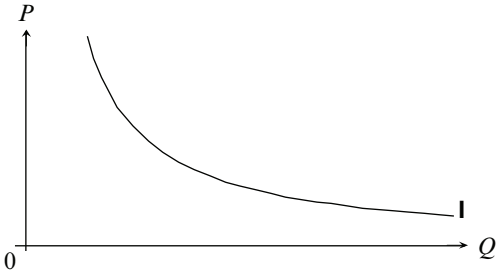

Fig. 2.1 Marginal internal cost curve (Hirosato and Hayashida, 2006)

2.3.2.2 External Cost

External cost can be defined as the rate of marginal cost (Marginal External Cost) associated with any increase or decrease in cost falling outside those areas defined as internal cost but still related to education and its outcomes. Another way to describe external cost is the social cost that society has to pay for results related to or stemming from, but other than, the actual creation and operation of the education system itself. External cost therefore includes political, social, and cultural factors, including cost for rectifying gaps that arise from discrimination and class structure. In addition, external cost includes some money associated with internal cost. One example is the illegal diversion or reallocation of funds due to corruption or profiteering, or money wasted through inefficiency and redundancy within the education system. In the broad sense, external cost can be regarded as political and/or broadly defined institutional cost.

External cost cannot therefore easily be quantified in fiscal terms but it can be expressed as the external cost function E. In parallel with internal cost, Fig. 2.2 gives the representation of the function $g(x)$ [E: $y = g(x)$].

In contrast to internal cost, external cost is an increasing function. As educational indicators improve, such as an increasing school enrollment rate, the policy agenda shifts to the achievement of equal access for disadvantaged groups, including the poor and ethnic minorities. These groups exist on the margins of society, which means that educational service is often provided to them through a more decentralized educational administration/management. Decentralization in many developing countries entails the risk of disseminating corruption and profiteering that exist at the central level to the local level. Inadequate governance is a problem often graver at the local level than at the level of national government. Thus, the assumption here is that external cost tends to increase, if school enrollment rate is to be improved in the context of decentralization.

Developing countries are often not comprised of uniform social or cultural groups. There are many groups, such as ethnic minorities in mountainous or remote rural areas, whose homogeneity differs from the majority and therefore results in exclusion in social or cultural terms. One facet of public education in developing countries is the assimilation of these groups into the education system, which incurs

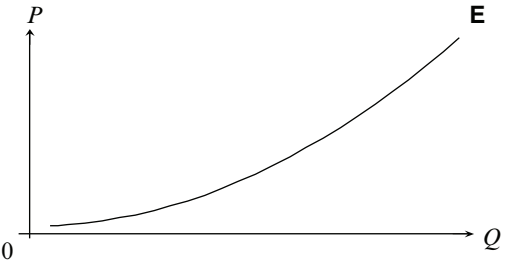

Fig. 2.2 Marginal external cost curve (Hirosato and Hayashida, 2006)

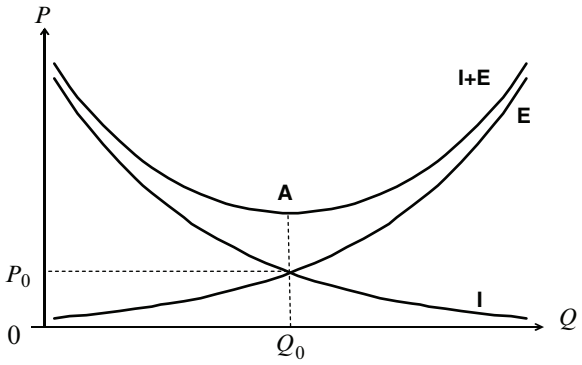

Fig. 2.3 Marginal total cost curve (Hirosato and Hayashida, 2006 based on Buchanan and Tullock, 1999)

a high political cost. This is another reason why external costs are expected to rise as education becomes fully universal.

2.3.2.3 The Total Cost of Education Systems' Creation and Management

The sum of internal cost and external cost as described above Sections 2.3.2.1 and 2.3.2.2 is the marginal total cost (Total Cost), which is the cost required for a society to finance the creation and management of an education system.

We can therefore describe the relationship between the two types of costs as being in a trade-off relationship, expressed as follows: $[I + E: y = f(x) + g(x)]$.

Figure 2.3 depicts the intersection (A) of the two curves. This is the minimum point of the Total Cost, or in other words, the optimum point. However, point (A) is merely the optimum point of both costs[11] and bears no direct relation to the condition of social desirability. Consequently, the decision-making on what is best for a country or society, in other words, what kind of policy is the best, has to rely on a political decision (public choice) as was discussed earlier.

2.4 The Factors and Conditions Related to Shifts in the Model

Based on the model shown above the factors that influence and conditions that effect change (shift) in the two cost curves are now considered.

[11] This means the same as the Pareto optimality. Figure 2.3 is different from an exact diagram often used to explain the Pareto optimality, but uses Internal Cost and External Cost to replace the two assets in the Pareto diagram.

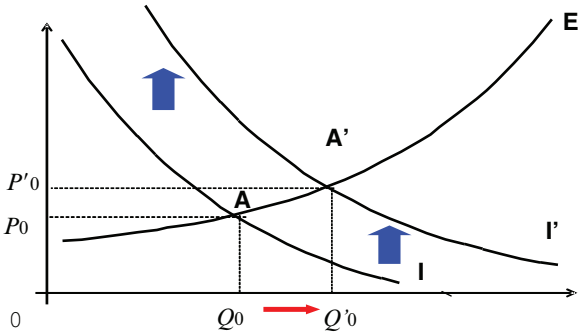

Fig. 2.4 Internal cost shift: example of an upward shift due to additional investment (Hirosato and Hayashida, 2006)

2.4.1 The Conditions Which Effect Internal Cost Curve Shift (Fig. 2.4)

First let us consider additional investment in the education sector, such as the deployment of resources by the developing countries or the provision of aid by donor countries/agencies. When a certain amount of additional investment is made, the internal cost curve (I) will shift upward. The result of this additional expenditure for development and management of the education sector is both an increase from the equilibrium point of Total Cost at (P0) to (P′0), as well as an increase in the equilibrium level of the education indicator from (Q0) to (Q′0). By contrast, if investment is reduced, the cost curve shifts downward and cost indicator will decrease accordingly. In summary, the condition under which the internal cost curve shifts is either the addition or reduction of investment (including aid) to the education sector.

2.4.2 The Conditions Which Effect External Cost Curve Shift (Fig. 2.5)

In contrast to the conditions which effect the internal cost curve, the conditions which effect external cost curve shift are political and/or institutional factors, specific to each society. One pertinent example is the issue of governance. Supposing that there is a developing country with a lack of governance, the external cost curve (E) will remain upward from the outset since vested interests and privileges are structurally enshrined and/or corruption is rife in the bureaucracy, and additional, nonproductive costs have been superimposed in various guises.

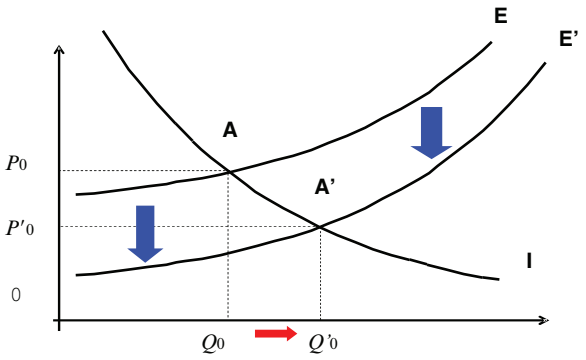

Fig. 2.5 External cost shift: example of downward shift due to governance improvement (Hirosato and Hayashida, 2006)

In Fig. 2.5, we see that at the equilibrium point (A), despite a high Total Cost, the equilibrium level of the education indicator remains low. In such a country or society, even if additional investment is made (shifting the internal cost upward), only a small positive impact on educational provision will be seen. However, if a developing countries' bureaucratic and administrative governance is improved, the external cost curve will shift downward. When the external cost curve shifts down the equilibrium point (A) moves to (A'), Total Cost (P0) decreases to (P′0), and the equilibrium level of the education indicator increases from (Q0) to (Q′0).

In summary, conditions which bring about a shift in the external cost curve are an increase or decrease in the political or the broadly defined institutional costs which relate to the education system. These conditions can alternately be described as the increase or decrease in the cost imposed by social and cultural factors inherent to the developing country on its education system. A prime example is an upward shift of the external cost curve in a society that is devastated and left in chaos by war or civil unrest. In such a situation, the negative impacts of high costs as described by this model are indeed borne out in the educational development of countries where civil war has raged for many years.

2.5 The Question of the "Quality" of Education

The above investigation of the relationship between educational indicators and cost can be extended to the question of the "quality" of education. Though indicators such as learning attainment are used as criteria for measuring the quality of education, in fact they are not pure "quantitative indicators" like school enrollment rates. However, they are often discussed in terms of educational investment and defined as the dependent variable in the "Education Production Function." In this way, the efficiency criterion of cost-effectiveness is converted to the question of quality. In short, we see here an assumption that efficiency and "quality" are always in a positive correlation.

However, in the model put forward by this chapter, in which the concept of Total Cost using the external cost curve (E) is applied, the area where cost-effectiveness is positive lies to the left of the intersection point (A) between the internal and external cost curves, as shown in Fig. 2.3. As we move from levels of initial investment toward (A), the difference between the two costs narrows. In the sphere to the right of point (A), the external cost curve (E) overtakes the internal cost curve (I) and the cost-effectiveness relationship just described no longer holds true. In other words, in the sphere to the right of point (A), the pursuit of efficiency does not necessarily result in improved quality.

This model therefore graphically represents the fact that making policy decisions using the efficiency approach becomes more difficult in the sphere to the right of point (A). The question of "quality" becomes more central in this sphere of the graph, necessitating a policy choice based on a different approach. Simply stated, we see here increased validity of policy-making not solely rooted in efficiency criteria. Quality is a policy issue that can only be resolved by recourse to other approaches, such as that of equity (especially equality of learning attainment). The cost of improving quality-related criteria is reflected in the sharply rising external cost curve as we move toward the right edge of the figure.

2.6 Efficiency (Economic) Domain Versus Equity (Political) Domain

Based on the concepts and ideas presented so far, let us now consider the relationship between this model and real educational development policies. As Fig. 2.6 shows, in the sphere to the left of intersection (A) in the model, the internal cost curve (I) reflecting the high initial cost of education sector development/expansion

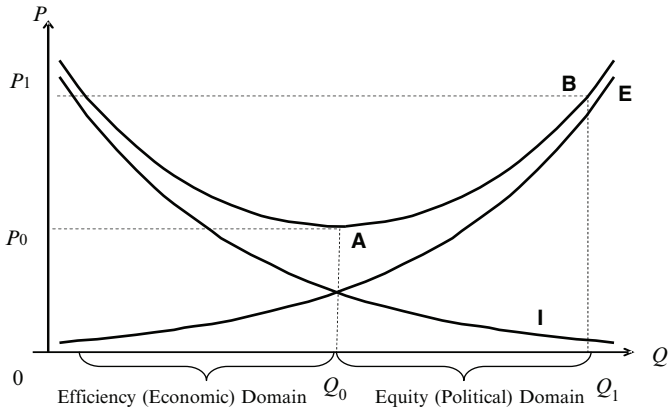

Fig. 2.6 Efficiency domain and equity domain (Hirosato and Hayashida, 2006)

decreases sharply until it reaches point (A), and thereafter never rises above the external cost curve (E). In short, in the sphere to the left of point (A), efficient investment and equity issues do not contradict economic rationality, and efficiency gain is guaranteed by positive cost-effectiveness. In other words, in this sphere, the quantitative expansion of education coincides with economic rationality.

In contrast, in the sphere to the right of point (A), the internal cost curve (I) and the external cost curve (E) are in opposite relation to one another, and the further right one goes, the more sharply the external cost curve rises. That is, investment made in this region has parted company with economic rationality, and the degree to which external cost exceeds positive cost-effectiveness increases continuously. In this sphere, the criterion that justifies investment is the political value assigned to any "measurement" of equity.

In summary, the sphere to the left of point (A) can be described as an efficiency (economic) domain, whereas the sphere to the right is an equity (political) domain. Achievements of numerical indicators that are often listed as policy targets (e.g., universal completion of primary education as targeted by the EFA goals or MDGs) means reaching near point (B) in Fig. 2.6, but the closer we get to point (B), the more distant we become from the efficiency criterion, and the more strongly we must rely on the equity criterion. The other side of the coin is that the cost curves are mutually dependent: it is not as if efficiency and equity are clearly separated at point (A); the nearer we move to intersection (A), the more the two elements coexist.

Using these two types of cost curves, this model is thus capable of simultaneously showing both economic rationality represented by the efficiency approach and reflecting consideration of political values as represented by the equity approach. This model can therefore be regarded as a political economy model.

2.7 Conclusion and Future Challenges

2.7.1 The Principles, Framework, and Methods of a New Aid Policy and a Model for Educational Development Based on Indigenous Capacity

This last section considers the implications of the proposed conceptual model with regard to aid policies and educational development, and concludes by commenting on its potential as a model for educational development based on indigenous capacity.

The advent of human capital theory in the 1960s precipitated a new wave of investment in education, both for domestic education budgets as well as for the provision of aid. The continuation of this decade's long trend has continuously shifted the internal cost curve for most developing countries upward in their education sector. As a result, school enrollment rates have consistently risen.

One factor moving counter to this trend was when developing countries faced financial disaster during the debt crises worsened in late 1970s and early 1980s.

Structural adjustment policies, designed to offer redress from oppressive debt, cut education budgets which shifted the internal cost curve downward, and in turn, school enrollment rates either stagnated or declined. Structural adjustment policies later met with severe criticism and in the 1990s and after, international trends formed in favor of increasing aid toward the social sector, including education. Then, the poverty reduction regime emerged in the late 1990s.

Achievement of universal completion of primary education as upheld by the EFA Goals and MDGs is a policy target that is positioned near point (B) of Fig. 2.6. While such international policy targets may condone an increase of external costs, they rely on criteria that prioritize the principle of equity. To achieve such a policy target in a low-income developing country, a government must rely on significant investment, namely aid from donor countries/agencies, in addition to the national resources which can be allocated toward this end. One example of this is the EFA Fast-Track Initiative (EFA-FTI). The EFA-FTI was conceived as a means of accelerating improvement of EFA goals and MDGs, and is a mechanism for mobilizing such additional funding.[12] It can be regarded as a measure that, if successful, will shift the internal cost curve upward.

Meanwhile, the limitations of the conventional project-type aid approach became clearer. Overlapping and uncoordinated development projects initiated by numerous donor countries/agencies resulted in high coordination and transaction costs for recipient governments. Enormous increases in external cost subsequently arose due to bureaucratic corruption and structuralized profiteering during project formation and implementation. To overcome this problem, reducing external costs (shifting the external cost curve downward) became a prime concern. This meant overcoming political, systemic, and social bottlenecks through improvements in governance, not only on the central but also at the local government level (Command for Her Majesty 2006).

Education sector program support using SWAp, including budget support, replaced the conventional project-type aid approach. Education sector support is a framework and method of aid provisions that aims to improve the entire sector and related governance in the medium to long term. In its implementation, focus is placed on the capacity development process in order to improve the problem-solving abilities of individuals, organizations, and society in developing countries.[13] In addition, many sector program support efforts incorporate target programs that aim at promoting equitable access to education by poor families and ethnic minorities. These policies aim at closing the gaps in education among the population, which in turn means a downward shift of the external cost curve.

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[12] See Kitamura (2007) for details of the purpose, significance, and implementation of EFA-FTI.

[13] There is a view that the rapid introduction of sector program support including general and sector budget support as part of the poverty reduction strategy resulted in deepening aid dependency and impeding ownership in developing countries. To redress the situation, the focus is shifting to creating and improving the policy/institutional environment that would be ready to receive budget support. Technical cooperation projects that would promote the capacity development process now tend to be actively implemented as part of sector program support (DFID 2004).

As can be seen in the political economy model of educational development presented here, an upward shift of the internal cost curve and/or a downward shift of the external cost curve are likely to improve educational indicators (such as school enrollment rates). To lay the path for educational development based on indigenous capacity, it is imperative to mobilize developing countries' resources with respect to the internal cost, and to improve governance with respect to the external cost. General budget support for poverty reduction and education sector program support including target budget support can be regarded indeed as a means of internalizing additional investment through aid (converting to internal cost) with the improvement of developing countries' ownership of the development process.

2.7.2 Challenges for the Future

This chapter introduces a model describing the political economy of educational development in developing countries. This model attempts to incorporate internal and external costs toward the goal of integrating the efficiency and equity approaches. While this chapter does not offer quantitative verification of the conceptual model, it is necessary to improve the model itself so that the model can quantitatively examine the conditions under which the internal and external cost curves shift. To this end, the highest priority is to conduct an empirical case study of an individual developing country where sector program support is underway. In terms of both internal and external cost, achieving educational targets set out in the EFA goals and MDGs remains a difficult policy challenge. Thus, it is necessary for such case study to show how concrete targets would be achieved in actual policy-making and scrutinize the relevance of the conceptual model proposed in this chapter.

Although it was an initial objective to examine this conceptual model through three country case studies presented in Part II of this book, sector program support has not yet been fully implemented and evaluated in any of these three countries and it would be premature to apply this model to analyze the political economy of educational development in these countries of Indochina.

In several countries in different parts of the world, however, sector program support using SWAp has moved from the preparation stage to the implementation/evaluation stage (Williams and Cummings 2005). In such a stage, analysis of each actor's behavior within the education system or in the education reform process deems necessary, and requires the political economy approach of International Relations which can consider the interaction and dynamism among all stakeholders (Hirosato 2005). It is still early days for educational development to be examined from the perspectives of political economy, but hopefully the conceptual model proposed in this chapter will be of some help in designing and implementing sector program support that promotes educational development based on indigenous capacity.

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Chapter 3
An Analytical Framework of Educational Development and Reform in Developing Countries: Interaction Among Actors in the Context of Decentralization

Yuto Kitamura and Yasushi Hirosato

3.1 Introduction

Effort toward diffusing basic education in developing countries is a widely shared international agenda through the designation of the Education for All (EFA) goals and the UN Millennium Development Goals (MDGs). Diverse actors of the international community are promoting educational development aid. Influenced by such international debate and support, many developing countries are upholding as their policy goals such issues as the diffusion of primary education and the elimination of the gender gap relating to educational opportunities. Education reforms aimed at realizing these outcomes are ongoing. What has become accepted more recently as the model for international cooperation in the education and other sectors is the effort to harmonize aid and to make it compatible with the plans and strategies of the developing countries themselves, thereby attempting to establish the ownership of developing countries and the partnership among actors, as was encapsulated in the Paris Declaration on Aid Effectiveness adopted in 2005 (OECD High Level Forum 2005), and discussed in Chapter 1.

Nevertheless, it has to be said that in many developing countries there remains a long road toward achieving these goals. The reasons for this are multifarious, depending on each country's particular circumstances, but a common thread among all countries is the frailty of the capacity of the education sector in terms of its systems, organizations, and human resources. To achieve the educational development goals as typified by the EFA goals, the key issue is how to strengthen such capacity. In educational development aid today, it has become essential to consider the capacity development of the entire education sector. To encourage capacity development and to improve the learning environment in a sustained manner, what we need is improvement of

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the governance structure, including the promotion of decentralization and the reduction of transaction cost.[1]

In the context of such problem awareness, many developing countries are introducing the Program-Based Approach (PBA), which includes the Sector-Wide Approach (SWAp), which is designed to give assistance directed at the entire sector.

In some countries, sector program support using SWAp/PBA has already moved on from the adoption stage to the implementation and assessment stages. In these stages, the overall structure of the education system or the actions of the actors in the education reform process should be analyzed, with analysis using a political economy approach surveying the interaction and dynamism among actors (Corrales 1999; Crouch and Healey 1997; Crouch and DeStefano 1997; Hirosato 2001; Moulton et al. 2001; Pandey 2000; Williams and Cummings 2005). In other words, we must elucidate how decentralization progresses or how transaction costs can be reduced in the context of mutual interaction among the diverse actors who undertake the education reform process. However, research efforts adopting such interest are as yet few and far between. Therefore, this chapter aims to propose a framework for analyzing the interaction among actors in the educational development and reform process of developing countries with particular recourse to a political economy approach. Chapter 5 and the chapters in Part III use countries of Indochina as illustrations to investigate the applicability of the analytical framework hereby proposed. The focus of investigation is on how political actors relate to each other in the process of decentralization.

3.2 Partnerships Among Actors

3.2.1 Types of Actors

This chapter has so far outlined the perspectives needed in analyzing education reform in developing countries. Actors with a wide variety of differing positions in line with their own missions and roles undertake diverse activities. Among these activities, some are undertaken solo but others are undertaken in partnership with other actors. Whichever the case, there is a certain order based on certain kinds of precepts and values (e.g., the spirit of democracy and philosophy of

[1] The definition of "transaction cost" is generally taken to be the cost arising from implementing the preparations, negotiations, execution, monitoring, and agreement relating to the delivery of development aid and comprises (1) management cost (i.e., working time of staff), (2) indirect cost (e.g., poor ownership of the aid-recipient country, delay in aid dispensing), and (3) opportunity cost (e.g., when key government officials of the aid recipient needs to spend too much time managing the aid and cannot properly devote time to the policy-making that is their real job) (Bartholomew and Lister 2002). Furthermore, we need to extend the concept of transaction cost arising in aid recipients and include the transaction cost incurred in aid coordination.

human rights) agreed upon by the actors. Within this order, the interrelationships among actors evolve.

In particular, at the frontline of international educational cooperation, diverse actors with different positions cooperate with each other through the process of drafting, formulating, implementing, monitoring, and evaluating public policies in aid for realizing goals such as EFA or MDGs. By and large, these actors can be categorized into (1) governments of developing countries, (2) governments and aid agencies of developed countries (donor countries), (3) international agencies, and (4) civil society organizations. Within these categories are found even more diverse actors. In analyzing the mutual relationship of actors in the process of education reform, a classification of diverse actors involving further subdivision is necessary.

For this purpose, this chapter considers noteworthy points in the subdivision of actor categorization by verifying the analytical unit in comparative education research. Bray and Thomas (1995) classify the units for comparing the subjects of analysis based on the following elements: (1) geographic/locational levels (i.e., world regions/continents, countries, states/provinces, districts, schools, classrooms, and individuals); (2) nonlocational demographic groups (i.e., ethnic, age, religious, gender, other groups, and entire population); and (3) aspects of education and of society (i.e., curriculum, teaching methods, educational finance, management structures, political change, labor market, and other aspects). By combining these different elements, a more specific image of "subjects" in educational development (i.e., actors who undertake education reform) can be delineated. Also, Bray and Thomas list the effectiveness and problems respectively of the perspective on educational phenomena on the microscopic level (i.e., districts, schools, classrooms, and individuals) and the perspective on the macroscopic level (i.e., world regions/continents, countries, states/provinces). They claim that a more comprehensive understanding can be reached by carrying out a multilevel analysis that compares data on these different levels.[2]

For instance, when thinking about education in a developing country's society, which often comprises more than one ethnic group or culture, different ethnic groupings that exist within the country can become the unit of comparison. When there is a large difference in the internal structure of nations, the comparison between such nations cannot produce significant results. Therefore, what is needed is a comparative education study that looks into the internal workings of multicultural or multilingual nations. However, at the same time, faced with the reality that the framework of a nation state is still in firm existence, the nation as unit of comparison cannot be ignored.

Above all, as the mutual exchange system among countries are created along with the progress of globalization (e.g., the education aid system toward developing countries in achieving EFA and MDGs, and the exchange system

[2] An example of an area where multilevel analysis has achieved some success is the effective school research.

of students and researchers of higher education institutions between developed and developing nations), the comparisons of country-specific data are presented in greater detail, making us more conscious of the individuality of each nation. Furthermore, in today's context of international agencies and international nongovernmental organizations (NGOs) actively undertaking activities for the diffusion of education in developing countries, it is essential to conduct research on the impact of "supra-national" organizations and systems that surround the ethnic groups and nations concerned. Thus, in crossing over the microscopic analysis and the macroscopic analysis, the perspective of comparison is likely to be used.

As discussed so far, an analysis of the status quo on the macroscopic level alone cannot point to specific measures to tackle the various problems that are identified. From this view, research on the microscopic level is now deliberately being undertaken in recent research into educational development. A diverse array of methods are being applied to a wide range of areas, including the Living Standard Measurement Studies (LSMS) by the World Bank and other analyses of microscopic developmental econometrics based on systematic multipurpose household surveys, or surveys on class promotion, staying down, dropping out, by tracing student history within the school by mainly relying on individual file creation such as the Individual Students Tracing Method. There is bound to be an increasing demand in the future for such diverse analytical methods to be applied at different levels.

3.2.2 Forging Partnerships Among Actors

To properly establish the ownership of developing countries, it is important to build partnerships among actors of differing positions. The building of such partnerships is thought to lead to improved monitoring and evaluation of the implementation process of policies and to creating a framework for comprehensive financial support in the education sector.

In this partnership building, what has become a focus of attention in today's international educational cooperation is the coordination among international agencies and aid organizations. For instance, as a mechanism for providing concentrated assistance toward a specific area while capitalizing on the specialist strengths of each body, the Flagship Programs have been initiated since the World Education Forum in Dakar.[3] For many international agencies and aid organizations, the coordination that had existed before was often on an individual project basis. By contrast, the Flagship Programs were based on an "open partnership" whereby a number of international agencies and aid organizations (plus relevant organizations working in the relevant sector) form a collaborative relationship on a program

[3] For details of the Flagship Programs, see the UNESCO website, [http://www.unesco.org/education/ efa/know_sharing/flagship_initiatives/index.shtml] (retrieved in August 2007).

basis. This method of coordination is in keeping with the trend in international educational cooperation today where the main form of action is sector program support using SWAp/PBA. It is also an effective approach in building a medium- to long-term support system for developing countries.

In this way, with the increase in international educational cooperation given by international agencies and aid agencies of donor countries, education research in developing countries came to be greatly influenced by the needs and interests or even preference of international agencies and aid agencies of donor countries. The research carried out by these aid agencies is not only given importance in the formation process of education aid policies but also has come to affect the education policies of each country. As a backdrop to this situation, international agencies and aid agencies of donor countries "currently, for example, directly and indirectly … employ more researchers and commission more studies of African education than any African research institution and perhaps more than nearly all of them combined," writes Samoff with some sarcasm toward the situation widely found in African countries (Samoff 1999a, p. 79). When the studies by these aid agencies are conducted for the purpose of *consulting* for developing country governments, Samoff (1999b) alerts us to the danger that the independence of research becomes lost for the sake of justifying the flow of aid money and to the risk of making the developing country governments lose ownership.

Furthermore, nobody will disagree that even if we want to introduce and execute education reform in many developing countries, qualitative and quantitative deficiencies in human resources present obstacles to undertaking it. The importance of capacity development is widely accepted. Nevertheless, the various issues confronting developing countries cannot be addressed merely through the improvement of such individual capacity. That is to say, together with the capacity improvement of every policymaker or administrator who undertakes education reform, the institutional capacity that links the individuals or the network (sometimes referred to as social capital) must be strengthened (Smith 2005). Yet, the developing country's government does not necessarily lead the process of capacity development; rather, quite often, external actors such as aid agencies of donor countries or international agencies implement it more effectively. In this sense, it should be noted that although capacity development assists in increasing the ownership ultimately of the developing country government (including all the different levels of central and local government), it might come into conflict with the local ownership of the developing country in the process,

Then, as with trends in other development sectors, the role that civil society plays is increasing year by year also in international educational cooperation. civil society, which includes NGOs, foundations, teachers unions, and individuals, among the four categories of actors listed earlier, is increasing its role and more notably since the 1990s. For example, the Dakar Framework for Action adopted in the World Education Forum of 2000 pledges that the representatives of governments and international agencies that took part in the conference "will guarantee the involvement and participation of civil society in the adoption, implementation, and monitoring of educational development strategies (UNESCO 2000, p. 8).

Moreover, it stated that the national plan for the promotion of EFA "will be created through a transparent and democratic process that involves stakeholders such as people's representatives, community leaders, parents, learners and non-governmental organizations" (ibid, p. 9).

With the increase in the involvement of actors from civil society in the process of education reform, the roles required of them have changed. That is, the roles of civil society used to be thought of as mainly (1) to supply and implement service, particularly at grassroots levels; (2) to test out new and innovative ideas, often in smaller scale projects; and (3) to monitor and criticize public bodies, mainly governments and international agencies. Today, though, in addition to these roles above, the increasing trend is to strongly adopt the role of "policy partner." The context for this is the improvement of professionalism (capacity to conduct specialist research and information dissemination) in civil society together with the fact that it is now difficult to promote international educational cooperation without the mutually complementary relationship of governments and aid agencies with civil society.

Given this situation, Watkins (2000) of Oxfam, an international NGO, for example, compiled the Oxfam Education Report, in which he analyzes the diffusion of basic education in developing countries. Watkins (2000), in discussing the issue of inequality in education using the analytical method of Education Performance Index (EPI), levels the criticism that the inadequate involvement of international agencies and donor countries in education aid is posing an obstacle to education diffusion in developing countries. The appraisal of the views expressed in this report varies but its international impact was significant in that it was one of the propellants of the publication by UNESCO of the EFA Global Monitoring Report.[4]

3.3 The Framework of Mutual Relationships Among Actors

The development and reform of formal education of the postmodern era has basically been considered to be the responsibility of the state. Education planning, policy adoption, and implementation processes have been virtually under the monopoly of government authority. However, as Williams and Cummings (2005) note, there are far too many problems that need addressing in formal education and in many countries (especially developing countries), the state is unable to provide an adequate education service; therefore, against this backdrop, the involvement of

[4] For example, ahead of the EFA Development Index (EDI) being introduced from the 2003/04 edition of the *EFA Global Monitoring Report*, Watkins (2000) uses EDI to analyze the diffusion level of education in developing countries. However, whereas EPI is calculated using gross enrolment rate, completion rate, and gender disparity, EDI is calculated using gross enrolment rate, adult literacy, gender disparity, and survival rate up till Grade 5. Thus EDI is a more comprehensive index. This is because EDI is directly modelled on the Human Development Index of the Human Development Report.

nongovernmental actors in the education planning, policy adoption, and implementation processes have become indispensable. In other words, such domestic actors as parents, community, and local NGOs and such foreign actors as international NGOs and other civil society organizations form partnerships today with governments and become deeply involved in the education policy-making process. As globalization spreads, the consideration of factors other than the education system (especially economic factors) is becoming more important in making the policy decisions in the education sector. In this also, it is necessary to make policy decisions and implementations under partnership with NGOs, private enterprise, etc.

In analyzing the various aspects of education reform in developing countries today, it is important to understand what kind of partnerships these diverse actors form when trying to drive forward reform. Thus, bearing in mind the different perspectives that we have discussed so far, this section attempts to create a framework (diagram) of the interrelationship among actors in promoting education reform in developing countries (see Fig. 3.1). This framework helps us better understand the existence of various stakeholders that are essential to the building of partnership, of their mutual interaction, and of the dynamism of their changes.

The following criteria are used in categorizing the actors: (1) the public nature of actors (public, private); (2) the level at which actors undertake activities (center, region/province, district, community); and (3) the capacity that the actors have (individual, institutional, financial, social). Using these three designated dimensions,

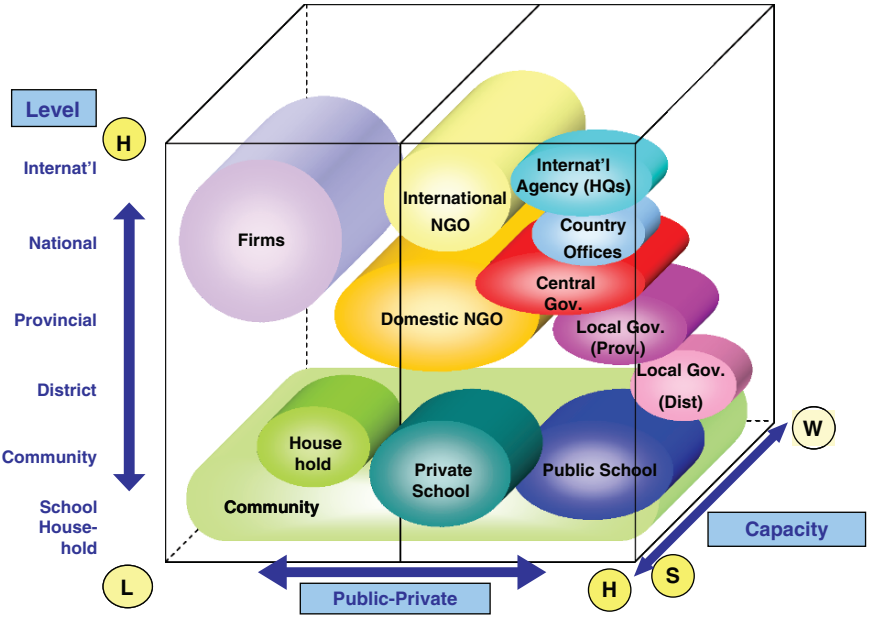

Fig. 3.1 Interrelationship among actors

Fig. 3.1 gives a diagrammatic representation of the interrelationship (network and linkage) of the diverse actors. While relying on the view of the analytical unit used by Bray and Thomas (1995), by adopting such a 3-D figure, the different actors can be compared along three dimensions (vertical, horizontal, and diagonal).

The *x*-axis expresses the degree to which each stakeholder reflects the public interest. The diffusion of basic education should, as a rule, be promoted by actors who are more public in nature, as chiefly represented by governments. Yet, at the same time, actors who are more private in nature, such as NGOs and other civil society organizations and private enterprise, do have the potential of making wide-ranging contributions. Therefore, to drive forward an effective and efficient development of basic education, a close collaboration between these more private actors and the more public actors is indispensable.

The *y*-axis expresses the vertical positioning among the stakeholders, ranging from the international to the central level of the developing country, the regional levels down to the school and family levels. As shown in this figure, the main actors are the developing country government (central and local), headquarters and field office of aid agency (donor country and international agency), international and local NGO, multinational and domestic private enterprise, community, school, teachers' union, family (including ethnic minority, women, and the poor), and for some countries, political party and religious organization. Shown here is the level at which each actor is chiefly operating in geographical terms.

The third axis that completes the three dimensions is the level of strength/weakness of organizational capacity. We described in Chapter 1 that it is essential for education development to promote capacity building as a new approach in the field of development. Here, by understanding what degree of organizational capacity each actor has, generally speaking, we may discern which actors, and in what position, are in need of more support in capacity development.

An example of mutual interaction among stakeholders is that in the public sector, the respective administrative body and school are linked in a vertical relationship. Individual schools can receive support from administrative bodies at central or local level. In the horizontal direction, they receive support from the community and family (e.g., PTA activities relating to school management and the payment of school tuition fees from household income). Additionally, it is the international aid agency that implements projects or gives policy support to the developing country's administrative body either at the global/regional levels or at the central level of the developing country. International and local NGOs engage in activities on the central level as well as on the local and community level, liaising with local administrative bodies and schools directly.

As the figure indicates, in the process of education reform in a developing country, the enhancement of a public nature and the capacity of the main actors leads to the reduction of transaction cost in interaction among stakeholders, resulting in a more effective and efficient spread or absorption of aid, which in turn raises the expectation of academic standards at the school level. However, even this figure, which visualizes the relationship of stakeholders, should not be interpreted as offering the one and the only positioning of actors. It should be

noted that the scheme of the relationship undergoes dynamic change in line with the progress of the education reform process while keeping within the context of the respective country and locality.

This analysis of the actors in the process of education reform is not in regard to the role that each actor plays but on the dimensions of the position assigned (or required) of each actor and the capacity that each actor actually has. That is, in categorizing actors, although each actor is playing such a role as the agent of educational activities (i.e., student, teacher, parents, school, NGOs), administration (i.e., central government ministries, local authorities), or donor (i.e., international agencies, aid agencies of donor countries, NGOs), this figure does not categorize actors by the description of these roles but attempts to make a comparison of diverse actors using the social positioning required of each actor (i.e., how public a level is) and the level of capacity needed to respond to these societal demands.

As the figure shows, if one looks at the administrative agency of a developing country, involved in the process of education reform is a wide variety of ministries, from the central level to the local level and pivoting around the ministry of education. All these organizations conduct their activities according to their mission of serving the public interest. In this regard, they can be considered to be highly "public." Nevertheless, regarding the capacity for fulfilling the roles required of these organizations, the more local the administrative body, inevitably, the lower the capacity.

Depending on the political climate of the developing country concerned, the policy-making process is not necessarily under the sole control of the administrative bodies. That is to say, political parties, for example, may wield more powerful political clout than the administrative bodies. In such a country, we need to pay attention to what such political actors are doing when analyzing the process of education reform. As we will look at later in this book, for example, in Vietnam and other socialist countries, the Communist Party as a rule draws up the policies relating to policy-making. Based on these policies, the central ministries led by the Ministry of Planning and Investment introduce various policies.

Highly "public" actors other than the administrative bodies of these developing countries are the international agencies and aid agencies of donor countries. These actors are in principle "external actors" but in the sense that they conduct activities for the public interest of the developing country's society, they can be regarded as being on a par with government administrative bodies in terms of their "public" nature. What is more, these external actors are in general superior in capacity terms to the developing country's administrative bodies. Using this capacity, they provide aid. Having said that, even among these external actors there is wide variation in their aspects. That is, although the headquarters and regional offices of international agencies and donor country aid agencies are positioned globally, the field offices (country offices) of these agencies are positioned on the national level (subdivided into center and region). Between the headquarters or regional office and their local field offices, a capacity divide exists. If we treat these as one organic body, we may fall into the trap of covering up the capacity shortfall often seen on the field office level. The field offices suffer from a shortage of human resources and funding, and because they have not been given

sufficient authority by the headquarters or regional office, they face difficulty in responding to local needs speedily. (Of course, this may not apply to some of the agencies which give more authority and allocate more resources to the field offices than the headquarters.)

The figure shows the level of how "public" actors are only in a general sense. It has to be surmised that their positioning in the context of individual countries is diverse. For example, "private schools" in many developing countries are often basically elitist institutions for children of the well-to-do, and as such, the figure categorizes them in a more private domain. However, for example, the schools managed by the Bangladesh Rural Advancement Committee (BRAC), a leading NGO in Bangladesh, offer education of higher quality than government-run schools to children of low-income families and are highly appraised by donors also. In such a case, even if a school is "private" in the sense that it is not state-funded, it is easy to appreciate that it is extremely "public" in nature.

Another point to make is that there are a whole variety of actors not shown in the figure who are involved in the education reform process of developing countries. For example, Riddell (1999) categorizes actors according to the domain of interest of each actor in terms of education reform: donor agency, national ministry of education, project manager, regional and district education administration, head teacher, teacher, parents, students, and communities. However, this categorization focuses too much on the direct subjects of education reform and does not pay enough attention to the stakeholders (e.g., ministries concerned other than the ministry of education – e.g., ministry of finance, ministry of planning, ministry of women –, political parties, teachers' unions) who play an important role around these actors. By contrast, although this figure only shows the major actors, it includes stakeholders who play important peripheral roles together with the direct subjects of education reform. In this way, the figure is distinctive, attempting to identify the networks and linkages among these diverse actors.

As mentioned earlier, the figure is only a representation of the major actors and their interrelationships (networks and linkages) from limited dimensions. For this reason, there may be some inadequacy of explanation; still, creating such a diagram at least makes it possible to get a broad picture of the interrelationship among diverse actors who promote the process of education reform. Furthermore, it will highlight the flow of funding in regard to financial support and the bottleneck in aid coordination, thereby serving as a pointer to the reduction of transaction costs. Meanwhile, we need to note that as the education reform process makes headway, the position each actor occupies will change. For instance, as reform goes on, the capacity of certain actors may improve or new actors join in. Therefore, the figure should not only be regarded as *synchronic* but also as *diachronic*, tracking the changes over time.

3.4 Conclusion

In many developing countries, the process of educational development and reform is moving forward. Political bartering among various actors is taking place with respect to transaction costs. Thus, this chapter, having stated the importance of

analysis based on a political economy approach to the process of educational development and reform in developing countries, proposed a framework for understanding the dynamics of interaction among actors in such a process.

Part III explores the possibility of applying the framework to actual cases of countries in Indochina. However, the attempt made by this book is only a beginning and it goes without saying that future research must be conducted. The accumulation of such research attempts would make it possible to promote educational development and reform that are more efficient and equitable in outcome in many developing countries and to suggest guidelines for the implementation of support appropriate to this process.

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Part II
An Overview

Chapter 4
Capacity Building Strategies: East Asian Approaches

William K. Cummings

4.1 Introduction

Over the past three decades, out of the nearly 200 countries that have sought to improve their development level, barely a dozen have truly realized sustainable improvement and perhaps another handful show promise (Harrison and Huntington 2000). The successful countries have been able to devise a favorable context for reform. Table 4.1 classifies all countries in terms of their relative possession of natural and human resources, and highlights by name those few countries that have made major recent gains in development. The countries in the top two quadrants have largely improved, thanks to their effective mobilization of investment funds derived from fossil fuels. In this recent historical period, the possession and effective marketing of oil and natural gas has been a godsend enabling several countries to experience rapid development, though others such as Chad, Nigeria, the Sudan, Venezuela, and even Indonesia have failed to take advantage of their opportunities.

The countries in the bottom two quadrants are far more numerous (including most of the so-called developing countries), yet only a handful have significantly improved their development level; and nearly all of these are located in East Asia, the so-called East Asian Newly Industrializing Countries (NICs) (Vogel 1992; World Bank 1993). In the 1950s, the level of development of the NICs was much lower than most of the countries in Africa and Latin America (Ferranti 2005), yet today the NICs are among the most prosperous countries in the world (Yoon 2002). Our interest in this chapter is in the reforms that are common to the East Asian NICs, and what determines the likelihood of these reforms taking root.

Some of these measures are largely internal to the capacity building system such as leadership, thoughtful planning, sensitive implementation, effective monitoring and evaluation, and they were discussed in the first book of this series. Other measures that we refer to as contextual lie outside the capacity building system. Yet they are critical for the success of capacity building. We argue that the experience of these success stories indicates that reforms of basic education, if they are to have the intended impact, need to be coordinated with reforms in other subsectors of the capacity building endeavor as well as with reforms in the broader economy and polity.

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

Table 4.1 The resource base of countries that have realized major gains in human development over the past three decades

	Human Resource Rich	Human Resource Poor
Natural resource rich	5 countries – Norway, Finland, Scotland, Russia, etc.	15 countries – U.A.E., Qatar, Kazakstan, etc.
Natural resource adequate to poor	15 countries – Japan, South Korea, Taiwan, Singapore, Hong Kong, China, Ireland, etc.	120 countries

In sum, we believe the East Asian approach is highly suggestive of the contextual measures that enable a maximization of investments in capacity building.

4.2 The Core Features of the East Asian Approach

The first outlines of the East Asian approach emerged in the late nineteenth century as Japan and other East Asian nations responded to the Western challenge. But only Japan and Thailand were able to escape the shackles of Western imperialism and develop distinctive approaches (Altbach and Selvaratnam 1989). Since Japan has enjoyed greater developmental success over time, the Japanese approach has been the most influential. Thus it helps to focus first on Japan when seeking to identify the core features of the East Asian prototype; but, as will be indicated below, other East Asian nations have developed important variations on the Japanese model that deserve note. The core features of the Japanese/East Asian approach insofar as they relate to educational policy are as follows:

4.2.1 Human Resources Are Critical for National Development

Key leaders in Japan (and later in other Asian nations) who perceived the need to respond to the Western challenge concluded that a major cultural and human transformation would be necessary (Smith 1955; Hall 1973). Surveying the factors behind Western political and economic preeminence, Asian leaders recognized the scarcity of their resources. Whereas the leading Western nations were blessed with adequate to abundant natural resources, East Asian leaders concluded that people were their major resource. Thus Japan and the countries closest to it spent relatively large proportions of their lean national budget on education, and this led to relatively high enrollment rates in primary and secondary education.

In East Asia, stress has been placed not only on the development of human capacity but also on their utilization. To bring this about, the Asian states placed educational and cultural policy at the center of plans for national development.

In the public sector, educational streams were tightly linked to projected manpower requirements. Governments assumed a coordinating role in the transition from education to work, and in several instances routinely carried out annual surveys to evaluate the success of schools in placing their graduates in workplaces. This legacy of planned utilization of scarce human resources endures.

4.2.2 The State Is Responsible for the Framework

Given the concern for maximizing the impact of scarce human resources, the state assumed a central role in their development (Black et al. 1975). Central authorities sought to lay out educational goals and a curriculum as well as to provide textbooks and staff (Ministry of Education, Science, and Culture 1980). With these contributions, the Asian state was satisfied it could shape the educational process: given a slim budget, the state minimized its involvement in the everyday management of schools. The trusted principals and staff were expected to do their job. Hence, within the centrally prescribed framework, there remained much school-level autonomy in implementation.

4.2.3 Seeking Knowledge Throughout the World

Entering late and reluctantly into the modern era, Asia recognized a need to catch up to the leading Western nations (Levy 1972). Seeking knowledge throughout the world and particularly from the West became a core element in the Asian catch-up strategy (Braisted 1976; Teng and Fairbank 1954). Western knowledge, particularly in the areas of science, medicine, and technology was seen as the essential means for developing national strength and competitiveness. The schools were expected to provide a solid foundation in these areas by featuring mathematics and science as required subjects from the first grades of the primary school. Colleges and universities were also expected to stress these fields. The earliest human resource institutions were established to import and transmit scientific and technical knowledge rather than to create it (Bartholomew 1989); applied faculties such as agriculture, engineering, and medicine were far more prominent than faculties in the basic sciences. This legacy endures.

4.2.4 Western Science/Eastern Values

While Western knowledge was considered valuable, Asian leaders had reservations about the broader societal framework of the West. They believed that Asia's family and political values provided a better foundation for the good society (Hall 1973).

Thus, they sought through schooling and other means to foster continuity in the values realm. Schools included moral education as a core component of their curriculum, and educators were expected to set proper examples so as to lead young people to respect Asia's enduring traditions.

In contrast with the off-and-on Western interest in multiculturalism, Asian states identified a common core of values which they sought to convey in the national language to all young people; bilingualism was typically eschewed. The common normative core mainly focused on behavior stressing honesty, hard work, respect for parents and authority, and cleanliness (Befu 1993; NIER 1981). Religious commitments were left up to the individual, so long as they did not conflict with state priorities; thus the Japanese state made no distinction between Christians and Confucianists and the Indonesian Pansacila emphasized respect for God, without placing priority on any particular religion.

Educational leaders in Asia have frequently convened conferences to review their programs in values education, and there has been a noted tendency toward a convergence in the values curriculum of the different nations. For example, while Singapore did not stress moral education 15 years ago it is now featured at both the primary and secondary levels. In both Indonesia and Malaysia, which have large Islamic populations, there has been a tendency to infuse a common morals curriculum into the distinctive programs of religious education for the various ethnic religious groups.

While a process of convergence can be observed, the challenges confronting each Asian nation have differed. The two Koreas are locked in a military stalemate and there is considerable tension between China and Taiwan. Several of the nations of Southeast Asia have only recently achieved internal peace after years of secessionist rebellion. To the extent a nation is threatened, whether by internal or external forces, it is likely to place a higher priority on values of loyalty and political and social conformity. Japan is perhaps the most relaxed Asian nation in this regard while the two Koreas and China are perhaps the most cautious.

4.2.5 Public Primary Schooling Provides the Foundation

Reflecting the Asian conviction that excellence derives from a command of the basics, Asian educators placed special emphasis on the development of effective primary schools (Passin 1965). Much care was devoted to the curriculum and teaching methods at this level. And adequate funding was provided to insure a solid basic education for all. Asian nations have tended to realize universal enrollment faster than nations in most other parts of the world (Williamson 1993: 149). The stress on primary education meant that advanced educational levels were sometimes given lower priority, at least in the public sector (James and Benjamin 1988). But through a combination of public and private effort, Asian gross enrollment ratios at the secondary level were also comparatively high as early as 1970.

4.2.6 The Public School Teaches; the Pupil Has to Learn

Always conscious of scarce resources, Asian educators placed limits on the school's responsibilities: the school's job was to present the curriculum in as effective a manner as possible for the average pupil (Cummings 1980). It was up to the pupil (and his/her parents) to take advantage of the school's presentation. The school was not required to make special efforts to accommodate slow students or to stimulate the gifted. The responsibility for learning rested on the pupil. To insure this common understanding, the school worked closely with local leaders and parents so as to gain their cooperation. Thus considerable pressure was exerted on young people to exert their best efforts for learning. And when young people encountered difficulties, parents sought through extra tutoring to help them master the required material (Stevenson and Stigler 1992).

4.2.7 Public Secondary and Tertiary Education Focus on National Priorities

The Asian state's concern was to catch up and then move ahead. Public resources were allocated in accordance with that objective. Thus in education beyond the foundation level, the public sector had the limited objective of developing critical manpower and training elites (Cummings 1980; Fong 1982). The public sector set up a limited number of educational opportunities in critical areas and heavily subsidized these so tuition was low and good students were attracted; in some fields such as engineering, the state actually funded a surplus of opportunities in anticipation of future expansion in the related labor markets. Despite an overall policy of restraint, public institutions oversupplied in certain specialties.

4.2.8 "Society" Is Welcome to Fill the Gaps

The Asian state sought to limit its provision in schooling (and other social services), but it recognized that the public might demand more. Rather than contain this popular demand, the state assumed a permissive policy, only intervening when the private response began to conflict with public objectives. Thus a vigorous private sector often emerged to complement the public sector (Geiger 1987).

One area of private response was at the preschool level. Also, because of the limited public provision of public sector opportunities relative to the number of qualified students, private educational entrepreneurs established competing secondary and tertiary institutions. In several Asian societies (Japan, Taiwan, Korea, Indonesia, and the Philippines) the private sector provides over 75% of all places at the tertiary level. Thus private schools emerged to accommodate the "excess demand," which was sometimes very sizable (James and Benjamin 1988).

A distinctive East Asian creation was the private *juku* or supplementary courses to help pupils keep up with the curriculum provided in basic education (Kitamura 1986; Russell 1997). These schools, which first flourished in Japan, are now prevalent in most East Asian societies. Private schools also have emerged to help young people prepare for post-compulsory level entrance exams.

Yet another area of private initiative was in the utilization of human resources for research and development. While the public sector trained human resources to a high level and supported research in certain critical areas such as health and munitions, it left commercially relevant research and development to the private sector. As the Asian corporate sector expanded, it became increasingly involved in the self-sponsorship of major research efforts. Thus, in contrast with Western nations where national research and development (R&D) budgets tend to be heavily subsidized by the state, in Asia typically three quarters or more of all R&D activities are supported by the private sector (Johnson 1993; Ushiogi 1993).

4.2.9 But All Education and Research Should Be "Coordinated"

While the public sector limited its provision, it retained comprehensive responsibility. Thus private schools were required to observe public regulations. And periodically public officials intervened in the private sector to curb excesses, such as unreasonable prices or abysmal quality. A particular challenge for the public sector was the education provided by non-school media such as journals, the cinema, and lately the TV industry. In these areas as well, the state was likely to intervene so as to achieve overall consistency in the educational experience.

Similarly, while state funding of research and development was comparatively modest, the state made important contributions to the coordination of research. Most notable was state sponsorship of overseas research trips and of national facilities for the import and translation of foreign research journals. In more recent years, the Asian state has come to play a more prominent role in targeting technologies for development by the private sector.

4.3 The Economic Context

A precondition for educational reform is the availability of funds, enabled through stable economic growth and expanding tax revenues. Most NICs began as primarily agricultural societies, and they recognized that the initial source for such funds would have to depend heavily on the agricultural sector; additionally they recognized that self-sufficiency in agriculture would free up scarce foreign currency reserves for other national purposes. Thus, they placed considerable emphasis on stimulation of agricultural productivity (World Bank 1993).

In most cases, one measure resorted to was land reform, breaking up large farms and distributing the landholding to former tenant farmers in the expectation that

farmers who farmed their own land would work harder than farmers who rented the land or served as day laborers. Another measure was the dissemination of new agricultural technologies such as improved seed, fertilizer, and irrigation. Through these means agricultural productivity in the NICs surged, providing a strong financial base for other policies.

Parallel with the encouragement of farmer land ownership, the NICs have developed housing projects to enable the expanding middle class to achieve ownership of their homes. The earliest projects tended to be publicly subsidized while later projects were managed by the private sector. Through the promotion of home and farm ownership, the NICs fostered the growth of the middle class.

To promote industrialization, the NICs tended to engage in a dual policy of State promotion of selected areas, while leaving most areas for the private sector. Some commentators refer to this approach as the developmental state approach (Gereffi and Wyman 1990). Johnson (1982) has described in considerable detail how Japan's MITI made a series of successful industry bets (textiles, electrical goods, steel, electronics, automobiles, and so on) that enabled Japan to achieve miracle economic growth from the late fifties through the early nineties.

In the realization of economic growth, the NICs have welcomed foreign investment in the takeoff period (Firebaugh and Frank 1994), especially for new industrial and infrastructure ventures, but they have been reluctant to accept social sector loans. Over time the NICs have preferred to reduce and even eliminate foreign debt, replacing it with domestic investment (Stallings 1990). To expand the availability of domestic funds, they have developed ingenious methods to stimulate domestic savings such as postal savings accounts and mandatory pension funds. The domestic savings rates of the NICs tend to average 20%.

4.4 The Political Context

Stability both in domestic and international relations is the key to sustained development. Most of the NICs face challenging international environments, and they have therefore devoted substantial budgetary allocations for national security. But when faced with the option of pursuing war or negotiations, they have usually opted for the latter course. Thus the incidence of armed conflict of the NICs has been relatively moderate.

On the domestic front, there have been many instances of peasant (Scott 1976) and labor conflict, but the respective governments have sought to address these challenges with a combination of negotiations and force. Thus domestic conflicts have tended to be short-lived.

In pursuing the course of rapid conflict resolution, the governments of the NICs have argued that economic growth is essential for enhancing national and individual welfare. Without stability, the investment climate is shaken, the production of goods and services is interrupted, and economic growth is threatened. Stability has also favored reforms in the education sector.

In the pursuit of economic growth with minimum conflict, the NICs therefore have tended to take a conservative approach to political conflict. Many NICs began as one-party states, and the leading parties have tended to use relatively heavy-handed measures to perpetuate their dominance. In some instances, this has led to short-term coups and military regimes.

Despite the inclination to limited political representation, over time more representative governments have emerged in several of the NICs – especially Japan, Korea, and Taiwan. The increasing educational level of the population and the expansion of the middle class have been factors behind the democratic push. With the shift to democracy, arguably the consistency in the policies of NICs has weakened, and the economic growth rates have declined. However, other factors are also responsible for the economic slow downs such as increased global competition and the need for an improved indigenous capacity to develop competitive knowledge products.

While the political sector provides the leadership for national policies, there is a tendency for the revenues of the NIC States to constitute a relatively small proportion of the total national economies. The annual budgets of NIC states tend to be considerably less than 20% of the total Gross National Product (GNP) compared to nearly twice as much for the typical European welfare state (Cummings1995).

The financial scale of NIC governments is somewhat modest as, in contrast to the European welfare state, the Asian developmental state looks to families to play a major role in financing personal health and welfare (see Fig. 4.1). However, Asian governments nevertheless take an aggressive posture in certain policy areas including economic development, infrastructure development, and educational development among others. All of these areas have consequences for various national constituencies, and thus politicians eagerly seek to influence government decisions. An honest (non-corrupt) and competent government approach to these areas is essential for maintaining the public's loyalty to the respective regimes. The performance of the respective NICs in this regard varies with Singapore receiving the highest marks (UNDP 2002); while some of the other NIC governments experience a greater incidence of corruption, overall their record is quite respectable in comparative terms.

And for the reforms discussed in this book, the government needs to be firmly committed to Education For All (EFA). Education is strongly featured in the respective

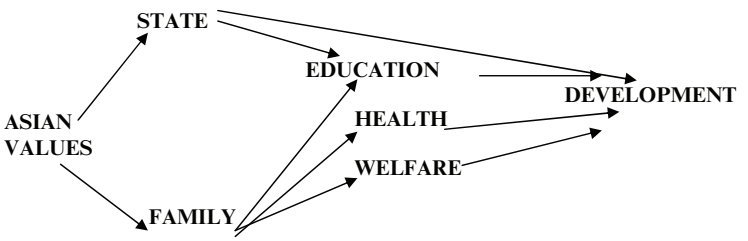

Fig. 4.1 An Asian model of development

constitutions; it is frequently commented on in national press coverage, and politicians are expected to have explicit positions on educational issues. National identity and moral education are major themes for many politicians as is their commitment to the continued funding of a strong and effective educational system. Helpful to the politicians have been the recent PISA reports (OECD 2007) suggesting that Asian education is impressively competitive with the best in the West.

4.5 The Demographic Context

The successful NICs have tended to experience moderate population growth rates due to the rapid decline in infant mortality rates and the steady decline in fertility rates (Williamson 1993). The moderation of fertility rates has been essentially a function of parental choice rather than public policy. However, contributing to parental choice was sex education which both explained the likelihood of child survival and familiarized young people with acceptable means of birth control.

Declining population growth rates reduced the quantitative demand for those public services intended for young people, notably education and health. Lower growth meant relatively fewer children in school and hence, with only modest budget increases that were in line with overall economic growth, the potential for greater investment in each child (Crouch et al. 1988).

Of course, there is the counter argument that declining population growth leads to a slower rate of growth in the domestic market and can, therefore, contribute to a slowdown in the growth of the overall economy. Partly for that reason, Asian countries such as Malaysia and Indonesia have not emphasized population control. Declining population growth eventually leads to a graying of the population structure, a challenge most NICs are currently experiencing.

4.6 The Geographic Context

The topography of the NICs varies in accessibility. In Singapore most neighborhoods are easily accessible. But in rugged mountainous countries such as Japan and Korea many localities are quite difficult to reach by road or train. Also, in China the location of some minority groups tends to be in more isolated areas.

Governments have to choose between trying to reach all or only some. Noteworthy in the case of most NICs has been the determination to reach all, often through policies of affirmative action such as higher subsidies for isolated schools, bonuses for personnel willing to serve in these posts along with the forced rotation of staff to these posts, and extensive reliance on distance learning technologies. In contrast, China has tended to prioritize some regions for initial emphasis in its development plans, and others (those in the more northern and western areas) for delayed development. This has resulted in sharp regional disparities and a floating

population of migrant workers toward the favored regions. While the Chinese approach may lead to regional conflict, in the context of resource scarcity, it is an interesting policy choice worthy of thoughtful study.

4.7 Support for Capacity Building

The NICs from the earliest days of their independence articulated a strong commitment to capacity building. This commitment was typically made explicit in the national constitution and frequently stressed both by educational leaders and the top political leaders. Even when there were regime changes, this political support persisted.

Political commitment was backed up by firm government administration of the educational system (Gopinathan 1997), and in the aid of effective administration the governments stressed the collection of reliable statistics for use in monitoring progress. In the case of most of the NICs, the administrative system was relatively centralized; the current Chinese practice is somewhat of an exception.

Adequate public funding is essential if education is going to be of sufficient quantity and quality to contribute to national development. Initially the NICs aimed for a minimum of 3% of GNP and at least 15% of government budgets (Tan and Mingat 1992). Gradually these respective shares increased to at least 4% of GNP and 20% of the government budget. All except mainland China have realized the 4% standard, and China has now pledged to achieve that level.

Additionally, the government and other sectors progressively expanded their support for R&D (Cummings 2006). In the early stages, less than 1% of GNP was devoted to R&D, but that percentage was steadily increased and now is approximately 3% in most NICs, a greater proportion than in the USA or most Western European nations. While funding is not sufficient to stimulate scientific creativity, it helps.

4.8 Interdependence of Different Educational Levels

While the NICs early quantitative emphasis was on basic education, they also from the earliest days provided significant support for secondary and higher education. They recognized that there was or soon would be a national need for adequate numbers of trained people to serve as teachers, officials, engineers, accountants, and other skilled occupations. Ferranti (2005) observes that the Asian NICs were able to manage a balanced expansion of their secondary and tertiary levels whereas most Latin American countries have excessively curtailed secondary education and thus have encountered damaging skills shortages. While the NICs intentionally limited the public supply of secondary and higher education places, most allowed the private sector to expand and meet the excess demand (James 1987).

Only as basic education was fully achieved, did the NICs implement a priority shift to increased emphasis on upper levels of education and to the support of research.

They have monitored the flows between levels and then out to the employment sector so as to achieve a relatively smooth articulation of the different levels. In most cases they have slowed down the expansion of particular types of schools when underemployment became evident, though in Singapore, when oversupply was detected, the more drastic step of shutting down particular types of schools was not unknown (Fong 1982).

In order to induce serious participation in formal schooling, most of the NICs have explicitly linked completion of particular secondary or higher education courses to related forms of public employment (Amano 1990). Overall, the NIC policies have resulted in what some consider an oversupply of human resources; but this oversupply in some cases was a conscious attempt to anticipate future demand. Most NIC school and university graduates obtain some form of employment soon after they complete their schooling.

4.9 The Outputs and Outcomes of Education

At the cross-national level, educational expansion and educational quality are strongly linked to national development – perhaps more so than any other factor (McMahon 2000). What stands out for the NICs is the relatively equitable distribution of the expanding pie – or at least the economic pie (World Bank 1993). So for the NICs the distribution of individual benefits is relatively broad. The provision of mass basic education and extensive secondary and tertiary education contributes to the relatively equitable distribution of benefits.

One theme in the analysis of education's benefit has been to examine the relative cost-effectiveness of different levels. One common finding is that all levels are cost-effective. A second common finding is that the rate of return to primary education is the highest. For the past two decades, this latter finding has tended to capture the attention of international donors so they have slowed support of secondary education (including vocational secondary education) and tertiary education.

But the NICs adopted an approach of balanced support of all levels with a bias toward basic education in the early years and over time a gradual shift to higher levels. This approach paid off. Without the balanced approach they would have lacked the capacity to gradually upgrade their capacity building effort.

4.10 Comparing NIC Educational Reforms and Those Typically Proposed for EFA

The Asian NICs have selected many of the reforms favored by advocates of EFA. All have placed a high priority on basic education for all. Several have demonstrated exceptional efforts to reach out to peripheral groups – through extra funding, small

schools, incentive pay for teachers, and other reforms. For example, even though most of them have a Confucian heritage, they have stressed gender equality in basic education (Tsai et al. 1994). All have stressed textbook provision and teacher professional development. Also, most have encouraged community participation in schools through such vehicles as the PTA, but they have insisted that the costs of primary education should be borne by the state rather than by the parents.

On the other hand, the NICs have pursued certain policy directions that run counter to the EFA agenda. For example, the NICs have tended to implement a single language policy for primary education rather than bilingualism – and in the case of Singapore this has been English that, at the time of the initial policy decision, was the first language of only a minority (Tan et al. 2001). Also the NICs have not promoted publicly supported preschool education but instead have tried to insure that the primary school climate is child-friendly. And the NICs have allowed familial or private measures (such as the *juku*) to complement formal schooling whereas mainstream EFA reformists assume the school should be the fount of learning.

4.11 Some Implications of the East Asian Approach

The East Asian approach provides several sharp contrasts with the approaches to education that have evolved in leading Western industrial nations (Cummings 2005). For example, the East Asian educational ideal places greater stress on cooperation and cohesion relative to the Western stress on individualism. East Asian pedagogy assumes that the key to learning is individual effort rather than inherent genetic endowment or talent. And East Asian systems place more emphasis on insuring that every child receives a standard education than on enabling each child to obtain an education suited to his or her needs; similarly teachers are expected to teach the common curriculum rather than to introduce curricular innovations that express their unique strengths. East Asian educational systems tend to place their greatest stress on basic education, rather than on elite public schools or great universities; though in the schools that provide basic education, some educational conditions such as the numbers of students in a classroom do not conform to the standards characteristic of Western systems.

In these various ways, the East Asian approach constitutes an alternative to Western approaches, and an exception to the proposition that education around the world is becoming more homogeneous. The distinctiveness of the East Asian approach has provoked a variety of assessments. Many are critical, focusing on lack of quality and on "human costs," and we will turn to these shortly. In contrast are assessments which take the East Asian approach on its own terms, evaluate its effectiveness in promoting cultural and political autonomy in the face of the Western challenge, and then consider its comparative success in promoting national development. Since the East Asian approach has proved to have impressive

development effects, this line of assessment inevitably leads to a consideration of the global implications of the East Asian approach.

4.11.1 Social Stability

A major concern of the East Asian approach is to instill accepted social values. Whereas Western educators lean toward a cognitive reasoning approach to values education (Kohlberg 1981), Asian educators favor a directive approach involving explicit teaching and consistent reinforcement (Cummings et al. 1988). The school is viewed as the primary vehicle for conveying the values curriculum, and it is partly for this reason that the school calendar is long and the atmosphere is constrained. But constrained is not the same as joyless or inhuman. Observation studies indicate that Asian schoolchildren enjoy their schooling (Tobin 1989), and comparative statistics suggest that their schooldays are at least as humane as those experienced by children in other industrial societies: East Asian schools have low absenteeism; high completion rates; abundant evidence of healthy youth; a comparatively low incidence of neurosis-suicide; as well as a low incidence of other forms of deviance (drugs, delinquency, juvenile pregnancy). The social savings from these healthy and stable child and adolescent years are substantial (UNICEF 1992; UNESCO 1992).

4.11.2 Human Resource Edge

A second set of implications is what might be called the East Asian Human Resource Edge. A relatively uncontroversial theme is that East Asian educational systems are slanted toward the provision of math and science education and that they produce relatively large numbers of upper secondary and university graduates in the fields of technology, engineering, and science. For example, Japan with only half the US population trains as many engineers as the USA (Johnson 1993; US Department of Education 1987). Despite the comparatively large number of Asian students specializing in these fields, nearly all obtain employment on graduation. Many of the best end up as researchers in Asia's corporate laboratories and universities. Some of the less qualified of these graduates take up positions in the lower levels of the modern manufacturing sector, providing East Asia with the best "second half" of the labor force (Dore and Sako 1989).

But what about the rest? All find employment, but many are by standard human resource measurements "underemployed," that is, they work in positions that do not require their professional skills such as in sales jobs or as stock brokers and analysts (Kodama and Nishigata 1991; Muta 1990). But perhaps the underemployed provide

unique perspectives to their coworkers that enhance the productivity of these non-technological units (Cole 1989; Lynn et al. 1993).

Not an insignificant number of East Asia's underemployed graduates decide to leave the Asian labor market and seek opportunities is Western labor markets, especially the USA. Indeed one of the least-heralded outcomes of Asian education's excess production is the extraordinary extent to which it has supplied scientific and technical workers to Western corporations and universities (Cummings 1984, 1985; Lee 1991).

While East Asia supplies both indigenous and overseas markets with large quantities of scientific and technical workers, it is sometimes asserted that these workers are not particularly gifted, that they are unable to make creative contributions (Miyanaga 1991). But the evidence supporting these assertions comes from earlier years when Asian researchers and research laboratories were underfunded. That constraint is rapidly disappearing, and it remains to be seen how impressive the productivity of the Asian researcher will be under more favorable conditions. Recent indications (based on gains in scientific articles, patent submissions, high-tech product sales) are that East Asian scientists may be highly competitive (Bloom 1990; Science and Technology Agency 1991; Cummings 2006). Their hard work ethic combined with their openness to cooperate in joint projects may even give them an edge in some creative endeavors.

4.11.3 Pacific Rim Connection

A third set of implications could be described as the Pacific Rim Connection. Over the course of the past three decades, Asian human resources have become extensively developed and diffused throughout the Pacific Rim.

One facet of the rapid expansion of East Asian human resources has been a fostering of a new level of competitiveness as Asian corporations seek to outdo each other in the international marketplace. This competitiveness, often fueled by feelings of chauvinism, as between Korean and Japanese construction firms competing for the same contract, pushes Asian human resources to ever-higher levels of productivity.

But an equally interesting and virtually unexplored theme is the extent of cooperation that emerges between Asian scientists, particularly when they are located in foreign settings. For example, a recent study documents that many Asian-born scientists working in American research universities retain relatively fluid scientific ties with colleagues in their countries of origin (Choi 1993). This cooperation across national boundaries may provide an important impetus to the quality of Asian scientific and technical work.

Yet another feature of the Asian connection is the rapidly expanding level of communication between scholars and scientists within the East Asian region, particularly stimulated by Japan's new commitment to Overseas Development

Assistance. Over the past 5 years, Japan has trebled its intake of students from other Asian countries. Even more impressive has been the fivefold increase in the number of Asian scholars spending short study visits in Japan (Science and Technology Agency, Japan 1991).

There still remains the question of the East Asian Limit, particularly in the area of research. Will there be an East Asian Research Edge? Can the East Asian approach move beyond knowledge seeking to indigenous knowledge creation (Cummings, 1994)? This may be a false question – for if Asian corporations can buy the other brains and labs of overseas competitors, why do they have to do the work on their own? Thus an extension of the Pacific Rim Connection analysis would be to look into Asian (and non-Asian) strategies for securing control of offshore knowledge/value production. In the new era of weaker states, the nationality of knowledge workers has reduced meaning – but there still is interest in who benefits.

4.11.4 Human Rights

Another difference in the Asian and Western perspectives is with respect to human rights (Awanohara 1993). The East Asian approach places considerable emphasis on the family group and the community, often urging the individual to subordinate personal interests so as to advance the welfare of these broader collectivities. Even more, the individual identifies his/her well-being with the well-being of the broader collective. The welfare of the broader group, it is proposed, results in a better situation for each of the members. Harmony and the consensual negotiation of differences are emphasized as means to reconcile individual and social rights. As suggested earlier, the East Asian record in terms of such positive human rights as skills, enlightenment, well-being, and respect is quite impressive. Several of the East Asian nations are also outstanding in terms of the distribution of wealth.

In contrast to the East Asian approach, in recent years Western ideologues have urged East Asian states to make greater efforts to conform to universal (or are they Western?) concepts of human rights. The Western critics insist that East Asian nations should foster greater personal freedom and institute more representative forms of democratic government. In Lasswellian terms, perhaps the most critical issue is the distribution of power. Crises such as Timor and Tiananmen Square have sharply polarized Western critics and East Asian leaders. The East Asian statesmen argue that their approach places its first priority on social welfare or development, and only as these conditions are realized does it become meaningful to encourage democracy and Western concepts of human rights. Sometimes the East Asian leaders go so far as to point out how much more stable and crime-free their societies are than are the societies of those Western nations that place such high priority on human rights. It may be that these differences in the notion of what constitutes the good society will lead to sharp conflicts between the East Asian and Western approaches to human rights over the next decades.

4.12 Policy Evolution or Revolution?

The NIC stories suggest that policies should not remain unchanged, but at the same it is best to build new directions on earlier practices. Secondly, policy change in education requires policy evolution in other sectors: opening of society to allow more critical perspectives, steady growth of the economy with a shift to high-tech manufacturing and service, possible opening of the labor market to foreigners, and so on.

It may be that many of the past strengths of East Asian education are also future weaknesses. For example, while East Asian education has favored basic education, much more care in the future needs to be devoted to secondary and tertiary education as well as continuing education. Table 4.2 summarizes the major strains in contemporary East Asian education and the likely future reform directions.

Our focus here has been on the Asian NICs. They share with many developing countries a relative scarcity of natural resources. At the starting point of their takeoff, they arguably enjoyed a modest advantage in human resources. But what really seems to distinguish the NICs from other resource-poor countries is that they had a clear set of policies for all of the contexts noted above and they were able to stick with these policies for a lengthy period. For the NICs, development was not a sprint but an endurance race.

But will the Asian NICs evolutionary approach work elsewhere? Actually the Asian NICs began with revolutions, and then followed these takeoff revolutions with evolutions. Most developing countries have familiarity with the ideas presented above, but they have difficulty in implementing these ideas. Perhaps because their start was too gentle, they did not engage in a careful policy review. To the extent so, this argues for a fresh and thoughtful restart that may involve some radical changes.

Table 4.2 Historical and future directions of the Asian model

Historical	Future
Foundation in primary school education	More stress on secondary/tertiary
Western science/Eastern values	Muliculturalism/transnationalism
School teaches, pupil learns	More active teaching; stress on debate analysis
Public sector for S&E/vocational education	Encourage S&E competition from private sector; More internships
Society fills the gaps in public education with tuition; large private sector	Control and subsidize tuition to preserve equity
Knowledge seeking	Creativity
Strong state	Supportive state; community participation building on local traditions
Lean state	More public & private funding on a competitive basis

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Chapter 5
Education Reforms and Capacity Development in Basic Education: Illustration from Indochina

Yasushi Hirosato and Yuto Kitamura

5.1 Introduction

Southeast Asia, which had been pursuing a course of largely sustainable growth, was struck in 1997 by the Asian crisis, the impact of which was grave and wide-ranging. However, the region has made remarkable recovery and seems to have turned the bitter experience of post-crisis reconstruction to its advantage: that is, the nations are now addressing reforms accompanied by structural change in diverse sectors including education. The purpose of this chapter is to discuss what is happening in regard to basic education reforms and capacity development in this changing Southeast Asian region.

In the basic education development of developing countries, support on the sector level reliant on a Program-Based Approach (PBA) is becoming the mainstream, as described in earlier parts of this book. This chapter tries to highlight and synthesize significant characteristics of three country cases in Indochina (i.e., Cambodia, Lao PDR, and Vietnam), to be analyzed in more detail in Part III, where education sector program support through PBA that includes Sector-Wide Approach (SWAp) is currently underway. The aim is to examine the characteristics of program formation in the light of the key constituents of the Integrated Framework for international cooperation to education, which we proposed in Chapter 1. Also, by referring to the analytical framework presented in Chapter 3, we analyze how different actors interrelate to each other in the process of decentralization in three countries of Indochina.

5.2 A Status of Basic Education in Southeast Asia

As we reviewed in Chapter 1, through adopting a series of development goals and targets, particularly such as the Millennium Development Goals (MDGs) and the Education for All (EFA) goals, the international society has accepted basic education as one of the most important and challenging areas. Nonetheless, the EFA goals themselves have not yet been attained. In the Southeast Asian region, there are countries with many unresolved issues in basic education. In this section, we shall focus on the two EFA goals that are

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included in the MDGs, that is, MDG 2 (the universalization of primary education) and MDG 3 (the elimination of gender inequality in primary and secondary education). Using monitoring indicators (net enrollment ratio in primary and secondary education, survival rate to Grade 5, gender disparity, literacy rates for youth aged 15–24), we shall attempt to shed light on the education status of Southeast Asian countries.

Table 5.1 provides data on the conditions of primary and secondary education and youth literacy in Southeast Asia in 1999 and 2005. In primary education, the net enrollment ratio has been increasing at the level of around 90% in most of countries, except Vietnam. The net enrollment ratio in primary education in Vietnam has been significantly decreasing, but the large part of this phenomenon is derived from the population growth and the actual number of primary school attendants has been increasing. In Lao PDR, though net enrolment ratio is on the rise, it remained around the low 80% mark in 2005. Gender inequality is also clearly obvious in some countries (i.e., Lao PDR, Indonesia, and Thailand). Survival rate to Grade 5 is less than 75% in Cambodia, Lao PDR, Myanmar, and the Philippines, which is to say that more than quarter of enrolled children leave school midway. It should be noted that the state of primary education and youth literacy are closely interrelated. In Cambodia and Lao PDR, youth literacy is less than 90%, a low rate compared with other Southeast Asian countries, and gender disparity is also huge in these two countries.

Table 5.1 Primary and secondary education and youth literacy in Southeast Asia (Compiled by the authors based on the data extracted from UNESCO 2007)

	Net enrollment ratio in primary education (%)				Survival rate to grade 5 (%)		Gross enrollment ratio in secondary education (%)				Youth literacy (15–24) (%)[f]	
	1999		2005		1999	2004	1999		2005		1995–2004	
	Total[a]	GPI[b]	Total	GPI	Total	Total	Total	GPI	Total	GPI	Male	Female
Cambodia	85	0.91	99	0.98	56	63	16	0.53	29[c]	0.69[c]	88	79
Indonesia	–	–	96	0.96	–	89	–	–	63	0.99	99	99
Lao PDR	80	0.92	84	0.95	54	63	33	0.69	47	0.76	83	75
Malaysia	98	0.98	95[c]	.00[c]	–	98[e]	69	1.10	76[c]	1.14[c]	97	97
Myanmar	80	0.99	90	1.02	–	70	34	1.00	40	0.99	96	93
Philippines	92	1.00	94	1.02	–	75	76	1.09	85	1.12	94	97
Singapore	82	1.00	–	–	–	–	66 (Male) 67 (Female)	1.02	63	1.03	99	100
Thailand	–	–	88[d]	0.96[d]	–	–	–	–	71[d)]	1.05[d]	98	98
Vietnam	96	–	88	–	83	87[e]	62	0.90	76	0.97	94	94

[a] Total value of male and female.

[b] Gender parity index (GPI) is the ratio of female to male values of a given indicator. A GPI of 1 indicates parity between sexes, while a GPI above or below 1 indicates a disparity in favor of one sex over the other.

[c] The data are for the school year ending in 2004.

[d] The data are for the school year ending in 2006.

[e] The data are for the school year ending in 2002.

[f] Number of literate persons aged 15–24, expressed as a percentage of the total population in that age group.

Most notable is the gross enrollment ratio in secondary education in Cambodia, Lao PDR, and Myanmar, which are below 50%. Comparing the data between 1999 with the one for 2005, despite the steady increase in gross enrollment in secondary education, these three countries still struggle to increase the number of enrollments. Cambodia in particular has a very low ratio at around 30%. In Cambodia and Lao PDR, gender inequality in secondary education is far greater than in primary education, with the 2005 gender parity index (GPI) showing gender enrollment disparity at 0.98 and 0.95 respectively for primary education, and 0.69 and 0.76 for secondary education.

Although Table 5.1 does not provide any direct grounds for argument, enrollment disparity is not only seen in gender but also in regions and income levels, the differences posing a grave problem. The poor, the ethnic minorities, the disabled, and other socially vulnerable groups are not being given sufficient access to opportunities for primary education. Even if the national average for net enrollment in primary education surpasses a certain level, improvements over and beyond that require universal diffusion and inequality redress in the remaining regions and groups. Meanwhile, in most of Southeast Asian countries where the enrollment ratios in primary education exceed 90%, the priority challenges are the diffusion of secondary education and the qualitative improvement of primary and secondary education. It is particularly important to note that policies for educational opportunity expansion that would lead to the lowering of the quality of education should not be pursued. In short, the greatest task awaiting international cooperation in education in Southeast Asia is the leveling of inequality seen in regions and groups that are lagging behind in the diffusion of primary and secondary education while providing quality EFA (Nielson and Cummings 1997; World Bank 1999).

An overview of Southeast Asian countries reveals the following interregional disparities, with an exception of Vietnam. There is a gap between the two groups of (1) the original 1967 signatories to the Association of South-East Asian Nations (ASEAN) (i.e., Indonesia, Malaysia, the Philippines, Singapore, and Thailand) and (2) the other countries that joined ASEAN after the 1990s, (i.e., Cambodia, Lao PDR, Myanmar, and Vietnam). The countries that belong to the first group have basically recovered from the effects of the Asian financial crisis of the late 1990s and have achieved a significant level of economic development. Despite facing a variety of uncertainties, politically and socially, they are relatively stable. By contrast, the countries in the second group, remarkable though they may be in regard to their recent economic growth, still require a vast amount of aid from donor countries and international agencies. Politically and socially, they remain unstable. Such being the social background, education poses different challenges to these two groups. This is one of reasons why in this book we focus on countries in the second group which are mainly located in Indochina.

5.3 The Implementation of Education Sector Program Support

5.3.1 Education Sector Program Support Through PBA

Sector program support through PBA including SWAp is the attempt to support the education reform process itself of developing countries by means of aid coordination

and system capacity improvement while balancing education subsectors with a view to achieving EFA goals (King and Buchert 1999; Hirosato 2001; Lavergne and Alba 2003). As lessons were learned from disparate project-based cooperation seen in education as well as in sectors other than education, many donors have come to embrace sector program support since the mid-1990s. One of the evolved forms of sector program support is the Sector Budget Support. The moves toward decentralization having become established, the aid-receiving financial mechanism of the developing country is no longer under the control of the ministry governing each sector. The money is now being controlled by the central government, which handles the overall budget (Ministry of Finance) and is being transferred to local governments. Although the prerequisite is for the government of developing country to have the ability to explain and to take responsibility for what happens and for ensuring the transparency in regard to the flow of aid money, the transitional acceptance of aid money into the government budget makes this form of cooperation one that aims to make developing countries financially independent in the long run.

Still, in reality, there are problems. The prerequisites for the success of Sector Budget Support are ownership and partnership, but concerns over these have not been completely removed (King 2004). Neither can it be denied that the sector program drafting process itself exhibits the tendency to rely on foreign consultants employed by aid agencies (Samoff 1999). Numerous problems exist regarding the issue of whether it is possible to create partnership between the government of a developing country and aid agencies or between aid agencies themselves (Kitamura 2007). It is often the case that negotiations over their respective interests take more time and labor than at first envisaged and no reduction in transaction cost relating to aid as intended by PBA is evident. Besides, even if SWAp does succeed and Sector Budget Support is given the go-ahead, it might well have the opposite effect and lead merely to the reinforcement of dependency on aid agencies and foreign consultants by the developing country because an exit policy with a time frame cannot be clearly incorporated. What is more, the problems of implementing sector program support are countless. For example, despite purporting to share or simplify the procedures accompanying aid, complications still arise. Also, the lack of systems or implementation capacity on the part of the developing country and the inadequacy of the capacity or experience of the aid agency have been suggested. Such problems notwithstanding, the inevitable path for almost all donors is the promotion of the sector program support through PBA. With the accumulation of more hands-on experience on the part of the actors, this vehicle is likely to continue evolving as the new approach to international educational development and cooperation.

5.3.2 The Implementation of Support in Indochina

Sector program support through PBA is already being administered in several sub-Saharan African countries. In Indochina, the program in Cambodia has been

given a certain amount of appraisal as a pioneering example (Forsberg and Ratcliff 2003), and Vietnam and Lao PDR are in the process of introducing programs (Hirosato 2001).[1]

5.3.2.1 Cambodia

The commitment of the Cambodian Government to basic education development is shown in the National Strategic Development Plan (NSDP) 2006–2010, based on the Rectangular Strategy that places emphasis on four elements constituting the pillars of the national development plan, and the Cambodia MDGs, the Cambodian version of the global development agenda. The sector program support through PBA in Cambodia adopts a Sector Budget Support format as the mechanism for decentralized budget allocation and education service provision. In the Education Sector Development Program approved by the Asian Development Bank (ADB) in 2001, in addition to the conventional project-based loan, the Cambodian government introduced a special scheme for Sector Budget Support called the Priority Action Program (PAP), and through financial aid toward this PAP, policy and budget support was provided with the aim of achieving a balanced development of the education sector as a whole (ADB 2001a). The PAP funding was sent directly to the provinces without going through the Ministry of Education, Youth and Sport. This meant that the local government was vested with greater authority and decision-making power, providing an important impetus in promoting decentralization.

To actually implement the 5-year plan[2] that is called the Education Strategic Plan (ESP), which defines the basic strategies in the education sector of Cambodia, a 5-year program called the Education Sector Support Program (ESSP) was created. The ESSP spans the same 5 years as the ESP. The ESSP designates specific target

[1] UNICEF (2005) gives an account of the education sector SWAp and PBA in Asian countries including Indochina regarding their status, problems, and outlook, in a report of the conference held in Vietnam in November 2004 with the participation of developing country governments and aid agency officials involved.

[2] Since 2000, three 5-year plans have been adopted: (1) 2001–2005, (2) 2004–2008, and (3) 2006–2010. ESP and ESSP can be accessed via the Cambodian Ministry of Education website [http:// www.moeys.gov.kh/en/index.htm] (retrieved in April 2007).

[3] Under the current PAP system, to prevent any non-transparent flow of funds, 12 education subsectors have been selected as eligible for PAP. Each year's budget is allocated strictly for each of the 12 PAP areas. Yet, this system does not allow for any transfer of budget, for instance, between areas that have a surplus and areas that have a shortfall. To give greater flexibility to budget implementation, the 12 PAP areas are to be reorganized into five program areas and budget allocation is to take place for each of the five programs under Program Budgeting, which commenced in 2007. The PAP areas in operation now include access improvement and quality improvement in each of the educational stages, teacher training, nonformal education, early childhood care and development, scholarship to those on low income, and improvement of the education administration system. For more details on PAP in the education sector, see MoEYS (2005a).

values in the 12 areas of PAP.[3] To support ESSP, the ADB approved in 2004 the Second Education Sector Development Program, incorporating assistance toward education opportunity expansion and basic skills training in lower and upper secondary education (ADB 2004a). Meanwhile in 2004, the World Bank approved an education sector support project with the aim of improving and equalizing access to primary and lower secondary education (World Bank 2004a), and conducted a sector study for improving the quality of education (World Bank 2005a).

Nevertheless, the PAP mechanism crucial to the sector program support in Cambodia and the effect that its funding brings are sometimes described as not necessarily delivering the expected improvement (World Bank 2005b; MoEYS 2005b) with regard to the education indicators relating to the EFA goals, because of the lack of PAP management capacity in local authorities and schools and the mismatch between PAP funds and needs. This means that there are problems as well with capacity strengthening at the local and school levels in the sector program support through PBA.

5.3.2.2 Lao PDR

In Lao PDR, the National Growth and Poverty Eradication Strategy (NGPES), the Laotian version of the poverty reduction strategy paper, was adopted in 2004. The education sector was named as a key sector for action in poverty reduction, alongside agriculture, forestry, health, and transport infrastructures, and is considered to be a linchpin in the strategy. Aware that action in the education sector is vital and indispensable to poverty reduction, the Ministry of Education had to take on the responsibility for drafting and implementing an education development program with emphasis on poverty reduction. The switch to a more comprehensive approach as exemplified by PBA became necessary.

Primary education development in Lao PDR relating to the achievement of the EFA goals has been supported chiefly by the World Bank's Second Education Development Project (World Bank 2004b), and ADB's Basic Education (Girls) Project (ADB 1999) and Second Education Quality Improvement Project (ADB 2001b). Principal bilateral aid donors had supplied technical cooperation by cofinancing with the World Bank or with the ADB. In November 2006, ADB approved the Basic Education Sector Development Program (ADB 2006a), which aims to give primary and lower secondary education support through PBA. A sector development program modality combining a program loan and investment loan has been introduced. The aim of this aid modality is for the program loan to deliver policy support and an investment loan to deliver primary education access expansion and equalization together with an expansion of lower secondary education opportunity expansion. In parallel with the implementation of the Basic Education Sector Development Program, technical assistance relating to the reinforcement of education SWAp/PBA is being provided in Lao PDR. Thus, the promotion of program formation for basic education support is expected to get off the ground properly (ADB 2006b).

Still, although this Basic Education Sector Development Program includes the reinforcement of education administration and management capacity for decentralization, the Laotian SWAp/PBA has not adopted the Sector Budget Support and ordinary program loan is provided.

5.3.2.3 Vietnam

In Vietnam, the Comprehensive Poverty Reduction and Growth Strategy (CPRGS) was created in 2002. This is the Vietnamese version of the poverty reduction strategy paper, designating various numerical targets including those in the education sector. Adopted in 2005 was the Hanoi Declaration on Aid Effectiveness, a Vietnamese version of the Paris Declaration. Thus since 2006, the CPRGS was absorbed into the Socio-Economic Development Plan 2006–2010 developed by the Vietnamese Government. All aid agencies now have as their chief aim, the alignment of support to this 5-year plan. A key feature is the emphasis on the mutual complementation of diverse aid modalities in the education sector as well.[4]

Vietnam, having been a country subject to EFA-FTI since 2003, is in an advantageous position with regard to funding for the achievement of EFA goals. For instance, the World Bank's Primary Education Project for Disadvantaged Children in Vietnam is applied to poor regions or ethnic minority regions with low school attendance rates. The responsibility for implementing the project is mostly given over to the local governments and communities (World Bank 2002). As a means of guaranteeing the delivery of high-quality EFA, a concept known as the Fundamental School Quality Level (FSQL) has been introduced. This is an agreement between the Vietnamese Government and aid agencies regarding the minimum quality of education that should be guaranteed across the entire country on a uniform basis. The FSQL of primary education is stipulated as the quality of education to be guaranteed by the Ministry of Education and Training (MOET) in the Primary Education Project for Disadvantaged Children by the World Bank (World Bank 2002). As to lower secondary education, the ADB financed Second Lower Secondary Education Project sets as a loan covenant that the MOET develops a similar FSQL (ADB 2004b).[5]

Furthermore, in primary education, the World Bank approved in 2005 the Targeted Budget Support for the National Education for All Plan Implementation Program (World Bank 2005c). Under this program, primary education subsector SWAp is underway under the auspices of the Vietnamese Government and the World Bank, the Department for International Development (DFID) of UK and other

[4] This view is based on the interview survey the author conducted in Vietnam in November 2006.

[5] A similar concept is that of Minimum Service Standards, whose introduction is planned in Indonesia.

European countries' bilateral aid agencies. The program is notable in its attempt to increase the number of schools that reach the FSQL by means of specifying the schools that do not satisfy FSQL and by giving budget support to the government. As a mechanism of implementation, Sector Budget Support is being conducted experimentally by reinforcing and using a budget allocation mechanism called the National Target Program (NTP) of the education sector that is administered on the provincial level (World Bank 2005c).

Lower secondary education is being supported by a series of secondary education projects run by the ADB. As mentioned earlier, the MOET is developing FSQL at the lower secondary level under the Second Lower Secondary Education Project, and its formal approval is expected in 2008. If the FSQL is approved and if greater transparency is achieved for NTP, a decentralized budget allocation mechanism, it would be possible to provide budget support using NTP for the benefit of lower secondary education. In turn, it would create an opportunity to develop a basic education development program using SWAp/PBA, based on a consensus among the Vietnamese Government, the World Bank, the ADB, and major bilateral aid donors. Thus, at least in terms of funding, we anticipate a more coordinated action toward the achievement of EFA goals.

5.4 Political Actors Who Undertake Decentralization

5.4.1 Decentralization in the Education Sector of Developing Countries

To explore the applicability of the analytical framework proposed in Part I, we have taken three countries in Indochina as an illustration. Let us now consider how political actors in particular interrelate to each other in the process of decentralization. Before the analysis, however, we should summarize an outline of the properties of decentralization in the education sector of developing counties.

Generally, the diffusion of "basic education of high quality" is considered to be the public policy to be pursued by the developing country government. Yet, under the influence of neoliberalistic thought, today's developing counties favor decentralized education-sector management and education reform including deregulation and privatization based on market forces and competition. Thus, as a means of diffusing basic education of high quality, while emphasizing the role of government, the efficiency of basic education diffusion is being pursued through a rethink of the division of labor between central and local governments and through the introduction of market forces and competition. Notably, if in education sector management, authority and finance are being devolved from the center to the regions, local governments and communities actively take part in the process of policy-making, and the responsibility and capacity of implementation of these agents increase, a highly cost-effective management is said to become possible (McGinn and Welsh

1999). In addition, Southeast Asian nations including the countries of Indochina have local communities that are multicultural, multiethnic, and multilingual, and the perception of education differs according to region and ethnic group. To impose a uniform basic education diffusion policy on these communities will not match local needs; instead, it may even trigger inefficiency in education sector management. For this reason, the majority of basic education support efforts relating to the achievement or EFA goals are being implemented in the context of decentralization.[6]

The designation of the division of labor between central and local governments and the efficient management of schools are points at issue in education reform in developing countries as well. However, sufficient investigation has not been made into the effect of the efficiency-oriented neoliberalism that lies behind the education reform of developing countries of that age. Developing countries do not have the institutional conditions for such ideas to take root; instead, noninclusive competition and selection intensify, and often the weak (the poorest countries and the poor people in developing counties) are ignored, resulting in the widening of the gap between countries and regions, according to some views. For the moment, the rational stance would be that high-quality achievement of EFA goals cannot be materialized by decentralization alone (Bray and Mukundan 2003). In the current context of progressive and inevitable globalization, it is vital to discern the negative side of globalization. One reason why arguments arise about the division of labor between central and local governments is the ambiguous definition of the relationship between the local government and the different suborganizations of the education-related ministries in terms of the transfer of authority and finance from the central level of educational administration and finance. This either leads to confusion on the local or school level or no actual action being taken despite designation of roles by legislation.

5.4.2 Decentralization Policies in Indochina

In view of such a background and context of the introduction of decentralization policies, the following is an illustration of what characterizes decentralization polices in Indochina, focusing on the roles of actors in the public domain, the actors who support the political system in each country.

5.4.2.1 Cambodia

Cambodia adopts a multiparty system: the Cambodia People's Party (CPP) has the majority in central and local assemblies, and together with the Funcinpec Party,

[6] On the subject of the degree of transfer from central to regional government with regard to decision power, responsibility, and operation, Hanson (2006) defines the three forms of decentralization – deconcentration of authority, delegation, and devolution, and summarizes the various issues and questions relating to decentralization.

it forms the ruling coalition; the Sam Rainsy Party is the minority opposition. Because of this multiparty system, posts in the Ministry of Education, Youth and Sport are allocated to members mainly of the CPP and the Funcinpec Party. The CPP and the Funcinpec Party share the vice-ministerial post. The two parties rival each other visibly over assignments of personnel within the ministry.[7] This structure is reduplicated in the education administration and finance on the provincial and district levels, leading to an increased transaction cost in decision-making and policy implementation on education administration and finance and greatly affecting the resources allocation within the education sector. In order to analyze such a situation, we can apply the framework (diagram) of the interrelationship among actors in promoting education reform. Public interest takes precedence over private interest, and political parties are normally expected to respect this principle. However, in case of Cambodia, consideration is given to an interest of political parties (or even individuals who belong to political parties) before an interest of general public. In the framework, it would be possible to make clear how public administration receives strong influences of political parties at different levels (from central to local).

Still, decentralization in Cambodia, motivated politically by the desire to promote democracy, was started as part of public-sector reform. The Seila Program introduced in 1996, supported by the United Nations Development Programme (UNDP), is a vehicle for promoting decentralization and a new mechanism for reinforcing the functions of commune councils and village development committees. However, as for decentralization in the education sector, 75% of decisions were made by the central government in 2003. This is a very high concentration at the center, in contrast to the mere 11% by local governments and 14% by schools. The feature of decentralization in the education sector is "deconcentration" of authority but the central government retains power over personnel and resources allocation (Turner 2002; Losert and Coren 2004; World Bank 2005d).

In Cambodia, where the state administrative infrastructure (including the education sector) is very weak, a rapid devolution to the local level of power as well as funding transfer involve a high risk of negative results. That is, the local governments and administration that should control the process of devolution are not capacity-ready, which means it is possible to foresee the lack of success in devolution that would deliver quality and efficiency improvements in a public service like education. In view of how devolution is being handled under the multiparty system in Cambodia and the nature of devolution that results therein, the passing of a new education act is of critical importance in regard to clearly defining the legal and regulatory frameworks. As of 2007, the education bill had not been formally passed, but the bill includes regulations on the roles and responsibilities, lessons and learning, personnel, resources allocation in the education subsector, and regulations on the jurisdiction and responsibilities of each education administration stratum (Royal Government of Cambodia 2005). This clearly shows that capacities become weaker at lower levels of education

[7] The restrictive elements in education reform have been arising from such conflicts in interest between political parties.

administration, as we have presented in the framework of the interrelationship among actors in promoting education reform.

The mechanisms that implement decentralization in the education sector in Cambodia are the following. First, the local education administration bodies are provincial education offices (in 24 locations nationwide) and district education offices (185 offices nationwide). As explained in Section 5.3.2.1 the structure of education administration and finance in Cambodia and its budgeting mechanism was altered by the PAP, which was introduced to create a mechanism whereby funding is distributed from the national treasury on the central level to the provincial treasury, and from thereon to the provincial education offices under the jurisdiction of the Ministry of Education, Youth and Sport. Budget management, as well as allocation on the provincial level is carried out by the newly created provincial budget control committee. Then, from the provincial education offices, the budget is allocated to each district education office, and the newly created district budget management committee is made responsible for the management of funding. The budget allocation to schools takes place under the coordination of the district budget control committee and is in negotiation with the district education office (Sub-Working Group No. 3 2004).

5.4.2.2 Lao PDR

The political setup in Lao PDR comprises one-party rule by the Lao People's Revolutionary Party (LPRP), which has been governing since the 1975 socialist revolution. Since 1986, Lao PDR has been undertaking its own version of Perestroika, *chintanakhan mai* (literally "new thought"), aimed at raising itself from the economic doldrums. In the economic sector especially, the New Economic Mechanism (NEM) was implemented, treading the path of reform by switching from a planned economy to a market economy. The political structure under the one-party system in Lao PDR is characterized by government party members and non-party members. The non-party members follow the decisions made by party members or are put under the supervision of party members. However, it is non-party members who often carry out the actual administrative work. Party members are reliant on non-party members in the implementation of government administration. This structure has created a distorted relationship between party and nonparty members in terms of authority and administrative capacity, resulting in inefficiency that pervades central and local administrative bodies. In short, underlying the one-party rule by the LPRP, there is actually a two-party system of party and non-party members[8]. The inefficiency of decision-making and policy implementation relating to education administration and finance is similar in situation in terms of the increased transaction cost that arises under the multiparty system of the Cambodia government.

Decentralization in Lao PDR has experienced a whirlwind of changes since the socialist revolution of 1975, with a tussle between centralization and

[8] Field survey by the authors (November 2006).

decentralization affecting sectors including education. In the mid-1980s, in the course of economic reform, decentralization was promoted, in a move away from the centralistic administrative system. However, the budget system for decentralization was not in place, and the shortage of capable administrators on the local level, essential for propelling devolution, led to utter confusion. In 1991, the system had to revert to centralization. Later, in the post-1997 aftermath of the Asian currency crisis, the macroeconomic scene and government financial difficulties further deteriorated. For the purpose of financial reconstruction and administrative streamlining, decentralization was restarted in 2000. In specific terms, the promulgation of the presidential decree relating to deconcentration assigned new roles to the state, county and village. The state turned into a strategic unit for development, the county the unit for planning and budgeting, and the village the unit for basic implementation (Government of the Lao PDR 2000).

Regarding education administration, the Ministry of Education has jurisdiction over the national level and 18 provincial education services have working-level responsibility over the implementation of primary and secondary education. The provincial education service is controlled by the Ministry of Education but is under the direction of the state governor. The state governor has certain budgetary powers and education is part of the area where he exercises his spending power. Positioned below each state level are district education bureaus, 142 in total, serving as the frontline organization of education administration, supporting schools and local bodies and promoting educational activities. The responsibilities of the Ministry of Education are: planning the country's education system; giving advice and recommendations regarding education policies and supervising education activities across the country; developing curriculum; editing and publishing textbooks; compiling and distributing teaching materials; training new teachers; providing in-service training; and administering higher education, education finance, and human resources management within the education system, either directly or indirectly through subordinate organizations. The Ministry of Education also has the authority to institute or abolish educational institutions, the authority to determine the organization and functions of the provincial education service and the district education bureau, and the authority to issue regulations, directives, and notices as necessary relating to education. Teacher assignment is basically carried out through a Ministry of Education response to requests by the state and county. Still, education administration in real terms is in turmoil due to the transition process from centralized to decentralized control. Numerous structural problems in education planning, budgeting, and human resources are set to emerge (ADB 2003).

5.4.2.3 Vietnam

In Vietnam, the rushed socialist state-building after the post-Vietnam War unification of 1975 hit a bottleneck. As a countermeasure, the *Doi Moi* ("renovation" through the market-oriented economic mechanism) was adopted in 1986. Under the one-party socialist system of the Vietnamese Communist Party, the party is superior to the government and all policies had in effect been planned and drafted centrally by the party at the center. The education sector was no exception. The National Assembly was merely a body for

rubberstamping the policies of the party. The MOET and the provincial Departments of Education and Training had merely been executive devices. However, with the progress of *Doi Moi*, since the 1990s, the Communist Party has stopped at indicating the basic direction only, strengthening the roles of the National Assembly as a deliberative body, the MOET as an education policy forming body, the provincial Departments of Education and Training and district Bureaus of Education and Training as implementation bodies. In basic education administration in particular, the central–local division of labor means that the MOET at the center drafts the overall education plan, coordinates with other government bodies, appropriates its share of the national budget and negotiates with donors, organizes the curriculum and creates guidelines on content, and prepares educational statistics and data. Meanwhile, on the local level, the provincial Department of Education and Training draws up the education plan on the provincial level, implements lower secondary education and is responsible for teacher training at the primary and lower secondary level. The district Bureaus of Education and Training is responsible for implementing primary education (Orbach 2002).

In Vietnam, decentralization has gone so far as to include the mobilization and allocation of budgets. Local government expenditure in the government sector constitutes more than 40%. Compared not only with developing countries but also with developed countries, this is a relatively high proportion. Yet, as the local administrative system itself is still in a transitional phase, the facts are not very clear. One of the reasons why the status of Vietnamese local government administration is difficult to grasp is that the decentralization undertaken by this one-party ruled nation takes on two aspects: one, the transfer of power to various people's committees at different levels, and the other, the transfer of power to education administration bodies working at the local level. Looking at the administration of primary education, it is possible to see the "dual subordination" that all education administration bodies are subject to. The provincial Department of Education and Training is subservient to the guidance and control of the provincial people's committee as well as to the guidance and inspection of the MOET. The district Bureau of Education and Training submits to the guidance and control of the district people's committee as well as the guidance and inspection of the provincial Department of Education and Training. We need to clarify how far the local governments are dependent on central government and to what extent they have autonomy under this principle of dual subordination. In addition, one of the features of decentralization under *Doi Moi* is the adoption of the slogan, the "socialization" of education. Many non-government schools including semi-government, "people-run," and private schools were created and the burden has grown for beneficiaries of the education services. The fear is that this has led to an ever-widening gap in access to education services between different households and regions.

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Chapter 6
Education Reforms and Capacity Development in Higher Education

David W. Chapman

6.1 Introduction

To fully appreciate the pressures and opportunities that now confront higher education institutions (HEIs) in Cambodia, Lao PDR, and Vietnam, it is necessary to understand the wider set of pressures influencing the growth and development of higher education in the region and in the world more broadly. This chapter examines those wider trends, issues, and opportunities, and then analyzes the circumstances of higher education in these three countries within that larger context. The basic theses of this chapter are that (a) the emphasis on higher education system growth and expanded student access needs to be better balanced with more aggressive attention to quality; (b) quality standards are increasingly being driven by international forces largely outside the ability of national governments to control; (c) cross-border collaboration with higher education institutions in other countries (in ways that go beyond just offering joint academic programs) represents an important strategy for these three countries to consider; and finally that (d) Cambodia, Lao PDR, and Vietnam, in their drive to raise the quality of their higher education system, could all benefit from wider international collaboration with other higher education systems and institutions in the region and more widely.

6.2 The Landscape of Higher Education Across Asia

Over the next decade, expanding and strengthening higher education will be a priority concern in nearly all developing countries of Asia. Governments face strong social demand to expand access; most see a need to increase the supply of highly trained personnel and all seek to incorporate advances in technology (Bray 1998). At the same time, many countries are victims of their own success in increasing enrollments at primary and secondary levels. These expanding secondary enrollments are now fueling sharply increased demand for access to postsecondary opportunities that many countries are now struggling to address. The problem needs to be solved. Highly educated people are enormously important to

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social and economic development. The investment in high quality higher education is returned through economic growth. If quality is high, money spent on higher education benefits all of society, not just those who go on to college.

6.3 The Decline and Reemergence of International Support for Higher Education

Higher education traditionally has been treated by countries across Asia as an important and prestigious investment. Nonetheless, support for higher education declined from 1990 to 2005 due, for the most part, to the international consensus reached at the 1990 World Conference on Education for All (EFA) that the central development challenge of that era was to expand access to basic education. The main arguments for this focus were that higher education was expensive and that most of the benefits accrued to the students themselves rather than to the larger society. One year of university education for one student cost as much as providing a year of primary schooling for 20–40 children, and investing in primary schooling had a considerably higher public return. On average, low-income countries spend 34 times more on a student in higher education than they spend on a student in primary education and 14 times more than they spend on a student in secondary education. The analogous figures for high-income countries are 1.8 and 1.4 (Glewwe and Kremer 2005).

In the years following the EFA conference there was a massive shift in development funding across most major international assistance agencies favoring primary education (Heynemann 2006). For example, international lending to higher education grew between 1970 and 1990 but then dropped; from 1990 onward international donors concentrated their support on basic education. For example, Asian Development Bank (ADB) support for higher education fell from about 50% of education lending in 1970 to about 2% in the years since 2000 (LaRocque 2007: 11–12).

The situation is changing. Renewed interest in higher education across Asia emerged in the early 2000s, largely in response to two factors. First was the success of many countries in expanding access to primary and secondary schooling. The increased enrollments at these levels are now fueling a sharply increased social demand for access to postsecondary opportunities. Second was the growing economic interdependency among countries (sometimes termed "globalization"), speed of communications, and importance of technology that have created new demand for higher level technical, managerial, and administrative skills.

Highly educated people are enormously important to social and economic development. While primary and secondary schools aim to provide students with a strong grounding in basic literacy, numeracy, and other vital skills, higher education offers the depth and flexibility people need to thrive in the modern workplace (World Bank 2000). Investment in higher education is thus strongly in the public interest. The issue is not primary and secondary education versus higher education but, rather, achieving the right mix among the three levels (World Bank 2000).

6.4 Growing Demand for Higher Education Across Asia

Demand for higher education is influenced by, among other things, the size of the school-age population, rate of population increase, and primary and secondary school participation and completion rates. The proportion of secondary school completers seeking higher education is, in turn, fueled by rising family incomes, changes in the labor market, and social tastes and values. The pattern across much of Asia is that more students are entering general education, a higher percent are finishing secondary school, and an increasing proportion of those graduates want to continue to higher education. One indicator is the increasing number of new colleges and universities that have been opened across the region (Table 6.1).

Demand for higher education across Asia will continue to grow, but due more to the expanding population than to changes in college-going rates of secondary school graduates. While actual student enrollments in higher education in many countries across Southeast Asia have grown (Table 6.2), growth in higher education gross

Table 6.1 Number of higher education students by subregion of Asia, 2006 (in millions) (UNESCO 2006)

Subregion	1991	2004
Central Asia	2	2
South and West Asia	6	15
East Asia and the Pacific	14	39
Total	22	56

Table 6.2 Student enrollments in higher education institutions across Asia (Compiled by the author)

Country	1980[a]	1998[b]	2004[c]	2007[d]
Brunei Darussalam	143	3000	4,917	7,502
Cambodia	601	–	45,370	47,835
Indonesia	543,175	–	3,441,429	2,790,391
Lao PDR	1,408	12, 000	33,760	71,359
Malaysia	57,650	443,000	632,309	692,976
Myanmar	163,197	–	555,060	555,000
Philippines	1,276,016	2,209,000	2,427,211	3,685,624
Thailand	361,400	1,814,000	2,251, 453	2,469,808
Vietnam	114,701	810,000	845,313	785,000
Timor Leste		–	6, 349	17,370

[a] World Bank (2000).
[b] UNESCO (2005).
[c] UNESCO (2004).
[d] SEAMEO (2007)

enrollment rates (GERs) has been more modest (Table 6.3). This suggests room for considerably more expansion of higher education systems in the region. When (and if) population growth rates across countries slow, it is likely that demand for higher education will hold constant or grow due to increasing participation rates.

Table 6.3 Gross enrollment rates in higher education in Asia, selected countries and years (UNESCO Institute for Statistics, annual education surveys)

Country	1991	1999	2002	2004
Southeast Asia				
Cambodia	1	–	3	3
Indonesia	9	–	15	17
Lao PDR	–	2	4	6
Malaysia	8	23	29	–
Myanmar	4	7	11	–
Philippines	27	29	30	29
Singapore	20	–	–	–
Thailand	–	32	39	41
Vietnam	2	11	10	10
By way of comparison				
Central and West Asia				
Afghanistan	–	–	–	1
Armenia	–	24	26	26
Azerbaijan	24	15	16	15
Kazakhstan	42	25	39	48
Kyrgyzstan	14	29	43	80
Pakistan	3	–	3	3
Tajikistan	22	14	14	16
Turkmenistan	22	–	–	–
Uzbekistan	30	–	15	15
East Asia				
Mongolia	14	26	34	39
China	3	6	13	19
Pacific				
Timor-Leste	–	–	10	–
South Asia				
Bangladesh	–	6	6	–
India	6	–	11	12
Nepal	6	–	5	6
Sri Lanka	4	–	–	–
Others				
Brunei Darussalam	77	85	90	94
Georgia	37	36	41	41
Hong Kong SAR	–	–	31	32
Japan	30	45	51	54
Macao, China	25	27	65	69
Republic of Korea	39	66	83	89

GER is the number of pupils enrolled in a given level of education regardless of age expressed as a percentage of the population in the theoretical age group for that level of education.

The desire of students to pursue a higher education is clearly reflected in the aspiration expressed by governments across the region for expanding their higher education systems. These aspirations for expanding access are presented in Fig. 6.1. The extent and rate of proposed expansion of higher education in some countries is ambitious to the point of being staggering. For example, Lao PDR hopes to increase higher education enrollments by 25% by between 2010 and 2015 and by 60% by 2020. Malaysia wants to expand the college enrollment of its 17–23 age cohort to 40% by 2010. Vietnam intends to increase college enrollments by 10% annually to 2010.

India hopes to increase the size of its higher education system by 50% in 3 years. Pakistan wants to double the size of it higher education system by 2010 and triple it by 2015. As Fig. 6.1 indicates, Lao PDR and Vietnam, while having ambitious

Country	Aspirations for future higher education growth
Indonesia	Higher Education Long-Term Strategy 2003–2010: The structural adjustment to be carried out aims to have, by 2010, a healthy higher education system, provide corresponding framework, and structures[a].
Lao PDR	At the University level the goals are selective expansion … to continue the training-upgrading of teachers, by 2020. Strive to increase the share of government budget for education; increase enrollment of girls and ethnic minorities in higher education; and increase the student population ratio from 520/100,000 by 2010 to 650/100,000 by 2015 and 840/100,000 by 2020[b].
Malaysia	Fundamental research will be activated by application to get grants of RM300 million in the 9th Ma 2006 plan (2006–2010 increasing postgraduate students from 18% to 25% in 2010 becomes the target of MOHE). Also planned is the increase in the HE enrollment numbers of the 17–23 age cohort to 40% by 2010.[c] The Malaysian nation's Vision 2020 Wawasan 2020 promotes a paradigm shift from an economy based on labor-intensive and lower-end manufactured products to an economy based on knowledge as part of the process of becoming a fully developed nation[d]
Vietnam	In its 5-Year Socioeconomic Development Plan 2006–2010, the government sets itself an overall quantitative goal of increasing enrollment in universities and colleges by 10% annually, to reach a level of 200 students per 10,000 population by 2010[e]

Notes:

[a] Djanali S (2005). *Current Update of Higher Education in Indonesia*. SEAMEO–RIHED.

[b] *SEAMEO–RIHED (2005). The Current Situation of Higher Situation in Lao PDR, MOE report, p. 16.; UNESCO (2005). EFA Global Monitoring Report 2005, UNESCO Information System, EFA Global Monitoring Report 2003/4; UNESCO UIS, SEAMEO (2007).*

[c] *Sulaiman, A.-N. (2005). Current Update of Higher Education in Malaysia*. SEAMEO–RIHED.

[d] *Kamogawa, A. (2003). Higher Education Reform: Challenges towards a Knowledge Society in Malaysia. African and Asian Studies,* 2(4), P. 546.

[e] World Bank (2007); Tran Ngoc Ca (2006). *Universities as Drivers of the Urban Economies in Asia: The Case of Vietnam. World Bank Policy Research Working Paper* 3949, p.7.

Fig. 6.1 Aspirations for future higher education growth in Southeast Asia

plans for their own expansion of higher education, are well within the range of projected system growth of their neighbors in the region. (Comparable data were not available for Cambodia.)

However, the rapid growth in enrollments has often come at the cost of quality. While higher education systems across Asia have grown rapidly, quality often has lagged. The challenge of the near future will be to raise quality, even in the face of continuing strong demand for greater access.

6.5 The Challenge to Quality

Higher education institutions (HEIs) across Asia are not highly distinguished in international quality rankings. Only one Asian university ranks in the global top 20; only eight ranked in the top 100 higher education institutions in the world (six in Japan; two in Australia) (Shanghai Jiao Tong University 2007). Indeed, the low quality of HEIs is a persuasive concern in many developing countries of Asia, a situation created, in part, by *rapid expansion without sufficient attention to the conditions of success*.

The World Bank has observed that, while demand for higher education is rapidly rising, higher education systems are expanding chaotically. Low-quality institutions are mushrooming in the private sector, while public sector provision suffers from underfunding, lack of vision, poor management, and low morale (World Bank 2000). Quality has suffered. A key reason for the low quality is that, during the rapid system expansion that has characterized the region the demand for qualified college and university instructors has outstripped supply. Enrollments grew faster than a sufficient number of academic staff could be recruited and adequately trained. The shortage was exacerbated by the ever-increasing alternative employment opportunities for highly educated personnel within the rapidly growing economies of the region. Many institutions lack the resources to pay salaries that are competitive with the private sector opportunities available to would-be faculty members. They also face the related challenge of holding the attention and loyalty of those instructional staff they are able to hire. Many faculty hold supplemental employment which may compete for the time they would otherwise commit to their teaching and research (Postiglione 2002; Chapman 2002).

The experience of the National University of Laos (NUOL) illustrates this issue. The university instructional program during the day is tuition-free for admitted students and taught in Lao. NUOL faculty members supplement their university salary by teaching in a special evening course, taught in English, for which students must pay a fee. While this arrangement provides a necessary financial supplement to instructors, it has made it difficult for NUOL to capture the time and attention of faculty members to participate in research and governance activities that would strengthen the regular (day) program of the university (Chapman 2002).

One reason for low-quality higher education is the lack of prior preparation on the part of incoming students. In many countries HEIs grapple with a tension between aligning their entrance standards and curriculum to be responsive to students' prior level of learning versus aligning their curriculum to international standards. HEIs are faced with a choice among diverting resources to providing remediation, failing to meet international

quality expectations, extremely high dropout rates as poorly prepared students are unable to do university level work, or some combination of all three. The articulation between secondary and higher education requirements is further complicated in some countries by the responsibility for these levels of education being split between a ministry of education and a ministry of higher education. If communication between ministries is weak, alignment of curriculum and accuracy of expectations tend to suffer.

An additional means of judging institutional quality is represented by the extent that the knowledge and skills of graduates are aligned with the labor market. Even as demand builds for greater access to higher education, graduates in some countries have difficulty finding employment. In some cases, this is due to employers' concerns about the quality of the education students received. In other cases, it is because students had only limited information about existing and projected employment opportunities, entry points for access to desired careers, and career ladders associated with desired professions. Some HEIs, such as Can Tho University in Vietnam, have undertaken graduate tracer studies and employer surveys as a basis for assessing the relevance of their curriculum and instruction methods.

A further constraint on quality is low faculty compensation, making it difficult for HEIs to compete with the private sector and with HEIs in other countries for well-qualified instructors. As competition for qualified college and university instructors intensifies, many HEIs are being forced to rethink their faculty compensation practices. A pattern of underpaying university faculty while allowing (and even encouraging) them to supplement their income through private consulting has been a rather common way of subsidizing higher education across the developing world. Instructors reaped the prestige of a university appointment; universities gained a teaching staff at low cost. However, as universities now seek to improve the quality of their instruction and to create new funding streams through research and university-based consulting, many institutions now seek ways to recapture the time, energy, and loyalty of their instructional staff on behalf of institutional priorities.

6.6 International Influences in Quality Standards

While international standard setting and accreditation are a national responsibility and prerogative, the standards countries adopt and seek to enforce are shaped by international norms and expectations. Four factors have led to international standards being given considerable prominence in national standard setting.

First, as students have choices, institutions will have to improve quality to compete for top students. Advances in communication technology and the growth of online degree programs are extending student access to instructional programs originating in HEIs in other countries. One consequence is that international standards are more readily apparent to students and families than in the past. As standards, instructional strategies, and performance expectations of other institutions are better understood, national institutions increasingly have to compete with HEIs in other countries.

Second, economies are increasingly interwoven through the operation of cross-border business and industry. Cross national workforces must compete in an international market. As businesses and industries hire from a regional and

international talent pool, students will increasingly demand access to a level of instructional quality in higher education that allows them access to those employment opportunities. Problems graduates experience in seeking international employment create a back-pressure on their home institutions to better prepare graduates. For example, in the early 1990s the major industries in Laos included a brewery and a hydroelectric dam. Many jobs in both industries required workers to be able to use sophisticated computer-controlled equipment, calculate proper gauge and valve adjustments, and to be able to read and follow instruction and repair manuals written in English and European languages. When insufficient numbers of qualified Lao workers were not available, workers were imported from Thailand. If the skill base of the local workforce had been stronger, the jobs would have been theirs. This was not lost on the national colleges and university.

Third, knowledge of standards used in other nations and in other institutions is easily and widely shared. Higher education institutions in developing countries often subscribe to these international standards and benchmarks as a way of gaining a competitive advantage in their local (and increasingly international) recruitment. Governments and universities are subscribing to international benchmarks of higher education quality as a way to raise their prominence and prestige. University academic programs want their graduates to meet US, EU, and other international standards of the licensure and certification. They seek higher rankings in international comparisons of program and institutional quality.

Fourth, many universities seek to improve the research mission of their universities, often tied to hopes that university research will stimulate national economic development (ADB 2007). At the more competitive levels of research, however, the composition of research teams is increasingly international. It is not uncommon to have Korean, Japanese, and American scientists working together on a collaborative project linked by virtual communications. As universities in low- and middle-income countries seek to stimulate top-level research in support of national development, they will need university researchers able to hold their own in international circles.

In summary, quality standards are increasingly being driven by international forces largely outside the ability of national governments to control. If graduates are to compete for jobs on a regional basis and institutions are to recruit top students, they will need to subscribe to a more international set of performance standards and expectations. While higher education is being buffeted by international forces, it is also possible for those institutions to seek help and collaboration from international partners.

6.7 The Rise of Cross-Border Collaboration in Higher Education

Colleges and universities seeking to upgrade their quality often look for ideas and strategies to other HEIs they admire, international lending organizations (e.g., World Bank, ADB), and international development assistance organizations (e.g., JICA, USAID, DFID). Indeed, the provision and sharing of cross-border expertise and

knowledge are rapidly becoming a more important need as the design and operation of higher education institutions become more complex (ADB 2007). This varies by country. Among countries seeking financial support from international lending organizations, middle-income countries are more likely to want technical advice and are requesting more of a knowledge component in their education lending. Low-income countries express less demand for a knowledge component as they often want loans to help them cover balance of payments (ADB 2007). Countries and HEIs that seek international collaboration and help have at least three main sources of that expertise:

- Knowledge drawn from a country's own experience in promoting higher education reform. Too often, however, systematic efforts to distill and formulate meaningful lessons from national experience in a way that can guide future higher education reform are limited and the information not widely available.
- Knowledge drawn from the experience of other countries in the region in developing their higher education system: A promising source of knowledge worth sharing is from the experience of other country's efforts to improve the quality of their HEIs. Here again, systematic analysis of country experience is uneven and generally lacking. Analyses that have been undertaken tend to be either anecdotal or written for an academic audience. Information from country experience needs to be practical and considerably more than anecdotal reflections.
- Knowledge drawn from wider international experience: Wider international expertise can offer substantial benefit to HEIs as it offers a source of models, management strategies, evaluations, and systematic approaches to curriculum development that have been successful in wider international efforts in higher education reform.

While such knowledge sharing can be accomplished through a variety of mechanisms, five mechanisms are most widely discussed for accomplishing this sharing function: (a) subregional knowledge hubs, (b) central knowledge hub, (c) international twinning arrangements, (d) regional twinning arrangements, and (e) regional and international consultants.

Knowledge Hubs Knowledge hubs are centers established for the specific purpose of accumulating, organizing, and disseminating knowledge about a particular set of issues, in this case, higher education development. They are typically sponsored by either an international organization, such as UNESCO or the ADB, or through a regional collaboration of governments, such as Southeast Asian Ministers of Education Organization (SEAMEO) in Southeast Asia. Hubs are proposed as a means of promoting cross-fertilization of new ideas and new modes of institutional interaction between industry, academe, and government (D'Costa 2006). They can be viewed as outposts of expertise available to assist national governments and universities in standard setting, capacity building, and information sharing aimed at formulating appropriate national policies and institutional strategies.

Hubs could operate with either pooled staff from multiple governments or an independent staff selected by country representatives. Hubs can be located in local institutions and capacities as a way of encouraging strong local ownership, local

capacities are fully utilized, and cooperation arrangements are institutionally, financially, and operationally sustainable. Hubs can collect and disseminate state-of-the-art thinking, relevant examples, and resource materials. They typically have a broad reach to regional and international experts who have demonstrated success working in the region. They can handle the logistics of fielding consultants and provide quality control over the consultants' work. In short, they make it easy for HEIs to access regional and international assistance in higher education reform.

The premise in establishing regional hubs is that locating expertise closer to the actual user of hub services increases the relevance and timeliness of assistance. Presumably, knowledge hubs create a focal point for consolidating information and expertise and provide a clear point of contact for governments and HEIs seeking assistance.

One view of hubs is as clusters of technical staff located in major Asian business and academic centers, though there are other models that could also be considered (ADB 2007: 2). A number of hub-like structures already operate in the region. These include the Asian Institute of Technology (Bangkok), the Asia Pacific Higher Education Research Network (APHERN), and the United Nations University (UNU). Hubs often specialize in particular topical areas, such as utilization of technology, e.g., SEAMEO-Regional Center for Educational Innovation and Technology (INNOTECH) and UNESCO Bangkok/ICT in Education. A variation on the hub approach is sometimes referred to as a *Center for Excellence*, typically a particular university tasked to serve as a demonstration site for a region or subregion. Particular programs or the institution as a whole receives special funding to develop programs intended to serve as models for other institutions in the region. The impact of these centers depends heavily on whether the model is clear to observers, the extent observers see a comparative advantage over what they are already doing, and the cost of that adoption (Rogers 1995).

While knowledge hubs are widely advocated, there are a set of potential downsides. It is not always clear who is responsible for deciding among competing requests for services, for determining the orientation of the advice offered by hub staff and consultants, or for insuring that a wide variety of views are represented. It may not always be clear who is responsible for marketing hub services or monitoring the relevance of services offered. Moreover, hubs can sometimes come to be seen as competing with the interests of the member HEIs. This was illustrated by a recent experience in Hong Kong in which senior staff of six universities expressed reluctance to join together to create a higher education hub in part from a concern that financial support for the hub might compete with funds for their own institutions (Tam 2007).

International Twinning In twinning arrangements, a local university and a university in a more industrialized country enter into a sustained collaboration over an agreed-upon period of time. The objective is typically to provide key personnel in the local university with clear models, hands-on experience, and advice relevant institutional development through exchange of personnel, study visits, and consultancies. Ideally the twinning is structured in ways that yield payoff to both partners as students and

faculty from the international partner learn more about the issues of higher education development in the local institution.

The advantage of international twinning is that the key participants in each institution have sufficient recurrent contact to build a working relationship. The collaboration allows participants to get deeper into the operational mechanisms of university administration than might be possible through single workshops or stand-alone consultancies. Operational support for the twinning typically involves funding for faculty, student, and administrator travel and professional time.

There are already numerous twinning arrangements underway across Asia. For example, Michigan State University has a long-time partnership with Can Tho University in Vietnam and the Royal Melbourne Institute of Technology has two campuses in Vietnam – Hanoi and Ho Chi Minh City. Malaysia and Singapore both use twinning with Western higher education institutions. INSEAD and the University of Chicago business school have set up campuses and offer part of their programs in Singapore. Webster University has a campus in Hua Hin, Thailand. Johns Hopkins University, Nottingham University, and the University of Minnesota have twinning arrangements in China.

Twinning has limitations. These arrangements can narrow the experience sharing to the particular models of the partner institutions. Key personnel in the international partner institution can lose interest or be distracted by other opportunities and commitments. In some cases, the financial underpinnings of twinning may not be workable. The University of New South Wales closed its operations in Singapore just 4 months after it began due to lower than anticipated enrollments (*Financial Times*, May 4, 2007). Finally, there may be differences in cultural or institutional values. In 2005, the University of Warwick (UK) dropped plans for a hub after its faculty expressed concerns about the cost and potential curbs on academic freedom in Singapore (*Financial Times*, May 4, 2007).

HEIs do not always have to go far to find appropriate twinning partners. When there are good higher education models in reasonably close proximity, regional twinning may offer a more relevant partnering experience (than twinning with a more distant international partner) as collaborators presumably have undertaken reforms within similar cultural and educational circumstances. A further advantage is that the closer proximity results in lower transportation costs and makes it easier for longer-term professional relationships to be sustained even after the formal twinning ends.

The downside of regional twinning is the same as for international twinning. It narrows the range of expertise to the particular approach of the collaborating partner, support for the regional twinning may compete for funds that might have gone directly to the regional university, and anticipated benefits may not materialize.

Individual Consultancies Direct individual consultancies are the basis of most knowledge-sharing approaches, even within hub and twinning strategies. They are already a widely used and well-understood practice across the region. They can be used as a stand-alone approach or embedded within hub or twinning arrangements. Advantages of this approach is that consultants can be hired directly by the HEI or

developing country's government without going through intermediate organizations and the recipient of the services retains complete control of the choice of experts. The downside of individual consultancies is that many developing countrys' HEIs have difficulty identifying relevant expertise outside their own geographic area and may not understand the norms and procedures for contracting, supervising, and evaluating consultant services. Consequently, an advantage of procuring consultants through a hub or twinning strategy is that those intermediary groups can provide some level of screening and selectivity. They can be given specific responsibility for maintaining a roster of experts and following up to see if the work is well received and helpful.

There is no overriding advantage of one form of knowledge-sharing mechanism over another or any compelling reason to limit the range of knowledge-sharing mechanisms in which institutions participate. Each approach has strengths and weaknesses. These are summarized in Fig. 6.2. However, there are crosscutting characteristics important to the success of any of these knowledge-sharing strategies. These include: (a) early HEI access to expertise; (b) ability to shift skill mix as problems change; (c) emphasis on regional expertise without jeopardizing access to wider world expertise; (d) clear identification of where the expertise resides; (e) competitive procurement procedures able to attract top talent for short-term activities; (e) mechanisms to sustain relationships over time; and (f) opportunities and mechanisms through which technical knowledge can be shared so that HEI know what knowledge resources are available.

6.8 Higher Education in Cambodia, Lao PDR, and Vietnam

While the preceding discussion has considered broader regional trends and issues, the higher education system of each country is also shaped by its own unique history and context. This volume focuses on the journey of three particular countries, Cambodia, Lao PDR, and Vietnam, toward strengthening their systems of higher education. In important ways, these three countries are similar in their commitment to expanding higher education and the economic base from which they started their journey to accomplish this. Eleven points help frame the discussion provided in case studies in Part III:

- Southeast Asia is characterized by wide variations in the emphasis that has been placed on higher education and the success of countries in developing their effective higher education systems. Singapore, Thailand, Indonesia, and the Philippines have invested heavily in higher education, with impressive results. The decision of Cambodia, Lao PDR, and Vietnam to make substantial investments in their higher education systems has emerged more recently. As Table 6.4 indicates, Cambodia and Lao PDR are still characterized by low gross enrollment rates in tertiary education. Vietnam is higher, but still low in comparison to many of its regional neighbors.

Knowledge sharing strategy	Potential advantages	Potential disadvantages
Regional or subregional hubs	• Focal point for expertise and information • Clear point of contact • Sensitive to regional and subregional issues and needs	• Mixed reviews regarding impact and effectiveness of hub-like structures now operating in region • Easily dominated by specific points of view or orientations • Decisions regarding multiple requests for services can cause tension with clients • Possible lack of clarity about responsibility for quality control • Staffing constraints and existing staffing commitments may narrow ability to address new problems
International twinning	• Can develop assistant and sustained relationships over time • Can develop deeper knowledge of partner institution issues • Taps into international standards and resources	• May narrow the range of knowledge and advice provided • Securing funding for these twinning relationships can be a challenge
Subregional twinning	• Partners face similar cultural and educational circumstances • Sensitive to subregional variation in issues	• May narrow the range of knowledge and advice provided • Possible lack of suitable partner Institution
Individual consultant services	• Can respond to a wide range of specialized request with top expertise • Can secure specialized expertise on an as-needed basis	• Appropriate expertise may be hard for HEIs to identify • Often lacks follow-up and quality control • Multiple consultants' efforts can be cattered and disconnected

Fig. 6.2 Advantages and disadvantages of alternative strategies for knowledge sharing in higher education (Adapted from Ordonez, Johansen, and Chapman 2007)

- All three countries have low per capita incomes, have experienced war and political turmoil, and have only recently started expanding their academic systems (Altbach and Umakoshi 2004; Wiedman 1995). The convergence of these factors has meant that these three countries are, to some degree, in the position of "chasing their neighbors." They are trying to do in a short time what other countries in the region have accomplished over a much longer period.
- All three countries have low participation rates in higher education but all three project dramatic growth in their higher education enrollments. For example, in 2000, Vietnam educated 6% of the university age cohort; Cambodia had half that proportion in higher education (Altbach and Umakoshi 2004).

Table 6.4 Gross enrollment rates in tertiary education, Cambodia, Lao PDR, and Vietnam, 2005 (UNESCO UIS 2005)

Country	GER ISCED 5 and 6. Total	GER ISCED 5 and 6. male/female	% of female graduates from tertiary education
Cambodia	3.6	4.8/2.3	–
Lao PDR	7.9	9.2/6.5	33.6
Vietnam	15.9	18.6/13.2	42.4

- Nonetheless, all three countries now aggressively seek to expand enrollments in higher education system. In all three cases, this effort is grounded in an economic rationale, e.g., to improve the economic competitiveness of the countrwy. All three countries aspire to have several major universities, intended to signal to potential investors the commitment of each country to promote technological progress, and to meet emerging labor market knowledge and skill requirements (Postiglione and Mak 1997).
- While three countries recognize the need to improve quality of their higher education, the emphasis in all three countries has been on quantitative expansion of their higher education systems to accommodate sharply increasing demand for postsecondary places. A key issue facing all three will be to find their own appropriate balance (between quantity and quality). The emphasis on access needs to be balanced with a commitment to quality. Recent studies that have examined the economic impact of education quality in basic education have found that measures of quality have a stronger association with economic growth than measures of quantity (Hanushek and Kimko 2000; Hanushek and Wößmann 2007; Temple 2001). The same relationships are likely to hold true at the postsecondary level, that is, the expected benefits of investment in higher education enrollment growth and may not materialize if expansion is not accompanied by qualitative improvements.
- It is not always clear that their investment in higher education pays off in quite the way they had anticipated. For example, Duggan (1996) points out that in Vietnam in the 1990s, it was not uncommon for better-trained academic staff to depart higher education for better-paid jobs in the private sector. That pattern may benefit the overall economy of the country, but it does not strengthen the education system. Similarly, the investment in higher education does not always directly return to the benefit of the country. For example, in Cambodia, 18–22% of the student stock becomes US permanent immigrants each year (Rosenzweig 2007).
- There are gender and regional disparities in access to higher education in all three countries that still need to be addressed. Table 6.5 illustrates these disparities in Cambodia. For higher education to have the desired impact on poverty reduction, economic growth, and social development, access will need to be more equitably distributed across all citizens.
- Private higher education has become an increasingly important factor in the provision of higher education in all three countries, though to differing extents.

Table 6.5 Female participation in Cambodian higher education relative to target levels, selected years (Ministry of Education, Youth and Sports 2005)

Indicator	Actual 2000/01 (total/female)	Actual 2004/05 (total/female)	Target 2004/05 (total/female)
Number of students in public HEIs	7,291/1,890	7,953/2,802	20,000/6,000
Number of private-supported students in higher education	18,125/5,060	38,882/12,685	49,000/10,800
% of accredited public/private HEIs	–	–	15%

Table 6.6 Education sector plan enrollment targets for higher education in Cambodia (Ministry of Education, Youth and Sports 2005)

Type	2008	2009	2010
Higher education (public institutions)	36,000	40,000	44,000
Higher education (private institutions)	54,000	55,317	56,633

For example, in Cambodia in the early 2000s, there was an explosion of private colleges and universities. Private enrollment more than doubled from 18,000 to nearly 39,000 in the past 5 years, while public institutions recorded less than 10% enrollment increase during the same period (Education Strategic Plan 2006–2010, Ministry of Education, Youth and Sports 2005). The private provision of higher education is expected to surpass the public provision (Table 6.6). While private higher education in Vietnam has developed more slowly, it is nonetheless growing. In 2002, there were 111 universities and 119 colleges of which 15 universities and two colleges were private (Ministry of Education and Training 2006).

This growth in private higher education has raised questions about how quality of this new and wider variety of institutions should be assessed. For example, in Cambodia, the government has not yet decided on accreditation standards for universities and it is difficult to determine the quality of all the new HEIs that have been started throughout Phnom Penh.

- All three countries face a major challenge in upgrading the qualifications of their instructional staff. A 2006 report indicates that, in Vietnam, about half of the 32,205 college and university instructors had not attained a postsecondary education greater than the level at which they were teaching. While 17% held Ph.D.s, 29.6%t had master's degrees and 53.4% had only a bachelor's degree (Ministry of Education and Training 2006).

Cambodia (ADB)	
Purpose	Infrastructure rebuilding in transport, power, agriculture, and education: including reconstruction of two teacher training colleges, three technical institutes, and rehabilitation of Phnom Penh University
Rationale	To help Cambodia free store essential economic and social infrastructure to forestall further deterioration of basic public services and to establish a basis for further reconstruction efforts following the war and civil disturbances spanning the 1970s and 1980s
	Education component focused on postsecondary education since UNICEF and other donors were working at the primary level
Assessment	Education assistance was generally implemented as envisioned at appraisal. Internal efficiency was enhanced and productivity of higher education system was improved
Comments	Project needed more consultant-input than was anticipated
Lao PDR (ADB)	
Purpose	To set up a multi-campus national university, develop an operational framework (including a management system, academic structure, supporting mechanisms)
Rationale	Shortage of higher education graduates poses obstacle to sustain development gains
Assessment	Project was rated as highly relevant
	The project was rated very efficient. The cost of education at NUOL was US$88/student while cost of education at the 10 postsecondary institutions before consolidation was US$264/student. After cost recovery, NUOL student costs were estimated at US$57/student
	Overall, the project was rated as highly effective
Comments	Project amalgamated 10 postsecondary education institutions to create the National University of Laos
Vietnam (World Bank)	
Purpose	To increase the quality of teaching and research in universities, in ways that improve the employability of graduates and the relevance of research
Rationale	To build capacity in policy development at both institutional and system-wide levels
	Strengthen teaching and research in selected universities
	Improve project management, monitoring, and evaluation to support effective implementation of the project
Assessment	Project became effective
Comments	From Project Appraisal Document on a proposed credit to the amount of SDR 39.0 million (US$59.4 million equivalent) to the Socialist Republic of Vietnam for a second higher education project

Fig. 6.3 Summary of recent and proposed World Bank and ADB loans to higher education in Cambodia, Lao PDR, and Vietnam (Adapted from Ordonez, Johansen, and Chapman 2007; World Bank 2007)

- All three countries have sought (or are seeking) external donor support to assist in the development of their higher education systems (Fig. 6.3). Much of the assistance sought by Cambodia and Lao PDR was for infrastructure development; Vietnam's assistance focuses more on capacity development.

Table 6.7 Enrollments by broad field of education in tertiary education, Cambodia, Lao PDR, and Vietnam 2005 (UNESCO UIS 2005)

Country	Enrollment in all programs	Total graduates in all programs	Total graduates in all programs Female	Graduates: Humanities and Arts Total/female	Graduates: Science Total/female	Graduates-Engineering, Manufacturing, Construction. Total/female
Cambodia	56,810 (31% females)	–	–	–	–	–
Lao PDR	47,424 (41% females)	5,220	1,756	1,006/403	80/30	737/75
Vietnam	1,354,543 (41% females)	182,489	77,330	7,925/2,032	–	38,786/7,754

- The alignment of higher education programs with national and regional labor market needs is a concern in all three countries, though the actual output of their higher education systems differs somewhat. Vietnam graduates more students engineering, manufacturing, and construction while Lao PDR tends to graduate more in humanities and arts (Table 6.7).

This chapter has examined the trends, issues, and opportunities affecting the growth and development of higher education in Southeast Asia generally and three countries in particular: Cambodia, Lao PDR, and Vietnam. The basic argument has been that (a) the emphasis on higher education system growth and expanded student access needs to be better balanced with more aggressive attention to quality, (b) quality standards are increasingly being driven by international forces largely outside the ability of national governments to control, and (c) cross-border collaboration with higher education institutions in other countries (in ways that go beyond just offering joint academic programs) represents an important strategy for these three countries to consider. Cambodia, Lao PDR, and Vietnam, while different in important ways, share a number of characteristics that make a special examination of the dynamics of higher education development in those countries worthwhile.

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Part III
Country Case Studies
A. Cambodia

Chapter 7
Education Reform Context and Process in Cambodia

Sitha Chhinh and Sideth S. Dy

7.1 Background

Despite Cambodia's long history of education development (Clayton 1995; Dy and Ninomiya 2003), the discussion of the country's contemporary education sector usually begins with the destructive Khmer Rouge regime (Chhinh 2004; Keng and Clayton 2007). This analytical chapter of politics and economics of education reform begins with a discussion of the Khmer Rouge regime during which almost two million people died of starvation, hard work, and execution. Public infrastructure was completely destroyed and basic social services were terminated. The only activities that prevailed across the country were the collective farming intended to turn Cambodia into an agricultural utopia. Following the fall of the Khmer Rouge in January 1979, the Vietnamese-supported government established social systems from scratch (Kiernan 1982; Mysliweic 1988; Ayres 2000). Education and other social sectors were reborn with financial and technical support from the socialist blocks. The education reforms carried out so far have been based not only on the modernization of the system to catch up with an era of globalization but also the shift of political ideology from state economy to free economic market.

The 4+3+3 education system established in 1979 soon after the fall of the Khmer Rouge was expanded to a system of 5+3+3 and 6+3+3 in 1996. Cambodia's current education system is divided into four levels: preschool education, primary education, secondary education (lower and upper), and higher education. Six years of primary education and 3 years of lower secondary education make up basic education totaling 9 years. Although there are no official documents defining compulsory education in Cambodia, the Constitution stipulates that the State has the duty to provide primary and secondary education to all citizens for at least 9 years. This stipulation has been referred to in a number of policy documents with some modifications, most remarkably the inclusion of the word "free" (Kingdom of Cambodia 1993; Ministry of Education, Youth and Sport 2003a, 2006).

From the rebirth of education system in 1979, the provision of education services to all school age population present enormous challenges for the Government of Cambodia in both qualitative and quantitative terms. Being a signatory state to the Education for All (EFA) initiative, Cambodian government with financial and technical

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

cooperation has implemented significant reforms. This chapter presents and discusses education reform processes and contexts from political, economic, and global perspectives, followed by the achievement and some innovations that help bolster the reform.

The purpose of educational reforms in broad terms is not far from the concept highlighted by Wilson (1973) focusing on access and quality. While access reform refers to expansion of educational opportunity to school-age children regardless of sex, geography, wealth, and health, quality reform focuses on the efficiency of the system by improving the quality of teachers, the materials, management, and leadership (World Bank 1995).

However, there are a few emerging political, economic, and global issues at each stage of educational reform in Cambodia. The transition to a free market economy in 1993 after the UN-sponsored election had a strong impact on education. The most observable impact was on the curriculum content.

The country's economic development puts pressure on the education sector to adequately train and supply qualified workforce.

The globalization of education, as articulated in two important documents – EFA and the Millennium Development Goals (MDGs) – is another key issue that puts Cambodian education system on the reform agenda. Cambodia has received substantial financial and technical cooperation. With limited technical expertise in the education sector, but strong desire to get fund and commitment to build individual and institutional capacity, Cambodia tends to accept, though through discussion and consultation, concepts and models of educational reform suggested by the technical assistants, advisers, donors, and development partners.

7.2 Educational Reform in Context

After the 1993 UN-sponsored election, several important educational policy documents have been produced:

7.2.1 The Constitution of the Kingdom of Cambodia (1993)

The Constitution of the Kingdom of Cambodia, adopted in 1993, includes a number of articles regarding education. Article 68 of the Constitution says that "the State shall provide primary and secondary education to all citizens in public school," recognizing the rights of citizens to opportunity of education and education of quality through a provision of standardized system. Furthermore, the implementing agencies are allowed to adjust contents, pedagogy, and foreign languages to maximize the quality of the education delivered. It also states that the State shall control public and private schools at all levels.

7.2.2 Policy of the Ministry of Education, Youth, and Sport (1996)

The Ministry of Education, Youth, and Sport (MoEYS) focuses on four broad policies from which several other sub-policies or strategies have been developed. These key policies, first published in 1996, and are republished every year in the Chart of Education Indicators, an annual publication by the Department of Planning, MoEYS, which presents a summary of education statistics and indicators. While the format and content of the chart have been modified every year, the section of policy on MoEYS remains unchanged since 1996: (i) to universalize 9 years of basic education and developing opportunities for functional literacy; (ii) to modernize and improve the quality of education through effective reform; (iii) to link education/training with labor market and society; and (iv) to rehabilitate and develop youth and sport subsector.

7.2.3 Education for All (EFA) National Plan, 2003–2015 (2003)

An EFA National Plan spells out comprehensive technical and financial plans focusing on (i) gender responsive strategies, (ii) early childhood care and development, (iii) formal basic education, and (iv) nonformal education and adult literacy. The plan focuses on both quantity expansion and quality/relevance of the program (MoEYS 2003a).

The plan spelled out in this policy document also focuses on coverage, quality, and efficiency, especially in the areas of long ignorance. Some of the strategies include a scholarship scheme for the rural poor to increase the transitional rate from primary to lower secondary education, capacity building of both teaching and nonteaching staff through preservice and in-service training, and monitoring of the learning outcome.

7.2.4 Education Strategic Plan 2006–2010 (2005)

The Education Strategic Plan (ESP) was developed as part of National Development Policies and Priority. A number of key messages are spelled out in the plan, including (i) the vision of the MoEYS to establish and develop human resources of very high quality and ethics in order to develop a knowledge-based society within the country; and (ii) the mission of MoEYS to lead, manage, and develop the education, youth, and sport sector, responding to socioeconomic and cultural decentralization. This working document focuses on three areas, namely equitable access to education services, quality and efficiency of education services and institutional development, and capacity building for decentralization.

7.2.5 Education Law (2007)

MoEYS, in cooperation with its development partners, namely UNICEF, UNESCO, and the Asian Development Bank (ADB), drafted an Education Law for the first time in the history of education in Cambodia. The draft and review process began in May 2002 and it was adopted by the National Assembly, the Senate, and promulgated by the King at the end of 2007. The Law comprises 55 articles incorporating various elements such as effective management, quality of education, education for all, accountability, transparency, sustainable development, science and technology, good governance and administration, tolerance and support of the disadvantaged group, public and private partnership, rights and obligations, etc. The Law aims at strengthening quality and efficiency of education at all levels intended to support and serve the national goal for human resource development.

7.3 Achievement in Educational Reform

MoEYS' ESP 2006–2010 emphasizes education reform on three key issues: (i) equitable access, (ii) quality and efficiency, and (iii) institutional development and capacity building. In order to ensure the smooth implementation of the strategic plan, the government and its development partners allocated a priority action program (PAP) fund for implementing a number of strategies as articulated in the Education Sector Support Program. The PAP fund for primary schools, which reflects the government's and donors' commitment to achieving EFA with quality, was allocated to each school in order to reduce the cost borne by parents through the abolition of registration fees and other payments and to increase the quality and efficiency through the reduction of repetition and dropout rates.

To achieve universal enrollment and completion of primary education and lower secondary education as promised in the EFA National Plan by 2015 and to improve the quality and efficiency of basic education especially at the primary level, policies and strategies have been articulated in the ESP, the Education Sector Support Program (ESSP), and the EFA National Plan. In this 5-year rolling plan (2006–2010), strategies for equitable access and quality are targeted and capacity building is highlighted. MoEYS initiated and implemented the strategic plan in order to ensure effective educational reforms that are undergoing and achieve the EFA goal in 2015 (MoEYS 2003b).

The following sections describe the achievements and improvements that have been observed in education over the last 10 years, a duration in which recorded data are available for comparison. These achievements and improvements are associated with the implementation of the educational reforms.

7.3.1 Equitable Access

Expansion of educational opportunity to school-age children remains the top priority in the reform agenda. This is agreed upon by both the government and development partners. Education opportunity or access to education with equity is articulated in the ESP measured by three important indicators: enrollment, promotion, and transition.

Educational reforms have brought about significant progress in quantity expansion. Table 7.1 shows that enrollment has increased almost up to 90% although not necessarily at the statutory age of 6 since 1999 (MoEYS,1997, 1998, 1999, 2000, 2001, 2002, 2003b, 2004, 2005a, 2006, 2007). However, the interventions have not significantly brought the repetition and dropout rates down. At the present, the quantity and quality of primary education have emerged as a major issue in public policy discussions and priority program of the government, donors, and general public.

Equitable access to primary education has been widely discussed among stakeholders, government and nongovernment alike. Over the last 5 years, the government, donors, and development partners have cooperatively worked to formulate the policies and set up the strategies in order to increase access of primary education to all school-age children. The policies and strategies were spelled out clearly in the ESP. These strategies are: (i) reducing cost barrier for basic education; (ii) reducing repetition and dropout, especially in grades 1–6; and (iii) eliminating incomplete primary schools and expanding grade 7–12 (MoEYS 2005b).

Increase in enrollment is one of the most observable changes since the implementation of ESP. This resulted from the combined efforts of all stakeholders: individual, donors, international agencies, and government sectors. The increase in enrollment can be attributed to the following:

Table 7.1 Net enrollment ratio and transition rate to lower secondary school 1997–2007 (MoEYS, education statistics and indicators 1997, 1998, 1999, 2000, 2001, 2002, 2003b, 2004, 2005a, 2006, 2007)

	Net enrollment ratio		
Academic year	Primary school	Lower secondary school	Transition rate to lower secondary school
1997/98	77.8	16.3	71.9
1998/99	78.3	14.2	74.3
1999/00	85.5	14.4	76.7
2000/01	83.8	16.6	77.3
2001/02	87.0	18.9	82.6
2002/03	88.9	19.1	83.2
2003/04	90.1	21.3	82.7
2004/05	91.9	26.1	81.9
2005/06	91.3	31.3	80.6
2006/07	92.1	33.7	78.7

1. The elimination of all forms of registration fees, contribution fees, and other fees. These fees were a barrier to schooling for many rural and remote children. Principals and representatives of school support committees interviewed for the study noted that farming activities during the late rainy season and money shortages caused many parents in the poor remote and rural areas to delay the registration of their children or, for some parents not to register their children in schools. The elimination of start-of-the year registration fees and other kinds of fees contributed to the success in increasing enrollment (Chhinh 2005).
2. Broad and frequent campaigns about government policy and commitment to providing education to all school-age children prior to registration days also brought about increases in enrollment at the beginning of the school year. Discussions with key informants of school principals and community representatives suggest that the dissemination of the educational reforms and policies and campaign about the elimination of start-of-the year fees and other school-related fees were comprehensive and effective as more than 90% of the samples in PAP survey were aware of the policies of fee abolition (Chhinh 2005). Campaigns and information dissemination were done in different forms, e.g., through pupils, parents, community leaders, posters, media, and on different occasions such as traditional festivities across the community, school opening ceremony, school flower festivities, and other Buddhist holidays. Information was disseminated at community gatherings, marketplaces, commune council, pagodas, and schools.
3. Construction of additional primary schools across the country made education more accessible to a greater number of children, especially those living in the poor rural and remote areas.
4. Changes in parents' attitude toward educating children, especially daughters, are more positive. As education became more accessible with more schools, parents are more committed to sending their children – boys and girls – and to keep them in schools as long as they can.
5. Some other strategies by local and international organizations such as scholarship programs, school-feeding programs provided by government and NGOs also contributed to the enrollment and retention of the children in schools.

Cambodia was awarded Education for All – Fast Track Initiative (EFA-FTI) status in 2006. This status reflects international recognition that the policy reforms in the Cambodian education sector are of high quality. The purpose of the FTI catalytic fund grant is to speed up implementation and achievement of EFA goals and targets. The current indicative amount of the grant is US$57.4 million over 3years, likely to be from 2008 to 2010 to continue the expansion of access, improvement of quality, and building of capacity of individuals and institutions. The funding mechanism, likely in the form of sector budget support, will support implementation of the existing MoEYS policy matrix and reform program, especially access, internal efficiency, and quality measures.

7.4 Challenges to Educational Reform

7.4.1 Quality and Efficiency

Despite progressive improvement in access, dropouts remain a challenging issue. Table 7.2 presents the student flow rates indicated by repetition and dropout from grades 1 to 9 from 1997 to 2006. It is generally observed that the repetition rates have been reduced by about 50% in all grades from 1997 to 2006. However, it is still below the target spelled out in the ESP and ESSP. Moreover, dropouts remain significantly unchanged in all grades except grade 9 since 1997.

7.4.2 Institutional Capacity Development

Recent education reform in Cambodia stems from growing political commitment and global pressure or trend especially in the donor community as it became a member of the Association of South-East Asian Nations, World Trade Organization, and continual requests by key donor and technical agencies such as the World Bank, ADB, UNESCO, UNICEF, and the European Commission. There is a significant change made for the attainment of the Cambodian MDGs and the Dakar EFA goals as set forth by 2015. A growing concern is the capacity of the MoEYS to absorb and digest new global concepts and fund, to formulate responsive policies and strategies, to implement its policies and strategies as cited in its ESP and ESSP.

Global changes have urged Cambodia to restructure and subsequently reform its education systems and school management. As economy and technology expressly grow, the market demands for educated and capable workforce also increase its extent, thus quality education at all levels must be essentially strengthened accordingly. The strengthening of the capacity of the workforce at levels to initiate, formulate, digest, implement, and evaluate the policy of education within the government sector will not experience a success if the socioeconomic status of teachers and the school leadership is neglected. The low economic and social status among teaching and nonteaching personnel, impede the recruitment and retention of qualified candidates to the system.

7.4.3 Reaching the Unreached

Equitable access and quality in basic education have become mounting concerns for both the government and its development partners in Cambodia. High dropout

Table 7.2 Students flow in grades 1–9 from 1997 to 2006 (MoEYS, education statistics and indicators 1997, 1998, 1999, 2000, 2001, 2002, 2003b, 2004, 2005a, 2006)

Grade	Academic Year																			
	1996/97		1997/98		1998/99		1999/2000		2000/01		2001/02		2002/03		2003/04		2004/05		2005/06	
	R	D	R	D	R	D	R	D	R	D	R	D	R	D	R	D	R	D	R	D
1	41.2	11.9	40.9	10.7	37.8	11.2	28.5	10.6	17.5	13.5	17.7	15.6	19.0	13.8	23.6	11.7	21.8	11.8	20.2	11.8
2	26.7	15.2	24.9	14.0	24.2	12.4	17.6	10.8	10.3	11.1	10.9	11.5	11.6	13.3	16.1	10.5	14.4	11.7	13.3	11.0
3	19.2	14.9	18.5	14.1	17.6	12.9	15.0	11.1	8.1	9.6	7.9	9.3	9.1	11.0	13.2	9.6	11.8	11.4	11.0	10.7
4	12.6	17.4	12.2	15.9	11.4	14.7	9.3	11.9	5.6	10.4	5.4	9.9	6.4	10.2	9.2	9.7	8.5	11.9	7.7	11.8
5	7.5	21.1	7.5	16.2	6.5	15.4	5.8	13.5	3.5	11.9	3.6	11.1	4.2	11.2	5.9	10.1	5.8	12.5	5.1	12.9
6	4.4	18.0	3.8	14.1	3.1	15.1	2.8	14.0	2.3	11.5	1.9	12.6	2.1	10.7	2.6	10.8	2.6	10.6	2.8	11.1
7	3.1	16.9	2.3	23.7	1.9	21.8	1.7	21.1	2.1	15.0	2.5	17.1	2.4	20.9	2.2	19.9	2.0	21.6	2.1	22.5
8	2.5	17.5	1.7	19.4	1.8	23.0	1.4	19.9	1.8	12.5	2.0	14.0	2.1	17.3	1.7	18.6	1.8	20.4	1.4	21.6
9	19.5	41.3	20.9	38.1	12.8	29.7	8.9	28.4	9.5	25.0	14.9	25.0	11.2	26.2	11.8	28.1	5.2	25.8	5.1	25.2

R = repetition; D = dropout.

and repetition rates in its constitutionally defined 9-year basic education have questioned Cambodia about its quality of delivery and availability of education services. Attention has been paid to primary completion and developing more nonformal education activities such as literacy, reentry, multilingual education, and equivalency programs toward reaching the hard-to-reach groups. Child-Friendly School policy was recently adapted which included strategies to overcoming barriers to educational opportunity such as for girls and women, children with disabilities, and for those of the ethnic minorities who cannot speak the national language, to have access to their schooling opportunity.

The US$57.4 million FTI–Catalytic Fund is intended mainly by the Royal Government of Cambodia for improving accessibility to quality preschool and primary education in the coming 3 years. This prospect of gaining a 100% net enrollment ratio in primary education – and every enrolled pupil will complete their primary education of good quality – is overly ambitious. It is worthwhile if attention should be paid to enhance more active role of the nonformal education system which is more flexible and responsive to the real needs of the marginalized and deprived groups. Increased education opportunities for all will be relatively costly and will test the seriousness of commitment of both the government and its development partners. The question is on how to translate from commitment into action.

7.5 Partners in Educational Reform

The education sector has been one of the acknowledged success stories in the Cambodian socioeconomic scenario, in terms of reforms and achievements. However, many challenges remain, among them the importance and urgency to vastly enhance the quality of education. Cooperation among all stakeholders has been quite high in the recent past. Following the experience gained in implementing the ESP 2001–2005, ESP 2006–2010 has been prepared through wide-ranging consultations with all stakeholders and includes the goals for the EFA National Plan, 2003–2015. ESP 2006–2010 was drawn up based on the lessons learnt from the implementation of the ESP 2001–2005, as well as the recently revised results of ESP 2004–2008, in order to build realism and applicability.

Government alone would not have made such improvement in access and quality without financial and technical support from development partners who have made every effort to increase access for children from the poorest and most vulnerable groups of the society. In 1999, the Education Sector Working Group (ESWG) composed of various donor agencies and NGOs currently chaired by UNESCO, was formed. The ESWG meets monthly to share ideas, project documents, plans, assessments, task division, and discuss various topics and assistance requested by the MoEYS. The Joint Technical Working Group (JTWG) was also established to decide on policy and strategy formulation or finalization and other related issues that are not able to decide during the ESWG or the Small

Working Group. The JTWG, meets every 2 months, is composed of development partners and the government, and is cochaired by the Lead Donor Facilitator (Chair of the ESWG) and the Minister or a designated Secretary of State. The ESWG is composed of technical officials/officers of both MoEYS and development partners to examine and analyze the information, discuss on more elaboration of the issues requested by the JTWG. The ESWG meets based on pending tasks and is more flexible.

Capacity building and human resource development is one of the main strategies of the Rectangular Strategy of the Royal Government of Cambodia in the third mandate of the National Assembly. The MoEYS continues to put emphasis on education quality improvement at all levels, basic, postbasic, and higher education. The policies and strategies presented in the ESP 2006–2010 are notable in order to accelerate the speed of education reform toward achieving all defined targets in the National Development Strategic Plan 2006–2010, Cambodia MDGs, and the EFA National Plan 2003–2015. Strengthening the partnership between the public and private sectors for more effective resource mobilization and utilization is also emphasized.

As summarized in Table 7.3, 14 donors have supported 60 education programs thus far in the reform process and implementation (UNICEF/Sida and the World Bank 2006). The donors channel their technical and financial support to education sectors to a number of local and international organizations that make up the NGO Education Partnership (NEP). NEP works more closely at community level to advocate and implement new concepts, policies, and strategies in the country at more provincial, district, and commune levels of the Cambodian administrative system. Development partners in education are indispensable since their funding modality and implementing capacity are more flexible and responsive. Nevertheless, ownership by the government is much emphasized for sustainable development of the programs.

7.6 Innovation in Educational Reform

The Royal Government of Cambodia, in cooperation with bilateral and multilateral donors, international agencies and NGOs, has made continuous effort to build the capacity of the reform agents from the top to the bottom level. However, capacity building which usually comes in the form of training and study visits to other countries seems to be less effective. A knowledge gap among trainees makes the training less effective. It is generally observed that people without sound background knowledge can be trained to do things perfectly. For instance, an illiterate person can be trained to be an excellent barber or motorbike mechanic. However, it is hard to train a person whose knowledge is limited to be a good manager, planner, and leader as these works require analytical, predictive, and evaluative skills. A majority (5,996 out of 7,119) of the school administrators including principals hold no degrees higher than secondary school. Analytical, predictive, and evaluative skills

Table 7.3 Program and focal areas (UNICEF/Sida and World Bank 2006)

No	Donor	Title/brief description	Education service efficiency	Early childhood education	Primary quality and efficiency	LS access, quality and efficiency	US access and equity	HE quality, efficiency and access	Continuous teacher education	Core instructional materials	NFE expansion	Youth and sport development	Monitoring systems	Secondary scholarships	Facilities expansion	Capacity building
P01	AUF	Francophone digital campus						X	X							X
P02	AUF	Francophone program at RUA						X	X							X
P03	AUF	Support to French language at ITC						X	X							X
P04	AUF	Graduate program in Law						X	X							
P05	AUF	Job placement and training						X								X
P06	AUF	Scholarship program						X	X							X
P07	AUF	Research on citrus diseases						X								
P08	AUF	Research on Khmer language						X								
P09	AUF	Research on the Mekong River banks						X								
P10	AUF	Research on anti-corrosion protection						X								
P11	AUF	Research on cooking oils						X								
P12	AUF	Research on the treatment of polluted water						X								
P13	ADB	Education regulatory reform														X
P14	ADB	Improving primary school access			X											
P15	ADB	Education of poor girls				X								X		X
P16	ADB	Dormitories and learning centers					X		X						X	X
P17	ADB	ESDP II: Secondary school construction				X	X									X
P18	ADB	Improved access, quality, and efficiency (secondary)				X	X		X							X

(continued)

Table 7.3 (continued)

No	Donor	Title/brief description	Education service efficiency	Early childhood education	Primary quality and efficiency	LS access, quality and efficiency	US access and equity	HE quality, efficiency and access	Continuous teacher education	Core instructional materials	NFE expansion	Youth and sport development	Monitoring systems	Secondary scholarships	Facilities expansion	Capacity building
P19	Belgium	BETT: Basic education and teacher training				X			X					X	X	X
P20	DFID	Education HIV/AIDS strategy	X		X	X				X	X		X			X
P21	EC	Pro-poor basic education (budget)	X		X	X					X					
P22	EC	Pro-poor basic education (TA)	X													X
P23	EC	Inclusive primary education							X							X
P24	EC	Literary environment			X						X					
P25	EC	European-ASEAN university cooperation						X								
P26	EC	Maritime navigation education						X								
P27	EC	Project cycle management						X								X
P28	EC	Partnerships in rural economics						X								
P29	EC	Food and agribusiness training						X								
P30	EC	Integrated storm management						X								
P31	France	Bilingual classes (French)							X							X
P32	France	French teaching in higher education						X								X
P33	France	Scholarship program						X								X
P34	France	Capacity building at ITC						X								X
P35	France	Post-graduate program in Economics						X								X
P36	JICA	Education quality through library activities			X											
P37	JICA	Girls' education									X			X		X
P38	JICA	Physical education for primary schools			X											X
P39	JICA	Primary school management			X											X

P40	JICA	Construction of primary schools			X											X	X
P41	JICA	Upper secondary science and mathematics					X				X						X
P42	JICA	Cambodia-Japan Cooperation Center						X									X
P43	Sida	EBEP-I (see UNICEF/Sida)															
P44	Sida	EBEP-II (see UNICEF/Sida)															
P45	UNICEF/Sida	EBEP I	X	X	X	X			X	X	X		X	X			X
P46	UNICEF/Sida	EBEP II: Institutional and capacity development			X				X								X
P47	UNICEF/Sida	EBEP II: Expansion of child friendly schools			X				X								X
P48	UNICEF/Sida	EPEB II: Learning for disadvantaged children		X	X				X	X	X						X
P49	UNESCO	Capacity building for Government		X	X			X	X								X
P50	UNESCO	Effective use of ICT in EFA				X			X								X
P51	UNESCO	Literacy, culture, and vocational training									X						
P52	UNFPA	Life skills program and youth policy				X					X	X					
P53	UNFPA	Young people's sexual health									X	X					
P54	UNFPA	Reproductive health initiative for youth				X	X				X						
P55	UNFPA	Youth friendly health services and HIV/AIDS										X					
P56	USAID	CBEP: Curriculum development and teacher training			X	X			X	X							X
P57	USAID	ESCUP: Children in underserved populations			X	X			X					X			X
P58	World Bank	CESSP: School construction and quality			X	X		X	X				X	X	X		X
P59	World Bank	Mainstreaming inclusive education			X				X				X				X
P60	WFP	School-feeding program			X						X			X			

are clearly lacking, and building capacity through training in management, planning, and leadership have limited results.

In addition to the issue of lack of capacity in the government offices, staff retention is also a serious issue. With limited salary and non-salary benefits, it is hard to retain capable government officials without any other recognition.

Hirosato (2001) based on a review of the literature of the Asian countries' education reforms emphasized that there are several challenges that slow down the reform process. One of these challenges is obviously the capacity of the reform agents. He continued to highlight that

> Most countries in Asia are addressing new issues and trying to meet new challenges, by restructuring or reforming their education systems. However, their restructuring or reform efforts are introduced not only without an appropriate conceptual/analytical framework to encompass such reform process but also without an adequately organized and planned capacity building for education reforms, especially in terms of governance, planning and management of the education systems. (pp. 1–2)

Reform is inevitable and usually with a clear objective that is unfortunately unfulfilled for a number of reasons. According to Hanushek and Woessmann (2007), the institutional reform will determine the success or failure of the reform in other aspects of reforms in education. While physical institutional reforms are straightforward, the reforms of capacity building take time, effort, will, and support. As discussed earlier, the capacity of the institution is still very limited as reflected by educational attainment of those in current positions. The limitation of their current foundational knowledge is a barrier to the reform as it is always hard for the reform agents in different level institutions to internalize policy and turn it into practice. This was reflected in the decentralization of making school annual plan and school development plan during the implementation of the ESP 2001–2005. The program required school principals to identify needs and propose a development plan with appropriate budget. However, it was later found out that the needs of the schools across the country fell under uniformed categories related to (i) basic materials (office, learning–teaching materials); (ii) minor repair; (iii) improving school environment; (iv) sports, arts, agriculture, home business, workshop; and (v) examination paper.

Institutional capacity reforms can be undertaken either by upgrading the knowledge and skills of the current personnel or by replacing the ineffective decision-making personnel. While the first approach has been implemented, its effectiveness and efficiency are still questionable. The latter option is virtually not practiced. Literature indicates that the inability of young professionals to move up the career ladder does not only make the current system weak by employing less capable staff, but also erodes the future system as it will not be able to attract bright candidates. Professional and economic incentives have to be put in place and implemented in a transparent manner in order to make the reforms succeed. Good education is not only about physical inputs, such as classrooms, teachers, and textbooks, but also about incentives that lead to better instruction and learning (World Bank 2007).

Despite the unavailability of empirical research on political involvement of bottom-level management of education in politics, general observations reveal that

ranked educational officials such as directors of the provincial/district office of education and school administrators, especially principals, in one way or another get involved in politics. Unless they (are allowed to) depoliticize themselves, the responsibility and commitment to take the accountability of the school will not be professionally punished but politically is. This is contradictory to the practice of school-based management that provides professional autonomy to school to hire and fire teachers and other school staff [for professional misconduct, not political reason] (World Bank 2007). While professionally responsible officials are accountable to children and their parents and commit themselves for the interest of the children's access to schools and their learning in order to maintain their positions, politically involved persons work for the interests of the people above them or seek opportunity to move up.

Another key factor to reform success is participation. As discussed, participation of the community to schooling is limited to sending the children to schools. Literature suggests that parental participation involves physical, spiritual, and knowledgeable support to schooling. While physical support such as the contribution of labor or materials for school construction, or sending children to school, is observable in Cambodian communities, the spiritual and knowledgeable support are absent. Government and development partners encourage parental involvement in decision-making regarding managing schools and demanding that schools provide the social and economic benefits that best reflect the priorities and values of those local communities (Lewis 2006; and Leithwood and Menzies 1998).

The innovative approach to institutional reform centralizes on authority, accountability, transparency, and good governance. These four components are determined by the knowledge of the personnel.

7.7 Conclusion

Over the past years, because of the continuous efforts of all parties concerned, there have been significant improvements in several aspects. The national budget share of education has increased from 13.90% in 2000 to 19.2% in 2007. The continuum of national budget increment to education reflects the Royal Government's efforts to realize the EFA National Plan by 2015. Increase in the national educational budget has resulted in enhanced opportunities for those who would otherwise not have been enrolled in schools. In its earlier years and implementation, recent educational reforms, strategies, and plans articulated in ESP, ESSP, and EFA National Plan have significant impacts on the household contribution to education through the abolition of registration and other fees that students had to pay prior to the implementation of the PAP.

In the ESP, the MoEYS prioritized the provision of equitable access to education, especially at the basic level. Two important strategies were to increase enrollment and promotion rates through the abolition of start-of-the year registration fees and the allocation of school operational fund of 500,000 riels per school and

a per-pupil basis of 6,000 Cambodian riels. School-based remediation for poorly performed pupils was common practice in all schools in order to ensure efficiency and higher promotion rates.

This pro-poor policy has increased enrollment significantly. In addition, recent reforms have brought significant changes to the school environment. Since the provision of PAP fund as a strategy of implementing reforms in education, schools in rural and remote areas also have small usable playgrounds and gardens which could attract children to come to schools. Bookshelves, desks, and chairs significantly increased in both school offices and classrooms. Teaching/learning materials were reported to be sufficient in most schools in all areas.

Despite improvement in physical infrastructure and participation to schooling, the data annually collected by the Department of Planning of the MoEYS suggests that the quality output, indicated by promotion rates which are based on pupil performance, is still significantly low. The reasons that make reform effort in improving quality less successful than improving quantity are many. The capacity and commitment of human resources at all levels have drawn considerable attention from development partners.

Education reform in Cambodia, which is impeded by the lack of government funds and knowledgeable staff at all levels to cope with changes, is driven by political situation and willingness and external condition (tied to the provision of aid) and globalization. Although the MoEYS is always categorized by the government as a priority for development, the budget allocated to it is relatively small. For instance, the monthly salary of teachers at entry level is US$30, an amount that is not livable by the current living cost. Political will is a key ingredient in education reform.

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Chapter 8
Basic Education in Cambodia: Quality and Equity

Keng Chansopheak

8.1 Introduction

Not only is formal education a determinant of an individual's opportunities in the future, but basic education is also a human right. Education is an important requisite for the accumulation of "human capabilities" which are necessary for the individual to reflect, make choices, and participate and live a better life in society (Sen 1999). Given the overriding importance of education and particularly basic education, no country is opposed to the idea of Education for All (EFA). The challenge is how to reach the stage where everyone has achieved at least a quality basic education necessary for their function in society. Many countries that have endorsed the EFA as their education goals have introduced many education reforms to improve both access to, and quality of, education. This chapter seeks to illustrate the challenge in achieving equity and quality of basic education using Cambodia as a case study. It reveals that to achieve equity and quality of education, mere resource provision is not sufficient. Achieving equity and quality is a challenging task that requires a careful and well-coordinated policy design and implementation at all levels of education administration. It requires political will on the part of the central government, and the capacity to innovate and implement progressive policy at the local levels.

The chapter begins with a discussion on what has dominated thinking in education development. It then proceeds to illustrate the case of Cambodia by first reviewing the policy objectives and agenda which have been put forward for implementation with a great sense of optimism. Next, it highlights the impact of the policy reform on the primary education sector, revealing that while the reform was successful at improving enrollment rates in some provinces, it generally was not successful at raising the quality of primary education. The chapter then closely examines why quality of education is difficult to achieve by this large-scale reform. It ends with the conclusions and some policy recommendations for policy-makers to consider when designing and implementing education reform.

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

8.2 The Usual Thinking

For decades, numerous researches have been conducted and recommendations have been given as to what ensures the achievement of EFA. It is the dominant thinking that resource input into the education sector is the surest way to improve the outcomes of education either in terms of enrollments or achievement. Resources are necessary for the education sector to function. The poor conditions of schools and classrooms in developing countries are often blamed for the lack of access to schools and for the low achievements among students. Scholars and academia analyzing the implementation of education policy in developing countries often suggest the provision of adequate resource to the education sector is one of the most important measures in achieving the success of education policy (London 1993). Many, therefore, believe that even the poorest nations in the world could achieve universal primary education if the distribution of education resource prioritizes primary education (Colclough and Al-Samarrai 2000).

Emphasis on resource increase to the education sector has intensified. This is evident in the many discussions in global forums such as the World Conference on EFA in Jomtien, Thailand in 1990, the World Education Forum on EFA in Dakar, Senegal in 2000, and other important world summits. For example, the World Declaration on EFA, which is the product of the 1990 EFA Conference, signifies that to achieve the expanded vision of basic education, the "increased international funding is needed" (UNESCO 1990: 17). Donor community needs to top up an extra funding of around US$1.0–1.3 billion every year to educational assistance (Haddad 1990). The same discussion and commitment on the increase of international financial assistance to the education sector was reiterated in EFA World Forum in 2000.

> The international community acknowledges that many countries currently lack the resources to achieve education for all within an acceptable time-frame. New financial resources, preferably in the form of grants and concessional assistance, must therefore be mobilized by bilateral and multilateral funding agencies, including the World Bank and regional development banks, and the private sector. We affirm that no countries seriously committed to education for all will be thwarted in their achievement of this goal by a lack of resources. (UNESCO 2000: 9)

Moreover, in 2002 the World Bank initiated the EFA-Fast Track Initiative (EFA-FTI)[1] to reaffirm its commitment to resource increase for the education sector. Many world summits and gatherings have intensified the focus on increasing financial

[1] EFA-FTI is a framework for funding introduced by the World Bank in its efforts to ensure that countries that have shown strong commitment to the achievement of EFA will not fail because of the lack of sufficient funds. To prove their commitment, one concrete criterion is the development of countries' PRSP, which among other development goals, countries emphasize in their plan to achieve EFA. For more information on EFA-FTI, see <http://www.fasttrackinitiative.org/content.asp?ContentID=958>.

assistance to developing countries in their endeavors for the achievement of EFA.[2] The assumptions behind this worldwide emphasis is that with more resources, schools and the education sector in developing countries will improve their education outcomes and the goals of EFA will be attained. If resources are all schools need to improve education outcomes, the more schools receive the increase in resource inputs, the more they should succeed in improving education outcomes.

Nonetheless, what happened in the education sectors of many developing countries indicates that improving schools and education systems is a much more complex task than merely increasing resource inputs. There is a growing realization that policy to encourage the effective and efficient use of resources is needed. To do so, some structural changes are needed to enhance the effectiveness and efficiency of the system. These structural changes include the decentralization of decision-making power to local levels, the privatization of education services, and other reform programs to improve education outcomes. The past decades have thus witnessed a proliferation of education reform initiatives all over the world.

Education reforms, however, are not always successful. While some reforms have achieved a considerable degree of improvement to the system, others have brought little or no change to the system, and some other reforms have instead created more problems for the system than they have solved (Napier 2005).[3] At the same time, there has been a plethora of theories to conceptualize the realities of education reform. When it comes to the question of what makes education policy successful or not so successful, most discussions tend to concentrate on the policy-design process and the policy content in order to single out the characteristics of good/bad education policy. In fact, the applicability and viability of reform ideas are tested when they are translated into practice. An education policy can be mediated, modified, or implemented with great diversity and variable degrees of success at local levels, or it may even be thwarted altogether by the lack of implementation (Psacharopoulos 1989). It is apparent that the success or failure of any education policy lies largely in its implementation (Nieuwenhuis 1997).

Almost always, education policy reforms require central, mid-level, and local education bureaucrats to take on more and/or new responsibilities (Grindle 2004). Moreover, the stake is high as education reform "requires long chains of implementation

[2] These gatherings include G8 summits where world leaders agreed to increase financial support for FTI to assist countries with serious commitment to EFA, the International Conference on Financing for Development (Monterrey, Mexico, March 18–22, 2002) and the World Summit on Sustainable Development (Johannesburg, South Africa, August 26–September 4, 2002) which has bolstered the world commitment to development goals including education. See Kitamura (2005) for further elaboration on EFA and FTI movement.

[3] Examples of reform that creates problems include those education policies which have been adopted under the structural adjustment policy. Namely, these are privatization of education services and the introduction of user charge which have created a plethora of problems of discrimination and disparities among different groups of population and that have further marginalized children of the poor. For the review of these examples, see Arnove (1997), Buchmann (1996), Cuellar-Marchelli (2003), and Frances (2002, 2005).

activities and decisions" that pass through multiple layers of implementers because the ultimate entities that need to translate policy into actions and into education outcomes are at the school and classroom levels (Grindle 2004: 7). The education reform policy therefore risks falling victim of indolence, political contention, mistaken judgment, and logistical problems at the implementation stage. The destiny of the reform after it is adopted then lies in the hands of the implementers, who are education officials at all levels in the central ministry of education and in regional and district offices, the school principals, teachers, the community, and parents.

Education systems in developing countries that face competing demands for resources from other sectors cannot afford to waste resource on ineffective and inefficient reform implementation. Nonetheless, there has been a paucity of study on the implementation of education reforms in developing countries. A review of studies on education reform in 19 developing countries by Verspoor (1992) has indicated "an almost universal neglect of implementation issues" and for many policymakers, implementation has only been taken as peripheral to policy design (p. 237). Thus, instead of carefully planning out a sound implementation strategy, policymakers "tend to assume that decisions to bring about change will automatically result in changed policy or institutional behavior" (Grindle and Thomas 1991: 121). The case of Cambodia will manifest whether new policy has achieved any changes in behavior and practices particularly at the local levels that lead to better education outcomes.

8.3 The Case of Cambodia

Cambodia introduced nationwide education reform in 2001. The case of Cambodia illustrates the complexity of the work in the education sector and why education reform although comprehensive and altruistic in nature, fails to achieve the set goals. The case of Cambodia shows that resources are important for some but not all. It works in some settings but it does not work in others. Resources are important for the early stage of development; however, resources are not an effective measure once enrollment rate has risen to a certain level. Very soon, other issues arise. If resources are to be used effectively to improve the education outcomes, local individual and institutional capacity needs to be in place. Local implementers such as local education officers, school principals, teachers, and parents need to be involved in the reform process from the very beginning.

8.4 Research Method

Information obtained for this chapter was gathered by the author between 2005 and 2006 in Cambodia. To obtain detailed information on implementation practices at school level, the study focused on two districts in one province – Pursat – located on

the northeastern part of Cambodia. Pursat was selected for its typical characteristics which generally reflect Cambodia as a whole. In Pursat province, the observation focused on two districts where eight schools[4] were observed up close. Efforts were made to select districts and schools that manifest similarities and differences in ways that offer insights on the district- and school-level practices in implementing the reform agenda.

Two rounds of field research were conducted for a total period of 12 weeks. First, from March 7 to April 15, 2005, education officers were interviewed at all levels including the officers in the Department of Planning of the Ministry of Education Youth, and Sports (MoEYS), which is in charge of overseeing the overall policy reform implementation. In this first round of field research, the author tried to capture the overall issues and challenges of the reform program. The field research in Pursat Provincial Office of Education (POE), District Offices of Education (DOEs) of Pursat province supplemented the author's comprehension of the reform issues at the national level. Two DOEs of districts in Pursat, i.e., Kondieng district and Phnom Kravanh district, were chosen for in-depth observation. Interviews and discussions in the two DOEs concentrated on their activities in implementing the policy agenda, the history and working structure of DOEs, and the relationships and the services that DOEs provide to schools.

In the second round, from November 8 to December 15, 2005, the author interviewed officers of Kondieng and Phnom Kravanh DOEs and collected qualitative data on four primary schools from each of the two districts. School-level qualitative data collection included school and classroom observations, interviews, and formal and informal discussions with teachers, school principals, Parent–Teacher Association/School Support Committee, and parents. Extensive field research concentrated on the process of implementation and different implementation strategies that schools employ to boost the increase of enrollment and the improvement in quality of education.

8.5 Current Education Reform: Agenda and Objectives

Recognizing the deficiencies in the Cambodian education sector, the government piloted priority action program (PAP) in all primary school in 10 provinces in 2000 and adopted the programs nationwide and sectorwide in the academic year of 2001/02. There are 12 PAPs on education reform targeting changes to the whole education sector. The overall goals of the reforms are to improve access, quality, and efficiency of the education sector. Specific to primary education, the reform targets primary net enrollment rates of 95%, gender parity, and 90% of grade-to-grade survival rate (SVR) by 2005.

[4] All schools are coded as School A, B, C, D, E, F, G, and H. School A, B, C, and D are in Kondieng district while School E, F, G, and H are in Phnom Kravanh district.

Education Strategic Plan (ESP) 2001–2005 and the Education Sector Support Programs (ESSPs) of various years from 2001 to 2005 are the milestone documents of reform policy (MoEYS 2001a, b, 2002a, b). The ESP lays out the overall policy objectives and strategies, and the ESSPs detail 12 PAPs and present a budget plan for each PAP for annual implementation. Directly relevant to the improvement in access, efficiency, and quality of basic education are the PAP1 and PAP2 summarized below.

1. *PAP1: Education Service Efficiency and Performance* This program aims to enhance efficiency of education service through the efficient utilization of education resources, mainly teachers. Main strategies include the deployment of nonteaching staff to teach in classrooms, transfer of teachers from schools with surplus of teachers to those with deficit of teachers, and provision of incentives to school principals and teachers who show improvement in their work. PAP 1 also includes the institutionalization of regular in-service teacher training in all schools across the country.
2. *PAP2: Primary Education Quality and Efficiency* This program encompasses two major program strategies, i.e., the abolition of school fees and provision of operational budget to all primary schools. As earlier described, Cambodian households bear the substantial cost of sending children to primary schools. This high cost has been a burden on poor parents and has prevented them from sending their children to schools and keeping them there long enough to complete primary cycle. To directly mediate the high household cost, the government abolished the start-of-school-year fees and provided schools with school operational fund. Cambodian schools nationwide, for the first time, receive school operating budget from the central government. Each school is to receive an amount of 500,000 riels (US$125) and 6,000 riels (US$1.5) for every student enrolled per year.

8.6 Impact of the Reform on Access

The Education Management Information System (EMIS) is an important database that can trace growth in the education sector. An examination on the basic statistics of primary education sector since the academic year of 1996/97, a few years before the reform program was introduced, shows that overall, Cambodian primary education sector shows substantial improvement in access rate. There has been a surge in enrollment rate, particularly in the first few years of education reform. In absolute terms, the number of primary school pupils rose from 2.2 million to 2.7 million in a matter of 2 years from 1999/2000 to 2001/02 and the number remains stable at 2.7 million pupils since then. It is also observed that the enrollment growth is greater in rural than urban areas and greatest in remote areas where number of pupils almost triples. The growth in number of girls enrolled in schools is also greater as compared to that of boys, raising male to female ratio in primary enrollment from 0.84 in 1999/2000 to 0.89 in 2004/05. The total primary gross enrollment rate

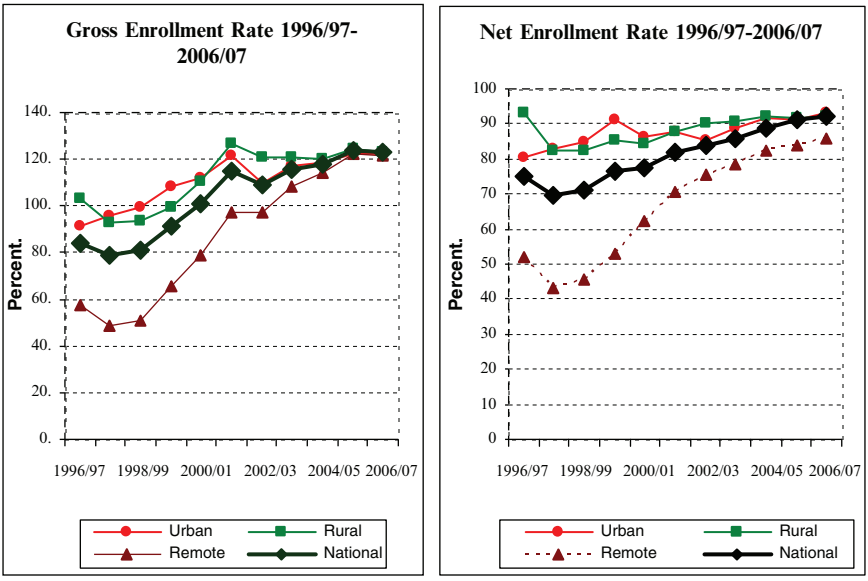

Fig. 8.1 Growth in gross and net enrollment rates between 1996/97 and 2006/07 (EMIS, 1996/97–2006/07)

(GER) has grown from about 90% in the pre-reform period to well above 100% when the reform was introduced in 2001/02. The rate continues to stay well above 100%. Similarly, net enrollment rate (NER) has grown from 85.5% to 91.9% in a very short period of time but remains at about 90% since then (See Fig. 8.1). The growth in access as indicated in both gross and net enrollment rates are significantly remarkable in the previously disadvantaged provinces such as Koh Kong, Rottanak Kiri, and Mondul Kiri where access rates were very low before the reform was introduced. Cambodian reform has thus achieved noticeable success in expanding access to education for the earlier marginalized children such as girls and those in rural and remote areas.

8.7 Impact of the Reform on Quality of Education

Getting children to enroll does not mean regular attendance; regular attendance does not mean learning; and even learning does not mean children receiving quality education necessary for effective functioning in the society. While it is obvious that access to education has expanded to reach many children, disappointingly, if SVR is taken as a proxy, quality of primary education in Cambodia has only minimally improved particularly in provinces where access to school was already high well before the reform was introduced.

As indicated in Fig. 8.2, grade 5 SVR has been appallingly low. It was well below 50% during the years before the reform and reached 50% when the reform was introduced. The reform, however, did not alter the status of children progression at any significant rate. After raising the SVR from 48.3% to approximately 55.9% in the first year of reform implementation,[5] the rate has remained similar for the last 6 years. By 2006/07, the grade 5 SVR in Cambodian primary schools is only 57%, meaning that 43 out of 100 children who enrolled in grade 1 in 2006/07 will drop out of schools before reaching grade 5.

The figure is even more appalling when provincial level performance is examined. Only two thirds of all provinces performed above the national average while the rest performed below average. More importantly, these differences in quality improvement among provinces are not necessarily related to the level of achievement of those provinces prior to the reform. While one would expect provinces that had achieved universal or near universal enrollment to have focused on and achieved improvement in its quality, the reality indicates otherwise. Quite a number of provinces with 100% gross enrollment rates such as Battambang, Kampot, Phnom Penh, and Sihanoukville in 1999/2000 were able to increase their grade 5 SVR only by a very small margin (see Table 8.1). An obvious example is Kampong Speu province, where the enrollment was already near universal (98%) prior to the reform. It has

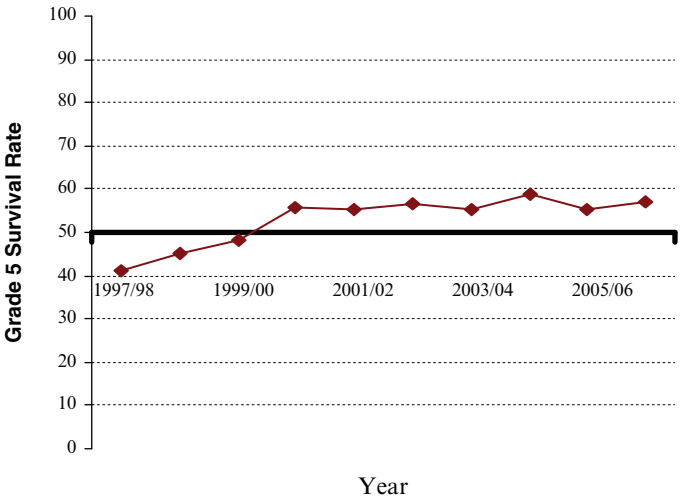

Fig. 8.2 Survival rates between 1996/07 and 2006/07 (EMIS, 1996/97 to 2006/07)

[5] Grade 5 survival rate is calculated based on UNESCO-recommended reconstructed-cohort model. The model computes the student flow rate, taking into account promotion, repetition, and dropout rates of each grade in a given year. Because students are allowed to reenroll in schools in the grade they are eligible to, the promotion rate of the first few years of the reform program tends to be inflated by the number of reenrollees who are counted as promoters. The actual survival rate may even be lower if only promoters from each grade are counted (see UNESCO 1998 for details of the model).

Table 8.1 Changes in gross enrollment rates and grade 5 SVR by province between 1999/2000 and 2006/07 (EMIS, 1999/2000, 2006/07)

		Enrollment			Grade 5 SVR		
	Province	1999/2000	2006/07	Change in GER	1999/2000	2006/07	Change in SVR
1	Banteay Meanchey	102.4	132.0	29.6	43.1	58.1	15.0
2	Battambang	103.0	125.7	22.7	47.6	54.1	6.5
3	Kampong Cham	97.9	117.2	19.3	45.0	55.1	10.1
4	Kampong Chhnang	94.4	124.7	30.3	48.6	67.4	18.8
5	Kampong Speu	98.6	135.4	36.8	42.3	48.2	5.9
6	Kampong Thom	91.2	126.5	35.3	38.9	53.7	14.8
7	Kampot	108.5	120.2	11.7	55.1	61.1	6.0
8	Kandal	109.8	122.1	12.3	61.5	69.9	8.4
9	Kep	93.1	133.0	39.9	62.7	69.9	7.2
10	Koh Kong	65.7	107.4	41.7	38.0	52.4	14.4
11	Kratie	95.5	117.6	22.1	37.1	56.1	19.0
12	Mondulkiri	66.1	121.2	55.1	6.6	37.9	31.3
13	Udormeanchey	96.9	138.8	41.9	27.1	50.0	22.9
14	Pailin	90.9	130.5	39.5	38.4	45.7	7.3
15	Phnom Penh	111.6	115.8	4.2	70.0	64.8	–5.2
16	Preah Vihear	86.0	134.3	48.4	21.6	42.7	21.1
17	Prey Veng	101.8	120.6	18.7	45.3	55.5	10.2
18	Pursat	90.1	127.4	37.3	40.1	49.9	9.8
19	Ratanakiri	45.8	94.3	48.5	13.7	35.8	22.1
20	Siem Reap	86.3	137.9	51.6	37.0	51.4	14.4
21	Sihanoukville	92.0	141.2	49.2	47.0	46.5	–0.5
22	Steung Treng	84.6	109.3	24.6	23.8	45.3	21.5
23	Svay Rieng	109.3	113.1	3.9	51.5	61.1	9.6
24	Takeo	113.8	114.5	0.7	62.8	74.0	11.2
	Whole Kingdom	100.3	122.7	22.5	48.3	57.0	8.7
	– Urban Area	108.3	122.4	14.1	61.2	62.0	0.8
	– Rural Area	99.7	122.8	23.2	46.4	56.9	10.5
	– Remote Area	65.9	121.9	55.9	14.1	40.9	26.8

improved its SVR for only 5.9%, from 42.3% in 1999/2000 to 48.2% in 2006/07. Over the past 7 years of reform implementation, its SVR remains below 50%, suggesting that every year half of all primary school students in Kompong Speu province terminate their schooling before reaching grade 5. Obviously, the reform has encouraged the enrollments of many children but it has not improved quality of education as expected in the plan. A recent study on student achievement in grade 3 confirms the disappointing state of quality of primary education in Cambodia. Using a sample of 6,814 grade 3 students from 210 schools in Cambodia, the study found that grade 3 students on average could correctly answer only 40% of all questions asked on their reading test. Half of all students received zero points for Khmer writing test. Similarly, in mathematics test the overall average for correct responses was only 37.5% (MoEYS 2006). The findings clearly indicate a very low

quality of primary education in many Cambodian schools and the reform cannot be credited for having achieved much improvement in the quality of primary education in Cambodia. The question to be answered is why Cambodian education system remains very low despite a vigorous and ambitious reform over the past 7 years. Section 8.8 examines why it is difficult for the Cambodian education reform to achieve any improvement in quality of education in primary schools.

8.8 Why Reform Does Not Achieve Quality

The ultimate implementers of Cambodian education reform are those at school level. Depending on the policy agendas, the actors making implementation decisions are school principals, teachers, community and parents, and students. The following subsections discuss the implementation issues of each policy agenda at school level to shed light on what has been implemented and why it is difficult for primary schools in Cambodia to achieve improvement in quality of education.

8.8.1 Abolition of Fees that Raises Enrollment but Neglects Quality

The reform agenda most visible to the general public is the abolition of school fees to increase access rates to primary schools for children, particularly those of poor families.[6] The primary actors in this policy agenda are schools and parents. Schools must cease collecting registration fees that were once disguised as contributions, and parents in response have to send their children to school. On the part of schools implementing the abolition of school fee had been fast and relatively smooth.[7] By 2002, all public primary schools in Cambodia had ceased collecting fees from parents at the start of school year. The direct cost of primary education has declined substantially. Bray and colleagues have conducted two studies, in 1998 and 2004, on private expenditure of public education in Cambodia (Bray 1999; Bray and Seng 2005). Comparing the 2004 findings to the 1998 study, Bray and Seng (2005) illustrate that the private cost for sending a child to primary school was reduced by

[6] Abolition of fees also covers various parental contributions previously collected on ad hoc bases for sports, some repairs, and special school events. However, parents continue to pay for school uniforms, notebooks, stationeries, and other learning materials except textbooks.

[7] Only a few schools in the Phnom Penh city resisted the abolition of school fees at first. After some warnings from the ministry of dismissal if they do not observe the policy, the schools agreed to take up funds from the government and ceased charging start-of-school-year fees. Many schools in cities, however, continue to charge other unofficial fees such as private tutoring during official class hours, photocopies, etc.

about 60% across the grades. This has obviously boosted the enrollment and reenrollments of many children in many primary schools across the country.

However, some problems have arisen out of the implementation of this policy. High dropout rates and the interrelated problem of student absenteeism pose serious setbacks to the system. Schools and teachers blame the education wastages on the more reckless behavior toward education among parents as a consequence of the free education policy, and they encounter greater challenges of managing schools and classrooms.

In almost all schools covered by the study, school principals and teachers noted about the increase in absenteeism as one of the main problems facing schools since the PAP started. The school principal of School B commented that "the current free education policy makes people value education less. Parents do not think hard before asking their children to be absent from school on some busy days or to quit school in the middle of the year. This is just because they know they can always re-enroll their children later."[8] Absenteeism is highest during the harvest season of November and December. In a grade 4 class in School D the author observed as many as 18 out of 54 students were absent on one particular day. High absenteeism was attributed to children's chores inside and outside their homes. School fee abolition obviously has not changed some parents' attitude toward the education of their children at all.

Why is that so? From the parents' perspective, despite the reduction in direct cost, opportunity cost of their children's schooling remains high and this high opportunity cost is exacerbated by the lower expectation these parents have of the education sector.[9] Parents generally agree that abolition of school fees has encouraged them to send children to schools. However, many parents view the disruption of their children's education as justifiable. Some plainly said that "not going to school for a few days does not make much a difference. Those neighbor kids who go every day do not seem to be smarter anyway."[10] This sentiment reflects the parent's lack of expectation from the schools, as they see the learning and teaching in schools to have low quality and that their children's time in schools is generally unproductive. Parents ranked student discipline and teacher professionalism as the most important criterion in defining quality of education.[11] Parents appreciate schools that foster

[8] Interview with the principal of School B, November 16, 2005.

[9] Opportunity cost generally refers to the forgone opportunity to contribute to the economic production of himself/herself or to his/her family when they have to go to schools (Bray, Xiaohao and Ping 2004). A child's contribution to economic production can also be calculated as the child's activities in helping parents in household chores or in looking after younger siblings so that the parents can engage in economic production. The opportunity cost of schooling for very young primary school children can also be measured as the opportunity forgone borne by an older child or the adult who have to make arrangement to stay home to prepare meals and to look after the young pupils after school when they otherwise could go off to engage in productive work away from home with the pupils. I found the later kind of opportunity cost as prevailing in Kondieng province where many people are engaged in wet-rice farming along the Tonle Sab bank away from the village.

[10] Discussion at a villager's house in a village where School D is, November 24, 2005.

[11] Discussions with parents in several villages from November 7 to December 13, 2005.

the children's commitment to learning and they believe it is possible only in schools where students are well disciplined and teachers are punctual and attentive to their children's learning. This must be achieved through many fronts including teacher discipline, teacher professionalism, and strict school promotion policies. If parents see education quality in terms of discipline, in their eyes, quality of education has not improved but declined with the reform implementation.[12] Low education quality does not justify the opportunity cost of their children's schooling.

8.8.2 Lack of Teacher Involvement

Undeniably, education reform is credited with the building of important institutional mechanisms in schools, one of which is the establishment of PAP committee and subcommittees to handle the school's PAP budget which allows teachers to participate in the school's administrative and financial decisions. In every school, there are PAP committee and subcommittees headed by the school principal. The PAP committee has five subcommittees responsible for (1) basic learning and teaching materials; (2) sports, arts, crafts, and agriculture, etc., (3) small repairs; (4) school and classroom decoration (garden, fences, in-classroom decorations); and (5) miscellaneous (transportation, stationeries, materials for meeting). The PAP structure aims for teachers' participation in financial management to ensure transparency. Moreover, because in principle, PAP committee has to achieve consensus on the school development plan, the school body and plan offer opportunities for debate and discussions on issues for school improvement. All schools visited had a PAP committee and subcommittees in their structure and all had their annual school development plans. However, the establishment of these institutional mechanisms did not guarantee greater teacher involvement in school management and planning. The involvement of teachers in school administrative and financial process faces two main constraints.

First, the implementation guidelines on the school's operational expenditures are rigid and pre-decided by the MoEYS, leaving little room for school-level decision-making. Funds are already earmarked for at least 30% on teaching materials, at most 15% on sports, arts, craft, and agriculture, and at most 7% on miscellaneous; the rest is divided between components 3 and 4 of PAP.[13] All teachers and school

[12] As I will discuss later in the chapter, the reform implementation has generally led to loosening rules and regulation on staff and students in many schools. This is part of the mechanism to maintain harmony and cooperation among school staff amid the dynamic and conflict-prone situation created by the reform. Moreover, for school principals and school leadership and possibly for the DOEs, "good schools" tend to be those with nice gardens, beautiful fences, nicely painted buildings, and beautiful classrooms with flower vases on the walls, but less of those with committed teachers and with productive and strong classroom dynamics. After passing through the many layers of administration, the spirit of reform has been diverted.

[13] The PAP fund was already divided into components at the POE level.

principals interviewed for the study claim the absence of disagreement on the school development plan (expenditure plan) simply because there seems to be nothing to agree or disagree upon.[14]

Second, the unpredictability of funds resulting from late and irregular disbursement makes it impossible for PAP committee and subcommittees to reach consensus on fund utilization. When funds arrive unexpectedly, an ad hoc meeting of all committee members, who are teachers, is called. In as much as teachers are usually unable to attend these meetings due to their class schedules, decision-making is usually hastily done by school principals and staff without teachers' involvement.[15]

8.8.3 Unable to Instill Community Involvement

Literature on decentralization of education postulates that one way to improve quality of education is through the involvement of the community in school management. It is the guiding principle of decentralization that "the most effective governance of any organization occurs when authority for decision making is located as close as possible to the site where the action takes place" (McGinn and Welch 1999: 94). Cambodian education policy has clearly encouraged community participation as a way to instill school accountability toward the community. The reform policy demands that the community, represented by the Parent–Teacher Association (PTA) or School Support Committee (SSC), endorses the school development plan and expenditure report.[16] These documents must be signed by PTA/SSC representatives before submitting to the DOEs and POEs.

On paper, the rules have been followed in all schools visited for the study. Yet, none of the PTA/SSC of the eight schools visited sees any change in their influence even though they had signed the school documents.[17] The PTA/SSC sees their involvement merely as a formality and views their attendance at meetings as merely helping the school fulfill the requirements of PAP procedure rather than as an opportunity to voice the community's concerns over the education of their children. A PTA/SSC representative of School G related: "The meeting is all about what to build and what to buy for the school. It is up to teachers and school principal to decide on what they want. They manage the school so they should know best." Also, because PAP is government money, many community representatives do not

[14] As I will illustrate later, new developments that have been sponsored by the PAP money are almost unformed for all schools. Buddha stupa, gardens, and fences are new in many schools.

[15] Interview with the principal of School A, November 8, 2005.

[16] PTA and SSC are the same although SSC is an official and up to date form of PTA. Although all schools now have the SSC on official documents, in some schools they are referred to as PTA.

[17] Interview with PTA/SSC representatives to the eight schools during the field visit from November 7 to December 15, 2005.

see themselves as having any responsibility or power to control it. "School principals and teachers are government staff. They are responsible and have to answer to government when they use government's money."[18] Complex rules and regulations from the central ministry exacerbate the matter. "PAP spending has many rules. School principal and teachers know how to spend money correctly according to the rules. We hardly understand them."[19] The formal appearance on the school documents does not change the community's subordination and indifference to school's management affairs – the indifference that has long been entrenched in the Cambodian culture.[20]

It is important to note also that PTA/SSC has the power and control only over the management of school's community fund they help collect through donations and other religious ceremonies. A member of PTA/SSC of School A puts it thus: "I know about the community fund and what project it was for but I don't know about PAP fund. Only the head of PTA/SSC is invited by the school to sign their plans and reports. But, it is the school's money, anyway."[21] Apparently, the imposition of community participation in schools through the formal endorsement of plans and financial reports has not changed the relationship between community and schools. The reform has failed to make schools more accountable to the community.

8.8.4 Inefficient Use of School Operation Fund

While the agenda has intended the fund for institution building, the fund is actually used for the materials necessary for the daily learning and teaching and for schools' infrastructure improvement. As earlier noted, funds are to be earmarked for basic teaching and learning materials including stationeries and office supplies, school repairs, school decoration, and materials for sports, arts, and agriculture. All schools received fund according to the distribution formula. Depending on the number of students, the amount varied. However, the focus here is whether the fund can always be used to meet the needs of schools. My observation on schools in the two districts shows that not all schools could use the fund to meet their needs in a timely manner.

The needs of Cambodian primary schools differ in many significant ways. Some schools may have a large campus, with newly built or newly renovated buildings, and well equipped with classroom materials. There are schools in urgent need of repair and where leaking roofs often interrupt classes during rainy seasons.

[18] Interview with PTA/SSC of School B, November 18, 2005.

[19] Interview with PTA/SSC in School F, December 3, 2005.

[20] See Pellini (2005) for further discussions on the culture and traditions that explain the lack of community participation in school management.

[21] Interview with PTA/SSC of School A, November 10, 2005.

Schools' needs vary in terms of the amount and type of resources. Some need to spend more on repairs while others need to spend more on teaching and learning materials. However, regardless of their condition and volume of needs, schools receive the same amount of fund, i.e., 500,000 riels (US$125) per school and 6,000 riels (US$1.5) for every student enrolled.

The school operational fund is released in several small chunks during the year, making the spending limit for each item even smaller. Schools are required to spend the funds and produce a financial report before the next installment is released. The system does not allow schools to save funds for major projects, as they end up using the funds on minor items that they may not need urgently.

School H in Phnom Kravanh district is a good example where fund utilization has been ineffective and school needs go unmet. The school has one wooden school building that lost its roof during a storm the previous year. As a result, two classrooms have been put out of use. Obviously, fixing the roof became a priority. For 2004/05, the school received about 3.9 million riels in total school operation fund. The school allocated about 32% for basic materials, 33% for school environment, and 13% for repair, 15% for sports and arts, and 7% for miscellaneous items including transportation, and other expenditure. However, because the roof repair would cost about 60% of the total operational fund, the school was not allowed to use the school operational fund of the PAP program for that repair.[22] Delays in fund releases and rigid spending guidelines leave the needs of some schools unmet.

8.8.5 Mismatch Between School's Management Capacity and the Demand of the Reform

PAP implementation entails heavy administrative work load for the school management team, consuming much of the school principals' time away from their daily duties as both school managers and pedagogical leaders. The PAP implementation requires a great increase in administrative work such as organizing and attending numerous meetings, making school development plans, writing numerous activity and financial reports, and getting these plans and reports approved by the DOEs. Most school principals interviewed bitterly complained about the time-consuming office workload in fulfilling PAP requirements. The principal of School C said: "There are more reports to submit now. While before I could allocate about 2 or 3 days a week to observe classrooms, I could hardly find time for classroom supervision these days."[23] Report preparation and getting the reports accepted and

[22] Although since 2003, the annual guidelines erased the allocation formula in order to allow for flexibility in school expenditure, all schools I have visited continue to practice this allocation formula. The reason for doing so is simply to avoid complexity at auditing stage.

[23] Interview with the principal of Kravanh School 2, November 28, 2005.

approved by the DOEs are of great concern to school principals. “PAP reports are meticulous. Before I can get them right, I have to travel to Kondieng DOE two to three times to clarify things in the report.”[24] As school principals emphasize reports preparation and getting them approved, the daily management of schools becomes secondary. Clearly, school principals are caught in the vicious trap of trying to fulfill administrative requirements to the neglect of actual learning improvement which is the ultimate goal of the reform program.

Complaints over the heavy administrative workload comes from the fact that PAP report requirements exceed the capacity of many school principals and management team, many of whom have not had any administrative and finance training. All schools covered by the study do not have trained accountants. All school principals and office staff are former teachers who have been promoted to the administrative posts without necessary training in administration.

8.8.6 Centralized Administration

The school operational fund has also changed the way DOEs and schools relate. Frequent evaluation and monitoring activities have brought DOE and schools closer. On the other hand, schools have become more submissive to DOEs and enjoy less autonomy than before. Some DOEs make use of the closer relationship to encourage better performance, while others use this as a way to exert more patronage and domination on schools.

Prior to the reform, DOEs had little control over the school’s fund collected from parents and the community. Their role was limited to being pedagogical advisers. Since schools were not required to submit financial reports to DOE or POE, they had extensive autonomy over how to spend the fund collected from parents. With the reform, schools became dependent on government for funds to operate. Their relationship with government, particularly DOEs, changed. With the reform agenda, schools are required to submit regular and timely financial reports to DOEs. These financial reports are reviewed and evaluated by the DOEs before passing on to the POE. DOEs have become financial inspectors for schools. Most school visits by DOE are largely about PAP expenditure and reports. As a result, schools have far less autonomy than they did before the reform. This contradicts the overall intention of the reform which is to gradually empower schools.

Having no financial management skills themselves, DOE officers sometimes create more difficulties for schools rather than help schools improve their performance. Schools spend a lot of time on report preparation making sure the spelling is correct and the use of vocabulary is sophisticated enough to meet the language adopted by the central MoEYS. As the school principal of School B said, “In the financial

[24] Interview with the principal of Kondieng School 4, November 24, 2005

report, spelling mistakes are big problems. You can not erase by darkening it or by using the white-inked erasers. You have to rewrite."[25] Only meticulously correct reports are accepted. In addition, there are no guidelines on expenditure categories, giving rise to misunderstanding and allegations of irregularity.[26] This useless meticulousness costs school principals time and energy away from their daily work at schools. Moreover, most of the time, schools have to please DOE in ways that guarantee the DOE's patronage. Schools can benefit from the patronage for the timely advice and guidance in the process of PAP implementation and report writing, the compromises, the understanding, and finally for being reported as having least problems, and possibly for being selected to receive awards as best schools.

8.8.7 Regressive Cooperation Between School Leadership and Teachers

To ensure transparency in PAP fund management, the government subjects PAP expenditure to thorough inspection and auditing from four different entities at the central level: the MoEYS departments, Internal Audit of the MoEYS, the inspectorate of Ministry of Economy and Finance, and the National Audit Authority (NAA). All central entities, except the NAA, do their regular monitoring and evaluation of the POEs and sometimes DOEs annually. Although the focus of these central-level monitoring teams is POE, all four entities and the POE will conduct their inspection and audit on school's PAP expenditure if any irregularity is reported. The monitoring process is meticulous, tedious, and time-consuming.[27] Schools risk being reprimanded by the POE and DOE for wasting their resources and time for having to host and accompany the inspectors from the central government.[28] Teachers are likely to complain to the media in cases of conflicts.[29] Oftentimes, school principals would compromise with their teachers in return for the teachers' cooperation. For example, there is widespread tolerance from the school leadership for teacher's tardiness, laziness, and inattentiveness in classrooms. At least six out of eight school principals blame teachers' unethical practices on teachers' low income and teachers' difficult living conditions but not on teachers themselves.[30] Most are reluctant to take serious disciplinary actions for fear that those actions on teachers could fuel conflicts and encourage teachers to complain and make

[25] Interview with the principal of School A, November 16, 2005.

[26] Interview with the principal of School E, November 28, 2005.

[27] Two schools I visited had experienced the fierce evaluation from the center once. Both report the drudgery of having to answer to all the meticulous details by different evaluation teams.

[28] A school principal overheard Pursat POE director as having said that next time schools are to be responsible for all the provincial cost if they invoke any unexpected inspection in the province.

[29] Teachers in Cambodia are one of the most vocal groups and have strong political power.

[30] Interviews with the principals of all schools, November 8 to December 15, 2005.

accusations on school leadership. PAP expenditure is a very sensitive issue and in case of conflict teachers often take advantage of the PAP issue to backfire at school principals because it receives immediate attention from the media and the central government.[31] In School B, the principal is reluctant to impose disciplinary measure on a teacher who is notorious for tardiness and laziness for fear of revenge. The principal has been advised to find ways to convince the teacher to commit to the work instead of taking any disciplinary action, in order to avoid conflicts.[32] Conflict-avoidance takes precedence over professionalism in the sensitive context of PAP implementation.

Teachers and school principals are the core actors in implementing the reform agenda. When they cooperate to maintain the status quo for their own convenience, education reform is not likely to achieve its intended outcomes and long-term impact.

8.8.8 Lack of Dialogue Between the Implementers at School Level and the Policymakers

To encourage education service efficiency, the policy has an incentive program that awards teachers who have exhibited outstanding performance. Under PAP 1, the MoEYS allocates funds to award the top 8–10% of total teachers for their outstanding performance. Award recipients are decided by an evaluation committee at DOE level. Competition is among teachers within the districts.

Teachers' views on the performance award scheme vary. There are many reasons for the contrasting views. First, the award of about 120,000 riels (US$30) encourages the already hard-working teachers to work harder but is hardly an effective incentive to poorly performing teachers to improve.[33] The hard-working teachers take only a little bit of preparation to receive the awards. On the other hand, medium- and low-performance teachers have to work extra hard for one whole year to be awarded at the end of the school year. Although the award is equivalent to one month's salary, it is not worth it for many teachers, especially those who have the second jobs.[34]

Second, the awards have weak linkages with the extra workload that the reform requires of teachers. For example, while the award is only for the top 8–10% of the teachers, the recent education reform in Cambodia requires all teachers to handle

[31] Interview with the principal of School B, November 11, 2005.

[32] Interview with the principal of School B, November 11, 2005.

[33] The award value 120, 000 riels (US$30) for the best teachers, 100, 000 riels (US$25) for the second best, and 8,000 riels (US$20) for the third best (MoEYS 2003).

[34] Teachers earn their award at the end of the school year based on criteria such as teacher's lesson plan, teacher's collection of teaching aids, teacher's relationship with community people, and student repetition and progression rates.

many additional tasks such as producing teaching aids, designing innovative instructional techniques, devising strategies to assist the slow students, and participating in the construction of school development plan. All of these activities demand that teachers invest additional time and energy in their jobs.

Nonetheless, many Cambodian primary school teachers devote only half a day to teaching and spend the other half day on additional income-earning activities besides teaching because they earn a low salary from their teaching job in the government schools. The monthly salary for a primary school teacher ranges between 120,000 riels and 160,000 riels (or US$30 and US$40), depending on the years of experience. Some teachers, particularly those in urban areas augment their low salaries by private tutoring, helping in their family businesses, or by petty trading after school hours. The performance award does not sufficiently encourage the majority of teachers to reduce their nonschool work and concentrate more on teaching.

Moreover, teachers, except those who are on double shift, work only 4 hours a day in the classrooms. Other tasks outside classrooms are only additional and optional to teachers. Schools that are on single shift are also closed in the afternoon. With this institutional setup, it is hard to expect teachers to spend the afternoon producing materials or preparing lesson plans. Teachers are expected to carry out these extra tasks at home. Given the fact that many teachers have additional job besides teaching, it is not likely that teachers spend much time on extra school tasks, if at all.

The reform's in improving the quality of education hinges on the extra time and hard work spent by teachers on school-related activities such as producing teaching material, improving classroom management skills, and other preparation for classes. Any incentive system must link the additional work teachers have to handle under the reform; until this is recognized, teachers are unlikely to do what is required of them by the reform.

8.9 Conclusions

As evidenced from rural schools in Cambodia, improving the quality of education is not a simple resource issue. Despite the most comprehensive and ambitious reform program ever introduced in the Cambodian history of modern education, the quality of Cambodian primary education today remains appallingly low. Student achievement is far from satisfactory. The reform has not made much progress to the quality of the primary education sector in Cambodia.

An examination of rural schools in Cambodia uncovered many important issues that the reform failed to tackle, making the 7 years of reform implementation unsuccessful at raising the quality of education. The lack of capacity of individual implementers and the lack of institutional capacity as a whole to handle the complex reform program was a foremost constraint. The school fee abolition and the opening of reentry program led parents to take their children's school attendance for granted, resulting in increased absenteeism. Delays in the release of the school operational

fund and rigid fund guidelines likewise constrained the program's success. Moreover, the implementation of the reform policy has added an extra heavy workload on schools. As most were not prepared for the sudden increase in workload and complexity of administrative work required in the reform implementation, many schools ended up distracted from teaching and learning. Improvement in the quality of education was low despite the many millions of dollars spent.

Obviously, policy interventions of the current reform, to a large degree, have failed to address the real problems behind the low education outcomes. The most important factor that has been overlooked is the role of teachers. The policy reform expected teachers to carry out the reform without addressing the many obstacles they face in their work. Teachers' work norms and working conditions were not addressed and teachers' professionalism, attitudes, and behaviors were not the concern of the policy agenda. Effective education policy reform must directly address teachers' working conditions before the reform can expect them to carry out additional tasks to improve their teaching practices in the classrooms. Adequate compensation for full-time work comprises not only the hours that teachers spend in the classrooms teaching, but also the extra hours for lesson preparation and research, and other administrative tasks such as record keeping and tracking of the student's learning process and progression. While monetary compensation is one requisite, the policy should also have concrete measures that build teachers' teaching skills and innovation as well as measures that encourage constant application of skills in the classrooms. Addressing the issues of teachers' work efficacy is difficult, but Cambodia must start now rather than later given the prolonged delay in the focus on teaching quality enhancement in the history of its education development. If schools cannot prove the connection between enrollments and the end product of children's cognitive development, the education system fails parents and children who have to undergo substantial opportunity cost in order to attend schools. Education reform therefore needs to address the right issues for change if it is to achieve real and sustainable improvement in quality of education.

To improve the chances for success Elmore (1980) and Dyer (1999) suggest a "backward mapping" approach in policy design and implementation. The "backward mapping" approach proposes the policy design and implementation process that begins with "a statement of the specific behavior at the lowest level of the implementation process that generates the need for a policy" (Elmore 1980: 604). The process of mapping then works backwards, questioning "what ability each unit has to affect the behavior that is the target of the policy; and what resources it would require to do so" (p. 604). This allows resources to be directed "at the organizational units likely to have the most effect" (Elmore 1980: 604). According to Elmore (1980: 610), this process minimizes "reliance on abstract, standardized solutions," allowing for "local knowledge and skill at delivery level," which is essential since "the problem-solving ability of complex systems depends not on hierarchical control, but on maximizing discretion at the point where the problem is most immediate" (Elmore 1980: 605). By adopting the backward mapping approach to policy cycle, policy-making will be well informed by knowledge of the divergence between actual and desired practices, which the policy will seek to

close. The implementation of the policy reform will be more effective and efficient as the approach clearly enhances the policy dialogues between the lowest-level implementers and the policymakers at the central level.

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Chapter 9
Higher Education in Cambodia

Chet Chealy

9.1 Overview

Cambodia has been experiencing two-digit growth in its economy for the last several years. The remarkable economic growth and political stability undoubtedly bring the country opportunities to revitalize its social sector. Education is one of the prioritized sectors of the country. As a result of integrated efforts, education has been viewed as a success story in Cambodia's reforms. Some figures from the recent history will be taken as examples in the following sections.[1]

9.1.1 Primary and Secondary Education

- In 2001, the Government abolished start-of-the-year contributions in grades 1–9 which resulted in additional enrollment of 0.6 million students. The number of students from the poorest communities has increased by 0.5 million in the past 4 years.
- Primary education expansion (since 2000, enrollment has risen from 2.2 million to 2.7 million): Primary overall net enrollment rate increased from 84% to 91% since 2000 (from 62% to 79% in rural areas with provision of schools facilities closer to home).
- Secondary education expansion (since 2000, enrollment grew 62% from 284,000 to 460,000): Net enrollment rate grew from 17% to 21% with government scholarships for poor, ethnic, and girl students.
- Upper secondary education (from 105,000 to 154,000 in the past 4 years): The government's strategic priority is to expand high-quality upper secondary education in all districts and provinces.
- Increase in the number and compensation of trained teachers (from 42,000 in 1999/2000 to 47,000 in 2002/03 for primary and from 17,800 to 22,700 in secondary)

[1] Ministry of Education, Youth and Sports (MoEYS) (2005a; 2005b).

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

– Achieved target ratio of one textbook per pupil per subject in primary and lower secondary schools

9.1.2 Postsecondary Education

– Postsecondary education has developed with the strengthening of the private education sector (20,000 out of 45,000 students in the private institutions).
– Numbers of higher education institutions (HEIs) and degree programs have been increased significantly from 51 HEIs in 2005 to 62 in 2007.

Nevertheless, progress made within the education has given Cambodia both pride and concern at the same time. At a glance, it looks as if higher education subsector in Cambodia is enjoying progress. In fact, however, it is having a silent revolution that needs more care. The fast growth of the number of HEIs may lead to low-quality level of education on the one hand, and large number of degree graduates may not be equally matched with demand at labor market on the other hand. This chapter attempts firstly to capture progress of the subsector and secondly to illustrate issues faced by the higher education system including access, equity, quality, relevance, and governance and management of the system. It is worth mentioning that this chapter narrowly focuses only on higher education within academic stream of the country rather than the whole sphere of postsecondary education.

9.2 Structural Features, Scope, and Scale of Cambodian Higher Education

9.2.1 Overview of the System

Cambodian higher education is basically separated into two different but interrelated streams, namely academic and vocational. The two streams are under supervision of two different government ministries functioning as in-charge ministries. The academic stream is under supervision of the Ministry of Education, Youth and Sports (MoEYS) while the vocational stream is under the Ministry of Labour and Vocational Training. In addition to the management and supervision of the two in-charge ministries, numerous specialized ministries also play important roles in making partnership in provision of higher education services. UNESCO (2006) states that there are no less than nine government ministries and agencies providing higher education services in Cambodia. These include:

– MoEYS
– Ministry of Labour and Vocational Training
– Ministry of Health

– Ministry of Agriculture; Forestry, and Fisheries
– Ministry of Culture and Fine Arts
– Ministry of Economy and Finance
– Ministry of Religious Affairs
– Ministry of National Defense
– Office of the Council of Ministers

A few other government ministries and agencies are on the preparation for establishing new HEIs with respect to their specialized fields.

Unlike many other countries, Cambodian HEIs were totally abandoned for about 3 years during the Khmer Rouge regime. Reopening of the largest and oldest modern university in Cambodia, the Royal University of Phnom Penh took place after the collapse of the regime in 1979 and significant growth of newly established universities and institutes have been seen from 1997 as a consequence of educational reform that allows private providers to take partnership.

Cambodian HEIs appear to be more specialized but not wide multidisciplinary ones. At present, there is a total of 62 HEIs comprising a mixture of degree-level institutions and sub-degree level institutions (2-year courses) falling into two groups: public and private. The public sector is made up of only 22 HEIs while the private sector consists of 40 institutions.[2] The first private higher education institution, Norton University, was established in 1997 in response to policy shift toward more public–private partnership in educational provision. The establishment of private HEIs was at full swing in 2002/03 (UNESCO 2006). Within these 2 years 16 new HEIs were established to satisfy growing demand for tertiary education in the country.

HEIs in Cambodia are classified into three basic categories, the royal academy, university, and institute or independent specialized school. The number of institutions moving across the categories is hard to determine. Some independent specialized schools and faculties upgrade themselves to universities. Theoretically, in the Cambodian context, the royal academy fulfills a think tank function more than the other categories. Yet, the Royal Academy of Cambodia at present due to the lack of human resources is still pursuing training programs like other HEIs, leaving little room for research activities and thus consultancy.

The Royal University of Phnom Penh holding its prestigious title as the largest and oldest university in Cambodia was reopened for services after the collapse of the rule of the Killing Fields in 1979. The reopening and expansion of the university went beyond the controlling capacity of its management and leadership during the late 1980s and early 1990s. Two affiliations of the university– Faculty of Economics and Faculty of Pedagogy – applied to the MoEYS to be new independent bodies under the direct patronage of the ministry. Currently these faculties are the National University of Management, Royal University of Law and Economics, and National Institute of Education. It is worth mentioning here that Faculty of Economics first practically operated with considerable autonomy from the Royal University of Phnom Penh as the Institute of Economics. Later, due to growing roles and func-

[2] Unpublished statistics of the Accreditation Committee of Cambodia.

tions of the institute, the institute further divided into two more independent bodies presently known as the National University of Management and Royal University of Law and Economics. The Royal University of Phnom Penh, National University of Management, Royal University of Law and Economics, and National Institute of Education are now independent and operating equally under the supervision of the MoEYS as their in-charge or parent ministry. Only the old Royal University of Phnom Penh is a multidisciplinary university; the remaining three are specialized ones with focuses on certain academic subjects.

9.2.2 Role of Private Higher Education Institutions

Until the inauguration of Norton University in 1997, private HEIs were totally absent from Cambodia. With the advent of new government policy in favor of private participation in economic development, the private HEIs have increased their role dramatically and are now the major providers of higher education in the country. Sloper (2004) indicated that in 2004 around 83% of the total higher education enrollment was through private and fee-paying programs.

Amongst 62 HEIs in Cambodia, 22 are public. The remaining 40 are private. The first private university in Cambodia was Norton University, established in 1997. Some other early private investments in higher education of the country include the Institute of Management Science in 1998; the Institute of Technology and Management; and the International Institute of Cambodia in 1999. Since prior to the establishments of these totally private HEIs, some fee-paying programs have been observed within public universities. The fee-paying system built into the public sector is a typical public–private partnership. The programs are considered to be commercial arms of the institutions to earn additional monetary resources for development of the institutions and incentives for their members, especially faculty members.

Both 2002 and 2003 were boom years for private investment in Cambodian higher education. Sixteen HEIs were established within these 2 years. The emergence of many and diverse private HEIs has given the country both enjoyable and painful moments. Within about 10 years of private higher education history, the Cambodian higher education system now hosts various types of providers – local and foreign, as well as profit and nonprofit. There are many weaknesses in this kind of rapid and uncontrollable expansion. An overview picture of HEI establishment reveals that the private sector plays a crucial role in the Cambodian higher education system. Almost double the number of establishments are private-run and private-funded. And this composition remains a trend of the system. Total enrollment in both public and private HEIs has now increased dramatically from a little over 10,000 in 1997 to 97,524 in 2006.

9.2.3 Financing Higher Education

It is hard to figure out how much Cambodia spends for the higher education subsector. In total, the education sector enjoys about 2% of GDP. A large proportion of the

Table 9.1 Financing plan for higher education in Cambodia (MoEYS 2005b)

	Costs in Riels millions				
Activities	2006	2007	2008	2009	2010
1. Institutional support and operation	5,340	5,810	6,300	6,770	7,240
2. Strengthening of monitoring system and quality in higher education	160	190	200	230	260
Resources: Total	5,500	6,000	6,500	7,000	7,500

national budget allocated for higher education goes to staff remunerations and little remains for development of the subsector. Financing plan for increasing enrollment in higher education is based on the budget of institutional support and operation for individual HEIs (MoEYS 2005b).[3]

As mentioned earlier in this book regarding methodology employed by donors to develop education in Cambodia, some donors are keen on a project-based approach while others have shifted to a Sector-Wide Approach (SWAp). Advantages and disadvantages of the two approaches are equally found in Cambodia's experiences. With regard to higher education, the subsector has become a priority action program (PAP) since the early stage of the introduction of SWAp, as seen in the 2001 Education Sector Support Program (ESSP).[4] The ESSP describes activities to be undertaken to improve the subsector and highlights budgetary requirement for the implementation of the activities. However, the Royal Government of Cambodia is flexible, accommodating both types of assistances toward the subsector – the project based and the SWAp. The World Bank, a major donor for higher education in Cambodia, is currently on its US$25 million project-based assistance to help improve quality and efficiency of education. Higher education is a component of the project that has its US$3 million share covering three subcomponents, namely higher education department improvement; accreditation mechanism strengthening; and Royal University of Phnom Penh library improvement. Despite some hardship at the beginning, currently the project is a major factor bridging Cambodian higher education and regional standard.

9.3 Macro-Level Issues of the System

A wide range of problems have been seen in Cambodian higher education. Higher education in Cambodia is currently at its massification stage. Academic ethos and all other professionalism are crucial at this stage. Without critical care, the system can be misled and become profit-oriented and lacking in social responsibility. At the macro level, quality of education, effectiveness, and efficiency of a higher education

[3] See MoEYS (2005b) for more details.

[4] The SWAp was first introduced in 2000 and covered only primary education. With the success of the pilot year, SWAp has been expanded to other subsectors including higher education.

institution largely depend on its managing mechanisms. On-going debates concerning higher education and university governance and management in Cambodia center around at least three main issues. They are:

1. Appropriateness of the use of scarce resources of the country
2. Well-matching with demand at labor market or the relevance of the system
3. The degree of autonomy possessed by each university or the administration at university level

9.3.1 Effectiveness and Efficiency of the Resources Usage

As presented earlier, financing higher education in Cambodia remains poorly documented. This has largely resulted from either the small portion of budget allocation for the subsector or the unsettled state of the subsector. In-depth study of financing higher education in Cambodia is close to zero. It is very difficult to figure out how budget has been allocated within the subsector, how much the total subsector needs and can absorb in practice annually, and so on.

Public–private partnership within education until now is not implemented correctly as it is supposed to be. Government still sponsors or funds public universities to run academic programs that are well and widely provided in the private sector. Instead of being a partner, state makes itself a competitor for the young private sector. Economics, business-related programs are generally provided well at private HEIs. These programs can also be seen available with government support at public HEIs using national budget. In contrary, chemistry, physics, mathematics, and other unpopular programs are ignored by both sectors.

University all over the world fulfills three basic functions – training, doing research, and providing consultation services. In Cambodia the last two functions seem to be absent in both public and private HEIs. It is very unfortunate that both sectors are competing to provide training and leaving behind the remaining two functions. Literature in this regard suggests that where private sector can take financial responsibility and perform well, government should only regulate and redirect government resources to other important areas where market fails to serve. Yet, it is not the case for Cambodian higher education at present. All public and private HEIs are competing to provide training and the training is for almost the same programs, barring some unpopular subjects and programs.

9.3.2 Relevance

Apart from weak public–private partnership, school–firm linkage in Cambodian higher education is also at its very early stage. Irrelevance of the system is reflected in graduates who cannot integrate themselves well into the labor market. With very few exceptions, most HEIs do not have tracer studies and, therefore, do not know where

their students go after graduation. This gives the institutions a hard time developing and improving their curriculums to better match the demand at the labor market.

9.3.3 Autonomy and Academic Freedom

Recent developments in university governance and management have been observed in Cambodia, some for the better and some not so useful. An example of useful change is the decision by the government to create public HEIs as Public Administration Institutions (PAI) – this should guarantee them higher levels of autonomy than in the past. With this status, the university has more authority to manage itself under direction of a governing board rather than by direct supervision of the in-charge ministries. Currently the MoEYS is preparing to grant PAI status to additional number of universities under its supervision. This move is clearly a positive step toward more accountability at the institutional level.

Despite the positive move toward a higher degree of freedom in administrative-related matters as described above, HEIs in Cambodia are not mandated to grant degrees. In general, degrees are conferred by institutions and approved and signed by the MoEYS.[5] Currently, no university degree in Cambodia is valid without the signature and stamp of its in-charge ministry. Delegation of authority to HEIs to confer degrees to their students without signature from the ministry on the diplomas is still under debate in the Cambodian higher education context. The stamp of approval reflects that the hierarchical culture prevalent in the country is hard to change.

Academic freedom is found to be a subset of the human rights situation in Cambodia. The freedom of teaching and freedom of speech is based on the political system and situation. Worldwide experience suggests that social policy could interfere with academic freedom in many ways such as access to information, selection of research topics, report of research results, and expression of opinion in public. But this is not the case in Cambodian higher education. However, role of government in the appointment of state university presidents in Cambodia could be a crucial juncture in the pattern of academic freedom of the current system. In addition to the leadership appointment, method of management and staff appointments is part of academic-freedom interference. Generally these are appointments made by the government with or without narrow open application, evaluation of competencies, and input from the institution themselves.

Many countries of Asia are facing some degree of inadequate system of justice and law enforcement as well as cronyism. Cambodia is not an exception. Insurgency and other social security-related matters as well as the government's responses may lead to threat against academic freedom. Integrity and courage of the university councils or boards as well as administrators are important for their academic freedom. Hence, their selection and appointment process plays an important role. Yet, this process remains unsettled in the Cambodian system. Environment and mechanisms

[5] This rule applies in case the MoEYS is the parent ministry.

inside the university such as academic senate, free academic debate, and research meetings seem not yet mature in Cambodia.

Judicial system and freedom of the media in the country are important to academic freedom as well. Due to some misconduct of HEIs in the past, the Royal Government of Cambodia has imposed regulation on HEIs advertising on all kinds of media. No advertisement is permitted without prior approval from the government to avoid misleading the public. This consumer protection by the government may affect freedom of HEIs and thus academic freedom to some, if not large, extent.

9.4 National Policies and Strategies

Education remains in the forefront of development policies of the Royal Government of Cambodia. Promises and commitments have been made. Government strategy and policy reforms within the Education Strategic Plan (ESP) 2006–2010 have been instrumental for the success of the subsector. To overcome the above issues the government has set the following policies:

1. Increased access and equity of enrollment opportunity to realize the Royal Government of Cambodia's pro-poor policy
2. Quality assurance and improvement at both institutional and system levels
3. Strengthened institutional management and development

ESP 2006–2010 strategizes that, to meet the needs of the rapid higher education growth, the Department of Higher Education within the MoEYS shift its role as a control agent toward a provider of professional services in monitoring, analysis, and policy formulation. As a result, key roles of the Department of Higher Education are to:

1. Develop policy and strategy for the higher education sector
2. License HEIs for their operations
3. Assist HEIs to develop academic programs and management tools needed to help meet accreditation standards
4. Improve the quality and efficiency of higher education nationwide

The strategies and policies have given new terrain for Cambodian higher education. The shifted roles and functions of the department is one of the emergent challenges in the management sphere of the subsector. Moving away from routine works toward conceptual ones of the general directorate of higher education within the MoEYS demands better professional capability of staff members at all levels.

9.5 Restructuring Programs and Faculties

The Royal Government of Cambodia has been undertaking massive reform in education to better match educational programs with labor-market demands. Several changes as a result of program restructuring have been evident. First is the

introduction of Foundation Year Study as a significant step in academic program reform of Cambodian higher education. Commencing from academic year 2005/06, all undergraduate students have to take a foundation year program. The program attempts to give students a broad-based knowledge of the four major fields of study, namely: art and humanities, mathematics and science, social science, and foreign languages.

Second is the implementation of a credit and credit transfer system in the Cambodian higher education system. The obsolete year-based system has now been replaced by an academic credit system to encourage student mobility amongst academic institutions and to help part-time students in accumulating credit units. Full implementation of the credit system is, however, not yet undertaken. This may mainly be due to both the lack of capacity in practice and comprehension of the concept. Supporting guidelines, training, and coordination need to be developed, and schools need to function in a collaborative manner for the best interest of the students.

9.6 Strengthening Research Capacities

Research is still in a dark stage for Cambodian higher education. The government budget allocated for research activities in public HEIs is relatively nonexistent. Some major universities such as the Royal University of Phnom Penh, the Royal University of Fine Arts, and the Royal University of Agriculture have their research activities carried out with external assistance given by foreign donors and partners. In private HEIs, on the other hand, research activities are almost completely absent. In fact, only few private HEIs have diversified their services by providing consultancy in limited fields.

In general, research capacity has been an underdeveloped area in Cambodian HEIs, both public and private. This may be linked not only to inadequacy of the budget but also other infrastructure such as copyright regulations, research facilities, laboratories of necessary size and scope, and others. The lack of research capacity may also stem from deeper cultural traditions in Cambodia. Some examples of these traditions might be the historically hierarchical society roots in which children are taught by rote and also taught not to question either parents or teachers or any other authority figures. It is not "polite" to question others and questioning is the essence of research at all levels. Furthermore, there is a lack of stimulating reading provided for children in Khmer language, and libraries are a relatively new addition to some urban and semi-urban schools.

Yet, despite the weakness of doing research at university level, the MoEYS shows some desire for moving ahead with research. It has established two research departments named the Scientific Research Department and the Pedagogical Research Department at the ministerial level. Although these two departments have very limited scope and capacity, just the existence of the two departments involved in research activities shows significant recognition of the importance of research by Cambodian policymakers. However, achievement in doing research is

still limited and needs much improvement. The same situation is found in other ministries which are responsible for tertiary education. Most of those who do any research have it done at the ministerial level and with great assistance from foreign counterparts.[6]

The most recent progress in research development is however seen through the execution of the newly signed sub-degree on research fund. This represents government political will in promoting research culture in Cambodia as a whole. The sub-degree attempts to promote research activities in Cambodia by providing financial honorarium to those who are classified by the government as researchers. Nevertheless, some critiques are seen within the selection of the researchers for lack of transparency and without result- or performance-based reward. By and large, members of the Royal Academy of Cambodia are generally granted title as researchers. It is questionable how other individuals who conduct research and produce research findings beneficial for the advancement of knowledge could be officially considered to be researchers like those of the Royal Academy of Cambodia who sometimes produce fewer research results, not to mention the quality of the research work itself.

9.7 Quality Assurance

Quality of education is emerging now as a policy concern in Cambodian education. As primary and lower secondary education are reaching remarkable achievements in terms of expanded access through assistance from the World Bank, the Asian Development Bank, and the United States Agency for International Development and other donors, revitalizing quality at all educational levels becomes a new central issue for the Royal Government of Cambodia at present. With regard to higher education, in March 2003 Royal Decree No. NS/RKT 03/03/129 visualized improvement of the quality of higher education through establishing the Accreditation Committee of Cambodia. According to the Decree, it is mandatory that all HEIs, local and foreign, operating in Cambodia obtain accreditation status from the Accreditation Committee of Cambodia in order to grant degrees. This official emergence of the Accreditation Committee of Cambodia has created a new landscape for Cambodian higher education.

To assure the quality of higher education, Cambodia will practice institutional accreditation by looking at nine areas which are believed to be major quality indicators at the institutional level. These aspects are commonly known in Cambodia as minimum quality standards. They are:

1. Mission
2. Governing structure, management, and planning
3. Academic program

[6] See UNESCO (2006).

4. Teaching staff
5. Students and student services
6. Learning resources
7. Physical facilities
8. Financial management and planning
9. Dissemination of information

It is worthy of note that the Accreditation Committee of Cambodia, the central player in guaranteeing quality assurance, is younger than most of the Cambodian HEIs. It is generally accepted that without greater commitment from all stakeholders, it will be hard for the young Accreditation Committee of Cambodia to carry out its mandatory duties in assuring and monitoring the quality of higher education in the country. One of the major obstacles handicapping the Accreditation Committee of Cambodia from being a high professional accrediting agency is the in-house capacity to carry out professionally its duties. Until now, with the exception of the success of the implementation of the Foundation Year Program, the Accreditation Committee of Cambodia has not yet executed its institutional accreditation to any single institution. Despite its efforts in struggling to overcome hardship during the early stage, key fundamental regulations for the execution of the institutional accreditation are not yet available at the time of writing. These would include qualification framework and minimum standards.

With high degree of political will of the government to revitalize quality of higher education, some key donors put their hands into assisting the young Accreditation Committee of Cambodia from the early stage of its existence. Even though all are project-based assistance, it is still vital and helpful for the operation of the Accreditation Committee of Cambodia. These donors include:

– National Assessment and Accreditation Council of India
– Commission of Higher Education and Office of National Education Standard and Quality Assurance of Thailand
– Ministry of Higher Education, National Accreditation Board of Malaysia
– The American Embassy to Cambodian and Fulbright Senior Specialist Program
– Asia Pacific Quality Network
– The World Bank
– Japanese International Corporation Agency

The immediate step for the Accreditation Committee of Cambodia secretariat, which is the working body of the Accreditation Committee of Cambodia, is to smoothly cooperate with the Ministry of Education; Youth and Sports, especially the general department of higher education which is the policy-making body for higher education in the country. The consistency of minimum quality standard and the national policy set by the Ministry is a must. The Accreditation Committee of Cambodia itself should be clearly aware of sophistication of skills needed at the labor market and the complexity of, and competition at, the labor market as bases for the establishment of the qualification framework and the minimum quality standard.

9.8 Conclusion

To sum up the state of higher education in Cambodia and issues facing the system one can say that until now access, equity, quality, relevance, financing, and governance and management remain the utmost unsolved problems of the system despite the government's and donors' efforts. Participation in HEIs in Cambodia is low by international standards. Enrollment is concentrated in a few academic disciplines, such as business management. Equity issue centers around the situation of the current enrollment patterns showing significant urban/rural and gender disparities. Quality issue is found in underdevelopment of quality assurance systems and the low quality of many programs that allow students to undertake multiple full-time degrees. At the national level, HEIs produce more graduates than the economy can absorb and graduate skills are often not matched to the needs of the country. The governance and management of the system remain fragmented given the ground that many ministries and agencies as well as private institutions deliver higher education services with limited coordination at the national policy level. Management and staff appointments are generally made by the government with a less transparent selection process in the public HEIs. Higher education sector faces a shortage of educational leaders, planners, and managers to fill the position of retiring senior educators.

Nevertheless, education has been a success story and a progressive sector in Cambodia. The above-mentioned issues remain challenges for the next government. It is projected that the number of high school graduates in the next 5–10 years may exceed the absorbing capacity of the current higher education system. The only option left for the next government is to examine and deal carefully between the two – postsecondary or higher education and the world of work. These two worlds are the only absorbing engines.

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B. Vietnam

Chapter 10
Education Reform Context and Process in Vietnam

Takao Kamibeppu

10.1 Introduction

This chapter explores the developments of Vietnam's basic education policy since 1990, and the roles of foreign donors. The priority of basic education was agreed in an international consensus at the World Conference on Education for All (EFA) in Jomtien, Thailand, sponsored by the World Bank (WB), UNESCO, and other agencies in 1990. The Vietnamese government participated in the conference way before the lifting of American economic sanctions and the official resumption of Western aid in 1994, which gave the government an impetus for basic education development. The year 2000 marked the assessment of the EFA movement in the past decade at the World Education Forum in Dakar. As a Forum participant, Vietnam gave itself a satisfying rating; however, it did not reduce the speed of basic education development. It added lower secondary education as a fourth area in its EFA targets, and aimed at not only expanding educational quantities but improvement of quality of education under EFA as a central framework.

In the meantime, the EFA Plan of Action up to 2000 served as a framework to start virtual aid coordination in Vietnam's education sector. This was in line with the international trends of the increasing emphasis on partnership and aid coordination. Further, the new EFA Plan of Action in 2003 facilitated the start of a new phase of aid coordination in education.

Further, as symbolized by its accession into the World Trade Organization (WTO) in 2007, Vietnam is now increasingly integrating itself in globalization. The country is now targeting to simultaneously achieve double goals of expanding basic education and post-basic education (upper secondary, technical and vocational, and higher education).

In this context, the author collected data mainly through interviews with those involved in aid to Vietnam and education aid (both donor and recipient sides) in Vietnam, Cambodia, Japan, and the USA from 2003 to 2004.

This chapter first gives an overview on the position of Vietnam in the world trend of aid coordination, and on the definitions of aid coordination and transaction cost, followed by a review of aid coordination in general in Vietnam. It then explores the developments of basic education policy and donors' roles and aid coordination

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during the two periods of 1990/2000 and 2003 and beyond. Research questions are: (1) under what context basic education policy formed and developed, and how stakeholders interacted; (2) what roles bilateral and multilateral donors played; (3) what were the donors' intentions and interests behind those roles; and (4) how the differences of views between Vietnam and donors or among donors were mitigated in the aid coordination process. With these questions in mind, the chapter reconstructs chronological transformation of basic education policymaking since 1990.

10.2 Vietnam and Aid Coordination

Recent trends in the international development community include the quest for aid coordination with the purposes of increasing aid effectiveness and decreasing transaction costs associated with aid. The terms "coordination" or "harmonization" of aid are frequently mentioned in policymaking arenas in international development and aid such as Organization for Economic Cooperation and Development (OECD), United Nations, or the WB or in developing countries as the destination of development aid. These arenas produce numerous new development initiatives which promote or require aid coordination, giving rise to a situation as if development aid will not occur without aid coordination. These actions stem from reflections that aid practice in the past were under the convenience and logic of donors,[1] and that such aid actually imposed unnecessary burdens on recipients, thus disturbing recipients' development efforts. In this process, recipient countries and donor countries/agencies attempt to adjust their interests and policies so that aid activities would be conducted within mutually agreed frameworks and with less transaction costs.

Aid coordination is not a new thing. Its importance has long been recognized and actually put into practice. The orientation for aid coordination became firm when OECD's Development Assistance Committee (DAC) announced the New Development Strategy in 1996, and the trend was consolidated when WB President James Wolfensohn proposed the Comprehensive Development Framework (CDF) in January 1999. CDF indicates the importance of partnership within the aid community (both donors and recipients) under the ownership of recipient governments. Later, following this trend, the Poverty Reduction Strategy Paper (PRSP) as a means to realize CDF principles was introduced at an IMF and WB meeting in 1999. In addition, the Monterrey Consensus, adopted at the International Conference on Financing for Development in March 2002, stressed the importance of harmonization. The Rome Declaration on Harmonization in February 2003 followed suit.[2]

[1] For example, overwhelming numbers and redundancy of aid projects, hosting numerous missions, writing numerous and many kinds of reports, conforming to donors' fiscal years different from recipient countries.

[2] Club du Sahel (2000); Erikkson (2001); OECD (1996, 2003); World Bank (2004).

Vietnam was selected as a pilot country for both CDF and PRSP in Asia in 1999. Because both CDF and PRSP require aid coordination, it became one of the important guiding principles in the aid to Vietnam. The government held a number of consultations with national stakeholders and donors, and completed the Comprehensive Poverty Reduction and Growth Strategy Paper (CPRGS) in May 2002, which was a growth-oriented development strategy. Vietnam was also chosen as a pilot country to realize the Rome Declaration on Harmonization. Thus, Vietnam is on the forefront of worldwide aid coordination efforts and development "experiments."

10.3 Aid Coordination and Transaction Cost

Central concepts for analysis in this chapter are aid coordination and transaction cost. First, aid coordination is defined as mutual adjustment in terms of aid contents (aid policies and practice) and harmonization of aid procedures among donors or between donors and recipients. Donor coordination is used interchangeably with aid coordination. It is argued that coordination facilitates the improvement of aid effectiveness, and harmonization leads to aid efficiency.[3] In particular, where aid policy is concerned, it is often described as "to align aid to strategies, plans, policies, or procedures of recipient countries."[4] The repeated mention of "alignment" suggests how donor-centered aid has been.

Transaction cost is considered as "costs arising from the preparation, negotiation, implementation, monitoring, and enforcement of agreements in the delivery of overseas development aid."[5] Transaction cost takes three forms: (1) administrative cost (e.g., staff's work time), (2) indirect cost (e.g., weak ownership of recipient countries, delay of aid disbursement), and (3) opportunity cost (high-ranking officials trade off their time between aid work and policy development).[6] However, this classification focuses on the reduction of transaction cost of recipient countries, not the reduction of transaction cost of both donors and recipients. Therefore, others expand the concept of transaction cost by including costs associated with aid coordination itself. Here, they contend that the reduction of transaction cost with donors be an issue from the viewpoint of "partnership".[7]

Concerning the relationship between aid coordination and transaction cost, on the one hand, there is a means–end description that reducing transaction cost will enhance the effectiveness of development aid; on the other hand, there is a dual-ends description enhancing aid effectiveness and reducing transaction cost at the same time.[8]

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[3] For instance, Bartholomew and Lister (2002); Club du Sahel (2000); Harold et al. (1995); JICA (2003).

[4] For instance, Erikkson (2001).

[5] Bartholomew and Lister (2002, p. 5).

[6] Bartholomew and Lister (2002).

[7] Erikkson (2001).

[8] For example, Bartholomew and Lister (2002); Harold et al. (1995); JICA (2003).

Figure 10.1 illustrates the concepts and terms discussed so far.

There are various levels and contents of aid coordination. In terms of level, it is done through consultation among donor agency staff or between donor agency staff and recipient government officials, either at the unofficial individual level, or official organizational level (Fig. 10.2). Content of coordination refers to the sector or subsector the aid should target, or specific geographical target areas the project should cover. Advanced forms include cofinancing, common procedures, common basket, and ultimately budget support, that is, which donors provide their pooled fund into the national treasury of the recipient government. The analyses in this chapter will focus on official and organized aid coordination; however, unofficial or unorganized (ad hoc) ones will be included as much as possible.

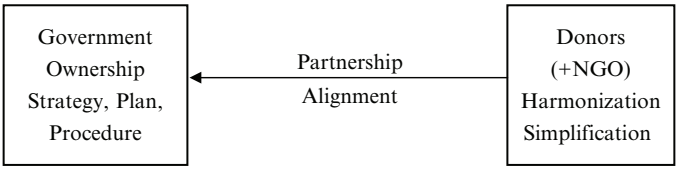

Fig. 10.1 Relationships between aid coordination and associated concepts (Bartholomew and Lister 2002; Erikkson 2001)

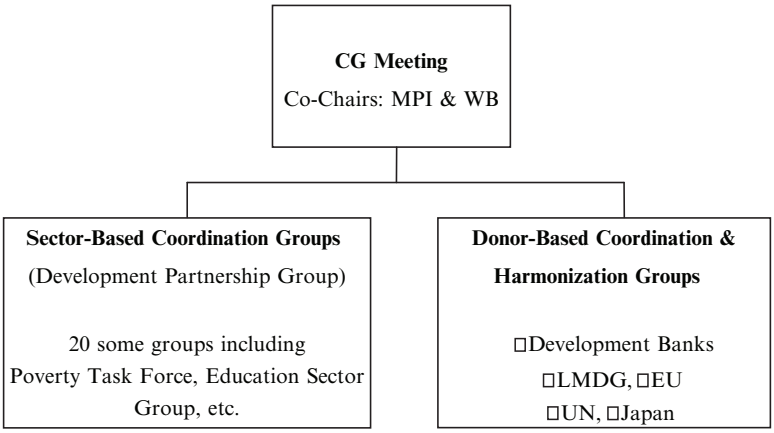

Fig. 10.2 Official and organized aid coordination mechanism in Vietnam (MPI 2004)

10.4 Official and Organized Aid Coordination in Vietnam

Aid coordination takes several forms. Official and organized aid in Vietnam is led by the Consultative Group (CG) Meeting. The CG Meeting supervises Development Partnership Groups as sector-based coordination mechanism and five donor-based coordination & harmonization groups which are formed based on donors' development philosophies and orientations.[9]

The CG Meeting was established in 1994 after the UNDP-initiated International Conference on Aid Coordination to Vietnam was held in November 1993 preceding the lifting of US economic sanctions on Vietnam. Since inception, the CG Meeting has been cochaired by the Ministry of Planning and Investment (MPI) and WB. The government and major donors meet to review the development of the economy and society, set future directions of aid, and determine concrete aid programs. The mid-year meeting is held in June and the annual meeting in December.

Development Partnership Groups include about 20 groups or fora on poverty, business, gender, environment, civil society, national enterprise, small and medium-sized enterprises, banking, trade, education, health, HIV/AIDS, forestry, poorest communes, natural disaster, water, agriculture & rural development ministries, transport, Ho Chi Minh City development, urban areas, governance, legal system, and fiscal management. Donors participate in groups or fora based on their interests. The frequency and contents of their activities vary.

On the other hand, donor-based coordination and harmonization consist mainly of five groups: (1) five development banks which provide loans (WB, Asian Development Bank [ADB], Japan Bank for International Cooperation [JBIC], AFD [France], and KfW [Germany]); (2) Like-Minded Donor Group (LMDG), which essentially relies on grants; (3) EU (European Union); (4) UN group; and (5) Japan.

The members of the above five groups overlap each other as shown in Fig. 10.3.

The five development banks have an overwhelming presence in Vietnam as they represent more than two thirds of ODA to the country. This group sets high priority on project preparation tasks and processes, procurement procedures, accounting, environmental and social safeguard standards, and portfolio management. This group pursues standardization and simplification by aligning themselves to policies and procedures of the government. Banks find standardization and harmonization relatively easy because their loan procedures are similar.

The second group – LMDG – is an unofficial group of bilateral donors with similar development orientation. The group was established by the ministers in charge of international development from Norway, the Netherlands, and Finland. LMDG membership differs from country to country, but in case of Vietnam LMDG includes eight countries, Canada, Denmark, Finland, the Netherlands, Norway, Sweden, Switzerland, and the UK. They maintain the group as an open forum, and seek to generate change through practice. Their budget is relatively small, but they have a big presence in innovating aid modalities. For example, they promote budget

[9] MPI (2004).

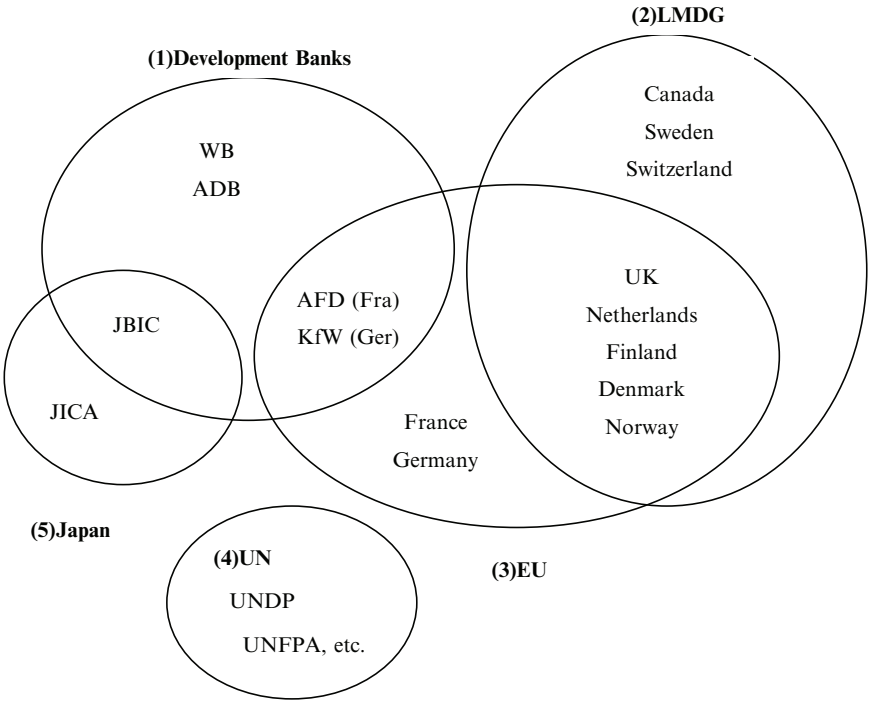

Fig. 10.3 Donor-based coordination and harmonization groups (MPI 2004)

support in five areas such as basic education and administrative reform, and support the introduction of sectorwide approaches (SWAp). LMDG considers CPRGS as an effective mechanism to plan and implement aid, and Poverty Reduction and Support Credit (PRSC) as an effective mechanism to reduce transaction costs associated with aid and to support CPRGS collectively. LMDG together with MPI produced the Harmonization Action Plan (HAP) as a Vietnamese version of the Rome Declaration on Harmonization in order to facilitate harmonization of procedures.[10]

The third group, the European Union (EU), is composed of 25 member states with the European Commission (EC) as its implementation arm. EU's aid policy is very similar to, but distinct from, those of EU member states. EU aims at coordination and harmonization of aid, and it agreed to take concrete actions to increase aid effectiveness and reduce transaction costs in the Barcelona Conference in March 2002. Under its worldwide harmonization policy, EU designated four countries including Vietnam as pilot countries. In May 2003, 12 EU members which have offices in Hanoi and the EC Representative Office agreed on the Action Plan for Coordination and Harmonization. The Action Plan aims to promote coordination in each phase of the projects in health, education, trade, private sector development,

[10] Bartholomew and Lister (2002); LMDG (2003).

governance, and central highlands. The harmonization is expected to lead to joint identification of cooperation opportunities or cofinancing with an eye toward the introduction of SWAp and budget support.[11]

The UN group is led by UNDP, UNICEF, and UNFPA in case of Vietnam. The group observes UN's Simplification and Harmonization (S&H) rule which was adopted at the UN General Assembly in 2001. The S&H aims to reduce transaction costs of both recipient governments and the UN, enhance aid effectiveness, increase collaborative work, and improve accountability. S&H is applied in (i) joint program planning, preparation, monitoring, and evaluation; (ii) program implementation; and (iii) standardization of services and integration of office facilities. So far, the UN group has integrated dialog channels with the government into one, developed joint programs and an efficient accounting system, and integrated the UN offices into one compound. On the other hand, UN does not enforce uniformity, but respects the diversity of donors, and government's ownership and capacity-building principles.

Japan, the fifth group, has two agencies, JICA and JBIC, which together provide more than half the total aid to Vietnam. Loan-based JBIC also belongs to the development bank group. In the summer of 2003, JICA set up its own dialog window – Sit Down and Talk Initiative – with MPI's Department of Foreign Economic Relations to enhance the effectiveness of JICA grants. This was a follow-up of a March 2003 research on grant and transaction costs. According to the study, not all aid activities would need to be streamlined, but the diversity of aid modalities should be respected. Technical cooperation projects should be implemented as long as they meet the country's needs.[12]

Thus, various approaches to coordination reveal some configurations: (i) coordination efforts within development banks and within UN agencies with focus on procedures, (ii) Japan and the UN offices emphasize technical cooperation and the importance of the diversity of aid modalities, and (iii) LMDG and EU have similar goals due to the fact many countries belong to both, and promote SWAp and budget support. While there are differences among donor-based coordination & harmonization groups, there is also some common understanding on coordination approaches, as shown in Fig. 10.4.

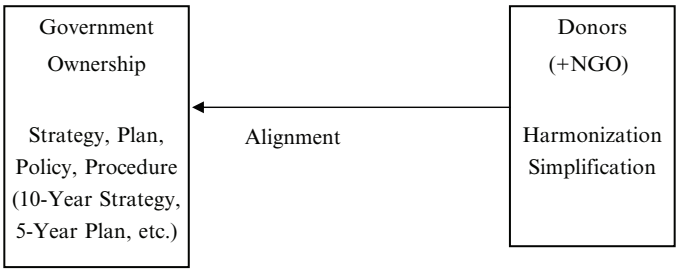

Fig. 10.4 Thinking on aid coordination in Vietnam (MPI 2004)

[11] EU (2002, 2004).

[12] World Bank (2003c, d).

10.5 Development of Basic Education Policy and Donors' Roles: 1990–2000

10.5.1 Development of Basic Education Policy

Vietnam had traditionally relied on aid from the communist bloc led by the USSR. However, in the post-Cold War era, the Eastern aid stopped, and the Western aid started to flow in after the US sanction was lifted in 1994. On educational development, the government used the 1990 World Declaration on EFA and Plan of Action at Jomtien as a framework and leverage for attracting education aid. The Plan of Action had six target areas; (a) early childhood care and education; (b) universalization of primary education; (c) basic education for youth and adults; (d) literacy, numeracy, and other life skills; (e) equitable access and achievement; and (f) quality and learning outcome. The government was quite swift in education policymaking. It signed the Plan of Action, enacted the Law on Universalization of Primary Education in 1991, and announced the National EFA Action Plan (EFA2000), which drew up goals and principles to realize the goals by 2000 at the National Conference on EFA held in October 1992.

EFA2000 targeted three subsectors: early childhood education, primary education, and nonformal education. Its goals to be achieved by 2000 were: (1) early childhood care and education (multiple care and education, reduction of malnutrition rate, preparation of children under five for primary school); (2) universalization of primary education for children in the 6–14 age group and completion rate to exceed 90% (increased access, quality improvement, dropout reduction); (3) curriculum development for literacy and post-literacy (eradication of illiteracy by 1995 for one million people in the age group 15–35 with focus on ethnic minorities and the disadvantaged, curriculum development for retaining literacy); and (4) setup of Center for Continuing Education in all provinces. EFA2000 served as a framework to coordinate national EFA policies and to formulate provincial EFA plans, and coordinate among donors in line with strategies and goals of the government.[13]

The Vietnamese government cites some examples as outstanding achievements of basic education by 2000: (1) expenditure for primary education doubled, (2) net enrollment rate of primary education increased from 86% in 1990 to 95%, (3) gender equality was achieved in enrollment rate of primary education, and (4) literacy rate in age group 15–40 exceeded 90%. It claims that Vietnam succeeded in expanding quantitatively smoothly relative to other developing countries with similar economic levels.[14] As reasons for this outcome, they listed increases of the numbers of classrooms, teachers, governmental education expenditure,[15] and

[13] National Committee for EFA Assessment (1999); Socialist Republic of Vietnam (1992).

[14] Net enrollment rate doubled in lower secondary education.

[15] From 8.9% in 1990 to 11.5% in 2000.

financial contributions from local residents. However, there still exist multilayer imbalances such as disparities among ethnic groups, among provinces, between nondisabled and the disabled, or gender disparity in secondary education. In addition, Vietnam has other challenges such as the shortage of instructional hours in Vietnam (two thirds of international standard), poor employment terms, low quality of teachers, or insufficiency of child-centered teaching techniques.[16]

10.5.2 Donors' Roles and Aid Coordination

Before 1990, other than communist bloc donors, a limited number of donors such as UNICEF or UNDP were active in aid delivery to Vietnam: e.g., UNICEF's child programs or early childhood programs. After 1994, there was a phenomenon of the influx of Western aid because the USA and Vietnam normalized their diplomatic relations. Table 10.1 shows a list of major education-related aid activities from 1990 to 2000.

Aid activities which began during this period included non-EFA subsectors such as secondary education, technical and vocational education, and higher education even after the completion of EFA2000 in 1992, thus all subsectors having been supported simultaneously. Looking at three EFA subsectors and non-EFA subsectors, there was a certain division of labor among donors reflecting their interests: early childhood education by UNICEF, primary education by JICA and WB, nonformal education by UNESCO and the National Federation of UNESCO Associations in Japan, lower secondary education by ADB and Belgium, technical and vocational education by ADB, and higher education by the WB. In particular, regarding the relationship between WB and ADB, it is pointed out that the WB started a primary education project in 1994 and ADB as a latecomer took up secondary education area which was not considered by the WB at that time.[17] This could be one form of coordination. It is not an organized one but a division-of-labor-type coordination.

Table 10.1 Education aid which began during 1990–2000 (World Bank 2003b)

Preschool Education	UNICEF, Save the Children Alliance
Primary education	WB, JICA, Save the Children UK, AusAID, UNICEF, Oxfam GB, UNDP
Nonformal education	UNESCO, National Federation of UNESCO Associations in Japan
Secondary education	ADB, Belgium, DFID, NZAID
Technical & vocational education	ADB
Higher education	WB, SDC, Netherlands, SIDA, CIDA, Thailand, JICA,Scholarship Programs by Australia, Belgium, Japan, and the Netherlands, Inter-university cooperation
Other	CIDA

[16] National Committee for EFA Assessment (1999); Socialist Republic of Vietnam (2001, 2003).

[17] Interviews to multiple donors in Hanoi during 2004.

However, there was a first attempt to coordinate education aid during the period of 1990–2000 in an organized manner. Around 1990, UNICEF, Save the Children UK, and Oxfam GB, which were already active in Vietnam, created Education Forum (as part of the aforementioned Development Partnership Groups). This forum dealt with all education areas not limited to EFA, and aimed to: (1) provide an open setting for free exchange of views and experiences of teachers, policymakers, and education experts in and out of Vietnam, (2) facilitate deeper discussions on issues and problems in Vietnamese education system, and (3) explore ways in which high-quality education could be provided to disadvantaged children.[18] Therefore, aid coordination was not an explicit but implicit purpose for the Forum. It was managed by donors, and the government was treated as a guest. In fact, the interviews for this study indicate that during this period both donors and the government had little idea as to what the relationship should be between them.[19] Owing to this situation, the Forum ceased to work one and a half years after its inception. In 1999, CIDA provided a trust fund to reactivate the Forum through the WB. Since then, Oxfam GB, UNICEF, and Save the Children UK took turns to organize the Forum under a specific theme about every 3 months. The Forum was not for aid coordination, but actually for events to identify the country's educational needs. It attracted approximately 100 participants each time.[20]

Coordination during this period had no specific rationale or organization, but rather it was on an ad hoc basis. In the meantime, it should be appreciated that the Education Forum marked an important step toward organized aid coordination.

10.6 Development of Basic Education Policy and Donors' Roles: 2000 and Beyond

10.6.1 Development of Basic Education Policy

In April 2000, the World Education Forum was held in Dakar to reactivate the EFA movement because developing countries failed to reach the goals set by the 1990 Jomtien Declaration and Plan of Action. One hundred and eighty countries participated and adopted the Dakar Framework of Action. The framework included universalization of primary school completion by 2015 as one of its major targets. Vietnam also participated in the Forum, and used the framework to craft a new EFA National Plan of Action (EFA 2015) for 2003–2015. Following the agreements reached at the CG meeting in December 2000, the Ministry of Education and Training (MOET) and UNESCO consulted with related ministries, all 61 provinces, donors, and other stakeholders under the financial support of CIDA and the WB.[21]

[18] NGO Resource Centre (2003).

[19] One interviewee said: "We don't want to impose…."

[20] CG Meeting (2003, 2004).

[21] UNESCO (2000).

In December 2001, in the midst of producing EFA 2015, the prime minister approved the Education Development Strategic Plan 2001–2010 (EDSP 2010). CPRGS and EFA 2015 were also approved and finalized respectively in May 2002 and July 2003 by the prime minister. EDSP is a domestic education policy document which is produced every 10 years by the government. CPRGS is a document indicating the government's intention to donors that it would pursue both growth and poverty reduction at the same time as it was selected as a PRSP pilot country in 1999.

EFA 2000 defined basic education up to primary education for 5 years (school age 6–10); however, EFA 2015 expanded this definition to include lower secondary education for 4 years (age 11–14), stretching basic education to 9 years. Thus, EFA 2015 targets preschool education (age 0–5), primary education, non-formal education, and lower secondary education. It is, like EFA 2000, a guideline for central and local governments to achieve EFA, and for donors to provide support.[22]

In short, CPRGS is a central guideline at least for donors to consider the whole development of Vietnam, while EDSP 2010 serves as a guideline for development and aid coordination in the whole education sector, and EFA 2015 serves as a guideline for basic education development. While CPRGS and EFA 2015 were made by donors' initiative, EDSP 2010 is essentially a routine domestic education policy document. The government indicates that EFA 2015 is aligned to, and consistent with, CPRGS.[23]

At this time, Vietnam began pursuing double education goals of expanding basic education and postbasic education simultaneously. Both goals were pursued under the intertwined policy of decentralization and "socialization." In provinces where net primary enrollment rate is approaching 100%, the focus shifted from quantitative expansion to qualitative improvement. Among all, it became an urgent task to increase instructional hours, which is absolutely deficient. Vietnam has a long-standing tradition of educational cost sharing in that central government pays for teacher salary and stakeholders other than the central government (parents, local residents, local corporations, etc.) are responsible for the cost for school facilities and other items (so-called community contributions). The 1998 Law on Education stipulated "socialization of education activities." As one of its major policy goals, EFA 2015 planned to shift half-a-day schooling to full-day schooling in order to meet international standards. To do so, it was necessary to increase the number of classrooms and spending for teacher salary. However, due to the shortage of fund at the central government, there has been a strong trend to promote socialization ("society supports education") in the name of decentralization. In positive terms, it is diversifying funding sources, but in negative terms, it imposes a financial burden on the "community." These trends widen regional disparities in terms of the quality of facilities.[24]

[22] Socialist Republic of Vietnam (2003).

[23] Socialist Republic of Vietnam (2003).

[24] World Bank (2003b).

It has been observed that there is confusion in educational administration resulting from the parallel chain of command, namely people's committees under the Communist Party and departments of education & training under MOET at province and local levels.

10.6.2 Donors' Roles and Aid Coordination

10.6.2.1 2000 to mid-2003

Table 10.2 summarizes major education aid which began after 2000 when the Dakar Framework was formulated, and demonstrates how overwhelmingly aid was concentrated on primary education. On the other hand, preschool education was a target by UNICEF, secondary education by ADB and Belgium, and technical and vocational education by GTZ (Germany). Thus, the division of labor at a subsector level followed the trend of the 1990s. Now it became well established. The influx of aid to primary education seems to be because EFA 2000 and EFA 2015 functioned as effective aid coordination mechanism. Especially, aid activities which began after mid-2003 (when EFA 2015 was completed based on the Dakar Framework) are all on primary education. This indicates that EFA was strongly recognized as a top priority with the push by the Dakar Framework. This was a significant change compared with the aid activities which began before 2000. In fact, almost all donor interviewees explained their activities keeping EFA four areas in mind as a top priority. EFA was clearly and mutually recognized as a coordinating framework. While aid to primary education increased, it also diversified ranging from small-scale specific activities to large national level ones, to projects by NGOs, single donor, multiple donors, and to targeted budget support (TBS).

Thus, as the division of labor at subsector level was already there, the focus on aid coordination during this period was to coordinate within primary education subsector in which so many donors began their projects. For example, when Belgium, WB/DFID, and JICA started primary teacher-training projects almost at

Table 10.2 Education aid which began after 2000 (World Bank 2003b, 2004)

Pre-school (Primary) education	UNICEF
Primary education	WB, DFID, UNICEF, UNESCO, JICA, Oxfam, Save the Children Alliance, NORAD, EC, the Netherlands, CIDA, AusAID, Belgium
Nonformal education	UNESCO, National Federation of UNESCO Associations in Japan
Secondary education	ADB, Belgium
Technical & vocation education	GTZ
Special education	Spain
Higher education	The Netherlands, Scholarship Programs by the Netherlands, Australia, Belgium or Japan, Inter-university cooperation
Other	EC

the same time, it was found that there was overlap in terms of project provinces. It was later coordinated and the overlap was avoided. It is pointed out that this confusion stemmed from the lack of collaboration between the Department of Primary Education and the Department of Teachers within MOET.[25] This is an example of an ad hoc based coordination. Another example is the Primary Education Development Program(PEDP)project, in which JICA helped MOET formulate and update PEDP based on EDSP 2010.[26] This project aimed that aid in primary education would be coordinated through the project implementation, and that MOET would improve its capacity of coordination with donors. In this context, JICA held a coordination meeting with donors in primary education, and also sent Project Management Unit(PMU)staff members to other donors. In addition, JICA created Broad Areas of Possible Intervention (BAPI) and a data base on numerous aid activities in primary education field.

The EFA Fast-Track Initiative (EFA-FTI), with a focus on primary education, was not well received in Vietnam due to FTI's controversial background, politicization of formulation process, and slow disbursement. UNESCO, considering it important to have balanced aid distribution across EFA target areas, found FTI as a redundant program while primary education had already drawn too much attention. Now, as a result of coordination, primary education is everywhere, resulting in creating another need for "reverse" coordination due to the aid imbalances among subsectors.[27]

On the other hand, as for coordination in each EFA subsector, donors formed a preschool education group (ADB, UNICEF, UNESCO, EC, Save the Children, etc.). But there was no coordination group in nonformal education due probably to the small number of donors. UNESCO, with an emphasis on nonformal, called for support in this subsector. However, the other donors showed weak interest and understanding.[28] In the meantime, the Education Forum as an "organized" coordination body has been periodically held with themes of capacity improvement of primary teachers, preschool education, EDSP 2010, cases of international initiatives, PRSP, and child-friendly learning environment in 2003. However, recently, the interest of MOET, a counterpart, has again been low. Some observers reflect that the Forum was on too large a scale without good focus for substantial coordination.[29]

In short, the coordination from 2000 to mid-2003 was mainly mutual adjustments of target areas and regions on a need basis, and the need for coordination arose mainly from the sectionalism and the lack of interdepartmental coordination and liaison within MOET. This is an issue of aid coordination within the government. On the donor side, their coordination was also on an ad hoc basis owing to the lack of organized sector coordinating framework until mid-2003.

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[25] JICA/PADECO (2004).

[26] Primary Education Sector Program (2001–2004).

[27] Interviews to multiple donors in Hanoi (2004).

[28] Interview to a donor in Hanoi (2004).

[29] Interviews to multiple donors in Hanoi (2004).

10.6.2.2 Mid-2003 and Beyond

In the process of EFA 2015 formulation, there were two important realizations: (1) that past coordination was limited, ad hoc, and passive to the extent that duplication of target areas and regions was merely avoided; and (2) it is essential to seriously coordinate aid to the education sector (increase aid effectiveness and reduce transaction costs) because of the influx of aid to EFA areas, primary education in particular, and because of increased diversification of aid modalities. With the prime minister's approval of EFA 2015 in July 2003 as an impetus, aid coordination in education sector in Vietnam accelerated.

As a result of a joint evaluation of EFA 2015 in September 2003 by the government and donors involved in the education sector, the donors issued a joint statement on their intentions to promote the alignment of donors' support to strategies and policies of the government. This statement was submitted to the minister, and CIDA, WB, and the Norwegian Aid Development (NORAD) agreed to establish the Education Sector Group (ESG). The purpose of ESG was to make sure the government has strong ownership and leadership to implement fully coordinated education activities, and to contribute to the country's economic development and poverty reduction. Since then, ESG continued to discuss the ways in which support to education sector development (including non-EFA areas) in Vietnam could be coordinated effectively and efficiently.[30]

In the first meeting in December 2003, DFID and UNESCO served as cochairs because of their leading roles in Vietnam's education sector, and that it was essential to coordinate aid activities among donors, adjusting to government's policies. In the second meeting in January 2004, ESG's draft terms of reference (purpose, policy, and working arrangements) was agreed upon, which was to support the government's policies and strategies in order to develop the education sector in an equitable manner and to maximize the impact and efficiency of education aid. Then, at the meeting in March 2004, donors requested MOET, their counterpart, to send participants to ESG.[31]

The meeting in May 2004 was attended by three MOET in an unofficial capacity. Official appointment was obtained after the meeting. The meeting discussed ADB's Lower Secondary Education Project, WB's EFA & TBS, CIDA' Basic Education Trust Fund II, EC's support to the education sector, and how to promote ESG in the future (ESG's purposes, principles, working arrangements). The mechanism and issues of MOET's cooperation with donors are as follow[32]:

- Upon receipt by the Department of International Cooperation of letters from donors, the request is sent to the vice minister in charge of the subsector/issue. The vice minister then assigns the project to a director of the relevant department. MOET representatives selected to work on foreign aid projects usually lack

[30] World Bank (2003a, 2004).

[31] ESG (2004a).

[32] ESG (2004a).

project management skills required to perform their duties. Therefore, they provide very little input from MOET. On the other hand, donors also lack understanding of MOET needs and requirements (e.g., MOET received many supports to build communication and information systems, but there was no single system that adequately addressed the sector's needs).
- MOET considers it necessary to set up a working group to work with different donors to avoid duplication of aid and move toward closer collaboration. MOET plans to appoint officials from Departments of International Cooperation, Finance and Planning, and Personnel as ESG representatives.

The DFID cochair proposed the following aims and working arrangements for ESG.

Purposes of ESG

- MOET involvement is essential in implementing aid activities in the education sector. Donors are pleased to see the strong ownership and leadership of MOET for education programs, and that MOET considers it important to be involved in ESG.
- It was agreed that ESG needs a clear focus and focused program activities.
- ESG is not only a forum for information exchange, but one to actively support the implementation of the strategies and policies of the government to develop the education sector and maximize the effectiveness and efficiency of aid delivery to the education sector. One example is for ESG to submit a report on education quality to the government.

Working arrangements

- To date, many tasks have been carried out by the two cochair agencies. But due to its heavy burdens, it is necessary to establish a small and efficient secretariat for ESG. This secretariat should act as a liaison mechanism between MOET and donors. Some donors indicated the possibility of supplying funds to support such a secretariat. MOET may wish to provide a full-time secretariat within the ministry, which will be served by MOE officials, or someone contracted or seconded to MOET.
- On the contrary, donors reiterated their desire to support existing structures in the government, without creating a new section. Ultimately, it is essential that MOET officials be actively involved in education sector coordination.
- MOET had already established Project Coordination Unit to be responsible for ODA education projects, but the Unit never fulfilled its roles due to all sorts of reasons. Therefore, the creation of a working group needs to be carefully examined by MOET, learning lessons from the past. However, circumstances changed; the prime minister approved the National EFA Action Plan, there are an increasing number of cofinanced operations in the education sector, and the harmonization

issue is a high priority for the government and donors. These situations suggest that the government take a leading role in the coordination efforts to improve the quality of education.

In this meeting, MOET agreed to send a proposal of setting up an ESG secretariat to donors after a review at MOET, and also to establish a task force within ESG to work on key issues such as review of educational quality, EFA and TBS, EMIS, and provincial education planning. It was decided that the MOET representative would report ESG discussions to the minister as well as inform ESG of MOET decisions. They also agreed with the idea of holding joint reviews on the work of ESG annually or biannually with the participation of the minister and/or vice ministers.

As a response to the DFID proposals, MOET informed ESG in its letter dated July 8, 2004, that the minister installed the ESG secretariat within the ministry to liaise with ESG activities, and he appointed four officials (deputy director and an official from the Department of International Cooperation, a senior officer from the Department of Finance and Planning, a senior officer from the Personnel Department) to serve the secretariat. At a meeting held on the following day, four MOET representatives attended again in an unofficial capacity, and reported on the letter and the establishment of an Education ODA Coordination Unit by restructuring the past ODA Steering Committee. According to MOET, the committee has been ineffective in monitoring and supporting implementation due to the manpower shortage and this restructuring aimed at improving the efficiency of ODA coordination. The Education ODA Coordination Unit would minimize donor-driven aid approach, overlapping among aid, and mobilize resources on the sectorial priorities. It would report directly to the minister and advise the minister in his decision-making. In a reply to these initiatives, donors requested MOET to share the proposed content of the Unit with them to ensure that bureaucracy would not be more complicated. The meeting on July 9 included other agenda items such as provincial education plan, Community Learning Center (CLC), early childhood care development, inclusive education, education quality, and the Education Forum. The following meeting on August 26 was held at MOET for the first time, and at the end of 2004 there was another meeting to make decisions on the tasks of the ESG secretariat.[33]

Thus, there were various attempts to put ESG on track. Donors expected MOET, who was essentially a guest in the Education Forum, to show leadership and ownership in development efforts and aid coordination. Therefore, donors first requested MOET to send representatives to ESG with an eye toward better aid coordination which would lead to reducing transaction costs and aligning aid to government policies. As a reaction, MOET attended an ESG meeting in an unofficial capacity, and admitted surprisingly openly that MOET was not effective in responding to aid offers from donors, and that there were discrepancies between donors' offers and Vietnam's education needs set by MOET. After that, the minister met the donors' expectation by officially appointing ESG secretariat staff members, which cemented foundations for the cooperation between donors and MOET through

[33] ESG (2004b).

ESG. However, taking into account interview results at MOET, it appears that MOET long recognized the liaison and coordination within MOET had been insufficient, and therefore that MOET decided to make use of the establishment of ESG as a good opportunity to improve coordination within MOET (by restructuring ODA Steering Committee into ODA Coordination Unit). Yet, it is unclear if the Unit is different from the ESG secretariat proposed by MOET. Donors expressed a concern that seemingly parallel and redundant units would rather complicate the organization and increase transaction cost.

These interactions uncover that it is not easy for donors to motivate the government to take a leadership role in aid coordination. The issue here is that donors want the government to take a leading role, but donors cannot leave their work ethics and styles behind. Therefore, the question is who would be responsible for the balancing act between the government and donors. Perhaps, after MOET overcomes the problem of weak "intra-ministerial coordination" which arises from bureaucratic sectionalism and inadequacy of staff assignments, it would be able to take strong leadership and ownership for aid coordination with donors.

The interviews for this study also indicate the significance of the ESG establishment. The ESG was proposed by Canada, an LMDG member, Norway, an LMDG and EU member, and the WB. These three donors have a common development orientation that is to depart from the past "stand-alone" project aid, and promote aid by multiple donors (such as SWAp and TBS). This orientation is not limited to the education sector, but to all sectors. In fact, TBS has been strongly promoted as pre-SWAp since the setup of ESG in September 2003, and has been frequently on the agenda. Further, TBS was mentioned in EFA 2015 and Primary Education for Disadvantaged Children (PDC). Therefore, the real significance of ESG would not be aid coordination in the education sector, but rather the promotion of TBS and SWAp by LMDG and EU with the support of the WB. They explain the needs of TBS/SWAp using the terms such as the reduction of transaction cost, alignment to government policies, or procedure harmonization through the government's ownership, and the government–donor partnership. It is actually convincing.

TBS is one of the aid modalities in which donors provide funds with the government under specific purposes. It is equivalent to a trust fund at international organizations contributed by donor countries; in case of the education sector, it is like a trust fund set up at MOET. MOET is required to report its fund management to donors. However, there exist some risks and issues: (1) Can the government with strong ownership show financial management capacity satisfactory to donors? (2) Does TBS require the government capacities different from the ones with which donors were often not satisfied during the period of stand-alone projects? (3) Can government staff downsized under administrative reform show necessary capacity? (4) Would TBS actually reduce transaction costs? In addition, some donors expressed a concern that TBS was a banker-oriented idea which presumes budget support leads to increased capacity and ownership.[34]

[34] Interviews to multiple donors in Hanoi during 2004. In 2007, UNESCO stepped down from the cochairmanship due to the conflict of views on TBS.

10.7 Conclusions

As discussed above, aid coordination in Vietnam's education sector since 1990 has trends such as: (1) from the coordination among donors leaving the government out, to the establishment of donor-government coordination system under the leadership "given" to the government through ESG arrangements; (2) from passive division-of-labor-type coordination to the collaboration among donors exemplified by PDC and TBS beyond the donor framework (departure from stand-alone projects); and (3) from the coordination in terms of subsector, target areas or regions, to the organized one at upstream policy level. Above all, in the primary education subsector with the influx of aid, there are shifts from a coordination for attracting aid to primary education, to a coordination of avoiding duplication on aid target areas and regions, further to the one of integrating support to primary education by the sequence of PDC, TBS, and SWAp. This is a significant evolution from passive to proactive coordination, which could be called second generation coordination.

Donors maintain their various peculiar traits: (i) many donors tend to overlook that there are other donors; (ii) donors tend to formulate a parochial project targeting a narrow area based on their specific interests, and therefore, donors tend to leave the coordination task to MOET; moreover (iii) while MOET officially requests donors to expand education aid including FTI because MOET knows that is what donors expect the government, it recognizes the influx of aid to primary education and the insufficient coordination as problems. Some MOET officials lamented that aid is essentially donor-driven and that MOET does not or cannot have overall strategy even donors expect them to take leadership and ownership[35] Thus, it is important to fully recognize the risks which arise from promoting a rational thinking of respecting the government's leadership and ownership.

Some interviewees pointed out that depending on how ESG would be managed, ESG might restrain the aid activities of some donors such as Japan and the UN that value the diversity of aid modalities. In particular, when strengthened ESG represents all donor through a single channel for dialog and negotiations with the government (this actually could be accelerated by the introduction of TBS), it is very likely that some powerful donors (e.g., LMDG/EU and WB) promoting budget support would overwhelm and subordinate other donors.[36]

There is an issue on alignment. Norlund et al. (2003) contend that in the CPRGS process, there existed a sort of "coordination" (or needed but "vicious" coordination) between internal-oriented policy and external-oriented one by putting donor-driven "national" policy and government-led domestic policy in parallel in order for the government to ease the tensions with donors. After all, CPRGS was not renewed, and integrated into domestic policy. Looking at the education sector from this alignment

[35] SRV (2003).

[36] Interviews to multiple donors in Hanoi during 2004.

point of view, there emerge two issues: how to understand the gap in the definition of enrollment rate and educational standards between Vietnam and the world.

First, in terms of the gap in enrollment rate, Vietnam declared Universal Primary Education (UPE) when the primary education enrollment rates reached 90% in urban areas and 80% in rural areas. The government was able to save its face under a number of internal and external pressures; however, internationally UPE is achieved when the completion rate is 100%. It seems the government recognizes that this gap needs to be filled. They call this gap-filling as the "consolidation" of UPE, which observers argue could be a double-edged sword: Aid delivery could be stagnant, and children in the last 5% would be left behind. In the meantime, there is a growing demand for better secondary education in the increasing middle class in urban areas such as Hanoi. Therefore, some point out that UPE declaration might in fact lessen the needs for primary education in politically weak rural areas.[37]

Regarding another gap in education standard, the Fundamental School Quality Level (FSQL) is a case in point. PDC project led by WB and DFID is a quite large-scale one with US$244 million budget, which is considered as "pre-SWAp" along with TBS. The highlight of this project is the introduction of the FSQL, which is planned to be introduced to 4,272 main schools and 14,902 branch schools by 2009. Donors thought that Vietnam's national standard in primary education was uniformly enforced in the country, but that this was unrealistically too high for rural and agricultural areas. Therefore, they expect FSQL to be adopted as a minimum standard by the project schools through the PDC implementation, hoping it would eventually become a national standard. FSQL indicates six minimum standards: school infrastructure, teachers, school organization & management, liaison between school and community, educational activities & quality, and expected outcomes, which means a sort of counterproposal to the government. In addition, UNICEF and ADB plan to create FSQL at preschool and secondary education levels respectively. This promotion of FSQL is an alignment of the government's standard to donors' activities, which is against the original aid coordination spirit and also a norm-setting activity to the government[38]

Perfect harmonization or coordination is just ideals. There are tensions between the government's ownership and the actual power of donors over the government. Then, the issue is where the ground for compromise is and where the balance should be to satisfy both sides. But, the reality is that ownership or leadership expected of the government by donors must be approved by donors at the end.

The issue here is ownership and capacity expected by donors. It is often pointed out that intra-coordination at MOET is below average among ministries and the sectionalism in the ministry is strong. We can understand this condition as a result of tradition or bureaucratic habit of its ten departments. However,

[37] Poverty Task Force (2002); Socialist Republic of Vietnam (2003); Interviews to multiple donors in Hanoi (2004).

[38] World Bank (2003b); Interviews to multiple donors in Hanoi (2004).

because each EFA subsector was handled by different departments at MOET and information was not often shared as an organization, many donors had to contact directly each department to move their projects forward. But, under these circumstances, is it a right thing for donors as outsiders, being impatient, to offer help for intra-coordination? Should donors take one step back by understanding that sectionalism is a worldwide culture and phenomenon peculiar to bureaucracy? It is against the principle of respecting ownership to offer coordination within MOET, but when ministry's coordination capacity goes below donors' minimum level necessary for work, should donors do something? Are they crossing a line? If they do, MOET would have to act according to the donors' standard. Can MOET develop capacities which donors desire? Who adjusts to whom? If both sides must come closer, where is the best point? Thus, this issue is where partnership and ownership crisscross. In this respect, some suggest that implementing TBS with the scope of SWAp would naturally facilitate intra-coordination.

Another issue pointed out is in relation to capacity. It is the flood of PMU setup and brain drain. It is a contradiction that the setup of PMU for the project on capacity development leads to the loss of capacity on the side of its counterpart. For instance, in the case of PDC, Director of the Department of Primary Education took the position of PMU head, but could not return to MOET afterward. Also, a certain age group of officials was massively hired by PMU at one time, resulting in age imbalance among staff. It is unclear that these problems would be solved by the introduction of TBS and SWAp.

This study also found out that DFID is an outstanding leader in aid coordination. This may be because WB voluntarily chose to be a "bench warmer" in ESG, under frequent criticism toward its overwhelming presence and too strong leadership. The UK is historically an earlycomer in development aid, and it went through a conundrum between project and budget support in their history of colonial management and development aid, which makes the UK a distinct donor country. The UK applies the Labor Party's policy against poverty education policy to foreign aid, thus linking well internal and external policies in poverty reduction.

Aid coordination is not a compulsory matter to donors, but it has ethical, cultural, spiritual, and political binding to donors. Since coordinated activities are in a sense both cooperation and competition, it requires the donor side capacities in areas such as ally-making, persuasion, negotiation, and proposal-making. If, in the name of coordination, someone attempts to coordinate different logics and conditions between the government and donors beyond necessity, transaction costs would rather increase, instead of decrease, because coordination itself would become a burden or a project. There is a dilemma.

This study coincided with the ESG establishment. It was found out that there is a trap or paradox that aid coordination or harmonization are indeed a means for the end of more effective aid, but becomes sometimes an end in itself.

Lastly, I would like to conclude by introducing a remark of a DFID education specialist: "We support the government, but we want to be their friends with critical thinking."

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Chapter 11
The Distribution of Education in Vietnam: Why Does Equality Matter?[1]

Donald B. Holsinger

11.1 Introduction

After seemingly interminable decades lost to war and later isolation and economic mismanagement, the closing decade of the twentieth century was, in development terms, perhaps the greatest in Vietnam's history. Vietnam enjoyed an average rate of economic growth of 7.6% over the decade, placing it among the fastest growing countries in the world, alongside its neighbor China. Less remarked upon is the burst of poverty reduction Vietnam experienced over this period, one that would, if sustained a further 10 or 15 years, move it from the ranks of the poorest populations in the world to one with negligible levels of absolute poverty. In part because of these numbers, and the textbook fashion in which the Vietnamese economy responded to market-oriented reforms, the World Bank has described Vietnam as a case study of the promise of economic integration or "globalization" for poor countries.[2]

Today, however, a growing number of observers at the multilateral and regional development banks are worried about another phenomenon – one too common in the era of unbridled capitalism and globalization – income inequality. Before turning to the question of education equality in Vietnam and its effects over this same period, I will take a few minutes to analyze recent evidence from Vietnam on the distribution of wealth, that is, per capita income. Inequality of wealth appears to be growing in Vietnam and this may have far-reaching repercussions for self-reliance in that nation.

The increasing geographical concentration of poverty is striking, with the Northern Uplands, Mekong Delta, and North Central Coast regions holding over 67% of Vietnam's poor in 1998, from 55% in 1993.[3] While in the aggregate, Vietnamese income/expenditure inequality is still moderate by international standards,

[1] Paper originally presented by invitation of Nagoya University at the Seminar on Aid for Self-Reliance and Budget Support for Educational Development sponsored by the National Graduate Institute for Policy Studies (GRIPS), Japan NGO Network for Education (JNNE), and Nagoya University, Tokyo, Japan, October 18, 2007.

[2] See World Bank (2001).

[3] See World Bank (1999).

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

a focal point of contention is the pace at which income inequality has been growing. Two recent estimates done from the Vietnam Living Standard Survey (VLSS) for 1993–1998[4] and another appearing in the UNDP-sponsored Country Human Development Report reach significantly different conclusions. The VLSS data showed Vietnam's income Gini coefficient to have increased only marginally, while the UNDP-backed study reports a large increase, from 35.6 to 40.7. It is this latter estimate that is striking. If true, it suggests Vietnamese inequality is growing at one of the fastest rates recorded in the world in recent years, and has reached the same level as China much faster, and at a much lower income level.[5]

11.2 Poverty in Vietnam

Poverty in Vietnam is arguably the most momentous socioeconomic issue facing that country over the medium term, for a number of reasons. First, however defined, the sheer number of people living in poverty is still high in Vietnam. Approximately one third of the population, or some 25 million people, fall below the international poverty line. Thus, how Vietnam deals with the question of poverty and inequality will define the type of society it will become. Will it be able to emulate the long-term relative success of the East Asian "tigers" in generating broadly based affluence and reducing poverty? Or will Vietnam ultimately resemble countries like the Philippines or Sri Lanka, which, despite better-than-average social indicators in some areas, have lost the momentum of growth and poverty reduction. A worst-case scenario in which Vietnam drifts toward some unstable combination of accelerating inequality, low economic growth, and institutional dysfunction should not be ignored.

11.3 Income Inequality, Poverty, and Economic Growth

Although there is disagreement among macroeconomists about the relationship between inequality and poverty reduction, a few general conclusions appear to be accepted by almost all publications in major peer-reviewed journals and books:

- *There is a necessary relationship between growth and poverty reduction*. Even critics of development theory acknowledge the role of economic growth in sustainable poverty reduction.
- *"High-quality" growth is necessary to maximize poverty reduction*. Economic growth, demystified, is merely the average income per person this year compared to last year. But average income masks the distributional characteristics. If growth is

[4] The Vietnam Living Standards Survey (VLSS) is a publication of the Government Statistics Office.

[5] For details and data presentation, see National Center for Social Sciences and Humanities (2001).

achieved only in certain sectors of the economy or in certain regions of the geography (e.g., urban wage sector) many people are left out of the benefits of growth.

- *No necessary relationship between growth and inequality*. Studies of this relationship have found inequality to slightly rise with greater rates of economic growth in some countries, whereas in others, inequality fell. But even if growth could always be achieved through policies resulting in inequality, there is certainly a political and moral question of whether it is good to achieve growth that way. Brazil and Mexico, for example, have made good progress toward growth but still have very high levels of inequality of income and, of course, many very poor citizens.

The much-studied case of China reveals the complex interplay of the three variables: growth, inequality, and poverty reduction. The same variables also play an important role in interpreting the Vietnamese experience. As in China, the Vietnamese poor have benefited greatly from growth over the past 20 years, with poverty estimated to have fallen by over 50% between 1981 and 1995, regardless of the poverty line used. But also like China, Vietnam has experienced a high degree of inequality generation. Unlike China, Vietnam began its reforms in macroeconomic crisis; it also began its most far-reaching reforms nearly a decade later than China. The scope of Vietnam's *Đổi Mói* reforms stretching over the past 15 years is striking. Vietnam's economy has grown and very quickly whereas many, if not most, other former command-and-control economies have stagnated. Of transition economies from Albania to Uzbekistan, 28 had negative growth rates since 1992. But China and Vietnam were the "stars," with sustained growth rates over 7% through much of the 1990s.

What were the conditions from which Vietnam began this economic ascent? Following reunification of the country in 1975, the north pressed ahead with its model of a top-heavy, centralized economy, which had been consolidated in the north for some decades. An attempt was made to collectivize agriculture in the south where it was fiercely resisted and generally unsuccessful. Private trading of any kind was banned, as the service sector was viewed as nonproductive. The results of this experiment were dire. Per capita growth was negative throughout the late 1970s, including in the state-owned heavy industrial sector, which was intended to be the leading engine of growth. By 1979 calls for reform were heard. Miraculously, by the 1990's Vietnam was set for several decades of strong economic growth.

11.4 Education, Growth, and Development in Vietnam

But the typical recounting of the relationship between income inequality and economic growth, which I have just reviewed, albeit briefly, largely ignores Vietnam's unusual investment in education and the equality with which investments were made across all provinces of the country.

Vietnam does not closely resemble any of its Asian neighbors when comparing its relative wealth to its education and other human development indicators. The World

Bank places Vietnam 157 out of 207 countries in terms of GNP per individual. But when examining the position of Vietnam simultaneously on wealth and human development (see Fig. 11.1 below), it is somewhat puzzling to see that while it is close to the bottom of the distribution in terms of wealth per capita, it is located in the top third position in relation to the HDI[6] index – just a little below the average for *medium*-income countries.

Typically macroeconomists have concluded that Vietnam's rapid growth in the post-*Đổi Mói* years generated rapid reductions in poverty; the period between 1993 and 1998 saw a 20.8% decline in the head-count index of poverty. Vietnam's poverty reduction experience over the 1990s was among the fastest ever recorded. All provinces and most subpopulations (such as ethnic minorities) have seen absolute incomes rise and well-being increase. These same economists will also draw attention to the fact that key social indicators such as life expectancy, infant mortality, and literacy have almost uniformly improved during the transition.

What is often not mentioned is that most of the uniqueness of Vietnam's relatively good social indicators, given its income level, was evident prior to the *Đổi Mói* reforms, not as a direct result of them. Overall, education coverage as well as other social service delivery networks were well entrenched at the time of the transition. Not only did education and other social services not decline during the economic transition from central planning to markets, but rather have stabilized and marginally improved,

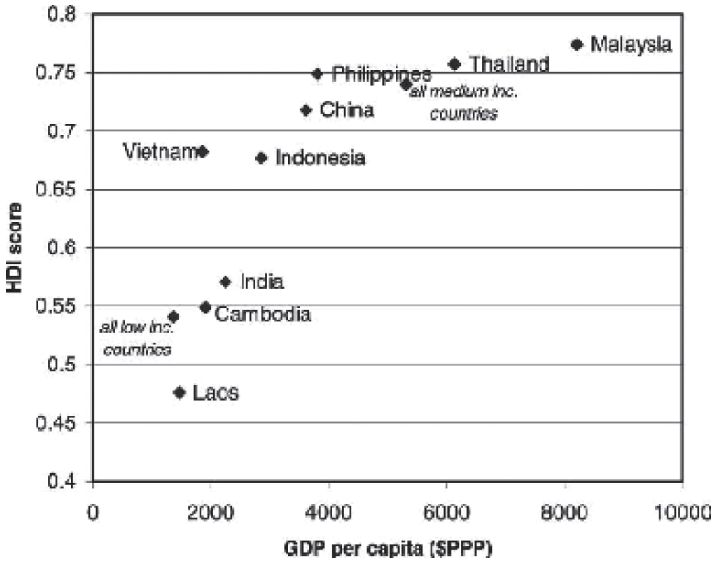

Fig. 11.1 HDI score and GDP per capita ($PPP) (UNDP (2001)[19]

[6] The Human Development Index or HDI is a composite indicator that is heavily weighted toward literacy and education attainment. It is useful for broad, cross-country comparisons even though it yields little specific information about each country. The HDI was first used in the United Nations Development Program's 1990 Human Development Report.

particularly since the mid-1990s. Given appalling declines in income distribution and social services seen in some transition contexts (e.g., Russia), that is no small achievement. But what I want to emphasize here is that the human capital context, especially the relatively equal distribution of education, was already in place and, in my mind, contributed to the economic growth picture. There are, of course, education disparities, particularly in relation to ethnic minorities. Low HDI provinces are also those with large shares of ethnic minorities. Such disparities in human capital also reinforce economic inequalities.

11.5 The Distribution of Education Attainment and Development

Development, when measured exclusively in terms of economic growth, has not been advanced by investments in schooling to the degree anticipated. Following a period in which the accumulation of physical capital was regarded as the only productive asset, developing countries, eager to improve their growth prospects, invested increasing percentages of government expenditures in schooling with expectations of amassing an educated and productive labor force earning higher wages and stimulating economic growth. But it has not turned out this way for many countries.[7] It is now clear that education at all levels contributes to economic growth but cannot alone generate it. There is also considerable evidence that the mere accumulation of seat time in school does not mean that human capital is increased.

But there has emerged a third challenge to the assumed economic benefits of investments in education. This is not so much a challenge as a warning that when education is unequally distributed in a society, economic growth almost never occurs and human talent is wasted – that is, a poor country's most valuable asset remains unproductive.

11.6 Education Inequality in Vietnam

Education inequality is and has been low in Vietnam for several decades. A probable outcome of its socialist tendencies, Vietnam has paid close attention to the needs of its female, ethnic minority, and rural populations, the usual culprits when accounting for high levels of inequality in the distribution of education attainment. Not only has Vietnam steadily increased overall amounts and budget share to education at the primary and secondary levels but it has perhaps the highest level of equality in the distribution of education attainment in the developing world. Like other socialist-oriented societies, Vietnam has attempted to provide an equal distribution of education

[7] See Pritchett (1996) for a penetrating analysis of what has gone wrong with education investments leading to the conclusion that significant portion of those investments have fallen into the hands of the wealthiest segments of society.

Table 11.1 Secondary Enrollment changes between 1994 and 2007 (MOET data)

Year	Lower secondary	Upper secondary
1994/95	3,679,100	727,400
2000/01	5,918,000	2,194,900
2003/04	6,569,800	2,589,600
2004/05	6,616,700	2,761,100
2005/06	6,371,300	2,975,300
2006/07	6,152,000	3,075,200
2007/08	6,803,300	3,021,600
Growth	3,124,200	2,294,200
Percent change	217.7	415.4

attainment and succeeded to a remarkable degree. Nonetheless, substantial variation exists within the country.

The 1990s saw a push toward universal coverage at the primary level. That this has been achieved attests to the tenacity of government and the common thirst for education. It also reflects the unwavering support of the World Bank for primary-level schooling principally on the basis that primary schooling is a public good with high private and social rates of return.

The figures for enrollment change for the period 1994–2007 are presented in Table 11.1. I use 1994 as the base comparison because of the World Bank's foundational study on education finance of that year.

As in other developing countries, lower secondary education in Vietnam increasingly has become aligned with primary schooling in a continuous cycle of compulsory or basic schooling. In part owing to its alignment with primary schooling, enrollments at the lower secondary level have risen remarkably. With a 218% increase since 1994, I can conclude with some finality that Vietnam is on its way toward achieving universal basic education that includes lower secondary in that definition.

But it is at the upper secondary level where the most surprising change occurred. Dramatic would certainly not be an overstated description of a 415% increase in enrollments in 13 years. Indeed this may be the most spectacular increase in secondary enrollments in modern history. Whereas upper secondary school coverage is lagging behind progress at this level elsewhere (except in sub-Saharan Africa), the lower secondary expansion has been impressive. In the next decade enrollment increases at this level should bring Vietnam to parity with other countries of East and Southeast Asia. Clearly Vietnam is doing well in terms of student enrollments at all levels. When considering its GDP rank (101 of 161) among all nations according to UNDP statistics, the enrollment performance of Vietnam is nothing short of phenomenal.

11.7 Enrollment Trends in Poor and Rich Provinces

In a system so thoroughly dominated by the state sector it is legitimate to ask whether or not government spending is equitable or even pro-poor. Were a larger share of schools owned or operated by the private sector, as is increasingly the

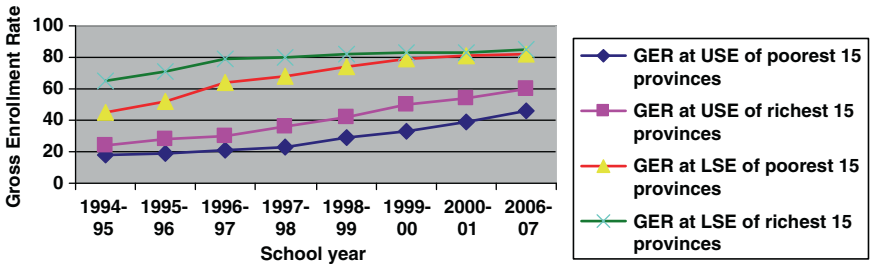

Fig. 11.2 Enrollment trends between rich and poor provinces, 1994–2006 (MOET data)

case in many developing countries, we might expect to see wealthier provinces pull substantially ahead in their ability to enroll students. But this is not the case in Vietnam except at the upper secondary (US) level and the growing spread between rich and poor provinces is very slight indeed.

For our look at enrollment trends by income levels, I divided the 61 provinces into four groups of approximately similar levels of GDP per capita. I then plotted gross enrollment rates (GER) for each quartile at each year between 1994 and 2006. The results, presented in Fig. 11.2, show a rather unanticipated convergence of lower secondary (LS) enrollment rates between the poorest quartile and the richest quartile. Indeed, at the present time there is almost no difference between the rich and poor provinces – a noteworthy accomplishment.

11.8 Distribution of Education Attainment as a Policy Tool

Despite widely and justifiably acknowledged success of Vietnam, the quantitative expansion of education has obscured the question of the equal distribution of education attainment among and within the 61 provinces. Considerable variation exists among the 61 provinces in terms of geography, economic performance, average wealth, the socioeconomic status of individuals, and the proportion and concentration of ethnic and religious minorities. The education attainment for ethnic minorities is substantially lower than that of the ethnic majority. Additionally, the difference in education attainment between these groups is due to "the fact that the minorities live in less productive areas, with difficult terrain, poor infrastructure, and lower accessibility to the market economy" (Belanger and Liu 2004).

Knowledge of the actual distribution of education attainment is important for several reasons. First, the equitable distribution of education attainment is itself an important education policy objective for the government of Vietnam. Second, despite the laudable effort to extend full access equitably to all children, there is still a long way to go; the absence of reliable information on the distribution

of education in Vietnam is therefore significant. Third, the recent effort to move toward a "market-oriented socialist economy" has made the distribution of education attainment and the quality of education in the labor force an item of paramount importance.[8] Fourth, with the increase in both the privatization and deregulation of the economic system, the national government has begun to shift the locus of education decision-making authority to the provincial and district levels of government. Provincial governments have inherited the principal burden from the education decentralization movement with both increased responsibility and influence. Provinces are held accountable for policies and programs that target minorities and other underserved populations in their respective districts and communes.

Initial findings from Table 11.2 indicate several important descriptive features. First, the education Gini coefficient of Vietnam is 0.23. This coefficient represents the distribution of education attainment in the labor force. A Gini coefficient of 0.23 is considered relatively equal. Regional countries with similar Gini coefficients as Vietnam are the Republic of Korea with 0.22, Japan with 0.25, and New Zealand with 0.25. Second, turning to the provincial-level analysis, the province of Vietnam with the most unequal distribution of education attainment is Ha Giang with a Gini coefficient of 0.31. This coefficient is still considered reasonably equal. Regional countries with similar Gini coefficients equivalent to that of Ha Giang province are Hong Kong with 0.32 and the Philippines with 0.33.[9] Third, the province with the most equal distribution of education attainment is Thai Binh with a Gini coefficient of 0.16. This coefficient is considered exceptionally equal. No regional countries have a Gini coefficient as low as Thai Binh province. However, countries outside the region with similar Gini coefficients as Thai Binh province are Canada with 0.16, USA with 0.14, and Poland with 0.14.

While the analysis is at this juncture largely descriptive, two important trends are visible with respect to the level or unit of analysis in research on education inequality. The first trend is that higher or aggregated levels of analysis obscure the inequality of education attainment that becomes visible at lower or disaggregated levels of analysis. This is evident through analysis of the increasing range of Gini coefficients at disaggregated levels. In addition, the differences between the national level and the communal level mean and maximum Gini coefficients are 0.11 and 0.21. Figure 11.3 shows the increase in education attainment inequality with the Lorenz curves for Vietnam, Ha Giang province, Dong Van district, and Ho Quang Phin. The difference between Vietnam and Ho Quang Phin commune in terms of education attainment is 17%; Ho Quang Phin commune is substantially more unequal than Vietnam as a whole.

[8] The economic performance of market economies is highly influenced by the distribution of education in the labor force.

[9] Education Ginis for this section are from Thomas, Yan, and Fan (2001).

Table 11.2 Provincial education attainment data for the Vietnamese labor force (Vietnam Housing and Population Census 1999; data represent individuals with 15 or more years of age for the year 1999)

Province name	Total labor force population	Mean years Schooling	Gini Coefficient
An Giang	1,184,075	5.47	0.30
Ba Ria-Vung Tau	477,403	7.30	0.25
Bac Giang	907,988	7.53	0.19
Bac Kan	149,332	7.21	0.22
Bac Lieu	434,456	5.78	0.29
Bac Ninh	579,361	7.83	0.18
Ben Tre	837,219	6.16	0.28
Binh Dinh	888,146	6.91	0.24
Binh Duonbg	470,795	7.06	0.26
Binh Phuoc	355,528	6.71	0.25
Binh Thuan	570,021	6.24	0.28
Ca Mau	667,736	5.75	0.27
Can Tho	1,110,058	6.12	0.28
Cao Bang	233,002	7.45	0.25
Da Nang City	413,629	8.35	0.22
Dak lak	900,124	7.30	0.23
Dong Nai	1,203,838	7.29	0.25
Dong Thap	922,323	5.89	0.29
Gia Lai	414,424	7.07	0.25
Ha Giang	218,608	6.00	0.31
Ha Nam	509,006	7.91	0.17
Ha Noi City	1,599,722	9.32	0.17
Ha Tay	1,487,666	8.06	0.19
Ha Tinh	756,530	8.06	0.17
Hai Duong	1,069,035	8.21	0.16
Hai Phong City	1,079,079	8.55	0.17
Ho Chi Minh City	3,323,950	8.03	0.23
Hoa Binh	458,055	7.45	0.23
Hung Yen	681,682	8.20	0.17
Khanh Hoa	611,511	7.25	0.25
Kien Giang	838,986	5.69	0.29
Kon Tum	434,456	5.78	0.28
Lai Chau	175,147	6.40	0.28
Lam Dong	545,851	7.61	0.23
Lang Son	402,184	7.02	0.24
Lao Cai	225,898	6.86	0.27
Long An	827,563	6.30	0.27
Nam Dinh	1,210,485	8.03	0.17
Nghe An	1,649,848	8.04	0.19
Ninh Binh	550,377	8.10	0.18
Ninh Thuan	246,730	6.46	0.28
Phu Tho	793,641	8.12	0.19
Phu Yen	452,078	6.74	0.26
Quang Binh	454,417	7.91	0.19
Quang Nam	824,945	7.00	0.25
Quang Ngai	683,595	7.03	0.25

(continued)

Table 11.2 (continued)

Province name	Total labor force population	Mean years Schooling	Gini Coefficient
Quang Ninh	617,814	8.34	0.20
Quang Tri	309,684	7.56	0.22
Soc Trang	672,885	5.57	0.28
Son La	360,201	6.36	0.27
Tay Ninh	470,831	6.15	0.29
Thai Binh	1,261,271	8.16	0.16
Thai Nyugen	654,806	8.11	0.19
Thanh Hoa	2,060,376	7.88	0.19
Thua Thien-Hue	550,531	6.84	0.27
Tien Giang	1,024,638	6.41	0.27
Tra Vinh	544,618	5.77	0.29
Tuyen Quang	381,674	7.29	0.22
Vinh Long	650,138	6.41	0.28
Vinh Phuc	674,300	7.90	0.19
Yen Bai	354,436	7.44	0.23
Mean			0.23
Standard Deviation			0.04
Range			0.15
Vietnam	45,194,762	7.34	0.24

11.9 Education Inequality in the Quest for Growth

Poor countries have invested massively in education with the expectation of a population with higher mean education attainment levels, higher earnings, and stimulated economic growth. Yet in several instances economic growth has not materialized at the envisaged rate probably because education attainment was not distributed equitably within the population. As a result, some developing countries, having followed the conventional human capital policy advice, were left with a skewed distribution of education attainment and slow economic growth. According to Thomas,[10] a skewed distribution of education attainment has a deleterious effect on economic growth.

A common finding among those countries experiencing slow economic growth due to an unequal distribution of education attainment is that an elite minority has captured a majority share of public expenditures for schooling. As a result, this population, usually consisting of high-income, urban, or dominant tribal or religious groups, has benefited more than others. In addition, poor countries with slow economic growth have often invested disproportionately in tertiary education. Higher education investments typically display lower economic returns than result

[10] Vinod Thomas was Director of the World Bank Institute, when his book, *The Quality of Growth*, was published in 2000. This book, particularly Chapter 4 on education, was a rich source of inspiration for this author's work.

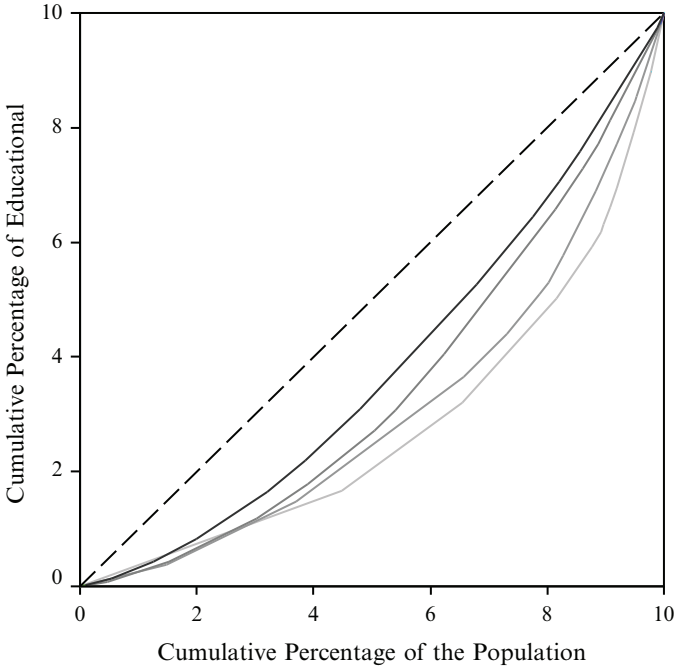

Fig. 11.3 Lorenz curves and Gini coefficients for Vietnam, Ha Giang Province, Dong Van District, and Ho Quang Phin Commune (Vietnam Housing and Population Census 1999; data represents individuals with 15 or more years of *age* for the year 1999) Vietnam (0.24); Ha Giang Province (0.31); Dong Van District (0.39); and Ho Quang Phin Commune (0.44)

from investments at the primary and secondary levels. A pattern of public spending, which provides large amounts of support to a narrow group of beneficiaries rather than broad equality of opportunity at a basic level, does not constitute a prudent use of scarce public resources.

Typically, when a minority proportion of the population has the majority share of education attainment, this same minority proportion of the population also has the majority share of income. Inequities in education attainment and income inequality are positively correlated. The inequality of education attainment reinforces income disparities. Similarly, the way in which education is distributed will have a profound impact on the distribution of income and the nature of growth. Education attainment inequality generates income inequality, and income inequality impedes economic growth. Equalizing the distribution of education attainment and income produces a larger and more diversified population participating in the economy with access to a larger share of the total wealth of the country. Mass participation in education is requisite for economic growth, at least of the sustainable variety. In my view, economic development of the self-reliant sort occurs via equitable investment in education, and educational expansion coverage should include an equal distribution of education attainment in order to contribute to economic development.

11.10 Inequality and Human Capital Formation in Vietnam

A persistent but heretofore unanswered question in the study of education inequality pertains to its relationship with student learning. What impact, if any, do costly efforts to achieve an equal distribution of primary school completion rates have on student learning as measured by standardized achievement tests? This is a question that, up to now, has not been satisfactorily answered due primarily to data limitations. Achievement data, of course, are commonplace in this era of preoccupation with human capital formation through schooling. But similar measures of education attainment equality (or, conversely, inequality) do not exist for most countries; at least not at the subnational level.[11]

This investigation drew on standardized achievement test data from Vietnam disaggregated by provinces. It is a correlational analysis and therefore some caution must be observed in drawing causal relationships. The education Gini coefficients are based on work done under the author's guidance by several graduate students at Brigham Young University. The national test scores based on a national sample of Vietnamese primary school students has not been available until recently. But rarely if ever do such tests purport to be representative of the entire school-age population. In many country cases only a small fraction of schoolchildren attend school thus casting considerable doubt on the meaning of a comparison between a measure of the distribution of education attainment based on an entire age group and a test score based on a subset of a national age cohort.

Vietnam represents an exceptional opportunity to examine the relationship between inequality of education attainment and overall student achievement. This opportunity is the result of the publication of the World Bank supported Reading and Mathematics Assessment Study (December 2004) that reports fifth grade achievement test scores for robust representative samples of Vietnamese schools.[12] The resulting data permit generalization at the provincial level. At about the same time I published education Gini coefficients for Vietnam covering all 61 provinces, thus setting the stage for a rare look at the interrelationship between inequality of the distribution of education attainment and student learning achievement. We are now able to provide preliminary estimates of the possible effect size and direction of influence between these two variables.

The correlation matrix below (Table 11.3) presents correlations between several variables of interest. We pay particular attention here to the Combined Reading and Math score that shows a moderate to strong and significant relationship to the education Gini of $r = -0.54$. There is little room for doubt that the more equal the distribution

[11] Inequality in education attainment means variation among members of a population in the number of years of formal schooling completed. While such estimates, called education Gini coefficients, exist at the national level (for whole countries) they do not exist at the level of individual provinces. Vietnam is an exception.

[12] See World Bank (2004).

of education attainment in a Vietnamese province the higher are the average fifth grade test scores on this carefully constructed examination of math and reading. The Education Gini coefficient is slightly higher than is the Human Development Index relationship to test score performance ($r = 0.40$).

This same relationship can be visualized graphically in Fig. 11.4. Here we have divided the provinces of Vietnam into three groups, each represented by one bar of the graph. The first bar represents the 20 provinces with the most equal distribution

Table 11.3 Correlation between education Gini and achievement scores

Variable	Combined Score	Education Gini	HDI rank province	Math score	Reading score
Combined reading and Math benchmark	1	−0.54	−0.46	1	0.92
Education Gini (inequality score)	−0.54	1	0.40	−0.54	−0.62
Human Development Index provincial score	−0.46	0.40	1	−0.46	−0.48
Math independent benchmark	1	−0.54	−0.46	1	0.92
Reading independent benchmark	0.92	−0.62	−0.48	0.92	1

Variable coding: Education Gini index is calculated such that "0" is perfect equality and "1" is total inequality so the higher the score, the more inequality. This produces a negative correlation of.54 with the combined math and reading assessment score. The interpretation is that the more inequality exists in the distribution of education in a province the lower is the fifth grade learning achievement score. The relationship is slightly stronger (−0.62) for reading than for mathematics (−0.54).

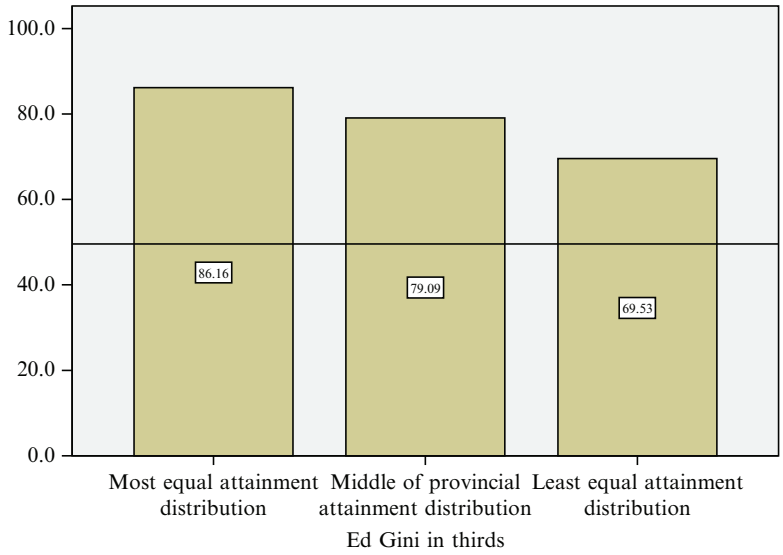

Fig. 11.4 Student learning achievement scores by provincial inequality (mean combined and math benchmark)

of education attainment, the second bar represents the provinces with education attainment roughly in the middle of the distribution, and the final bar represents provinces with the most unequal attainment. Inside each bar is a little box that contains the mean combined math and reading score for fifth grade students in the same provinces. As can be clearly seen as the inequality of attainment increases the average student achievement score decreases. The results could not be clearer.

11.11 Alternative Explanations for the Observed Relationship

Critics might claim that the relationship between attainment inequality and student learning achievement is spurious. Some scholars who are skeptical of our findings argue that the reason behind the highly significant correlations is because in Vietnam the provinces with more equal distributions of number of years of schooling completed are also the same provinces with vastly improved socioeconomic conditions. They maintain that it is these conditions rather than equality or inequality that causes the variability in achievement scores. This is a reasonable hypothesis and should be carefully examined. However our initial efforts to control for a wide range of positive social contextual variables (summarized here by the HDI) did not confirm this suspicion. This fact can be clearly seen in Table 11.4 and in the partial correlation coefficient[13] between the Education Gini and the Combined Achievement score controlling for HDI of $r = -0.44$, still significant at the .001 level.

In Table 11.4, the provincial Combined Fifth Grade Reading and Math test score is presented in the right-hand column. Each row represents one level of the provincial HDI score. The top row contains the achievement scores for provinces at the highest (best) level of HDI. We took this one additional step by breaking down the provinces showing the highest HDI scores into two parts: first, on the top line are the provinces with the highest HDI score and also above average equality.

Table 11.4 Impact of education inequality on achievement controlling for the HDI level

HDI level	Education Inequality Index (Gini)	5th grade Combined Achievement Mean
Highest	More equal (above mean)	88.8
Third	Less equal (below mean)	76.6
Middle	More equal	83.5
Third	Less equal	69.8
Lowest	More equal	83.1
Third	Less equal	63.5

[13] A partial correlation coefficient is a variant of the simple two-variable or bivariate statistics. It introduces a third variable as a control. The interpretation is the relationship between two-variables controlling for, or eliminating the influence of, a third variable.

The next line or row also has the provinces with high average HDI scores but less equal education Gini coefficients.

While more study using advanced statistical methods needs to be conducted, our preliminary investigation of the relationship between attainment inequality and student academic or learning achievement presents what we believe to be convincing results: inequality is bad for student learning.

11.12 Inequality and the Political Economy of Vietnam

The widely observed economic reform in Vietnam has been accompanied by the devolution of power to the provinces and districts, a decentralization move that resulted in the gradual strengthening of local governments vis-à-vis Hanoi with its traditionally heavy-handed political machines and central ministries. Some scholars have argued that market reforms have produced the opposite effect, namely, the extension of centralized state control. However, the majority of recent studies of Vietnam have concluded that the shift to market economics and away from central planning has led to local governments prospering financially and playing an ever-greater role in local economic policy. For example, central control of prices and raw materials has disappeared. The range of education decision-making by the Ho Chi Minh City government I witnessed[14] during my Fulbright-sponsored research was uniformly described by respondents as having increased dramatically, in part the consequence of its lessened dependence on Hanoi for fiscal transfers.

Historically and probably the result of its geography, Vietnam has always had significant tensions between the center and the periphery, both in political and economic arenas. Some degree of local autonomy has always been enjoyed by the center and the south. Most scholars of the subject attribute Vietnam's pronounced regionalism to the historically accepted practice of capitalist agriculture in the south and to the enduring presence of independently minded ethnic hill tribes in the north and west. Even in times of intense socialist pressure from Hanoi, the notion of provincial representation to the central Communist party is illustrative of the extent to which decentralization was a deeply ingrained feature of the Vietnamese polity.

Moving to our present concern, namely the distribution of education attainment in Vietnam and the impact of the political economy on the distributional aspects of education resources, one cannot help but note the extent to which the political economy of Vietnam has produced an extraordinary level of uniformity of attainment across provinces. Still, as we have also seen, equality and learning achievement tend to be higher in prosperous, urban, and politically powerfully regions of the country denying to Vietnam the role of an exception to the general rule that the wealthy and politically powerful are almost always able to capture a disproportionate share of public spending on education.

[14] Holsinger was Senior Fulbright Research Scholar at the Ho Chi Minh City Pedagogical University's Institute for Education Research from January to August, 2003.

Primary education is not free in major urban centers and is in fact becoming increasingly expensive. The recent reduction of state subsidies means that parents have to cover more of the expenses involved than before. These expenses surpass the financial capacity of the poorest families, particularly those with many children.

The dilemma faced by poor families is that they cannot afford to send their children to school beyond the primary level. At the same time they cannot afford to keep them at home, since they know that a low level of education is likely to reproduce their own poverty in their children's generation. Unfortunately the impossibility of paying the necessary school expenses is the overriding factor, leaving most parents and children with aspirations that remain unfulfilled and little prospect of a change for the better.

Of specific concern are the expenses due at the start of the school year, which poor families have great difficulty in paying at one time. In families with more than one or two children of school-going age, often one child must drop out of school to enable another to enter. Another option for parents is to send one or all of their children to special free classes of inferior quality and which do not provide the necessary qualifications or skills for school advancement of employment afterward.[15]

11.13 School Finance Policy and Attainment Inequality in Vietnam

Although the government of Vietnam has a long-standing formal and generally effective commitment to Universal Primary Education, the introduction of school fees in 1989 put great pressure on Vietnamese families to meet education costs. Households were estimated in 1994 to be meeting 44.4% of the costs of public primary education, 48.7% of the costs of public lower secondary education and 51.5% of the costs of public upper secondary education.[16]

Some researchers have concluded that a progressive school fees structure (with no tuition fees for primary education), might have had limited effect because fees have constituted a relatively small proportion of total household expenditures paid to schools, to say nothing of total school-related household expenditures. School fees averaged only 34% of total school-related household expenditures paid directly to schools (school improvement fees also average 34%, insurance averages 12%, and parent association fees average 10%). School fees, moreover, appeared to be an even smaller share of total school-related household expenditures because school-related household expenditures not paid directly to schools were almost four times as large as those paid directly to schools.

But the above conclusions, based on data for primary school education, simply do not reflect the reality at lower and upper secondary school levels where enrollment growth has been higher and the pressure on the public treasury greater. My findings presented here are based on research completed in 2004. The focus was on government

[15] See World Bank and Department of International Development, UK (1999).

[16] See Holsinger (2001).

current expenditures (fiscal costs). Table 11.5 presents both actual current expenditures and expenditures at constant 1994 prices where the 1994 figures are set at 100 and the 2000 figures deflated to 1994 prices.[17]

With spending held constant at the 1994 level, the 6-year change in government current spending at the lower secondary school (LSS) level was an astonishing 98%. At the upper secondary school (USS) level the same figure is 49%, still high but reflecting the more urgent priority ranking of the lower level of secondary schooling. These are large real increases and represent a high government priority. At the secondary level, both enrollments and real spending increased since the 1994 baseline study. Unanswered to this point is the matter of whether fiscal spending kept pace with new enrollments. If not, how were the costs of secondary schooling financed?

The unit costs of lower and upper secondary are typically different with upper having the higher costs and both being higher than at the primary school level. I will present unit costs by province as well as for Vietnam overall. By making both enrollment projections and unit cost estimates at the provincial level it is possible to address the question of the additional burden on the public treasury required to meet the 10-year expansion targets.

Table 11.6 presents calculations of (average) unit fiscal costs per student for the academic year 2000/01 for both lower and upper secondary education conducted under the Secondary Education Sector Master Plan (SESMP) (Asian Development Bank 2002).

Table 11.5 Current fiscal costs for lower and upper secondary education (MOET and World Bank data)

Year and change	LSS (‘000)	USS (‘000)
1994	885,540	432,339
2000	2,652,400	971,364
2000 at 1994 constant price	1,758,541	644,014
Change	1,766,950	539,025
At constant 1994 price	873,001	211,675
Percent change	199	125
Percent at constant price	98	49

Table 11.6 Average fiscal costs per student-year, 2000/01 (1994 figures from Vietnam: Education Financing, World Bank 1997; fiscal costs for 1993 and 1998 are from “Vietnam: Trends in the Education Sector during 1993–1998, World Bank 2001) (AY2000/01 estimates based on MOET data)

	1993	1994	1998	2000
Lower Secondary VND (‘000)	169	235	337	448
US dollars	15.9	21.5	27.4	30.7
Upper secondary VND (‘000)	429	483	448	442
US dollars	40.5	44.1	36.4	30.4

Exchange rates: 1993 = 10.69, 1994 = 10.9, 1998 = 12.3, 2000 = 14.5.

[17] Inflation index supplied to the authors by the World Bank resident mission, economics section, in Hanoi. The monthly index, where January 1994 = 100 shows the January 2000 number to be 150.8. We used 0.663 as our deflator.

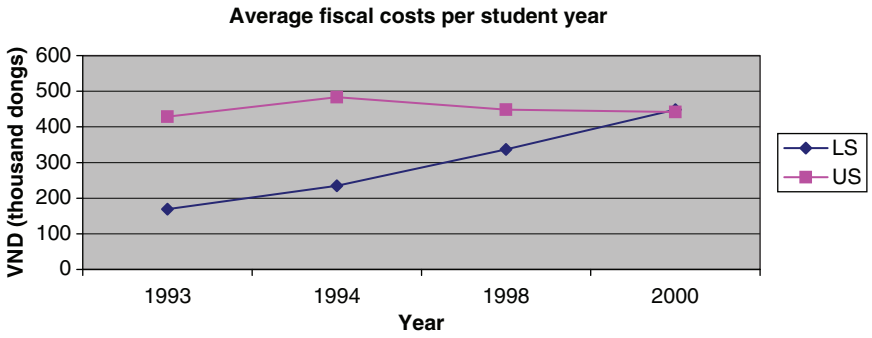

Fig. 11.5 Unit costs at LSS and USS from 1993 to 2000 (MOET data and SESMP calculations)

The trends observed in Table 11.6 are significant and surprising. The significance lies in the growing fiscal effort at the lower secondary level. The surprising element here is that contrary to typical patterns the unit (fiscal only) cost at the upper secondary level, that is almost always higher than at lower levels of schooling, is now below the lower secondary level. This reversal is easier to see when the numbers in Table 11.6 are presented as trend lines as presented below in Fig. 11.5. Notice the subtle change in unit costs at the upper level. Spending first increased and then steadily declined. The trend at the lower level is obvious. Unit fiscal costs have risen quite sharply over the 6-year period.

At first glance the trend line seen above for USS would appear dubious. After all, with such a preoccupation with education, why would the Vietnamese government decide to spend less per pupil now than 6 years ago when the World Bank first investigated education finance? Moreover, as said before, unit costs are usually thought to increase by level of schooling.

The two trend lines move in opposite directions and by 2000 actually cross. Per pupil spending on lower secondary increased from VND235,000 to VND448,000 from 1994 and 2000 while at the upper secondary level, average spending dropped from VND483,000 to VND442,000 per student. There are at least two possible explanations. First, it is theoretically possible that overall spending declined, or, second, that enrollments increased. But government spending did not decline as shown before in Table 11.7. Rather, the substantial increases in government spending at both levels of secondary schooling were, at the upper level, still insufficient to keep pace with the dramatic increase in upper secondary enrollments. [18]

[18] As a side note, it is natural to wonder what may be happening to school quality at the upper secondary level given the decline in unit costs. The enrollment growth rate reported here is of such significance as to warrant investigation into the topic of teachers who represent by far the largest component of current costs and are of critical importance to the question of how much secondary students actually learn – the ultimate criterion of quality. We return to teachers in this section following the discussion of more traditional finance issues.

Table 11.7 Private (household) educational expenditure per student by expenditure quintile, urban/rural areas, gender, region and grade level, 1998 (Unit: VND 1,000) (Table is from VLSS97/98)

Category	Primary	Lower secondary	Upper secondary
Total	249.0	488.1	1187.9
Expenditure quintile			
1	112.6	211.9	576.5
2	170.1	276.3	631.7
3	230.9	378.0	762.0
4	301.7	501.1	956.4
5	761.5	1080.6	1815.9
Rural/urban			
Urban	682.3	1025.2	1669.7
Male	667.3	996.6	1706.6
Female	698.7	1049.7	1633.8
Rural	181.5	354.2	946.7
Male	187.4	356.9	959.6
Female	175.1	351.1	929.7
Region			
1	105.8	212.2	757.2
2	240.2	389.2	995.4
3	158.9	308.3	897.8
4	256.1	607.5	1196.8
5	183.2	481.0	1263.7
6	640.0	1034.7	2018.0
	300.6	610.5	1160.1

The educational expenditure per student is calculated for those attending schools only.

The number of private schools in Vietnam has grown steadily but remains relatively small. The biggest change is seen in the private role of finance that has changed substantially in response to growing numbers of upper secondary students and the government decision to shift the operating costs of USS to households. In light of increased demand on the part of the students we conclude that the demand is price-elastic and that the government has made a sound economic decision. However, whether or not this same move will increase inequality remains to be seen. My opinion is that this kind of school finance policy will lead to inequality in the distribution of USS.

At the USS level, enrollments grew faster than did government spending. Given the phenomenal 202% increase in USS enrollments between 1994 and 2000, the large but insufficient 49% increase in real government spending simply could not keep up. But what happened in this same period to family expenditures on education? Was the decline in public subsidy offset by an increase in household spending? The answer is found in the VLSS 1997/98.

Household spending for all levels of schooling in Vietnam has now emerged as a major source of school finance. The best and perhaps only systematic source

of information on this topic comes from the two Living Standards Surveys, 1993 and 1998. Estimates based on these surveys gives the level of household spending in 1993 at 1.7% of GDP and 3.4% of GDP in 1998. Table 11.8 presents a clear contrast of changes in the shares of public and private spending for education in general. At every spending quintile the private contribution to upper secondary schooling exceeds government spending.

The first major conclusion from Table 11.8 is simply that the private sector is playing an increasingly important role in school finance. The second and perhaps even more significant conclusion is that whereas the state is the largest provider of educational services in Vietnam, it now finances directly just over 50% of the costs of education.

There have also been important changes in the pattern of private finance among the several levels of schooling. Again the data for this kind of analysis comes from the household surveys already thoroughly analyzed by Nga of the World Bank. Table 11.9 presents this information.

The movement toward more government finance at the primary and lower secondary is clear and denotes a government policy to finance a compulsory "basic" cycle consisting of primary and lower secondary. However, at the upper secondary and higher education levels, the government policy is to mobilize private or household finance. Government finance at the lower secondary level makes the attainment of

Table 11.8 Trends in government and non-government expenditure between 1992 and 1998 (Nga op. cit.)

	1992	1993	1994	1995	1996	1997	1998
Government							
Per capita expenditure ('000) at constant 1994 prices	39.2	58.1	71.3	82.8	80.4	100	115
Percent of GDP	1.8	2.6	2.9	3.0	2.7	3.2	3.5
Household							
Per capita expenditure ('000) at constant 1994 prices		32.7					108.4
Percent of GDP		1.7					3.4

Table 11.9 Public and private shares of education financing, 1993 and 1998 (percent of total education expenditure) (Nga, op. cit., p. 11)

Level	Public financing		Private financing		Share of public in total spending	
	1993	1998	1993	1998	1993	1998
Primary	17.9	17.6	22.0	12.2	45	59
LS	7.4	9.7	14.5	13.6	34	41
US	2.8	4.2	4.2	9.1	40	32
Higher	14.8	11.1	6.0	13.0	71	46
Other	8.9	7.7	0.0	0.0		

universal coverage at this level highly achievable. But by shifting upper secondary finance increasingly to households it remains to be seen whether or not demand for schooling at this level can continue to grow as intended by Ministry of Education and Training policy or whether private financing will contribute to higher levels of attainment inequality.

The study found that even school fee exemptions that were much better targeted would have only a limited impact on the relationship between total household school-related expenditures and income and therefore, presumably, on poor households' decisions about schooling. To have more of an impact, policies would have to extend exemptions to household expenditures paid directly to schools beyond school fees or amend payment structures to make them much more strongly related to household income (possibly including negative fees or subsidies for children from poorer households).

11.14 Private Tutoring and Inequality of Outcomes

Primary education in Vietnam includes grades 1–5 (for children aged 6–10). Secondary education consists of lower secondary education (grades 6–9 for age 11–14), and upper secondary education (grades 10–12 for age 15–17). Examinations at the end of each school level are required to receive the corresponding diploma. For admission into some specialized upper secondary schools or college, students must also take an entrance examination. Places at the tertiary level are fixed and insufficient for the demand. From academic years 1993/94–1997/98, approximately 20% of students who took the university entrance examinations were admitted (MOET 2006). In the recent years, the government's expenditure on education and training was approximately 12% of total expenditures (General Statistical Office 2005).

There has been much public debate about the widespread use of private tutors in Vietnam. Private tutoring is a common media topic and frequently found on the agenda of the National Assembly's hearings of the Minister of Education and Training. Private tutoring has become so controversial that the Vietnamese government has issued several legal decrees that prohibit compulsory extracurricular classes at school, and stipulate the ranges for extra class fees that schools can charge students. However, tutoring not held on school premises is, of course, more difficult to control although several legal measures have tried to do just that with modest success.

Private tutoring classes are now so common in Vietnam that some households employ tutors for their children preparing to enter the first grade. Surveys of families with school-age children report a number of reasons for subscribing to some form of tutoring: compensation for low ability, the need to remain apace of classmates, preparation for examinations, inability to understand classroom lectures (Mac 2002). Typically the amount of tutoring increases as students approach the final year of a particular level of schooling, a fact that serves to underscore the significance of exam preparation in the aforementioned list. Research evidence appears to side

with parents who opt of tutoring as it has been shown to have a significant impact on a student's academic performance. At the lower secondary level where, controlling for community and school characteristics, expenditure on private tutoring classes has a strongly significant impact on a student's academic performance while household expenditure per capita does not. (Dang 2005)

There is no evidence of gender discrimination in expenditure on private tutoring. Ethnic minority families may spend less on private tutoring at the primary level but not at the lower secondary level. This can raise some concern about a sorting process exacerbating inequality where only wealthier households can afford the rising cost of sending their children to higher education. However, some survey evidence suggests that spending on private tutoring would fall significantly at the primary level if the quality of schools was improved by increasing the qualifications of primary teachers.

Controlling for other characteristics, Dang (2006) found that private tutoring had a significant impact on students' academic performance, but the influence is larger for lower secondary students, especially those who are already doing well at school. Thus if effectively managed by policymakers, private tutoring can help students do better at school but might also contribute to differential exam performance with results favoring richer households and ultimately contributing to the rise of inequality of education attainment that Vietnam has, in the past, worked hard to prevent.

11.15 Summary

The inequality in the distribution of education in numerous countries is staggering. If, as we assume, people's abilities are normally distributed across income levels, such unequal distributions of education attainment would appear to represent unacceptably high burdens to society. Awareness of education attainment inequality at all levels of system administration has significant education policy relevance not merely for Vietnam but elsewhere in the developing world. In Vietnam, as national, provincial, and district education authorities attempt to formulate education policies targeted at marginalized and underserved groups, it should prove helpful to identify specific locations according to the size of their respective education Gini coefficients. By establishing baseline inequality measures, governments at all levels will be able to demonstrate empirically the progress their education policies and investments have produced. Where the evaluation of policies in terms of economic growth is of principal concern, governments will be aided by the systematic use of the education Gini coefficient, a powerful tool to measure the current status of and improvements in the quality of the Vietnamese or any other country's labor force.

The relatively new use of the education Gini coefficient illustrates the use of analytical tools for understanding central policy issues. First it helps quantify in an internationally comparable way the distribution of education in a country such as Vietnam. Second, it facilitates the analysis of the impact of political decisions such as public education spending. And it points to significant within-country variations in the distribution of education. Applying this analytical tool enables us to view in

bold relief the impact of the political economy of education on important outcomes of schooling such as learning achievement but also, by extension, the important task of building a cohesive, socially just society in an era of rapid economic growth – will all Vietnamese benefit equally?

Education investments that improve the distribution of education attainment in the labor force will be a major factor in Vietnam's regional competitiveness in the future. The contention that education spending of governments is biased toward the rich is hardly a novel idea. There is also a large literature providing ample evidence that such bias is ultimately a political decision. A political bias resulting in income inequality is frequently disguised as "meritocratic" especially where access to successive levels of schooling is determined through high-stakes examinations. In the past two decades, the rise of equity as an explicit objective of development assistance to education has become a ubiquitous feature. In practice, however, the policy focus has been on parity of subgroups within populations, most particularly gender and ethnicity. But the distribution of education attainment or education learning achievement has rarely been measured, in part because there was little understanding of the use of the Gini coefficient as an indicator that could be used to examine this dimension.

We should all care about the unequal distribution of education because its causes and consequences are detrimental to human well-being and to economic self-reliance. Poor children who leave school prematurely become unproductive, dissatisfied adults. Highly unequal distributions of education are associated with low per capita wealth and perpetual dependence on external aid.

11.16 Conclusions and Recommendations

The dominant role played by the state in the financing, regulation, and provision of primary and secondary education reflects the widely held belief that education is necessary for personal and societal well-being. The economic organization of education depends on political as well as market mechanisms to resolve issues that arise because of contrasting views on such matters as income inequality, social mobility, and diversity. This chapter deals with the political economy of education in Vietnam – the complex relationship of education, economic growth, and school finance policy – and the implications for the distribution of education attainment and learning achievement in that country.

For years, models of public education provision have predicted an implicit transfer of resources from higher-income individuals toward lower-income individuals. Education as a vehicle for social mobility carries this imbedded assumption. Many studies have documented that public higher education involves a transfer in the reverse direction. This chapter considers the case of Vietnam, a socialist economy with emerging market tendencies. Vietnam has achieved a remarkably equal distribution of education attainment, a condition due in large measure to a deliberate political policy. However, this pattern of redistribution is an equilibrium outcome in a model in which education is only partially publicly provided and individual households

increasingly participate in the finance of schooling, particularly at the upper secondary level. The new Vietnamese political economy of education may lead to the exclusion of poorer children from obtaining higher levels of education while their payment of fees help offset the cost of education obtained by others.

Vietnam's approach is worth considering. It has attempted and largely succeeded in providing schooling through lower secondary to all children equally. It has invested heavily in provinces that are disadvantaged, mountainous or populated by non-Vietnamese-speaking minorities. The government of Vietnam has for many years explicitly encouraged the education of girls and is one of the few countries at its income per capita level that has equal enrollments between boys and girls. Vietnam has concentrated government expenditure on primary and lower secondary, and has expanded upper secondary through the use of school fees. By concentrating spending at lower levels, it has achieved a remarkable level of equality. But Vietnam has not been able to eliminate the examination and its ubiquitous partner, private tutoring. Further reduction of the education Gini may be difficult to achieve for that reason.

For many years the World Bank signaled its strong preference for financing education investments for quality enhancement and enrollment expansion at the level of the primary school. At the same time it aggressively discouraged projects related to secondary education. Many client countries, benefiting from the World Bank's primary education-only policy, redirected their own resources toward secondary education and erected barriers to entry at that level in the form of high-stakes entrance examinations.

The unanticipated result has been that relatively wealthy households increase the probability that their children will succeed in this examination by hiring tutors. Underpaid school teachers are happy to offer their services as after-hours tutors. Thus, a parallel private system operates in such a way as to ensure that at each successive level of schooling the children of comparatively wealthy households capture the education spending of the government. The same pernicious arrangement may exist in the transition between lower and upper secondary and between secondary and tertiary levels.

So what can be done? Concentrating public spending on primary and lower secondary education improves the chances that the poor will benefit, and hence will improve the distribution of education in a country. Efforts to target the poor through more explicit and precise use of distributional measures such as the education Gini coefficient may be among our most promising tools for the improvement of human welfare around the globe. My contention is that the systematic inclusion of the education Gini coefficient as a standard policy instrument will help focus attention clearly and more precisely on one of the largest remaining problems in the public provision of education among the poor of the world.

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Chapter 12
Education Reform in Lower Secondary Education in Vietnam

Le Cong Luyen Viet

12.1 Introduction

Vietnam has experienced profound changes in its economy and society in the past two decades since the 1986 introduction of *Đổi Mới* economic reform. In this reform period, education was a top priority in the national policy agenda. The education sector has experienced significant changes since *Đổi Mới*. From the late 1980s reform measures were implemented in different areas and subsectors of education in Vietnam. They include the restructuring of education system, education quality reform and education financing reform. Many legal documents relating to education have been issued since the early 1990s including education laws, development strategies, and plans. The education sector also experienced an expansion in student number and enrollment at different subsectors which reversed the trend in the early years of *Đổi Mới* when school enrollment fell.

Although various reform measures have been attempted to meet the demand of the labor market in the rapidly changing economy of Vietnam, education quality and outcomes remain a serious concern. This chapter looks at education reform in Vietnam during the *Đổi Mới* period with a focus on reform in lower secondary education. Specifically, it examines the curriculum and textbook reform in this subsector. By presenting the evidence in implementing the reform process, it shows that an incremental step-by-step strategy was adopted. Maintaining stability and the interests of different stakeholders is high on the secondary education reform agenda. Thus, cautious moves were undertaken in the introduction of the revised curriculum and textbooks in lower secondary education.

Section 12.2 briefly introduces the context of the current education reform. It provides an overview of the major changes in education sector since *Đổi Mới*. The different approaches to education reform in the *Đổi Mới* period are then discussed. They include gradualism and selectivism. Then the focus will turn to quality reform in lower secondary education (LSE). This section discusses the cautious move in curriculum reform with a combination of some subjects into subject areas instead of a full integration in the revised curriculum. The section also describes the progressive introduction of the new LSE textbooks. It argued that the intention of maintaining continuity and balancing the interests of different

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stakeholders is the key influence in the reform process. The last section of the chapter concludes that the gradual, piecemeal education reform means that a comprehensive reform has not been carried out. The reform measures only amounted to numerous education renovations which are not sufficient for the rapidly changing economy of Vietnam.

12.2 Changes in Education Sector Since *Đổi Mới*

There have been many changes in the education sector since *Đổi Mới*. This section will discuss the expansion of education sector under the economic reform, the restructuring of education system, the quality reform as well as education socialization and decentralization.

12.2.1 Economic Reform and the Expansion in Education Sector

The economic reform of *Đổi Mới* was launched in 1986. This officially heralded the move toward a market economy from a centrally planned economy. The success of the economic reform made Vietnam one of the fastest growing economies in the world in the past 20 years. GDP growth averaged 6.8% from 1986 to 2005. In the period 2000–2005, GDP growth remained high at an annual average of 7.5% (General Statistic Office 2006). In 2007, Vietnam's GDP growth reached 8.4%.

Poverty reduction is another significant achievement Vietnam recorded under the reform. The results from Vietnam Living Standard Surveys (VLSS) show Vietnam's poverty has been more than halved in a 10-year period. Poverty rate fell rapidly from 58.1% in 1993 to 19.5% in 2004. However, poverty rate still varies across regions. For example, poverty rate in 2004 in the North West and Central Highlands remains high at 58.6% and 33.1%, respectively. This is despite the fact that the improvements between 2002 and 2004 in these two regions were significant (VLSS as cited by World Bank 2005a).

At the beginning of *Đổi Mới* in the late 1980s and early 1990s thousands of teachers quit their jobs and several thousand students dropped out (Vu Quoc Anh 1997). Thus, there was an initial drop in the number of students during this period. Student growth rate was negative for preschool, school, and vocational and technical education in the 1986–1990 period. Only tertiary education had positive growth rate but it was marginal during the same period (see Table 12.1).

In the late 1980s and early 1990s gross enrollment rate (GER) in secondary education declined. The dramatic rise in opportunity costs of education in Vietnam during that period was the reason for the decline of secondary education GER (Glewwe and Jacoby 1998). However, GER started to rise since the mid-1990s in lower secondary and upper secondary education. In primary education GER has

Table 12.1 Student growth rate (General Statistic Office 2006)

Period	Preschool	School	Vocational	Tertiary
1986–1990	−1.9	−0.5	−3.8	1.0
1991–1995	4.5	5.5	1.9	13.2
1996–2000	2.7	2.7	11.9	26.1
2001–2005	1.9	−1.1	15.6	7.2
1986–2005	1.8	1.6	5.6	11.7

Vocational and tertiary education rates are for the period 1986–2004

Table 12.2 Gross enrollment rates in secondary education (General Statistics Office 2004)

School year	Primary	Lower secondary	Upper secondary
1996/97	112.32	67.96	23.97
1999/2000	109.52	77.95	37.08
2000/01	107.78	79.15	42.93
2001/02	105.77	84.76	44.54
2002/03	102.97	86.91	46.21

experienced a slight fall since 1997 due to demographic change and efficiency gain (see Table 12.2).

Net enrollment rate (NER) saw an increase in both primary and secondary education since 1993. According to the VLSS, NER for primary education reached 94% percent in 2004 from the level of 86.7% in 1993. In lower secondary education, NER increased drastically to register 80% percent in 2004 from only 30.1% in 1993. The increase is no less dramatic in upper secondary education. NER in this subsector shot from mere 7.2% in 1993 to 45% in 2004. Compared with primary education, secondary education registered the much stronger growth rate in both NER and GER.

The rapid economic growth with increased GDP enabled the Government to continue to invest more in education. Education financing as share of GDP has risen from 3.5% in 1994 to 4.6% in 2004. The share of education in public expenditure increased from 14.0% in 1994 to 17.1% in 2004. The Government is committed to provide additional resources and has set the targets to spend 7% of GDP and 20% of public expenditure on education by 2010.

According to figures from the Ministry Education and Training (MOET) in school year 2006/07, there were over 16 million students in general education in Vietnam who attended almost 27,600 schools. School teachers numbered at about 780,000 in the same school year.

The above socioeconomic and education indicators reflect significant progresses including the quantitative expansion in education sector during the reform period. However, variations remain across regions and ethnic and gender groups. Addressing the regional and group difference is the key to achieving Education for All (EFA) goals in Vietnam in the coming years.

12.2.2 Restructuring the Education System

In 1990, the Ministry of Education and Ministry of Higher Education and Vocational and Technical Education merged to become the MOET. The education administrative system is represented at three levels. At the central level, MOET with its various departments formulates and adopts education policies. MOET also oversees the postsecondary institutions. At the provincial level the Department of Education and Training Department (DOET) has the responsibility for upper secondary education. The Bureau of Education and Training (BOET) at the district level manages lower secondary education, primary education, and preschool education together with commune authority. Thus, the management structure of the education sector is in line with the multitiered administrative arrangement in Vietnam. The education system in Vietnam strongly reflects the power structure of the social context – a prevailing power structure of a highly centralized state (Doan Hue Dung 2004: 145). MOET still makes the most important decisions, supplying concrete guidance and supervision over the lower-level administrative authorities, and governing enrollment and curriculum standards for all stages of public and private education (Pham Huy Dung and Nguyen Thi Canh 1998: 316).

In accordance with the principle adopted in *Đổi Mới*, nonpublic education was permitted in 1992. At present, there are several types of nonpublic schools. Semi-public schools are organized by the state but have financial autonomy. People-funded schools are under the sponsorship of social organizations. The organizations are responsible for investment in facilities and management of the schools. The last type of nonpublic school is the purely private schools which are established and managed by individuals.

In November 1993, the Government issued Decree No. 90 on the structure of national education system. It created a new structure of the education system which is more comprehensive and flexible in the context of a market economy (Pham Huy Dung and Nguyen Thi Canh 1998). The newly organized education system now includes preschool education, primary education, secondary education, vocational education, and higher education. Preschool education includes kindergarten (children aged 3 months–3 years) and nursery schools (children aged 3–6 years). Primary schools admit children from the age of 6 and have five grades (grades 1–5). Secondary education is divided into lower secondary education and upper secondary education. The target age group for lower secondary education is 11–14 comprising four grades (grades 6–9). Upper secondary schools are for students aged 15 and over with three grades (grades 10–12). Vocational education includes postprimary education short-term training (less than a year) and secondary vocational training of 3–4 years for graduates of lower secondary education. Higher education includes undergraduate and postgraduate levels. The new structure (see Fig. 12.1) made Vietnamese education system comparable to other countries in the region.

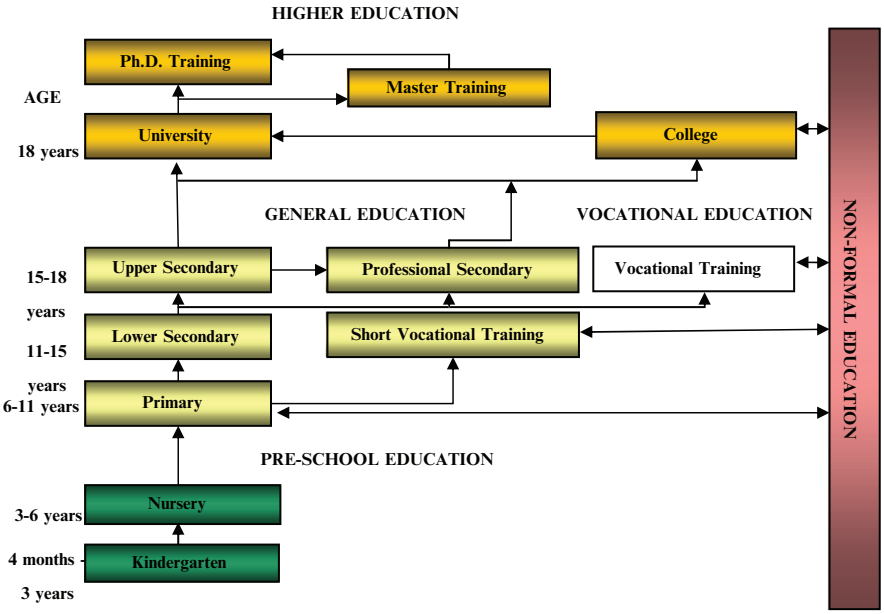

Fig. 12.1 Structure of the national education system (Decree No. 90/CP of the government issued on November 24, 1993)

12.2.3 Quality Reform at All Levels of Education

With the guiding principle "to concentrate on grade one, cycle one," quality education reform started first in primary education (Pham Minh Hac 1998: 32). In 1991, the then Ministry of Education advanced the program of Education for All (EFA) to be carried out until 2000. In the same year, the reform started in primary education with an evaluation of the existing curricula to determine the strengths to be maintained and promoted, and weaknesses that have to be overcome (Do Dinh Hoan 2003). When the evaluation was completed in 1995 five primary curricula coexisted in Vietnam. MOET decided in 1996 that a single curriculum for primary education would be developed for use from the year 2000 (Do Dinh Hoan 1997). Primary education curriculum was developed starting from 1996. However, it was not until school year 2002/03 that the new primary education curriculum was introduced throughout the country after being piloted in selected schools.

Similar to the curriculum and textbook reform in primary education, LSE has undergone a curriculum and textbook reform since the latter half of the 1990s. In school year 2005/06, the introduction of the new curriculum and textbooks has been

completed at the last grade of lower secondary schools nationwide. The reform in LSE will be discussed in details later in this chapter.

At upper secondary schools, a stream curriculum has been piloted in school year 1993/94 with three streams of A (Natural Science), B (Natural Science and Technology), and C (Social Science). This was terminated in 1998 for various reasons including the criticism that it did not provide all-round education to students. In 2003, the pilot of stream curriculum resumed with two streams A and C. However, in 2006 the option for three streams at upper secondary education was approved. They are Natural Science stream, Social Science and Humanities stream, and Normal stream. The Normal stream is a nonspecialized curriculum with provision for optional subjects. From school year 2006/07, this stream curriculum was introduced to all upper secondary schools nationwide.

Similar to the quality reform at general education, MOET initiated reform in higher education in the early 1990s. According to Nguyen Xuan Thu (1997), the administration and management system of higher education with mono-disciplinary universities does not encourage the spirit of teamwork which is vital to any modern society today. With the restructuring of education system in 1993, several multidisciplinary higher education institutions were established. The amalgamation of previously existing mono-disciplinary universities and colleges to create multidisciplinary higher education institutions reflects the attempt to meet the requirements of the new socioeconomic environment and the challenges of globalization. However, it was observed that such top-down policy is not faithfully implemented at local sites, especially when the new organization consists of older organizations with powerful provenance and reputations (Thanh Minh Ngo, Lingard, and Mitchell 2006).

12.2.4 Education Socialization and Decentralization

Consistent with the overall goals of *Đổi Mới,* the public education system introduced fees for students in 1989. Charging fees is part of the general desire of the Vietnamese state to use monetary incentives instead of central planning while targeting subsidies to the poorest segment of society. The withdrawal of the state's commitment to the principles of universalism in its education policy is a major shift in *Đổi Mới*. The mass education and health systems that Vietnam developed during the 1990s thus combined state subsidies with market principles (London 2004: 132).

With the introduction of tuition fees system, out-of-pocket education expenditure has now accounted for a significant share of education expenditure. A recent estimate puts private and other sources at 40% of education expenditure in 2005. This makes non-state expenditure in education in Vietnam much higher than the average 20% percent in OECD countries in 2002 (Vu Quang Viet 2006).

Education resources are observed to have grown more unequal following the government edict in 1989 allowing for the establishment of private and semi-public schools in Vietnam and encouraging nonformal education and privately funded

self-instruction activities (Bray 1996; Glewwe and Patrinos 1999 as cited in Korinek 2006). Besides official fees, the costs that households have to spend on education include "unofficial contributions," for school funds and construction charges, books, after-school extra classes and other school-related expenses. In addition, several government policies to exempt certain categories of households including poor families from formal fees have proved not very effective (London 2004: 139). In such a situation the poor tend to react negatively to fees much more than the non-poor as they spend roughly the same portion of their household expenditure on education as the non-poor group (Bhushan, Bloom, Nguyen Hai Huu, and Nguyen Minh Thang 2001: 37).

Moreover, the current discussions about "socialization" in education in Vietnam tend to focus mostly on finance issues. Socialization should be understood in wider perspective beyond education finance. This includes increased involvement of different segments of society in education. The emergence of the public discussions about various issues relating to education in recent years is a reflection of this type of socialization.

Decentralization is another area of reform in education sector under *Đổi Mới*. Although education decentralization in principle involves the transfer of decision-making authority for planning, management, and use of resources from higher levels of government to outer or lower tiers (Rondinelli et al. 1989 and Rondinelli 1981 as cited in Corrales 1999), this was not the case in Vietnam. Education decentralization in Vietnam focuses mainly in education budget. This was introduced in 1996 under the State Budget Law. The Law increased the share of local government in total expenditure including education expenditure. The concern that this has a damaging impact on the delivery of education services has resulted in a delayed and limited implementation of the program in the sector. More recently, the focus has shifted to Medium Term Expenditure Framework which integrates planning and resource deployment across all agencies and introduces decentralization in resource provision in education planning (The Socialist Republic of Vietnam and World Bank 2005: 24) (also see Chapter 5, this volume).

12.3 Approaches to Education Reform

This section describes the approach to education reform in *Đổi Mới* period. It discuses different strategies employed to introduce and implement the education reform. The section argues that education reform in Vietnam during this period carries the imprint of the *Đổi Mới* reform and is a gradual, step-by-step reform. In addition, the reform only targeted selected areas in the sector without covering other important areas. Unlike the success of the gradual approach in economic reform in Vietnam, the cautious reform in education has not enabled the system to meet the demand of the rapid development in Vietnam in the last two decades.

12.3.1 Gradual Reform

In Vietnam, education development strategy is always considered an integral part of the socioeconomic development strategy. It is noted that "the nature and speed of education reform is not a choice, but is constrained by the government's approach to broader socio-economic policy objectives" (Tran-Nam 2005b). It has been well explained that the economic reform in Vietnam is a process of gradual transition with many distinctive features (Fforde 1999; Naughton 1996). Thus, education changes in Vietnam must accordingly be incremental.

The centralized management mechanism in the education sector has encouraged a step-by-step approach to reform. This mechanism is described as:

> The central government, through the MOET and its departments, formulates and adopts education policies. In effect, education reforms are based on the overall guidelines and agenda promulgated by the Central Committee and the Politbureau of the Vietnamese Communist Party (VCP). In other words, education policies are formulated, revised, and updated in accordance with the state's general action plans defined at the VCP national congresses and the Vietnamese National Assembly also promulgates the laws on education and makes decisions concerning budgetary and strategic plans for educational development. (Doan Hue Dung 2004)

Under the strong influence of the policy pronouncements, MOET has adopted a cautious approach to reform. It has to rely on directions and guidance from other agencies. Obviously, this limits the ability to introduce innovative reform in education sector.

A gradual approach to education reform was highlighted early after *Dổi Mới*. The conclusion from an evaluation of the state of education in 1987 stressed that the imbalances of the system would require a gradual solution (Pham Minh Hac 1998). There is also a strong desire to maintain stability of the system in the reform. After a promising start in the early 1990s when the 1992 Constitution reaffirmed education as a top priority and public spending on education as a percentage of GDP increased substantially in 1993, the pace of education reform has slowed down in Vietnam (Tran-Nam 2005b).

School curriculum reform was carried out in a gradual manner. The centrally controlled process of curriculum development relies on the work of various committees and councils established by MOET. The process has to stick to the steps outlined in key documents. The 1998 Law on Education stipulates:

> The MOET shall, upon the appraisal of the National Council for General Education Textbook Appraisal, organize the writing and approval of textbooks to use officially, uniformly and consistently in schools and educational institutions. (Article 25, Law on Education 1998)

According to Decree No. 43/2000/ND-CP issued on August 30, 2000, which guides the implementation of the Law on Education, curriculum and textbooks have to be appraised and approved by different councils:

> The appraisal councils for curricula, textbooks and teaching materials specified in the Law on Education are advisory groups who help relevant educational authorities to approve the curricula, textbooks and teaching materials. (Article 8, Decree No. 43/2000/ND-CP 2000)

Although school education reform started in the mid-1990s with the goal to introduce the revised curriculum in 2000, the requirements in the 1998 Law on Education essentially changed that plan. As a result, the revised curriculum in primary and lower secondary education could only be introduced in 2002.

The gradual approach is also reflected in the progressive scheme applied in the introduction of the new curricula and textbooks. Under this scheme, new curricula and textbooks are introduced at one grade each school year and move to the next grade in the next school year. Thus, it takes a total of 7 years to complete the introduction of new curriculum and textbook at five grades of primary education (from school year 2000/01 to school year 2006/07) including the piloting phase. Similarly, lower secondary education needed 6 years (from school year 2000/01 to school year 2005/06). The progressive scheme was a major difference to the earlier introduction of curricula and textbooks in 1945, 1955, and 1975 when they were introduced all at once. According to one observer the "sequencing" approach to the introduction of curricula and textbooks was applied since 1981 and has led to continuous adjustments in the past 25 years (Nguyen Xuan Han 2005).

Phased reform is the other feature of gradual education reform in Vietnam. Reforms are divided into different phases. The next phase will start at the completion of the previous phase and so on. Most recently, it was announced that the stream curriculum at upper secondary education will be implemented from 2006 to 2015 with three streams in the first phase. The second phase is expected to start after 2015 with normal curriculum and advanced curriculum for all subjects and students can opt for either curriculum. An explanation for this phased reform was that Vietnam does not have the facilities, qualified teachers, and administrators to carry out the fully selective curriculum in upper secondary education. Thus, the first phase is considered as a transitional step (Sai Gon Giai Phong, June 13, 2006).

The involvement of a number of agencies at different levels of the hierarchy inevitably has slowed down the reforms. In addition, the prolonged reform has created a sense of instability in education system.

12.3.2 Selective Reform

In addition to being gradual, education reform in Vietnam since the 1990s has been highly selective. It has focused on certain issues only. This type of piecemeal reform has created a patchy education system. Moreover, this approach does not encourage a comprehensive reform package. This approach to reform is expressed by a leader of MOET:

> It is a complex harmony of different forms, ways and measures at different levels to reach the strategic objective. The set of solutions has to be comprehensive, but it does not mean they are of the same importance and have to be addressed all at once. It is not expected that fully functional final solutions are in place from the beginning. To ensure the feasibility it is necessary to set priorities and focuses for specific period which are relevant to the subjective

> and objective, endogenous and exogenous conditions, and to make adjustment during the implementation in accordance with the level of awareness and management in the society. (Tran Hong Quan 1997)

This strategy for education reform appears to follow a stream model. In this model, policy elites will focus on only a limited number of issues at any given time. Individuals and groups, inside and outside government, can play an important role in bringing about policy change, by focusing attentions and linking problems with solutions to political issues (Porter and Hicks as cited in Williams and Cummings 2005: 76–77).

As discussed above, the focus of decentralization of education in Vietnam was on fiscal decentralization. Decentralization has yet happened in school curriculum and quality controls. The degree of control over the curriculum is significant at all levels from primary education to higher education:

> The primary school and secondary school curricula are national and compulsory and, therefore, centrally controlled. Standard numbers of hours, content and textbooks are dictated by the MOET. Central control over the curriculum consequently enforces common practices and standards across the whole system, and is associated with the adoption of a national system of qualifications.
>
> In higher education, the undergraduate and postgraduate curricula also follow the uniform frameworks set by the MOET, which determine the total number of credits and the percentage of core courses, required courses and specialized courses for each field of study. Central control is placed particularly over required courses such as Marxist-Leninist political sciences and foreign languages, in terms of the number of hours and the teaching content. The contents of the remaining courses are generally decided at the institutional level. (Doan Hue Dung 2004: 146–147)

At present, more and more universities are demanding autonomy in finance and decisions over the curricula. The control of MOET over the curriculum is argued to be the number one reason for the poor quality of higher education at present (Nguyen Tran Bat 2005).

In addition to creating uncertainties, the selective reform has resulted in disconnectedness between different levels education. Since the reform at each level is carried out at different periods of time and very often by different teams, the continuity from one level to the next is limited.

The gradual and selective approach in education reform in the past two decades closely followed the gradual economic reform in the same period. The choice of such approach in education reform was not without reasons. It has been argued that education reforms that follow a more gradual, step-by-step approach tend to encounter fewer political difficulties than more comprehensive, sweeping reforms (Haddad 1994 as cited in Corrales 1999). Nevertheless, in the context of *Đổi Mới* with rapid changes, the gradual education reform has not enabled the system to keep up with the changes in the society. From the public viewpoint there is an increasing need for widespread, and sometimes radical and urgent changes in the education sector (Tran-Nam 2005b). The Government gives an assessment in its Education Development Strategy:

> The curricula, teaching materials and teaching method change and modernise slowly. The curricula are overloaded with academic contents and theories, over-emphasizing the

> examinations with little attention to creativity, ability to apply knowledge in life and in work; not connected to the demands of the socio-economic development and of the learners; research in science and technology are not effective and could not be applied in practice. (Government of Vietnam 2001)

The gradual economic reform has been widely viewed to deliver impressive achievement in Vietnam. However, the success of the gradual economic reform has not been replicated in education sector. Clearly, the step-by-step approach to reform is certainly not a panacea in all situations. Corrales (1999: 21) notes that gradual approach has the risk of becoming less credible over time, leading many actors to doubt the commitment of the government which, in turn, hurts societal cooperation on reform. This seems to be the case to the gradual education reform in Vietnam since the 1990s where a prolonged and piecemeal reform has made education sector vulnerable to many criticisms. More importantly, education sector is lagging behind the economy and cannot supply the much needed human resource in time of rapid changes.

12.4 Lower Secondary Education Curriculum and Textbook Reform

Recently, there is an increasing emphasis on access to secondary education. The demand for education is moving to secondary education after the achievement of universal primary education in many countries. A quality secondary education can help developing countries to compete in the global economy by providing a sophisticated and skilled labor force which cannot be developed by primary education (World Bank 2005b). As noted earlier, secondary education in Vietnam has experienced rapid expansion since the mid-1990s. However, most studies about education in Vietnam have focused on higher education. Tran-Nam (2005a) identifies three reasons for this tendency: (i) the contributors are mainly composed of university lecturers; (ii) higher education is the highest level of education; and (iii) higher education seems to be weakest in the education system. This section will thus fill the gap by examining the curriculum reform in LSE.

In Vietnam, LSE aims "to help students consolidate and develop the outcomes of primary education, acquire general and basic knowledge and initial understanding about techniques and vocational orientation to continue with the upper secondary education or vocational training or enter the workforce" (Article 27, Point 3, The Law on Education 2005). The subsector, therefore, has the double objective of preparing students to continue with further studies or to enter the labor market. Universalization of LSE is targeted for 2010 in Vietnam. By the end of 2005, 31 out of 64 provinces/cities in the country have reached the national standard for LSE universalization (Asian Development Bank and Ministry of Education and Training 2006). The ambitious targets include reaching NER of 90% by 2010 in LSE.

12.4.1 Cautious Move in Curriculum Reform

Since the mid-1990s, MOET recognized that the curriculum for LSE was overloaded, too cluttered, congested, and fragmented with 13 subjects. The teaching method was teacher-centered, which encouraged rote learning. In addition, a 33-week curriculum delivered in half day schooling was short compared with other countries in the region. Many teachers were underqualified and there was a shortage of foreign languages, music and painting, physical education, and technology teachers (Vu Van Tao 1997).

A research conducted by MOET's National Institute of Education Sciences (NIES) highlighted that integration of subjects and introduction of optional subjects was a common trend in the world for the teaching of science and humanities in secondary schools. Despite the understanding that there would be certain difficulties in applying this to Vietnam, the researchers all agreed that integration of subjects could address many issues in LSE in Vietnam. Optional subjects were proposed to account for 5–10% of the curriculum. The new teaching method was expected to emphasize student activities and problem-solving skills (Hoang Duc Nhuan 1997).

As noted, reform in education is strongly influenced by Government's policies. Thus, MOET started the process for LSE curriculum development by taking into account the policies regarding education. The identification of aims, goals, and objectives are given special attention in the process. In addition, piloting, evaluation, and revisions are other key steps.

The outcomes of the study conducted by NIES and the various position papers about the reform produced by MOET officials about the LSE reform are summarized in a key publication by MOET in 1997 entitled *Lower Secondary Education in the General Education System of Vietnam*. Through the identification of objectives for lower secondary education, several issues relating to LSE reform are apparent:

1. There is a need to review and expand minimum level of knowledge in lower secondary education.
2. There is a need to get rid of the past focus on theoretical education with full of academic knowledge toward education for life.
3. There is a need to strengthen human culture education and reduce the overfocus on science and technology.
4. There is a need to pay more attention to the results of education in respect to practical skills to help learners acquaint themselves with working life and work related to the new technology.
5. Education should be linked with reality and the changing life.
6. Students should be trained to adapt to the new economy (Ngo Huu Dung 1997: 5–6).

A number of seminars and workshops on the reform of LSE curriculum were held during the implementation of a Technical Assistance (TA) project funded by the Asian Development Bank (ADB) in 1997/98. International consultants and domestic specialists in this TA project worked together to draft the curriculum framework. Integration of subjects at LSE is high in the agenda of the proposed curriculum reform to reduce the number of subject with a view to make the curriculum less

overloaded. The integration of subjects was expected to address the fragmentation in LSE curriculum.

Under the TA project, international and domestic experts had to decide about the integration of subjects and reduction in the number of subject areas. International consultants were in favor of full integration of Biology, Physics, and Chemistry into Science and the integration of Geography and History into Social Sciences. To them the full integration to create such subject areas is obvious due to their familiarity with the curriculum framework in different states of Australia where they come from.

The domestic specialists were less enthusiastic with the full integration of the subjects. They argued that there are different levels of integration including full integration, coordination, and combination of subjects. They preferred the low level of integration which is a combination of subjects. According to them combination is most suitable to the conditions of schools in Vietnam. They were concerned that LSE school teachers had been trained to teach individual subjects and would not be able to deliver the integrated curriculum. They further argue that the poor facilities and school conditions in Vietnam are not appropriate for a fully integrated curriculum.

To formally develop the LSE curriculum, MOET established a LSE Curriculum Development Board (CDB) in 1998. The CDB consisted of 25 experts drawn from NIES, universities, and departments within MOET (Nguyen Thi Minh Phuong and Cao Thi Thang 1999). They were sent to Australia, Germany, and Thailand on study tours to learn and exchange experiences about curriculum development in late 1998. By mid-1999, the CDB decided on a compromising option for the integration of subjects by combining some subjects into subject areas. Table 12.3

Table 12.3 The organizational structure of previous and revised lower secondary education curriculum (Pham Minh Hac 1998, for previous curriculum and Luong Viet Thai 2002, for revised curriculum)

Previous structure	Revised structure
1. Vietnamese language	1. Vietnamese language and literature
2. Literature	2. History
3. History	3. Geography
4. Geography	4. Civics education
5. Civics education	5. Mathematics
6. Mathematics	6. Natural sciences
7. Physics	– Physics
8. Chemistry	– Chemistry
9. Biology	– Biology
10. Music and drawing	7. Arts
11. Physical education	– Drawing
12. Foreign languages	– Music
13. Technology	8. Physical education
	9. Foreign languages
	10. Technology

compares the organizational structure of the previous and the reformed LSE curriculum currently applied in Vietnam.

There are ten core subjects and subject areas in the revised curriculum, a reduction of three subjects compared to the previous curriculum. Vietnamese language and literature are combined into a single subject area. Arts consist of music and drawing that require two different school teachers to deliver the syllabus. In the first two grades of LSE (grades 6 and 7) two science subjects of physics and biology are combined into one textbook. Chemistry is not offered in these first two grades. The textbook was planned to contain two sections written by separate writing teams. At the last two grades of LSE (grades 8 and 9), physics, chemistry, and biology are three separate subjects. Even though the subjects are combined in one book, it is expected that each section of the book will be taught by a separate teacher. School year in LSE is extended from 33 to 35 weeks.

A close look at the revised structure reveals that there have not been many changes. Although the subject groups were reduced to ten, the individual subjects remained. The adoption of a low level of integration by combining the subjects into subject areas in the LSE curriculum is argued to be the adaptation of international trends to suit local conditions. This created a very distinctive LSE curriculum in Vietnam.

The changes to LSE curriculum have attempted to incorporate a more student-centered approach to LSE. The curriculum was designed taking into account the "Delors Report" which has the guiding principle of "learning throughout life" (1996). The curriculum was said to build on "the four pillars of learning" (learning to know, learning to do, learning to be, learning to live together) articulated in that report. As a result, there was an increase in the interdisciplinary coordination in order to support the learning of the subjects and avoid overlaps in the new curriculum (UNESCO 2003).

Writing about the reform to LSE curriculum in Vietnam, Duggan (2001: 207) notes that "in many respects, and certainly by international standards, the reform from concept to practice has been very rapid." This is an understatement as it does not take into account the preparations that started since 1995 when MOET initiated the research project about the reform of LSE. Duggan instead focused on only one year of implementation of the ADB's financed TA project which he had direct experience with. "Gradualism" could well describe the curriculum reform in LSE in Vietnam where the whole process was lengthy with various procedures including reviews, appraisals, and approvals. Meanwhile, the decision to combine the subjects into subject areas instead of fully integrating them was a cautious move to curriculum reform.

12.4.2 Progressive Introduction of New Textbooks

After the syllabi for all subjects at four grades of LSE were approved, textbook writing teams were established by MOET to prepare textbooks and teacher's guides. The textbook writing process was conducted in the context of the 1998 Law on Education and Resolution No. 40 of the National Assembly issued in 2000. In Vietnam, the curriculum and textbooks at LSE have national coverage and are applied at all lower

secondary schools (LSSs) across the country. The new books were expected to provide simultaneously both the new pedagogical directions and the new contents.

The writers were tasked with the development of textbooks and teacher's guides. They first attended training to gain understanding of the newly approved curriculum, the syllabi, and the direction of teaching methodology reform. After that the outlines for textbooks were developed for each grade. Sample units were produced with the assistance of international textbook consultants who gave examples of more student-centered textbooks. The samples were then tested in classrooms and commented on by experts and school teachers. After the trial MOET organized writing-in-residence workshops which enabled the writers to work intensively, share experience, and coordinate with textbooks writers of other subjects.

According to the 1998 Law on Education, new textbooks have to be piloted for two rounds before being finalized for nationwide introduction. This requirement significantly slowed the introduction of the new LSE textbooks. In LSE, the pilot started in grade 6 in school year 2000/01. Second round of pilot in grade 6 was repeated in the next school year when the first round of pilot started in grade 7 (school year 2001/02).

The new curriculum and textbooks were piloted in 158 LSSs belonging to 12 districts from 12 provinces across the country. All LSSs in the selected districts were involved in the pilot. The pilot was carried out in both public and nonpublic schools in different regions. The main purpose of the pilot was to provide feedback about the revised curriculum and textbooks so that they could be revised before being introduced nationwide. Nevertheless, textbooks were often produced in a hasty manner and there was little time to revise before the nationwide introduction.

After two rounds of piloting, the new curriculum and textbooks were introduced nationwide in grade 6 in school year 2002/03. This followed a progressive scheme with new textbooks introduced to each grade every school year. Thus, it took a total of 6 years including the pilot phase to complete the introduction of the new curriculum and textbooks at all grades of LSE. By school year 2005/06, the introduction of new LSE curriculum and textbook was completed in the last grade of LSE.

Figure 12.2 shows the progressive scheme of piloting and nationwide introduction of the new curriculum and textbook at LSE. Due to the requirement for piloting the original schedule, which expected the completion of the introduction within 4 years, was delayed.

In general, the new textbooks for LSE in Vietnam are better designed and presented. Compared to new textbooks for primary education, they have fewer factual errors. Yet, the new textbooks for LSE are not significantly less overloaded, and the inclusion of irrelevant theories and academic contents in LSE are pervasive. Since there is only one set of textbooks for use nationally at LSE, there is no competition, and little incentive in writing good textbooks. MOET is reluctant to open textbooks production to competition since its Education Publishing House now has the monopoly over textbooks printing and distribution. In addition, it is commented that writers are not able to write textbooks for interdisciplinary subject areas (Lao Dong 2002). They have never written textbooks for integrated subjects before.

The requirement that all LSE students across the country use a single set of textbooks does not provide enough flexibility. There are differences between the

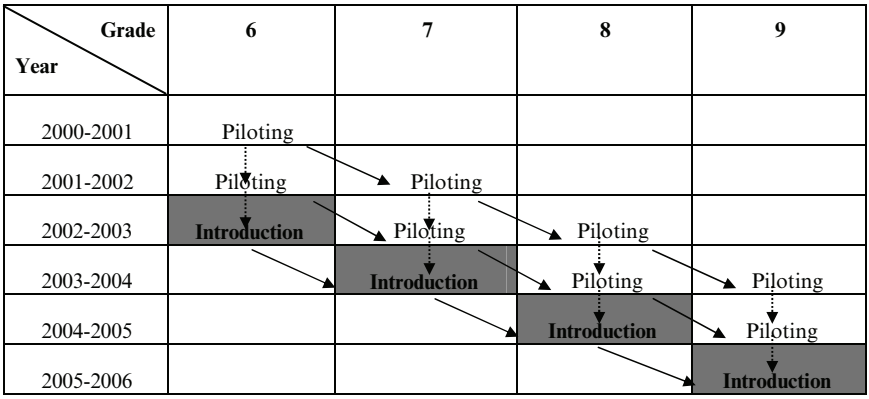

Fig. 12.2 Progressive scheme for the piloting and nationwide introduction of the new lower secondary education curriculum and textbooks (MOET 2005)

urban areas and the rural and remote areas in various aspects ranging from teacher qualifications, school facilities, socioeconomic background, to local dialects. Although the new curriculum has attempted to address the discrepancy by giving a slot to local contents, the textbooks were written by people from urban centers with limited participation of people from other localities.

Although the introduction of the new LSE curriculum has been completed in 2006, there remain many issues that need to be improved. A study conducted between 2004 and 2006 to evaluate the quality of the new primary and lower secondary curricula and textbooks found that the curriculum and textbooks of a number of subjects at LSE are still too heavy for student's cognitive level, available facilities, and time frame (of half-day schooling). It is reported that the percentage of LSE teachers who have difficulties in delivering the new curriculum is very high at 70% (Nhan Dan 2006).

12.4.3 Continuity and Change in Curriculum and Textbook Reform

As described in Chapter 3 of this volume, there is an interrelationship among diverse actors who promote the process of education reform. This is also the case in the curriculum and textbook reform in LSE in Vietnam. Balancing the interests of various stakeholders is an important part of the LSE reform process. The measures taken in the reform are constrained by the degree of cooperation from actors with differing interests. The idea of continuity and change is a constant theme in the reform of curriculum and textbooks at LSE in Vietnam.

Although there was a consensus that the number of subjects in LSE curriculum needed to be reduced through integration, it was not easy when it came to the specific subjects to be integrated. Domestic subject specialists were not happy to see their subjects combined with other subjects. They feared that the importance of the subject

is reduced in the curriculum. In addition, there was a lack of expertise of domestic specialists in developing integrated curriculum for LSE in Vietnam which was less explicitly mentioned. Equally important was the fact that the curriculum framework had to be approved by the appraisal committees who were also interested in making sure that their subject retained a place in the revised curriculum. All these came as a powerful resistance to the attempt for full integration.

It was argued that school teachers were not prepared to teach fully integrated subjects due to their previous training in single-subject areas. Moreover, the emphasis on the student-centered method intended in the revised curriculum meant a significant change from teacher's usual practice. To them, the revised curriculum requires additional efforts. Although there was hardly any consultation with school teachers in the curriculum development process, their potential resistance was calculated. Full integration of subjects was not easy in such a context. A compromise option was decided by combining the subjects as described above. The resistance to fundamental changes in LSE curriculum reform from domestic forces eventually achieved some success. The idea of having an integrated curriculum for LSE had to yield to the powerful resistance of key stakeholders in the curriculum reform process.

In the process of textbook writing, there is strong emphasis in inheritance and development. In other words, it highlighted the importance of continuity in change. This is important as textbook writing teams were dominated by senior writers who were also the writers of earlier textbooks. The limited participation of younger writers could not make a big difference in the new textbook. It was difficult for the younger writers to argue for the important changes. In many cases they could not do it at all because they were former students of the senior writers.

There is a strong tendency to appoint the previous senior writers in the writing team so that the draft could be easily approved by the appraisal committees. Their influence and close association with the committees made approval a simple step. The Minister of MOET recently admitted that 70% of writers were not teaching at schools at the time they wrote the textbooks. Consequently, they did not produce student-friendly textbooks by using simple language. Little attention was given to whether school students could understand the language used in textbooks. Writers also tried to show off their knowledge and included theoretical academic knowledge in the LSE textbooks. Thus, the new textbooks are not significantly less overloaded. Similar to the curriculum reform, the group representing the resistance to change remained powerful in textbook writing. It prevented a sweeping change to produce textbooks comparable to textbooks in regional countries from happening.

12.5 Conclusion

Since the introduction of *Đổi Mới* in 1986 there have been significant changes in the socioeconomic landscape of Vietnam. The growth under the economic reform in Vietnam has raised the demand for education. Indeed, enrollment has expanded

significantly, especially in secondary education. The drop in enrollment in the earlier period of *Đổi Mới* has been reversed in the mid-1990s and net enrollment rates have risen at all levels of general education. Vietnam achieved universalization of primary education in 2000 and targets to universalize LSE by 2010.

Education reform was initiated early after *Đổi Mới*. The reform measures cover different areas from reorganization of the system, quality reform in curriculum and textbooks, to education financing. Education reform in *Đổi Mới* era is characterized by numerous individual renovations. The reform measures were introduced gradually at different subsectors of education but they selectively targeted certain areas only. Yet, the piecemeal reforms were not well coordinated. This type of reform has led to a patchy education system with a lot of inconsistencies and disconnectedness among the subsectors.

In LSE, reform is taken cautiously in curriculum and textbooks reform. The choice of combination rather than full integration of subjects in the curriculum and the limited involvement of the outside circle in textbook development indicated that MOET is not ready for a fundamental change. There was a strong resistance to substantial changes and a strong desire for continuity in both curriculum and textbook reform in LSE.

This chapter has argued that the recent education reform in Vietnam is characterized by a piecemeal and gradual approach, as illustrated in lower secondary education curriculum and textbook reform. Therefore, the various changes in education sectors only amount to education renovations (*đổi mới giáo dục*) and not comprehensive education reform (*cải cách giáo dục*). The consequences of this approach to reform have been a patchy education system with a lot of inconsistencies and instabilities. As a result, the education sector in Vietnam is lagging behind times and is far from meeting the country's human capital needs in times of rapid changes in the economy.

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Chapter 13
Higher Education in Vietnam

Gerald W. Fry

> "Whether the Vietnamese mountains and rivers will attain glory and whether the Vietnamese land will gloriously stand on an equal footing with the powers in the five continents, this depends to a great extent on your studies."
>
> *Special letter written to Vietnamese pupils by President Ho Chi Minh on September 3, 1945, the day after the declaration of Independent Democratic Republic of Vietnam*
>
> *(Phạm 1998: 13)*

> "We should grow trees for ten years interests, and grow man for one hundred years interests."
>
> *Ho Chi Minh (Cited in Phạm Minh Hạc 1998: viii)*

> "To cross a river, you should build a bridge; to have your children well-versed in letters, you should love the teacher."
>
> *Vietnamese proverb (Cited in Phạm Minh Hạc 1998: viii)*

> "With science and technology, education in general and higher education in particular, is considered as the first national priority policy, as the driving force and the basic condition in ensuring the realization of the socio-economic objectives, and of building and defending the Fatherland."
>
> *7th Party Congress, 1991 (Sloper and Lê 1995: 67)*

13.1 Basic Background on the Socialist Republic of Vietnam

One of the most famous images of the US War in Vietnam is a naked young Vietnamese girl, Kim Phuc, running from a village, her body inflamed with napalm. That photograph, taken by Nick Ut, displayed to the whole world the horrors of the US war in Vietnam. Kim Phuc, now a Canadian citizen living in Ottawa with her two children, runs a foundation to help child victims of war. Kim's success and inspiring story is reflective of the resilience of the Vietnamese both at home and abroad in the face of the dramatic tragedy of war, death, and violence.

Especially during the early period of communist rule (1975–1985) that followed US withdrawal from Vietnam and the end of the Vietnam War, many refugees (often as boat people) left Vietnam for the USA. Currently there are 1,418,234 Vietnamese-Americans (representing 0.5% of the US population). They are the

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

second largest Southeast Asia-American group in the USA. Much attention has focused on the military conflict in Vietnam and the US war there. However, Vietnam is not just a war, but a country. Already in 2008, many books have been published about Vietnam. Nearly all are still about the tragic war. Vietnam has a long and rich history as a literate culture strongly influenced by China. On many occasions, the Chinese tried to dominate and defeat Vietnam, but always failed.

Vietnam is one of the five remaining communist countries in the world. It is a one-party state with the Communist party dominating politics and policies. Opposition to the one party state is not tolerated, though within the country's National Assembly there are often intense policy debates and differences.

With the unification of Vietnam in 1975 and the introduction of *Dôi Mói* in 1986, Vietnam has made impressive economic gains and is a rising phoenix on the world economic scene. Vietnam has greatly reduced the number of state-owned businesses and opened its economy to trade with much of the world. Vietnam normalized relations with the USA in 1995, became a member of ASEAN in 1997, a member of the Asia-Pacific Economic Cooperation forum (APEC) in 1998, and became a member of the World Trade Organization (WTO) on January 11, 2007. Since 1996, the year after relations with Vietnam were normalized, trade between the USA and Vietnam has expanded roughly by 900%. Between 2005 and 2007, Vietnam was the fastest growing economy in the ASEAN region and one of the hottest economies in the Asia-Pacific region. Among nations of the Asia-Pacific region it has one of the lowest levels of inequality. Thus, Vietnam is striving to achieve growth with equity and pro-poor growth (see Banschap and Klump 2007; Klump 2007). The role of higher education in achieving that goal is a major focus of this chapter (Tables 13.1 and 13.2).

13.2 Historical and Political Context

In the analysis of contemporary political economy and educational issues, important historical and political context is often ignored. Such historical myopia and amnesia can lead to tragedy, as was the case of the US War in Vietnam (McNamara 1999). Nguyen Khac Vien (1993) has provided an excellent overview of Vietnamese history from a Vietnamese perspective (Trần and Hà 2000). In terms of the historical and political context of Vietnam, five themes are important to mention. The first is the continual Vietnamese struggle to free themselves from foreign domination, starting with roughly 1,000 years of Chinese rule, threats from the Mongols, and then external domination by the French, Japanese, and the USA. In all these instances, the Vietnamese displayed courage, creativity, and determination in winning their eventual freedom and independence. The second theme is the struggle against natural disasters such as floods and typhoons. Reflective of this struggle are the huge dykes protecting the capital, Hanoi, from possible flooding by the Red River. A third theme is *nam tiên* (expansion to the South), the need for

Table 13.1 Key basic statistical indicators for the Socialist Republic of Vietnam (CIA World Factbook 2006; ASEAN-Japan Statistical Pocketbook 2006; Earth Trends database on global conditions and trends, World Resources Institute)

Statistical indicator	Socialist Republic of Vietnam
Population (million)	85.3
Land area (km^2,'000)	332
Number of provinces/states/divisions	59
Human Development Index	0.733
	World rank, 105 out of 177 countries
Percent of population that is majority (Kinh)	90
Percent of population that is other ethnic nationalities (54 in total), Chinese (3%); Muslim (1%), other groups such as the Hmong, Khmer, Tay, Muong, and Dao (6%)	10
GDP (PPP) ($US)b	235.2
GDP/capita (PPP) ($US)	2,800
GDP real growth rate (%)	8.5
Exports ($US)b	32.23
Imports ($US)b	36.88
X + M/GDP	1.58
Foreign Exchange Reserves ($US)b	8.863
% of trade with ASEAN countries	16.6
Unemployment rate	2.4
% of population below the poverty line	19.5
Gini index of inequality	.344
Literacy rate	90.3
Total fertility rate	1.89
Statistical Indicator	Socialist Republic of Vietnam
Population growth rate (%)	1.004
Life expectancy	70.85
Infant mortality rate	25.14
Human Happiness Index	61.2
Total number of medals won in 2006 Asian Games (Asian Olympics)	21
Total number of medals won in 2007 Scientific Olympiads (chemistry, biology, and physics)	9
Rank among 95 countries competing in 2007 International Mathematics Olympiad	3rd
Energy consumption per capita	.38
Member of APEC	Yes
Member of WTO	Yes
Member of G77	Yes

Data are the most recent, normally for 2006 or 2005

additional land and territory, given the high population density of Vietnam. A fourth theme relates to Chinese cultural and intellectual influences, particularly in the cities. One thousand years of Chinese domination left an indelible influence

Table 13.2 Basic Indicators on education and human resource development in Vietnam (UNDP 2008; ESCAP 2007; UNESCO, Institute for Statistics; Thang & Quang 2007; di Gropello 2007)

Educational and human resource development indicator	Value
Primary school completion rate	93.5%
Primary age kids out of school	13%
Population under the age of 30	65%
Age group in tertiary education	16%
Age group (females) in tertiary education	13%
Age group (males) in tertiary education	19%
Education as a percent of state budget expenditures	17.1%
Researchers per 1,000,000 population	115
Expenditures on R&D as a percent of GDP	0.2%
Internet users (per 100)	17.2
Personal computers (per 100)	1.3
Rate of growth in IT (information technology) market	3rd fastest in Asia-Pacific region
Telephones, cellular subscribers (per 100)	18.3
Total number of college students	1,404,000
Percent of tertiary students enrolled in science, engineering, manufacturing, and construction	20%
Percent of tertiary enrollment that is postgraduate	4%
Ratio of students to teachers at the university/college level	29:1 (at some public universities it is as high as 100:1)
Percent of those in the labor force with degrees in higher education	5.1%

on Vietnam, its culture, customs, and language. This influence has direct relevance to education. Unlike its Southeast Asian neighbors such as Thailand, Cambodia, and Laos, Vietnam is part of the Confucian world (Tu 1993, 1996; Le 1994) as is Japan, Korea, and Singapore. Part of this cultural heritage is great importance attached to learning and special respect for teachers, scholars, and mentors. A fifth theme is the importance of village life as the heart of Vietnamese culture and related wet rice cooperative culture. It is impossible to understand Vietnam without understanding its villages and their rich cultural traditions (Phan Huy Lé 1993; Luong 1992).

It is also important to note that Vietnam has a long tradition of higher education. It has the oldest recorded institution of higher education in Southeast Asia. In 1076 the Royal College (Văn Miếu Quốc Tử Giám) was built in the Temple of Literature during the Ly Dynasty to provide moral education and training to the sons of dignitaries (Sloper and Lê 1995: 43). Later in 1253 the National Institute of Learning was also established at the Temple of Literature. The Royal College significantly predates both the colleges at Angkor Wat and the University of Santo Tomas in the Philippines.

It is also significant to note that Vietnam has had an advanced writing system which dates back several thousand years. Because of earlier Chinese rule, Vietnam used Chinese characters for 17 centuries. Later, however, it developed its own

unique system of Vietnamese characters called Nôm. Then in the sventeenth century with the assistance of Portuguese, Spanish, Italian, and French scholars, particularly Alexandre de Rhodes – a French missionary and scholar – the Vietnamese developed a romanized Viêt script known as Quốc Ngữ (Phạm 1998: ix). Starting in 1919, Quốc Ngữ became widely used, particularly in primary schools. After 1945, Quốc Ngữ was used at all levels of education. Also 11 of Vietnam's 54 ethnic nationalities have their own writing scripts (Đỗ 1998).

During the French colonial period in the late nineteenth century several colleges were set up to offer fields of study such as pharmacy, pedagogy, agriculture, and engineering. Later in Hanoi, a University of Indo-chine was established which also served students from the Lao and Khmers part of the French colony, Indo-chine.

Also in the period 1945–1954, three colleges (i.e., medicine, pharmacy, and pedagogy) were formed in the revolutionary area in the north.

From 1945–1975 when Vietnam was divided into the North and South there were two separate systems of higher education. The system in the North was built with assistance from the former USSR and reflected Soviet influences. In the South, the system was based on the earlier French colonial model, with later strong influence of the US model. During the intense bombing of the North, college physics, for example, was being taught in caves.

After liberation and independence in 1975, Vietnam's system of higher education was unified. At that time there were 51 universities and 56,000 students in the North and 18 universities with 116,500 students in the South. An example of universities in the South was the University of Dalat in the Central Highlands. In 1977–1978, after peace and reunification, there were a total of 50 universities and 20 colleges, all public.

13.3 Demographic Background

With a population of 85.3 million in July 2007, Vietnam is one of the most densely populated countries in Asia. Its population is approximately one third of that of the USA, but its land area is only 3.5% of that of the USA. Seventy-five percent of the land is mountainous and, thus, not available for settlement or cultivation; 39.7% of Vietnam is forests. This special demographic niche gives Vietnam both special advantages and disadvantages (Khong 2002). From the positive side it provides for important and valuable economies of scale related to both the development of physical and human infrastructure (Simon 1990). It also forces the Vietnamese to be highly innovative and efficient in the use of scarce space. The development of intensive agriculture, making Vietnam the world's largest rice exporter, is indeed impressive. The major negative dimension is the tremendous pressure this puts on the Vietnamese economy to provide meaningful employment and educational opportunities for its citizens, especially its young people. With respect to this special demographic niche, Vietnam mirrors Japan to an important degree in addition to the common Confucian influences mentioned earlier.

13.4 The Legacy of Ho Chi Minh as a Protean Educator/Learner

Father Ho (Uncle Ho) is the dominant figure in modern Vietnamese history, the father of the nation and its independence from foreign domination. In addition to his significant political role, Ho also represents an important role model for Vietnam's students. He was a continual learner who mastered an amazing number of languages, both European and Asian. As a younger person he traveled to diverse parts of the world becoming familiar with a wide range of ideas and perspectives (Nghiem 2003). He displayed many qualities of the Protean individual (Lifton 1993). His emphasis on a modest personal style is also exemplary in an age of increasing materialism (see Fromm 1979). Vietnam's National Political Academy for training leaders is understandably named in honor of Ho. The historian, Professor William J. Duiker (2000) has written the definitive Western biography of Ho which carefully documents Ho's lifestyle and diverse learning pursuits around the world.

13.5 Overview of Higher Education in Vietnam

Since 1986 a profound socioeconomic policy change has taken place in Vietnam: the transition from a centrally planned to a market economy (Boothroyd and Pham 2000). Thus, Vietnam has become one of the many economies now classified as a transitional economy. Examples of other such economies are the Czech Republic, Ukraine, Mongolia, and of course, neighboring Cambodia and the Lao People's Democratic Republic (Lao PDR).

In response to the change of the socioeconomic policy, since 1987 the higher education system has adopted some important reform policies. The training provided by higher education is aimed at serving not only the state and the collective economic sector but also all other important economic sectors such as tourism. This chapter provides an overview of the private higher education sector in Vietnam, an integral part of higher education reform in Vietnam. It draws upon on an extensive recent literature on higher education in Vietnam. Among key scholars writing about higher education in Vietnam have been Mashiro Chikada (2004, 2005, 2006); Dang Ba Lam (1997); Emanuela di Gropello (2007); Martin Hayden and Lam Quang Thiep (2006); Lê Thac Can (1991, 1995); Ngo Doan Dai (2006); Pham Lan Huong and Gerald Fry (2002, 2004); Paul P. Sauvageau (1996); David Sloper (1995), and Vu V. T. (1991).

13.6 Genres of Universities and Colleges in Vietnam: The Diversification of Higher Education in Vietnam

There are basically seven types of universities and colleges in Vietnam:

1. Specialized universities, which focus on a single area of study such as forestry, fine arts, economics, or law. They are often run by line ministries. Examples are: Ho Chi

Minh City University of Economics, Vietnam Forestry University, University of Fisheries, and the Hanoi College of Pharmacy. These specialized universities are a legacy of the Soviet influenced higher education system. Approximately 13 different ministries have responsibilities for individual universities.

2. Multidisciplinary universities, which offer a wide range of academic programs up through the doctorate. Major examples are: Vietnam National University, Hanoi; Vietnam National University, Ho Chi Minh City; Hue University; The University of Da Nang; Dalat University, and Thai Nguyen University.
3. Open universities, which are of three types: Hanoi Open University, Ho Chi Minh City Open University, and Ton Duc Thang University. They are considered semi-public universities since they are owned by the state and managed by a public authority. However, student tuitions provide an important source of their revenue.
4. Private universities, which do not receive state funding. Among major private universities are Van Lang University, Hong Bong University, Duy Tan University, and Ho Chi Minh City University of Foreign Languages and Information Technology. These universities tend to focus on popular fields of study which are relatively low cost (unlike the natural sciences which require expensive laboratories) such as information technology, management, and tourism. Some may be profit-oriented with investors expecting a return from their investment in the institution.
5. Public junior colleges, which offer 2–3-year practical curricula in fields such as teacher training, agriculture, health, fine arts, banking, and policy studies (Thang & Quang 2007).
6. Private junior colleges.
7. International universities such as the Royal Melbourne Institute of Technology (RMIT) International University.

13.7 Statistical Overview of Higher Education in Vietnam

Table 13.3 provides statistical data on these different genres of higher education institutions.

In recent years there has been a dramatic expansion in Vietnamese higher education, reflecting both the rapid economic development in the 1990s and related growth in social demand for higher education to prepare young people for jobs in the modern sector. Between 1995 and 1996, the number of students in higher education increased 16.4% and between 1996 and 1997 that number accelerated to 38.3%. Back in 1991, only 2% of the relevant age group studied at the university level. By 1999, this increased significantly to 11%. Now it is 16%, eight times higher than back in 1991. In 2000, the number of higher education students per 10,000 of population was 118. By 2005, in only 5 years that number had increased 43% to 169 (Thang and Quang 2007). With the increased access made possible by private higher education, Vietnam now has more than one million college students.

In terms of gender equality, it is interesting to note from Table 13.4 that an impressively high 36.2% of the professiorate in Vietnam are women.

Table 13.3 Types of institutions of higher education in Vietnam (Adapted from Ngo Doan Dai 2006)

Type of institution	Number in Vietnam	Number of students served, 2005/06
Public universities	85	689,679
Open universities	2	52,583
Public junior colleges	99	205,639
Private universities	24	111,654
International universities	Influx	NA
Private junior colleges	19	25,468
Total	255	1,404,000

Universities (troung dai hoc) have a curriculum of 4–6 years, while junior colleges (truong cao dong) offer a 2–3 year curriculum. These data exclude military schools, security schools, and the Ho Chi Minh National Political Academy. The aggregate data are for 2005/06. The data for each genre of institution are for 2003/04.

Table 13.4 Statistical profile of the professoriate in Vietnamese higher education (Dai 2006: 246)

Statistical indicator	Profile
Total number of academic employees	39,985
Number of teaching staff	32,205 (80.5%)
Percent of faculty who are women	36.2%
Percent of faculty who are full or associate professors	5.1%
Percent of faculty with doctorates	17.8%
Percent of faculty with master's degrees	41.6%
Percent of faculty with bachelor's degrees	40.6%

13.8 Major Elements of the Reform of Higher Education in Vietnam

In 1986, Vietnam introduced *Dôi Mói*, a fundamental reform and renovation of its economic system to allow for the use of free market forces and mechanisms and a reduced role of the state and centralized planning of the economy. To facilitate such major economic reforms, it was imperative that Vietnam also reform its educational system, particularly higher education to accommodate the new system. Unlike Thailand, which enacted a major integrated educational reform in 1999 with its new National Education Act, Vietnam's reforms have occurred gradually over time. The following are the key elements of the Vietnamese reform of higher education (see Paitoon 1997; Thanyathip 1998):

- Diversification of higher education, to allow for non-state provision of tertiary education. The goal is to have the private sector represent 30% of the higher education sector by 2010 and 40% by 2020 (Dai 2006; Hayden and Thiep 2007).

- Changing the funding of higher education to reduce dependence on state subsidies through, for example, the charging of tuition and universities having the chance to generate funds through contracts, grants, and external sales. Tuition fees were first introduced in 1993.
- Reduction of the percentage of students receiving state grants and scholarships under the old quota system.
- Establishment of open universities.
- Restructuring through an amalgamation of specialized universities into multidisciplinary national and regional universities (such as Vietnam National University, Hanoi and Vietnam National University, Ho Chi Minh City).
- Development of new curricula in fields such as management and tourism.
- Introduction of general basic education during the first 2 years of college.
- Move toward a credit system, to improve comparability across campuses and with international institutions.
- Increased use of distance education to provide access to those in remote mountainous areas. Eight universities are now offering distance education.
- Decentralization of the management and administration of universities and colleges. As part of a Higher Education Reform Agenda (HERA) approved in 2005, was a stipulation to give universities greater institutional autonomy (Hayden and Quang 2007).
- Opening up opportunities for internationalization and for universities from other countries to open campuses in Vietnam (e.g., RMIT).
- Major expansion of the higher education system to be three to four times larger in 2020 and to be better managed and of higher quality (Hayden and Thiep 2006).

13.8.1 The Emergence of Private Higher Education in Vietnam

Given that allowing for a private sector role in higher education is an integral part of Vietnam's higher education reform, the emergence of higher education in Vietnam will now be described in detail drawing heavily upon the work of Pham and Fry (2002).

13.8.1.1 Rationale for the Introduction of Private Higher Education in Vietnam

The demands related to the development of a market economy have important implications for the development and expansion of higher education. Since the introduction of the open policy, the Vietnamese economy has quickly developed (Boothroyod and Pham 2000). The demand for educated knowledge workers has risen; especially the demand for human resources with high technical capability and new management skills (related to new private market conditions). Higher education

in Vietnam, thus, faces many new and complex challenges. It critically needs to develop not only the quantity but also the quality of its human resources to facilitate successful economic integration with the region and the world. As the Princeton economist Paul Krugman (1996) has pointed out compellingly, the key to a nation's economic success is its ability to raise the productivity of its citizens. Central to that goal is the quality of a nation's training and educational systems.

Since national funds for education and training are limited, it is not enough simply to develop public universities and, thus, fail to meet the needs of increasing new institutions, particularly in the private sector. The government has, thus, established a flexible policy of education to mobilize diverse sources of investment for education. Such a policy is both responsive to socialist ideals (related to equity and social justice) and *Dôi Mói* (and its emphasis on efficiency and incentive systems). Without a mixed system of public and private institutions of higher education, many needs would go unmet, adversely affecting both equity and efficiency.

Many educators aspire to have an opportunity to promote and develop innovative higher education. There are investors eager to become involved in the expansion of higher education. Integration into the international economy (e.g., AFTA, WTO) requires and demands openness in terms of privatization.

13.8.1.2 The Historical Evolution of Private Education in Vietnam

1. The First Phase, 1988

In 1988, under the open policy of the Vietnamese Government, a group of Hanoi intellectuals was established and led by Dr. Hoang Xuan Sinh, who was concerned about the backward level of higher education in Vietnam, which was lagging behind. She aspired to create a new style of higher education in Vietnam as an experiment. She hoped to provide quality education in accord with international standards. The Thang Long University was established (Hoang and Sloper 1995). Initially, the University had 150 students with two branches: mathematics and information. The founder of the University, Dr. Hoang Xuan Sinh is a famous professor of mathematics, who graduated from Paris. Tuition was set at about US$100 per academic year. The university was supported by Overseas Vietnamese in France, nongovernment organizations such as Comoro Catholic Contre la Faim et Pour le Development and German-Vietnamese Association. The University was encouraged by the Ministry of Education and Training (MOET) and located physically at the Puskin Institute. The quality of enrolled students initially was low (at that time, in the North, people did not like to send their children to study in the private universities), but after 4 years, the graduating had attained a good level of learning. However, with such a small number of students (204) and low tuition fee, Thang Long University could not invest in new expenditures and could not adequately equip the institution's facilities. Thang Long University tried strengthening its quality by utilizing excellent visiting professors (both Vietnamese and international). Also, they opened a software center aiming to export this product so that it could bring in

financial support for the institution. With current economic conditions in Vietnam, the development of Thang Long University has been extremely difficult. Thang Long University is a test of a new style of education which can be developed in Vietnam.

2. The Second Phase – the Establishment of Private Education Institutions in Vietnam

After Thang Long University was established, a number of other private universities and colleges were also established. Among such institutions were Dongdo University, established by a science group of the Vietnamese Science Institute; Phuong Dong University established by some retired professors of Vietnam National University, Hanoi; Management and Business University, established by former Vice Prime Minister Tran Phuong. In the Ho Chi Minh City area, Van Lang University was established by an intellectual group from Saigon. Its first president was Dr. Phạm Khać Chi, the former director of the Dalat Atomic National Institute. Hung Vuong University's president was Dr. Ngo Gia Hy, a famous physician in Ho Chi Minh City. University of Technology was set up by technical lecturers; Hong Bang University; the University of Foreign Language and Information. Some private universities and colleges were also established in some provinces such as: Lac Hong, Binh Duong, and Duy Tan (in Da Nang).

In these initial phases, most of these private higher education institutions offered such programs as business administration, foreign language, and accounting, which did not require laboratories or special facilities. Programs in information technology (IT) were particularly "fashionable." Given the growing market demand for graduates with IT skills, every university and college opened this popular field of study. Văn Lang University is the largest among the new private institutions. In its very first year, there were an impressive number of 4,700 students enrolled. After that the MOET decided to allow only 800–1,500 students per year for every private university, even though the number of people wanting to matriculate quickly reached 20,000 at Văn Lang University (2000/01). In contrast, at Lac Hong University, the number of students seeking to matriculate is smaller than the number of students who are needed (2000). Such discrepancies exactly reflect the competition of market mechanisms, mandated by the *Dôi Mói* policy. Teachers are invited from public universities, scientific research institutes, and private companies to lecture in the new private universities. Campuses are often rented from public institutions. Curricula follow the program guidelines of the MOET. Some universities and colleges were provided land or their campus by local authorities.

3. Initial Achievements of Private Higher Education in Vietnam

The establishment of private universities and colleges has helped solve financial problems confronting education and reduced pressures on the national budget. Ten years ago the government prioritized investment in developing education. The total cost for education has increased from VND7.100 billion (10.08% of national budget) in 1996 to VND14.180 billion (15% of national budget) in 2000 of which 80—85% went for personnel (including salaries, allowances, scholarship) and only 1520% was used for educational facilities and infrastructure. However, this amount is still inadequate for all the public universities. Thus, the social policy of the gov-

ernment to diversify higher education was most timely. The opening of private universities has helped the government provide access to more than 104,255 students of a total 918,228 students nationwide. The number of private students is 11.4% of the total and it is over 20% of the total in the southern region of Vietnam. Funds for all the activities of private universities are from nongovernmental resources. This is a remarkable achievement that demonstrates the timely and judicious policy of the Vietnamese government.

13.8.1.3 The Internationalization of Vietnamese Higher Education

Internationalization has been another important aspect of Vietnamese higher education reform. Decree No. 06/2000/ND-CP, initiated in 2000, opened the door for international universities to offer education in Vietnam and to provide incentives to encourage such international investments (Dai 2006).

In the fall of 2001, the RMIT from Australia opened an international campus in Saigon, Vietnam. In 2004, it opened a second campus in Hanoi. It has a third new campus in Saigon South which cost $20 million. One of the university's newest and most popular programs is a Bachelor of Applied Science (Information Technology). RMIT offers both undergraduate and graduate programs in education, business, computer science, information technology, multimedia, and engineering (Dai 2006).

There are also many joint ventures between Vietnamese and overseas universities, some involving "sandwich programs." Among such institutions are the University of Hawaii's MBA program, Troy State University, Washington State University MBA program, University of Houston, University of Greifswald (Germany), University of Technology in Sydney, Toulon University, France, and Liege University in Belgium (Dai 2006). Harvard University has also offered a certificate program in Hanoi, the Fulbright Economics Teaching Program, which is one of the most popular curricula in the country. Many of its alumni have played a major role in the Vietnamese economy. One of its alumni was the first Vietnamese vice president of Citibank (Overland 2006).

In 2005, the Vietnamese government announced a 5-year strategic plan for higher education aimed at the current capacity problem facing the system, i.e., its inability to meet the rapidly growing social demand for higher education and the need for highly skilled personnel in the dynamic modern sector of the economy. The plan includes opening up an additional 100 institutions of higher education through private and international initiatives. For example, in January 2005, US-based Roger Williams University opened a campus in Hanoi. Similarly universities from France and South Korea plan to open campuses in Vietnam. The Dutch government recently granted US$6.6 million for the launch of a new e-learning portal to help improve the quality of Vietnam's higher education system (*The Observatory* 2005).

In 2005, the Massachusetts Institute of Technology (MIT), which has pioneered open course ware, in collaboration with a consortium of Vietnamese universities launched Vietnam Open Course Ware. Currently this program is in a 2-year

experimental phase (2006–2008) and has the potential to revolutionize Vietnam's higher education.

Also in 2005, Vietnam signed an agreement with the Singapore-based Informatics Group to enable Vietnamese students to study on-line with various overseas universities. The Hanoi University of Business and Management will coordinate the program and recruit students. Informatics' PurpleTrain.com was Asia's first e-Learning provider back in 1999.

In July 2006, Rice University in Texas signed an agreement with Vietnam's MOET to launch a program called Connexions in Vietnam. The connection between Rice and Vietnam was facilitated by the Vietnam Education Foundation in Washington. Connexions is based on the open-source software concept. The MOET will coordinate and promote the use of Connexions at universities and institutions of higher learning throughout Vietnam. This will give Vietnamese universities and their students access to cutting-edge research and educational materials. Connexions software fully supports the Vietnamese language. The William and Flora Hewlett Foundation has awarded $2.25 million to this innovative program, which definitely involves what has been called *leapfrogging*.

13.8.1.4 Other Initiatives to Enhance Capacity

In Chapter 1, there is an emphasis on capacity development. Vietnam has initiated several programs to enhance capacity development. The Vietnamese government has recently launched two human resource development programs to enhance the skills of its university graduates. The first program involves a total investment of US$20.7 million in the training of gifted students between 2004 and 2011. These are for top graduates, aged 22–30, studying in fields such as economics, business management, law, and technology. They can receive support, for example, for postgraduate programs in management. A second program provides US$11–45 million in the form of state-funded and internationally provided scholarships (Thang and Quang 2007; Gross and Weintraub 2005).

Vietnam has also had two major World Bank higher education projects to enhance the capacity of higher education. The first project, approved on August 27, 1998, provided US$103.7 million for the period 1998–2007 to: (1) increase coherence, flexibility, and responsiveness of higher education to the changing demands of society and the market economy, (2) improve efficiency and resource utilization in higher education, and (3) improve the quality of curriculum, teaching, learning, and research in higher education (World Bank 1998).

The newest one, approved on June 20, 2007, is titled the Second Higher Education Project (HEP2) and "aims to increase the quality of teaching and research in universities in ways that improve the employability of graduates and the relevance of research in Vietnam" (World Bank 2007). The total project cost is US$70.5 million for the period, 2007–2012. The major thrust of the project is to increase the capacity and capability of Vietnam's higher education sector.

13.9 Key Stakeholders and Actors in Vietnamese Higher Education

13.9.1 The Government of Vietnam

As a new member of WTO (as of January 2007) and as part of APEC and ASEAN, Vietnam aspires to be a new "Asia Tiger." Michael Porter (1980, 1990) at Harvard emphasizes competitiveness and Paul Krugman (1996) at Princeton emphasizes the importance of improving individual productivity. Between 1960 and 1990, Japan increased individual productivity dramatically at rates unprecedented in world history. Clearly, the government of Vietnam wants the country to advance economically and to become a strong Asia-Pacific economy. Thus, the quality of higher education is extremely important to the government of Vietnam to ensure that the nation has the trained people power to be successful in an increasingly competitive global economy.

Also, the government must respond to rising social demand for higher education. This is one reason why the government opened the door for private institutions to play an important role in higher education, as a means to increase capacity to meet the growing social demand for higher education.

Though with *Dôi Mói*, the number of state-owned enterprises has steadily decreased, those that do remain need high quality well-trained staff.

Universities can also contribute to important applied research and development to facilitate economic development and international competitiveness.

13.9.2 Vietnam's Rapidly Growing Private Sector

With *Dôi Mói*, Vietnam's private sector has grown rapidly and contributed significantly to Vietnam's high economic growth profile during the past decade. This sector has the need for well-trained and highly qualified individuals. As one concrete example, Vietnamese tourism has grown rapidly. Vietnam now attracts about 3.5 million tourists a year. A number of universities have academic programs to prepare Vietnamese young people to work in the rapidly growing tourist sector. To work in this sector, international language skills are important. The beach resort of Phan Thiet, approximately 4 hours north of Ho Chi Minh City, has grown dramatically in the past 10 years; the largest number of tourists are from Russia and Germany.

13.9.3 Private Universities

During the past 10 years there has been a rapid growth in private universities. There are now 43 private universities and colleges serving over 100,000 students. These institutions compete for quality students to enhance both their stature and

financial success. Vietnam's large population of college-age individuals and its success in increasing secondary school completion augurs well for the future of this important stakeholder. The major challenge facing this stakeholder is that of providing adequate quality in these universities.

13.9.4 International Agencies and Donors

Many international agencies and donors such as the World Bank, Asian Development Bank (ADB), and the Ford Foundation are active in Vietnam. The ADB is placing greater emphasis on the development of higher education. In general, these agencies see Vietnam as a nation with good absorptive capacity for using international aid and technical assistance effectively. These agencies want to have good returns on their investments and they view Vietnam in a generally positive light.

13.9.5 The Government and Transnational Corporations of Japan

With Japan's economy having a high wage cost structure, it is imperative that Japan seeks offshore production sites. Among such important sites are China, Thailand, and Vietnam. During the boom of the 1980s, a new Japanese factory was coming on line once every 3 days in Thailand. These overseas factories and businesses need skilled personnel. Thus, it is in Japan's interest that Vietnam produce high quality college graduates who can work for Japanese employers. Interestingly in Thailand, the Japanese have opened a new private joint venture university with the Thais, Thai Nichi Institute of Technology, to help ensure that Thailand is producing skilled engineers needed by Japanese businesses operating in Thailand. Something similar might likely happen in Vietnam. It is dangerous for Japan to be too dependent on any one country. Thus, it is needs to diversify its offshore production possibilities.

13.9.6 Universities in Other Countries Such as the United States and Australia

With dramatically increasing academic mobility and educational services now covered under the WTO/GATT, there is increasing competition for top talent globally. Thus, universities around the globe are interested in attracting some of Vietnam's best students. Teekens (2002) describes the situation of an outstanding student from Vietnam doing doctoral work in mathematics in the Netherlands. The US university currently attracting the largest number of Vietnamese students is the University of Oklahoma. International programs of neighboring Singaporean, Malaysian, and Thai universities are eager to attract bright Vietnamese students.

13.9.7 Families

After *Dôi Mói*, Vietnamese families have had to bear increasingly more of the costs of education. Given Vietnam's strong Confucian tradition, many families aspire to have their children have the opportunity to go on to college and university education. Thus, they have a strong interest in ensuring that there are adequate seats for their children and that costs are affordable.

13.9.8 Individuals

Many young Vietnamese, especially those in urban areas, aspire to go on to higher education. Thus, they too have an important interest in having access to affordable quality higher education. Vietnamese women without adequate human capital development are vulnerable to temptations from a growing and highly profitable commercial sex industry (Luong 2003).

13.9.9 Conclusion: Interaction Among These Key Actors

As indicated in Fig. 3.1 in Chapter 3, there is important interaction among these actors. As an example, a bright individual from a remote area of Vietnam might receive a Ford Foundation Fellowship to attend Dalat University. Through this process, that individual's human capital and capacity is enhanced. That also enhances the diversity and quality of Dalat's student body. That individual might eventually end up doing graduate work at RMIT in Ho Chi Minh City benefiting an Australian international university. Then the individual with this enhanced capacity could join a transnational Japanese company exporting to Japan, benefiting both Vietnam (increased hard currency from exports) and Japan, low cost overseas production site.

13.10 Major Contemporary Problems in Vietnamese Higher Education

13.10.1 The Issue of Quality and Inadequate Numbers of Qualified Professors

Vietnam has been highly successful in quantitatively expanding the size of its higher education system, particularly during the last decade. Improving quality, however, represents a continuing and daunting challenge. As seen in Table 13.4, relatively few faculty (17.8%) have a doctorate. The most common academic background of

a university professor is holding only a master's or bachelor's degree (roughly equal numbers of both, see Table 13.4). Its professiorate is also aging and many were trained in the former Soviet Union or other Eastern block countries (Wasley 2007). As many as 80% of full professors and 30% of associate professors are over the age of 60. Many scholars in the West unfortunately mistakenly write off and belittle the training of Vietnamese professors in the former Soviet Union or Eastern block. While it is true that training in fields such as the social sciences (dominated by Marxist-Leninist ideology) was weak, education in areas such as mathematics, science, and linguistics was quite strong (Christy 1986). Interestingly many were trained in the Russian language. With the collapse of the Soviet Union and significant decline in study opportunities in Russia and Eastern block countries, the Russian language became largely irrelevant and such professors had to be retrained for other more relevant fields such as English language teaching (Overland 2006a). Now with Russian tourism increasing in Vietnam, Russian may again develop some contemporary relevance.

Low salaries of academics in Vietnam is another serious problem which results in frequent moonlighting and the related neglect of research.

In June 2007, Vietnam's president, Nguyen Minh Triet, and Vietnam's Minister of Education and Training, Nguyen Thien Nhan, visited the USA to meet with President Bush and to seek US assistance in improving the quality of higher education in Vietnam. Currently, Vietnam produces only 500 new Ph.D. graduates per year. The nation's goal is to have 20,000 doctorates by 2020, half of whom would be trained outside Vietnam. The Minister indicated his hope that 2,500 of these new Ph.D. graduates would be educated in the USA (Wasley 2007).

Currently, fellowships for overseas study are limited. The following governments offer fellowships to Vietnamese, with the statistic in parentheses indicating the number of fellowships available: Canada (10), UK (70), France (200), Australia (150), USA (75, Fulbright and Vietnam Education Foundation), and Thailand (80).

13.10.2 Access to Higher Education in Vietnam

13.10.2.1 Access Under the Traditional Socialist Quota System

Traditionally in socialist countries such as Vietnam and Lao PDR, there was a special quota system for access to higher education. Several decades ago extremely few had access to higher education. Those who did gain access did not have to pay any tuition at all and received a modest monthly stipend to cover their day to day living expenses. Access was based on a quota system that allocated available seats on the basis of a number of factors such as ethnic nationality, social class, an individual's life history and loyalty to the party, gender, geographic area of residence, and other similar factors. This is different from a modern meritocratic system based, for example, on objective examinations (Zeng 1999).

Actually in a meritocratic system, those from higher socioeconomic classes in urban areas with access to the best secondary schools are definitely advantaged.

Actually the former quota system was probably much more equitable than the contemporary system, though hard data on the allocation of university seats in those days are not available.

Currently, Vietnam actually ranks well on common measures of equity. Overall it has a relatively low Gini coefficient of 0.344. In terms of the share of poorest 20% of the population in national income, the figure for Vietnam is 9%. In the entire Asia-Pacific region on this indicator only two countries show a greater level of equity than Vietnam (Japan, 10.6% and Pakistan, 9.3% (ESCAP 2007). This is likely a legacy of the socialist ideology reflected in the quota system described above.

13.10.2.2 Current Access Issues

The current demand for higher education greatly exceeds the number of university seats available. With Vietnam's great success in expanding secondary education, there are now almost three million upper secondary students. This means that more than one million Vietnamese students sit each year for the university entrance examinations. In 2005, over 1.5 million students sat for the national university entrance examination, but all higher education institutions could admit only about 230,500 students (Dai 2006). Those in the richer southern zone of the country have much greater access to private universities. There is, for example, only one private university in the poorer central zone. Thus, in remote mountainous areas, particularly ethnic nationalities, having much less access to secondary education and quality secondary education are seriously disadvantaged in terms of opportunities for higher education. For example, the net enrollment ratio at the lower secondary level for the Hmong is only 4.5% and it is only 8.9% for the Ba-Na people in the Central Highlands (Baulch et al. 2002; Đỗ 1998; VNA 2005; Taylor 2007). Di Gropello (2007) has provided concrete recent data on access to higher education related to economic status. About 40% of Vietnam's college students are from the richest 20%. The lowest 20% economically account for only 12% of those in college. While these data show clear departure from the equality standard (a Gini of 0), they show greater equality than for many other developing countries around the world.

In 1997, the Vietnamese government introduced a subsidized student loan program (with interest rates at 50% of the market rate) administered by the Incombank. About 10% of students in higher education draw upon this loan fund (Dai 2006). The Israeli economist Adrian Ziderman, a specialist on student loan schemes has analyzed the Vietnamese system (Ziderman 2004).

To enhance equity of access, the Ford Foundation has established an innovative program in Vietnam titled *Pathways to Higher Education*. This mirrors Ford's global fellowship, International Fellowship Program, which aims to increase higher education opportunities for those from disadvantaged backgrounds. It is the largest initiative in the history of the Foundation. The Vietnam Pathways to Higher Education provides special scholarships to 10 selected universities, mostly in the regions, to enable them to enroll more students who are from other ethnic nationalities, orphans, low-income students, and those from remote areas. Among participating

universities are Can Tho University in the Mekong Delta, Da Lat University in the Central Highlands, Vinh Teachers Training University, and the University of Da Nang in central Vietnam (Ford Foundation 2007).

Another strategy for enhancing access has been an expansion in distance education at the university level. On July 4, 2005, the government approved a policy for the period 2005–2010 that aims to offer distance education and training services to at least 20% of the country's enrolled tertiary level students. In 1995–2005, 54,000 individuals graduated from distance education and training courses. In 2005, 122,000 students were enrolled in distance learning classes. Of these students 30% were from remote mountainous areas. The others are those fully employed who want to enhance their skills and training (Vietnam Net Bridge 2005). Seven universities now offer distance education, namely: Hanoi Open University, Ho Chi Minh City Open University, the University of Da Nang, Hue University, Vietnam National University, Ho Chi Minh City, Binh Duong University, and Da Lat University.

13.10.2.3 Economics of Higher Education Issues in Vietnam

A key issue in this arena relates to how much should students pay for their higher education. The private higher education sector operates on a complete cost recovery model and students pay the tuition needed to cover costs. This results often in very large classes in private universities, which is cost-effective but certainly adversely affects quality. In the public sector, the critical issue is how much students should pay to cover costs. Since there are both high social and private returns to higher education in Vietnam, strong arguments can be made for both cost recovery and subsidizing public higher education (Glewwe, et al. 1998; Moock, et al. 1998, Glewwe and Patrinos 1999). There is also the issue of how much the government of Vietnam should invest in developing quality higher education. Fourteen universities have been designated as *key institutions* to develop and Vietnam aspires by 2020 to have one of its universities in the world's top 100 (Wasley 2007; Hayden and Thiep 2006). One key policy dilemma relates to investing in higher education versus investing in high quality vocational/technical training related to Vietnam's status as a newly industrializing nation (World Bank 2006). The social demand is clearly for more higher education, given its greater social status, but given the current level of unemployment, or underemployment, of college graduates, should the government's policies be totally driven by social demand? (Sakellarious and Patrinos 2000). The government's aim should be to "provide graduates with the skills necessary to perform effectively in a shifting and developing labour market" (Thang and Quang 2007).

13.10.2.4 Need for a Higher Education Law

Current reforms are reflected in a diverse set of decrees approved in recent years. There is a critical need to codify into one law these various decrees and to establish a vision for the future of higher education in Vietnam reflective of current progressive policies and

ideas. In 2005, the MOET developed a HERA, a blueprint for reform of the system by 2020. This could be the basis for the new Higher Education Law.

13.10.2.5 The Role of Higher Education Research and Development

Currently, the research function of Vietnamese universities is quite weak. There are inadequate incentives to carry on research. In fact, given low salaries, there are strong incentives to increase teaching loads and to do moonlight teaching. Vietnamese professors, for example, have earned very few patents. Clearly it is important for Vietnamese professors to engage in more knowledge production, both to make them more effective teachers and to create usable knowledge (Lindblom 1979). In documents concerning the future of Vietnamese higher education, there is discussion of the need to carry out fundamental research. Given Japan's experience during the period, 1960–1990, when it increased its productivity dramatically, it would seem reasonable for Vietnam to follow the Japanese model at that time, which emphasized technology development, that is, the *application* of expensive basic and fundamental research developed elsewhere.

13.10.2.6 Corruption in Higher Education

Corruption has emerged as a serious issue in Vietnamese higher education (McCornac 2007; Overland 2006c). In 2006, in a shocking development, a local court sentenced a professor to a 3-year prison term for taking bribes from her students. The extremely low salaries of academics in Vietnam opens the door for potential corruption that may take diverse forms. Based on informal surveys and in-depth interviews, McCormac found that cheating was common. He also found corruption related to examinations and admissions. An important part of the current education reform initiative is to eliminate corrupt practices. The court case mentioned suggests that the government is taking this issue seriously.

13.11 Conclusion

There have been dramatic reforms and changes in Vietnamese higher education since the introduction of Đổi *Mới* in 1986. These reforms have been driven by both politics and economics. With Vietnam's notable success in increasing enrollment rates in secondary education (see L.C.L. Viet, Chapter 12), rapid urbanization, solid economic growth, and a large and youthful population, the social demand for higher education has increased dramatically. It has been politically important for Vietnam to respond effectively to that demand.

With Vietnam's joining ASEAN in 1997 and becoming part of AFTA (ASEAN Free Trade Area), becoming a member of the WTO in 2007, and its aspiration to

become a dynamic Asia-Pacific economic tiger, it has been imperative to improve its higher education sector to provide the human resources to make Vietnam competitive in an increasingly globalized economy.

The major element of Vietnam's reform of higher education has been *diversification*, both in terms of funding for higher education and types of higher education offered to the Vietnamese people. Prior to Đổi *Mới* , higher education was entirely financed and provided by the government. Currently many additional interrelated stakeholders are involved in providing higher education including private individuals and their families (tuition payments), private universities (both nonprofit and for profit), international universities, and international development agencies. As the result of diversification, the Vietnamese higher education system has expanded dramatically and Vietnamese students have many more choices (Sen 1999).

Vietnam has declared the goal of becoming a knowledge-based society by the year 2020 (Ngo 2001). The key challenge to Vietnam's higher education system is to improve its quality in the years ahead. Vietnam has the opportunity to leapfrog in its aspiration to become a knowledge-based society. Its recent agreements with MIT, Rice University, and the government of the Netherlands in the software and IT areas suggest it is indeed poised to leapfrog.

Another important dimension of Vietnam's success is its commitment to *growth with equity* (Banschab and Klump 2007; Klump 2007). While inequalities have certainly increased in recent years, the level of Vietnam's inequality both as a nation as a whole and in the higher education sector is low compared to many other developing nations.

Thomas Rohlen, an anthropologist who studies Japan, states that this nation is distinctive in its "devotion to the idea that self-cultivation through the disciplined pursuit of knowledge is the path to human perfection." The same mindset exists among many Vietnamese with their high motivation to learn and to study, reflected in the quotation of Ho Chi Minh at the beginning of this chapter. Vietnam is indeed an ascending dragon (Kamm 1996). Its commitment to higher education expansion and reform and realization of quality improvements is crucial to its becoming an integral part of what has been termed an "Asian Renaissance," a region of dynamism and creativity (Gill, et al. 2007).

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C. Lao PDR

Chapter 14
Education Reform Context and Process in Lao PDR: Focusing on Basic Education

Inthasone Phetsiriseng

14.1 Introduction

Lao People's Democratic Republic (Lao PDR) was established in 1975, after the fall of the Kingdom of Laos, following decades of war. The Constitution of Lao PDR, which was promulgated in 1991, recognizes the Lao People's Revolutionary Party as the leading nucleus of the political system. The Government of Lao PDR (GOL) is taking a development approach that guarantees the rights of all citizens, while at the same time promoting national unity. National development efforts in Lao PDR started only after the introduction of the New Economic Mechanism (NEM) in 1986. Lao PDR is one of the countries which were severely affected by the Asian economic crisis starting from mid-1997, and needed some years for socioeconomic recovery from the crisis. Basic education in Lao PDR has a mandate to develop the human resource base in the country. However, it has not been an easy mandate for a country like Lao PDR due to its recent history, geographical location, and limited economic opportunities.

Lao PDR is striving to exit the group of least developing countries (LDCs) by 2020 through the reform in basic education which constitutes the country's foundation. The objective of this chapter is to examine the education reform context and process in Lao PDR with focus on basic education. More specifically, this chapter will explain the country's socioeconomic context, examine the situation of basic education mainly on access and equity in primary and lower secondary education, discuss the policy development for recent basic education reforms including recent initiatives using a Sector-Wide Approach (SWAp) in the education sector, examine the basic education reform context including fiscal decentralization and capacity constraints in the education sector, highlight curriculum development and related capacity issues, and finally in lieu of conclusion, identify future challenges in basic education reforms from the political economy perspectives.

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

14.2 Socioeconomic Context of Basic Education Reform

14.2.1 General Overview

Lao PDR is predominantly a rural society with an agriculturally based economy, and a multiethnic state. According to the latest official ethnic naming and groupings in 2005 (National Statistics Centre), there are 49 ethnic groups, grouped into four main ethno-linguistic groups: Lao-Tai (8 ethnic groups), Mon-Khmer (32 ethnic groups), Sino-Tibetan (7 ethnic groups), and Hmong-Iu Mien (2 ethnic groups). Lao-Tai ethno-linguistic group accounts for 66.2% of the nation's population and is the largest ethno-linguistic group in only 8 of the 18 provinces (unless specified in this chapter, provinces include the Vientiane Capital and the Xaysomboon Special Region).

Lao PDR is administratively structured into four levels: central, provincial, district, and village levels. The provincial level the administration is run by a governor, and the municipality by a mayor, the district by a district governor, and the village by a village chief. During the Population and Housing Census 2005, there were 18 provinces including Vientiane Capital and Xaysomboon Special Region. In total, there were 142 districts, 10,500 villages, and 953,000 households.

The GOL is taking an approach of national development that guarantees the rights of all of its peoples at the same time that it promotes national unity. The GOL's long-term overarching goal is to exit the group of LDCs by 2020 through sustained equitable economic growth and social development, while safeguarding the country's social, cultural, economic, and political identity.

National development efforts have taken place in three stages: (i) establishment and implementation of the NEM since 1986, (ii) structural transformation and capacity building of the economy, and (iii) people-centered and sustainable development. These stages are closely interlinked and need to be developed simultaneously to ensure the progressive transition from an isolated, subsistence-based rural economy to a production and services economy that can coherently achieve the 2020 goal. The first stage was the establishment and implementation of the NEM, which was launched by the GOL in 1986 in order to gradually transform the economy from a centrally planned to market-oriented model. The second stage involved the structural transformation and capacity-building of the economy, with a focus on developing transport and communications networks, promoting national and regional integration, and moving toward becoming a full economic partner among countries in the region. The third stage involved "people-centered and sustainable development." Participatory people-centered development is central to the GOL's efforts with emphasis to achieve basic food security, preservation of natural resources, and decentralization of development responsibilities to enable the multiethnic population to have access to markets, education, and health.

14.2.2 The Economy

From mid-1997 to the end of 1999, the economy of the Lao PDR faced arduous difficulties, especially the significant negative impacts of the Asian economic crisis and recurring severe natural disaster. However, Lao economy moved into a recovery phase from the beginning of 2003. During the 5-year period 2001–2005, the Lao PDR economy maintained rapid and sustained expansion with gross domestic product (GDP) growing at about 6.2% per annum. Lao PDR's economic sectors have undergone significant restructuring and concentrated on production capacities, qualities, and efficiency.

The GOL has concentrated on the development of agricultural production, to reorient the agriculture sector from semi-subsistence and subsistence to commercial production to ensure the enhanced supply of raw materials to the processing industries, meeting the growing domestic requirements for agricultural products, and rapidly expanding agricultural exports. The trends of the economic sectors' composition have begun to change since 1990. The share of GDP by agriculture, forestry agriculture, crops, livestock and fisheries, began to decline gradually since 1990, and the share of GDP by industry and construction began to increase gradually during 2000–2005. In 1995, agriculture, forestry, crops, livestock, and fisheries accounted for 53.7% of GDP and industry accounted for 18.5%, while services accounted for 25.3%. The composition today is slightly different. In 2005, the share of agricultural sector in GDP had dropped to 45.4% and the share of industry and construction sectors had increased significantly to 28.2%, while service sector share had risen slightly to 26.4% (Government of Lao PDR 2006).

14.2.3 Demographic Trends

The 2005 census reported the population at 5.6 million, up 23% from the 1995, showing an average annual growth rate of 2.08%. If the population were to continue to grow at the same rate, it would double in approximately 34 years. Lao PDR has a relatively young population, with 39% of the population under 15 years. One of the most prominent cultural features is ethno-linguistic diversity. The 2005 census identified 49 distinct ethno-linguistic groups, categorized in four main families. According to the 2005 census, the Lao-Tai ethno-linguistic group accounts for 65% of the nation's total population. Because of differential population growth rates, however, among children between the ages of 0 and 16, the Lao-Tai represents about 60%.

One of the most significant demographic changes can be seen in the ethnic composition of primary school enrollments. In the school year 1999/2000, Lao-Tai constituted over 73% of primary school enrollments, but this figure had fallen to

under 63% by 2005/06. By contrast, the Mon-Khmer had risen from just under 18% to over 24%, and the Hmong-Iu Mien and Sino-Tibetan rose from under 9% to 13%. The enrollment rates by ethno-linguistic groups given above make it quite clear that these demographic trends in primary school enrollments will continue at least some decades into the future.

14.2.4 Employment and Labor Force

In spite of the magnitude of out-migration of the labor force into Thailand since the Asian economic crisis in 1997, the number of Lao labor force is increasing. The labor force increased from 2,573,000 in 2001 to 2,672,000 in 2003 with the annual increase rate of about 1.9% or about 50,000–60,000 youth entering the workforce annually. Based on the official estimates of the Lao Labor Market Indicators 2001–2003 (ILO 2005), the unemployment rate has decreased since 2001, from 5% to 2.4% in 2005 (National Statistic Centre 2005). In 2005, employment of agriculture, forestry, and fisheries sectors accounted for 76.6%, trade and services sectors 15.6% and only 7.7% in the industry and construction sectors. Employment in the industry and construction sector has been increasing only by 0.8% since 2000, and employment in the trade and services sectors has also been increasing only by 1.1% since 2000. On the other hand, employment in the agriculture, forestry, and fisheries sectors has been decreasing by only 2% (Government of Lao PDR 2006a). This shows the structural imbalance between the shares in GDP and the shares of labor forces among economic sectors, implying that the agriculture sector contains huge numbers of unproductive farmers – more than 75% of employment versus about 45% in the GDP share in 2005.

It should be emphasized that the magnitude of labor migration to Thailand is significant. According to the registration of aliens in Thailand in 2004 by the Royal Thai Government, 181,614 Lao migrants (80,981 male, and 100,633 female) have registered. More female than male migrants from Lao have registered, indicating the trends for increasing female migration to Thailand. Thai employers have a high demand for Lao migrant workers particularly in the sectors of agriculture and livestock (20.6%), construction (12.9%), and domestic work (20.9%). It is clear that most potential Thai employers prefer Lao migrant workers, particularly household domestic workers, probably due to the lack of a language barrier between Lao and Thai language and the fact that both countries have similar cultures. Thai women have more opportunities now to work in other jobs besides domestic work, which pay better and offer better working conditions. This creates a greater demand for household domestic workers and caretakers of children and/or of the elderly (Phetsiriseng 2007). However, the phenomenon of labor migration into Thailand, particularly the out-migration of the young labor force from the communities has created more problems than it has solved.

14.3 Basic Education in Lao PDR

14.3.1 Brief History and System

The first primary school in Laos was established during the end of the nineteenth century and only in 1922, the first lower secondary school was established. Until 1950, the first upper secondary school was then established. Since independence from the French Protectorate, under the Royal Government, the first curriculum reform started in 1962, i.e., bilingual education system using Lao and French language for teaching and learning starting from grade 3. The general education system was 13 years (6 + 4 + 3). About the same period, in 1961, the Lao Patriotic Front started to develop the Lao patriotic education curriculum for use in the revolution-liberated zones using a 10-year general education system (4 + 3 + 3). After the declaration of the Lao PDR in 1975, the general education was reformed from the 13-year system and 10-year system to the 11-year system (5 + 3 + 3) and is being used to date.

In 1996, the Prime Minister issued the Decree of Order on Compulsory Primary Education in Lao PDR, which identified some key principles of compulsory primary education:

- Primary education is the first level of general education, and includes 5 years of schooling. It establishes the basic educational level that should be attained by all Lao citizens.
- All Lao citizens residing in the country must receive primary education thoroughly and equally beginning at 6 years of age, regardless of race, religion, sex, ethnicity, and social/economic status.
- All pupils enrolled must complete primary schooling. They shall continue schooling without dropping out or leaving school until the age of 14, except for those with physical and mental health problems who cannot continue their schooling even though sufficient care may have already been provided. The services in the schools are free of charge.

During 1991–1999, the primary and lower secondary curriculum were revised (1994 edition). In responding to the Dakar Framework of Action in 2000, the GOL endorsed in 2004 the National Education for All (EFA) Action Plan 2003–2015 (Government of Lao PDR 2004). One of the most important commitments toward the achievement of the EFA goals was to reform the general education system to a 12-year system by adding one additional year in the lower secondary education, i.e. (5 + 4 + 3).

14.3.2 Situations in Basic Education: Access and Equity

As shown in Fig. 14.1, there are larger shares of persons completed school across all levels comparing 2005 with 1995 censuses, but improvements in completed

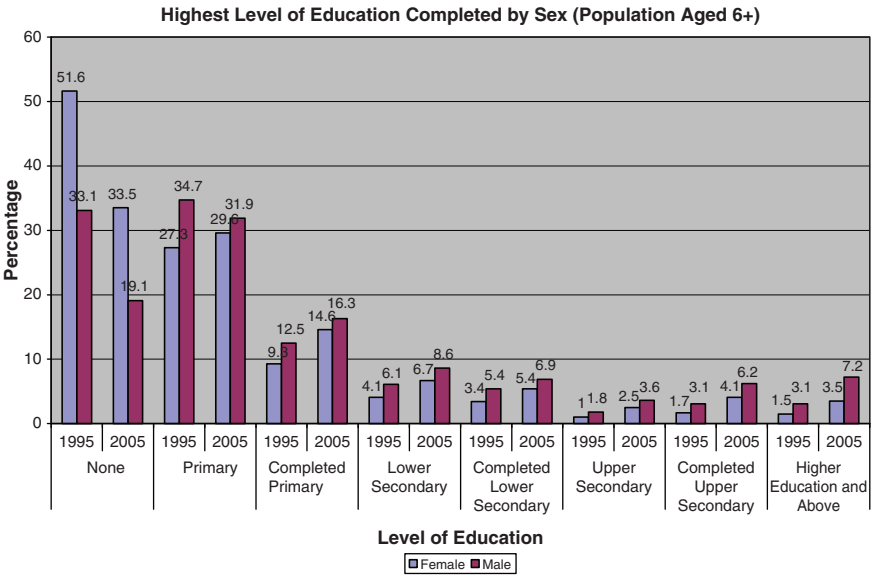

Fig. 14.1 Highest level of education completed by sex (population aged 6+) (Compiled from National Statistics Centre 1995, and National Statistics Centre 2005)

highest education tend to be small even with increasing enrollment rates for low ages due to high repetition and dropout rates. In recognition of the problem, the government is now putting special emphasis to reform the education system to improve its quality, relevance, and efficiency.

Table 14.1 suggests that net enrollment rates (NER) for girls have improved quite significantly during the last 5 years and the gender equity is being realized in all levels of education. In contrast, girls outnumbered boys in upper secondary enrollment, highlighting that the girls are in the increasing rate of enrollment at the official school entrance age with low repetition rate and those who enrolled are unlikely to drop out. Though improvements have been achieved in the NER of girls, the overall rates for all levels of education are still very low, particularly in the lower and upper secondary levels, compare to other countries in the region. Efforts have to be made to improve the NER for primary education, particularly to enroll the last 10% of the multi-disadvantaged groups, i.e., ethnic, girls, and the disabled.

In recent years, the GOL has stressed the need to improve access to lower secondary education. While the GOL is committed to the universal completion of primary schooling by 2015, a strong social demand from primary education graduates is a major source of development for lower secondary education. At the lower secondary level, NER has increased from 23% in 2000 to 28% in 2005. It should be noted that the gender parity index is 1.02 in 2005, showing that female NER is higher than male NER, and the gender parity index is even higher with 1.41 at the upper secondary level. There would be economic reasons for such a

Table 14.1 Net enrollment and literacy rates, 2000–2005 (Ministry of Education, Education Management Information System 2007; National Statistics Centre 1995; 2005)

Net enrollment rates	2000	2003	2004	2005	Change 2000–2005
Primary					
Male	83%	85%	86%	86%	+3%
Female	76%	79%	82%	81%	+5%
Total	80%	82%	84%	84%	+4%
Gender parity index	0.92	0.93	0.95	0.94	+0.02
Lower secondary					
Male	23%	29%	29%	28%	+5%
Female	22%	29%	30%	29%	+7%
Total	23%	29%	29%	28%	+5%
Gender parity index	0.99	1.00	1.02	1.02	+0.03
Upper secondary					
Male	8%	13%	13%	13%	+5%
Female	11%	17%	19%	18%	+7%
Total	9%	15%	16%	16%	+7%
Gender parity index	1.38	1.38	1.41	1.41	+0.03
Literacy rates 15+	1995			2005	Change 1995–2005
Male	73.5%	–	–	82.5%	+9%
Female	47.9%	–	–	63.2%	+15.3%
Total	60.2%	–	–	72.7%	+12.5

trend provided that boys' opportunity costs for secondary schooling would be higher than those by girls. As discussed later, the GOL intends to increase one additional grade to the lower secondary education from the current 3 years to 4 years of lower secondary schooling.

Literacy rate for female age 15+ has significantly improved during the last decade, increased from 47.9% in 1995 to 63.2% in 2005. Most significant is the literacy among girls and women in rural areas, i.e., increased by 17.8%. Though there have been improvements, special efforts have to be made to eradicate illiteracy urgently. The overall literacy rate is still very low compared to neighboring countries and the National Education for All target, although there has been some progress.

The rise in school enrollment rates over a decade came about despite widening disparities in poverty. The net enrollment gap for primary education between poor and non-poor children widened from 16% in 1992/93 to 24% in 2002/03 (Fig. 14.2). The disparity from priority to other districts increased by 5%. Similarly, there are stark differences across the four broad ethno-linguistic categories. NERs for primary education were 76% among the Lao-Tai, compared to 49% among the Mon-Khmer, 35% between the Sino-Tibetan and 47% among the Hmong-Iu Mien. More recently, NERs in the 2004/05 were 73% in priority districts in the poverty reduction strategy and 90% in other districts, and literacy among 11–16-year-olds was 84% for Lao-Tai and 61% for non-Lao-Tai (GOL 2006b).

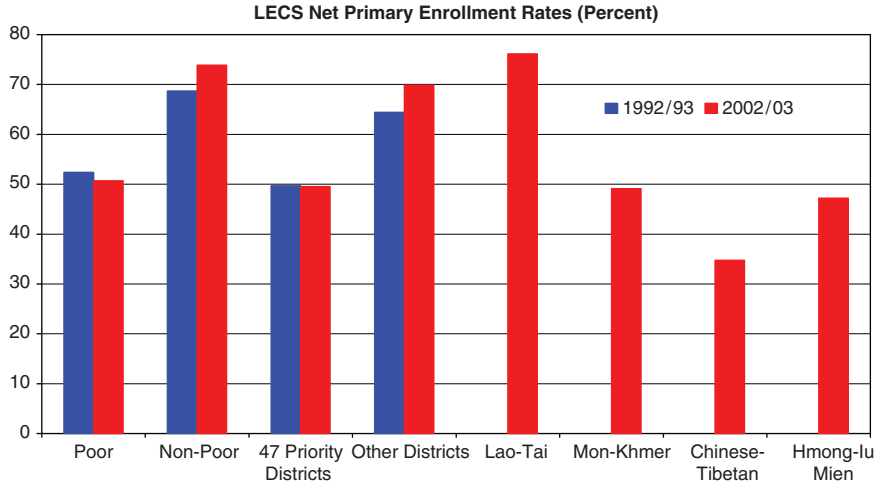

Fig. 14.2 Education outcomes by poverty, area, and ethnicity (World Bank 2007)

14.3.3 Recent Policy Developments in Basic Education Reform

The GOL has developed a series of plans, policies, or strategies in sharing socio-economic development of the country including basic education reforms. Among them, the Six National Socio Economic Development Plan (NSEDP) 2006–2010, National EFA Action Plan, 2003–2015, the National Education System Reform Strategy (NESRS) 2006–2015, and the Education Sector Development Framework (ESDF) 2008–2020 (its preparation is ongoing in 2008), are important policy development milestones. In addition, following up to the Paris Declaration on Aid Effectiveness in 2005, the Vientiane Declaration and its associated Country Action Plan provide the framework by which the development of the education sector can take place by fostering greater government ownership and facilitating enhanced development partner harmonization and alignment.

14.3.3.1 Six National Socioeconomic Development Plan

The Sixth NSEDP 2006–2010 plays a crucial role in achieving the overall targets outlined in the Ten-Year Socio-Economic Development Strategy 2001–2010 approved by the 7th Party Congress in 2001 and the directions set by the 8th Party Congress in 2006. The overall directions for the Sixth NSEDP include transforming the multi-sectoral economy from uneven performance to fast and stable development within the market mechanism guided by the State. The indicators and targets for the NSEDP coincide with most of those for the Millennium

Development Goals (MDGs) and the Brussels Program of Action for the Least Developed Countries, 2001–2010.

One of the main goals of the education policy formulated in the 6th NSEDP is the development of quality human resources to meet the needs of the socioeconomic development of the nation and thus contribute to poverty reduction. In order to improve the education of the whole population, it is necessary to concentrate on equitable access, quality, relevance, and management of the education system. The education system will need to be strengthened becoming the cornerstone of a human resources development strategy focused at increasing labor productivity. The GOL will implement the principle of compulsory primary education and the development of education at all levels, paying particular attention to the ethnic group areas and the disadvantaged groups (MOE 2008).

14.3.3.2 National Education for All (EFA) Action Plan and Mid-Decade Assessment

The National EFA Action Plan 2003–2015 was approved by the Government Cabinet Meeting in December 2004. The Prime Minister issued Decree 69/PM in March 2005, stating that MOE would take the lead and coordinate with the concerned Ministries to concretize and implement the National EFA Action Plan. At the same time, the Prime Minister issued Decree 68/PM for the installation of a National EFA Commission. The National EFA Commission was established in 2005 and is chaired by the Deputy Prime Minister. There is no specific budget for implementation of the National EFA Action Plan. Rather, the National EFA Action Plan is an integral part of the overall education sector development program and draws its funds from the regular recurrent and development budgets.

The National EFA Action Plan contains the Government's policy and strategic framework for action for basic education which covers development targets and programs for six basic education subsectors, including early childhood care and development, primary education, lower secondary education, youth and adult literacy, skills development for disadvantaged groups, as well as cross-cutting themes such as gender, inclusive education, and special programs for children with special needs and socioeconomical difficulties, school health, and HIV/AIDS prevention. The National EFA Action Plan integrates the goals and targets of the National Growth and Poverty Eradication Strategy (NGPES), MDGs, and all donor projects. At present there is no separate arrangement for monitoring and evaluating the EFA program. In 2008, the MOE, in close cooperation with supporting development partners, assessed the progress made against each of the six EFA goals since the 2000 World Education Forum in Dakar up to the year 2005 as part of EFA Mid-Decade Assessment, and highlighted remaining challenges and potential ways forward for reaching EFA goals by 2015 (MOE 2008).

14.3.3.3 National Education System Reform Strategy 2006–2015

The 8th Party Congress in March 2006 reemphasized its long-term national development goal of enabling Lao PDR to graduate from the ranks of LDCs by 2020 and to build the basic human and physical infrastructure for the shift to industrialization and modernity. In this connection, the Prime Minister and the Council of Ministers issued the guidance for the national education system reform consisting of six directions:

1. The national education system reform strategy aims to develop human resources that are applicable to the strategic development of the country's economic components as well as to the need to link the country with international goals.
2. Education reform should emphasize the national education structure. If change is to become a reality, then the attitudes and perceptions in society about the educational structural reforms need to be widely understood.
3. The national education system reform strategy should be implemented with the participation of the society to ensure that education will continue to grow and develop.
4. The national education system reform strategy should expand the intellectual life, preserve the traditions and culture of the nation, and inspire a spirit of solidarity amongst the population throughout the country.
5. The national education system reform strategy should expand access to education, promote the capabilities of people, improve their living conditions, and compete and link with regional and international situations.
6. The national education system reform strategy should enhance the status of teachers and uphold the importance of their roles and positions.

In March 2007, the Prime Minister issued Decree 84/PM on the Adoption and Implementation of NESRS 2006–2015 and Decree 85/PM on the Establishment and Tasks of the National Education Reform Commission chaired by the Deputy Prime Minister. Rationales of the NESRS include: (i) since the introduction of a market economy over the last 20 years, the current education system still has not achieved an appropriate balance between quantity and quality; (ii) its development has not directly followed a national education strategy and it does not complement the current goals for socioeconomic development; and (iii) the status of teachers and incentive systems for them are still not sufficiently advanced to allow teachers to devote themselves to effective teaching (MOE 2006). The NESRS aims to gradually improve the national education system leading to better growth and quality and moving the education system toward international standards and contribute to the socioeconomic development of the country over every 5-year period from 2010 until 2020 (MOE 2006).

14.3.3.4 Education Sector Development Framework 2008–2020

Although the education sector in Lao PDR has shown great improvements during the last decade, there still needs a lot to be done if Lao PDR is to achieve the goals set out in the National EFA Action Plan. Since 2002, MOE has been developing a SWAp in the Lao context with assistance of development partners. In this context,

MOE adopted the National EFA Action Plan as an official sector development plan that provides a common framework for future assistance. In parallel to these efforts, MOE developed policies for teacher development and administration, and analyzed issues and challenges in strengthening decentralized education management with the ADB's technical assistance (ADB 2003).

However, MOE recognized that the education system in Lao PDR still lacks coherent policy and program which should lead to a balanced education sector development. While the country needs to achieve the EFA goals by 2015, the GOL is facing a new set of challenges to develop postbasic education including upper secondary education, technical and vocational education, and higher education. In this connection, MOE receives advisory technical assistance from ADB for the preparation of a SWAp in education sector development (ADB 2006a), aiming to design an education sector development framework (ESDF) comprising policy framework, options, and targets for the education sector in Lao PDR by 2020. The ESDF will include comprehensive projections of the education sector development and its resource requirements, provide the foundation for more balanced sector development and a more focused and better coordinated external assistance, and thus pave the way to an eventual SWAp in education (MOE and ADB 2008).

As a vehicle to implement the above framework and development program, ADB provides the support under the Basic Education Sector Development Program (BESDP), in which the following short- to medium-term phase of the education sector reform and development objectives would be achieved: (i) increased lower secondary education opportunities including infrastructure requirements (new construction and expansion for increased enrollments in grades 6–8, and new grade 9 pupils requirements) by targeting 20 districts in six provinces (Attapeu, Bokeo, Champasack, Khammuane, Luangnamtha, and Savannakhet), (ii) improved quality and relevance of lower secondary education, including the integration of basic education curriculum to account for lower secondary expansion from grade 3 to grade 4, and (iii) capacity building at central, provincial and district levels in critical areas (ADB 2006b).

14.4 Decentralized Education Management

In Lao PDR, the basic education reform including the implemention of the National EFA Action Plan takes place in the overall administrative reform toward decentralization. This section examines the basic eduation reform context, namely fiscal decentralization and constraints in capacity.

14.4.1 Prime Minister Decree

The 1991 Constitution laid the foundation for a national budget based on the concept of a unified, decentralized state. Article 62 of the Constitution specifies that there are three layers of local administration: provinces, municipalities, districts, and villages.

Provinces and municipalities have governors and mayors respectively. Districts have district governors, and villages have village chiefs. In March 2000, Prime Minister issued Decree 01/PM by granting provinces wide responsibilities for fiscal management. This Decree established "provinces as the strategic unit, districts as the planning unit, and villages as the implementing unit." (GOL 2002). The Decree granted the provinces de facto autonomy in collecting revenue, in allocating it within the envelopes set by the center, and in establishing their budget processes. The decentralized fiscal structure is based on an "upward revenue sharing" system in which most revenue is collected by the provinces. Rich provinces are to transfer surplus revenues to the center to fund both central government expenditures and transfers for the "deficit" provinces. However, rich provinces have little incentive to give to poor provinces. An equivalent transfers system from surplus to deficit districts, with similar incentive problems, is in place within provinces. This gave the provincial governments a high degree of autonomy over resources, expenditures, and services. Responsibilities, however, have not always been coupled with the requisite human and financial capacity. Fiscal decentralization and tax collection are both politically and administratively complex, which has contributed to wide horizontal and vertical inequities in resource availability.

14.4.2 Constraints in Decentralized Education Management

Under the overall administrative reform in the country, decentralization of education management is a high priority in the education sector. However, there are several constraints which affect the implementation of PM Decree on decentralization in the education sector, and limit effective achievement of quality EFA (ADB 2003). First, a lack of reliable and relevant data prevents the provincial education service (PES) and district education bureau (DEB) from making rational decisions on education development, planning, budgeting, and management. Second, a lack of clearly defined functions at the MOE, PES, and DEB, an inadequate regulatory framework, and an absence of guidelines for accomplishing key tasks such as planning, budgeting, personnel and academic management are also constraining decentralization and more effective education policy, planning, budgeting, and management. Third, poor staff capacity, especially at the DEB level, prevents personnel from accomplishing the tasks devolved to them under decentralization. Forth, conflicting lines of decision-making and coordination at the PES and DEB levels are another serious constraint to decentralization. Fifth, and above all, insufficient resources for education, very unequal distribution of resources across provinces and districts, and low staff salaries, are the more serious problems.

14.4.3 Fiscal Decentralization and Capacity

Overall, the recurrent budget is funded out of domestic resources under the responsibility of the Ministry of Finance (MOF), and the investment budget is to a large

extent funded by external resources and managed by the Ministry of Planning and Investment (MPI) with MOF's involvement. In terms of budgeting and planning, provincial governors play an important role in financial management. Inter-sectoral budget resource flows are horizontal instead of vertical. The provincial and district governments administer a large proportion of the central assigned taxes. Provinces have the authority to negotiate how much tax revenue they will remit to the central government and how much they will retain. Budget allocations depend mainly on the negotiations between provincial governors and the central government. As a consequence, the budget process does not effectively link explicit national educational objectives to the allocation and disbursement of public resources.

In the education sector, PES plans must be approved by the governor's office, as well as the provincial MOF and MPI services. PES communication lines with those services are much stronger than with MOE, and the enforcement of national policies is highly dependent on governors' priorities. While the PES should be the place where top-down guidelines and ceilings are confronted with bottom-up planning, the confrontation between the two processes does not actually take place.

Weaknesses in the budget process and financial accounting and reporting have much to do with the lack of human and material resources available in provincial and district offices. PESs have on average 41 staff, and DEBs have an average of 23 staff. DEBs in poor districts are distinctly less well equipped than DEBs in other district.

14.4.4 Education Finance and Teacher Salary

Since the deep cuts in the education budget in 1997 that reduced the education's share of the national budget from about 15% to below 8%, recovery has been slow. The GOL has agreed to increase the education's share in the national budget to 15% in 2010/11. This would result in more than 3% of the GDP being allocated to the sector, more in line with the regional norm and the resource necessary for the GOL to reach its medium- and long-term education goals. The primary education should account for 55% or more in the total education budget compared to the current level of less than 50%; and the recurrent/capital expenditure ratio should be balanced from 40/60 to 70/30 to ensure the sustainable results of the reform (World Bank 2002).

However, the low level of primary education budget especially its recurrent budget poses a serious problem. Nothing is more important for education than a motivated, well-trained teacher. Salary may be the most important aspect of a teachers' job. Teachers' salaries in Lao PDR are low. The average overall monthly salary is around Kip390,000 ($39). Five sixth of the salary is the base wage, and one fifth is bonuses, family allowance, and supplements. Based on international standard, teachers' salary is at least two and a half times of GDP per capita as teachers are more educated relative to the average worker. While the better qualification of teachers in urban areas lead according to the government pay scale to a higher base wage than in rural areas, the difference is compensated by higher incentives and

family allowances for remote areas, including multigrade teaching. Close to four in five schools in non-Lao-Tai villages pay such benefits, compared to only two in five schools in Lao-Tai villages. Since life is cheaper in rural areas, in real terms, salaries are higher in villages than cities.

Salary delays are more likely to be related to insufficient funds than leakages and ghost teachers. Teachers' salaries are supposed to be fully covered by central budget. DEB, PES, and MOE are typically in charge of preparing the teachers' salary budget proposal and keeping the teachers' salary documents. MOF and its provincial and district level offices execute the budget and authorize and transmit the funds for teachers' salaries to the education offices. For teachers in primary schools, the relevant departments are located at the district level. Almost one third of the DEBs state that government funds are insufficient to pay salaries. The most important reason for salary delays is weaknesses in district tax collection, especially in poor districts (World Bank 2007).

14.5 Curriculum Development and Capacity

Quality improvement in basic education is a key concern reflected in most plans, strategies, and policies in education, including the EFA National Plan of Action, 2003–2015, the NESRS 2006–2015, and the ESDF 2008–2020. The core reform agenda is the expansion of general education curriculum by increasing the number of years of schooling from 11 years (5 + 3 + 3) to 12 years (5 + 4 + 3) by adding one grade at lower secondary education. Lack of adequate textbooks and instructional materials based on the relevant curriculum framework is a major contributor to weak quality of basic education, and in fact, limited availability of books in primary and lower secondary schools is the most commonly cited problem for Lao schools.

The ultimate outcome of improved teaching and learning in Lao schools is dependent on an efficient process of curriculum development which takes account of performance at each stage of the process. However, there are specific areas of weakness in the present procedures and level of technical capacity within the system. The key issues are identified as: (i) staff and system capacity, (ii) supply and demand mechanisms, (iii) capacity for effective implementation, and (iv) implementation of the proposed curriculum reform (MOE and ADB 2008).

14.5.1 Staff and System Capacity

Curriculum development, and the design and production of curriculum resources for all levels of general education are under the responsibility of the Research Institute of Educational Sciences (RIES). There is an evident need to improve the capacity of RIES to develop resources which support the delivery of a relevant curriculum to children at all levels in the school system. There have been reasonably good

opportunities for study at higher degree levels but that there has been a mismatch or uncoordinated approach to provision of technical skills training.

External funding and technical support provide short-term solutions to address the immediate need for the production and supply of textbooks and teachers guides to schools. Moreover, in order to strengthen the system capacity of curriculum development, sustainability in provision of curriculum resources to schools needs to be ensured, which includes: (i) guidelines including procedures for annual curriculum review and 5-yearly curriculum evaluation and review and guidelines to establish standards of operation and procedures for monitoring of progress toward achieving standards, (ii) internal funding mechanisms to reduce dependency on external assistance, (iii) enhancement of internal technical capacity of professional and technical staff, (iv) upgrading of textbook and instructional materials production hardware, and (v) outsourcing for skilled professionals from the private sector.

14.5.2 Supply and Demand Mechanisms

There is a need to improve the supply of resources to schools to ensure that there is sufficient quantity and that the supply is equitably distributed so that all children and teachers have equal access to the curriculum. The present system of provision of resources to schools is supply-driven from the central ministry level. There is a significant degree of dependency on external funding for printing and distribution as well as for curriculum development. On the contrary, a demand-driven system would be more effective, in which schools place orders for resources required and the DEB delivers immediately from their stores. Funding mechanisms, such as school self-management of funds and local community involvement for accountability, would need to be introduced to support a demand-led system of resource provision.

14.5.3 Capacity for Effective Implementation

It is also necessary to improve the effectiveness of curriculum implementation in schools. The linkages between teacher professional development (preservice and in-service), the content and methodology of the curriculum taught in schools and assessment of student learning outcomes are critical to effective implementation. Teacher support networks and professional support to teachers can contribute to improved classroom practice, as can school improvement planning focused on ways to enhance teacher competencies and help teachers make better use of the curriculum materials available to them.

Assessment of student learning is undertaken by teachers as part of their regular classroom practice. Assessment outcomes should be used by teachers to monitor and adjust the curriculum to match the needs of the learners, in addition to

Grade	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
G6	P	M						
G7	D	P	M					
G8		D	P	M				
G9			D	P	M			
G10				D	P	M		
G11					D	P	M	
G12						D	P	M

Fig. 14.3 Curriculum development process and time schedule (RIES, September 2006) (P: Pilot, D: Development, M: Mainstream)

benchmarking of children's achievement in tests and examinations. The introduction of a competency-based curriculum with student learning outcomes defined provides a basis for improvement where teachers learn the skills of tailoring the curriculum to the needs of the learners.

14.5.4 Implementation of the Proposed Curriculum Reform

The NESRS 2006–2015 calls for improved curricula at preschool, basic education grades 1–9, and upper secondary grades 10–12, and determines the time frame for development and implementation of revised curriculum and instructional materials. Due to the limited capacity of RIES, the G8 curriculum could only be mainstreamed in the education system in 2011/12 and G12 in 2015/16. Figure 14.3 illustrates the curriculum development process and time schedule.

The expanded curriculum content specified in the NESRS 2006–2015 includes the introduction of foreign language learning at primary level. Other aspects of the curriculum which will need to be addressed are expansion in the use of information technology in schools, the development of a technical vocational curriculum at secondary and postsecondary grades which corresponds to the needs of employers and prepares young people for the workplace (this includes the possibility of a differentiated curriculum – academic and technical) improvement to the implementation of a local curriculum, and inclusive education to provide a curriculum which is appropriate for all learners.

14.6 Conclusion

This chapter examined the basic education reform context and process by highlighting decentralization, especially its fiscal decentralization and related capacity issues in the education sector. It should be also emphasized that the development of curriculum and instructional materials is closely linked with capacity development, which faces a tremendous challenge in implementing the extension of lower secondary education from grade 8 to grade 9.

However, there are no adequate estimates of resource requirements to achieve the goals of quality basic education incorporating the extended lower secondary education and associated capacity development needs. When the structure of the education system will be reformed, it is necessary to account for not only the direct costs for such reform (classrooms, teacher salaries, textbooks, instructional materials, etc.), but also the political and institutional costs. Such political and institutional costs, for example, include capacity development in implementing the extended grade especially both at the central MOE and RIES levels, and the local level of education administration, and additional opportunity costs shouldered by households due to the extended grade at the lower secondary level.

Furthermore, the implementation of the ESDF using the SWAp in the education sector may increase the transaction and coordination costs between the GOL and development partners, and among development partners at least for the short and medium term, although in the long run, development partners should be able to align their procedures with the GOL, and harmonize themselves.

This chapter also suggests that a more detailed and in-depth analysis on the political and institutional processes of basic education reforms in the context of decentralization will be helpful, in order to assess the feasibility and resource requirements in achieving the goal of quality basic education.

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Chapter 15
Higher Education in Lao PDR[1]

Keiichi Ogawa

15.1 Introduction

Laotian society and education are deeply rooted in an indigenous cultural heritage, colonialism, socialist revolution, and most recently, a movement toward a free market economy and privatization. Over the past two decades. The Government of Lao People's Democratic Republic (Lao PDR) has implemented several important educational reforms. These reforms involve the development of teacher education, introduction of a supporting supervisory authority and responsibility, internal decision-making structures, building of programs for officials in education planning, administration and management, curriculum and revised textbooks, and programs consolidating postsecondary institutions. The recognition of education as a priority of the government can be found in policy statements made by the 6th Congress of the Lao People's Revolutionary Party (LPRP) in 1996 and in 5-year national plans (1996–2000; 2001–2005) (Asian Development Bank 2000).

The government began structural reforms in 1986 with the objective to accelerate the transition from a centrally planned to a market-oriented economy. As a part of this effort, the government has instituted various legal and administrative reforms to support the overall development of its economy and education. The vision of the reforms is to elevate the country from its current state of least-developed to well-developed by 2020. In order to catch up with other ASEAN countries socially and economically, education is considered to be one of the most important engines for the country to achieve its development goals.

Lao PDR is a low-income country with a GDP per capita (PPP) of US$1,900, and the government that is more focused on basic education. Recently, due to globalization and the introduction of the knowledge economy, the country has recognized the importance of strengthening its post-basic education with a continuous focus on higher education. Thus, it is necessary for the government to ensure the establishment of a well-balanced education system that covers both basic and higher education. However, due to a lack of financial resources in the education

[1] This chapter was written based on Ogawa, K. (2008)

Y. Hirosato and Y. Kitamura (eds.), *The Political Economy of Educational Reforms and Capacity Development in Southeast Asia*,

sector, the country has relied heavily on foreign assistance and it would be a tremendous challenge to implement a sustainable education development plan.

This chapter focuses on the higher education in Lao PDR and covers the following five areas. First, it presents the overall historical development of higher education linked with national economic and social policy. Second, it describes the development of the first national university in Lao PDR, the National University of Laos (NUOL). Third, it elaborates on the regionalization of public higher education institutions. Fourth, it covers the development of private higher education institutions with a focus on access to higher education from perspectives such as students' economic and ethnic backgrounds. Finally, education finance and management issues are reviewed.

15.2 Development of Higher Education: Historical Perspectives

During the period of 1917–1939, the entire Indochinese area had a single educational system with central direction from Hanoi, Vietnam. In 1939, the decentralization of the educational system was introduced in Lao PDR. After independence, the operation of the public school system was gradually transferred to the Lao Ministry of National Education of the Royal Government. Before and during the French colonial rule, the development of formal education in Laos was very limited. The formal education for Lao Loum males centered around the village pagoda with monk-teachers playing a key role in the teaching of Lao Loum formal education. The opportunities for higher education favored the urbanized Lao Loum only. Other tribes such as the Lao Soung and Lao Theung minorities did not have any formal or traditional education. Thus, less than 20% of the Lao completed 6 years of formal schooling and only less than 2% finished the full 11 years of education during this period. There was a critical shortage of qualified and experienced Lao teachers, particularly for the lower and upper secondary schools as well as technical schools.

Higher education in Laos began officially in 1958 with the Royal Institute of Law and Administration in Vientiane. In 1964, a national institute was founded by the government for the training of primary and lower secondary school teachers which was named the National Institute of Pedagogy of Vientiane (NIPV). The Pathet Lao government in Huaphan Province upgraded the Normal School of Viengsay to higher education status with the establishment of a section for the training of upper secondary school teachers in 1974. After the foundation of the Democratic People's Republic of Laos in 1975, the NIPV and the Viengsay Normal School were unified into the Higher Institute of Pedagogy of Vientiane (HIPV). The HIPV had two branch campuses located in Luang Prabang and in Savanakhet. This institute consisted of seven faculties, including mathematics and physics, biology and chemistry, geography and history, psychology, educational sciences, and Lao languages. There were also training facilities for high school teachers, who were usually trained for a period of 4 years. In 1975, the Faculty of Medicine of the former Royal School of Medicine in Vientiane was reestablished as the Higher School of Medical Sciences (Can 1991).

In 1984, the National Polytechnic Institute (NPI) was founded in Vientiane. This institution had four faculties: (1) Faculty of Fundamental Sciences; (2) Faculty of Civil Engineering; (3) Faculty of Mechanical Engineering; and (4) Faculty of Electrical Engineering. The course of study was 5 years. Some students attended a 1-year preparatory course at the Institute before entering higher education courses. In 1988, the DPRL government consolidated the faculties and provided NPI with more scientific equipment.

Lao PDR is a socialist country led by the LPRP and directed by a Party Congress. The President of Laos is the head of State and is elected by a two third majority of the National Assembly. The Prime Minister's Office, the Bank of Lao PDR, the Committee for Planning and Cooperation, and the Nationalities Committee are the main administrative organizations of the Lao PDR. The National Assembly is the legislative body with between 40 and 45 members. The central administration consists of 14 ministries and ministry-equivalent committees. In June 1990, the National Assembly of Lao officially approved the Constitution (article 19) which explicitly states:

> The state pays attention to developing education in combination with the building of the new generation to be good citizens. The objectives of the educational, cultural, and scientific activities are to raise the level of knowledge, the patriotic spirit, the spirit of cherishing the People's Democratic Regime, the spirit of maintaining unity and harmony among the people of various ethnic groups; enhance the sense of being masters of the country; and implement compulsory education at primary levels. The state authorizes the operation of private schools which function under the curricula of the state. The state together with the people build schools at all levels to turn education into a comprehensive system; and pay attention to developing education in the areas where the ethnic minority people reside. (Constitution of Lao PDR 1991: 2)

Before the 1995 unification, Laos operated six higher education institutions with short training terms under the supervision of the related government ministries. They were the Higher Schools of Hydraulic Construction; Electrical and Electronic Engineering; Transport and Communications; Forestry; Finances; and Administration. The students were chosen partly from a pool of technicians with some working experience, and partly from a pool of young high school graduates.

In 1995, the Government of Lao PDR reformed the public and private higher education system with the Prime Minister's Decree on Private Higher Education in 1995 and the Decree of the Higher Education Curriculum (National Standard) in 2001. The Decree also amalgamates ten higher education institutions under the structure of the NUOL including the College of Law. The objectives of the reforms were twofold: (1) to meet the social and economic needs of the country by liberalization and privatization of higher education; and (2) to make them capable of exploiting and mobilizing the modernization process. The Educational Law was promulgated in April 2000, and article 3 of the law states: "All Lao citizens (non discrimination of ethnic group, race, religion, sex and social conditions), have the right to education" (Constitution of Lao PDR 1991: 1).

The improvement of quality, efficiency, access, and equity in higher education takes place against a relatively difficult context of high population growth; ethnic, cultural, and linguistic diversity; scattered habitats; economic and financial constraints; and low institutional capacity. Against this context, the government has adopted an education strategy that focuses on the following:

- Defining the role and function of education for the cause of national development;
- Linking education with socioeconomic goals and strategic tasks;
- Encouraging the general population to achieve primary education level;
- Upgrading the quality and efficiency of education;
- Raising prestige of teachers and professors in society;
- Mandating contributions from the entire society towards education; and
- Enhancing the management of administrative committees toward educational objectives (UNESCO 2006: 72).

One year after the World Conference on Education for All was held in Jomitien, Thailand in 1990, the Third National Development Plan on education policy was issued in 1991. As a result, the principal orientations of the policy were refined as follows:

- Strengthening the education system as the cornerstone for human resource development;
- Strategy focused on poverty alleviation and labor productivity;
- Implementing the principle of compulsory primary education;
- Promoting the operation of private schools; and
- Anticipating the development of education at all levels, with particular attention on ethnic minority areas and disadvantages groups (UNESCO 2006: 73).

Diversification within the higher education system is a key challenge to addressing the need to develop a range of economic and social services and skills in the modern economy as envisioned by the Government of Lao PDR. Developing and using a system of higher vocational diploma as well as bachelor's and master's degree programs is the focus. The Department of Higher Education of the Ministry of Education (MOE) is responsible for the management and coordination of the country's higher education sector, including overall supervision and monitoring. However, the Department lacks the trained staff to fulfill its roles, which include determining policy, establishing monitoring standard, and approving institutional curriculum. According to UNESCO (2006), the objectives of the administration and management programs for all levels of education in Laos are to: (1) strengthen capacities in planning and management; (2) establish basic tools in education management information systems; and (3) establish school mapping. The objectives of the Vocational, Technical, and Higher Education Program are to: (1) rationalize vocational and technical education, and increase by 3.5 times the enrollment in technical and vocational education (up to19,000 students by the year 2004); and (2) rationalize higher education and establish a national university through the initial amalgamation of higher education institutions (up to the year 2000) followed by regional colleges (beyond the year 2000) (UNESCO 2006).

The need for diversification is a key priority in the system of higher education. As a result of this conception, the profiles of the higher vocational diploma, bachelor's and master's programs have been officially redefined and detailed by the MOE under

the decree on July 17, 2001. Areas which have been identified for rearticulation are: organization of teaching and learning, use of a credit system, duration of study, structure of curriculum, morality of the students, and evaluation of learning. Graduates of upper secondary school were offered specialist courses in English, architecture, economics, and business management at NUOL. Distance education commenced through the cooperation with foreign partners for staff development in educational management and foreign language teaching in French and English. In addition, there is collaboration with the Swedish International Development Cooperation Agency (Sida) to develop a pilot teacher training center using Interactive Computerized Testing. One of the key supporting measures for reform and diversification has been the merger of higher education institutions to form the NUOL in 1995. As a result, a number of innovations have taken place, including the introduction of new admission policies, staff development programs, curriculum reform, diversification of courses, and the fostering of research and international cooperation.

The aim of the reform program is to increase the number of students between 17 and 25 years pursuing higher education to 7% in 2005 and 10% in 2010. As such, the MOE expects the number of places in higher education to increase to at least 10,000 per annum by 2010. At present, higher education in Laos comprises the following three public institutions: NUOL; Souphanouvong University (SU); and Champasak University (CU). Moreover, there are five teacher training colleges, and 31 private higher institutions. Figure 15.1 shows the new programs of study at the higher education level for Laos. There are 3-year higher diploma programs as well as 4–6-year bachelor's degree programs for students who have completed upper secondary school in Lao PDR, depending on the nature of these programs.

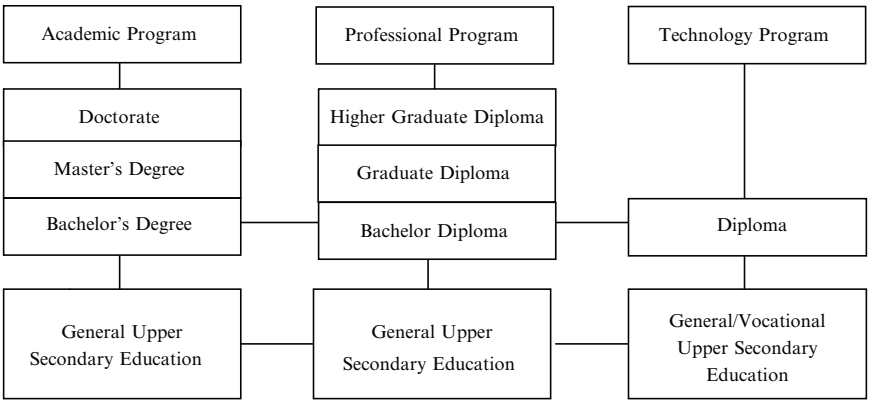

Fig. 15.1 Program levels available in higher education in Lao PDR (UNESCO 2006)

15.3 Development of the National University of Laos (Dong Dok Campus)

The National Education Center of Laos has conducted short- and long-term teacher training since 1922. In 1942, the teaching school became the Teacher Training School. The school focused on producing quality teachers for primary schools from grade 4 to grade 8. In 1950, it was moved to Taforand, which is the current location for its Educational Research Center. In 1959, it relocated to Dong Dok area, which is the current location of the main campus of the NUOL, later renamed the National Education Center. In 1963, the center was once again renamed, this time as the Teacher Training Institute. The 3-year higher diploma program, was introduced in 1964 while the bachelor program was introduced in 1969, both at the Teacher Training Institute (Bounmy 2003).

During the period of 1975–1995, three higher education institutions providing university-level programs with 4-year courses, namely the Pedagogical Institute, the National Polytechnic, and the University of Medical Sciences, were established. In 1995, the Government decided to merge all the higher education institutions together into one university, the NUOL, with the goal to harmonize and rationalize Lao's higher education system. Additional colleges were then merged into this structure so that by mid-1998, 10 colleges had been merged into the NUOL. The NUOL currently has 13 faculties: School of Foundation Studies, Faculty of Sciences, Faculty of Engineering, Faculty of Agriculture, Faculty of Medical Sciences, Faculty of Letters, Faculty of Education, Faculty of Economics and Business Administration, Faculty of Architecture, Faculty of Laws and Political Sciences, Faculty of Forestry, Faculty of Social Sciences, and Environment Development Center (Nouansavanh 2007).

The NUOL has both institutional and financial autonomies by which it designs its own curriculum/program, selects students, appoints staff, awards qualifications, and directs its own research activities. NUOL has the right to confer diplomas and degrees to its graduates and the right to recognize diplomas from other higher education institutions for admittance to the institution. Due to increased demand for different fields of study and increased enrollment in recent years, new faculties have been introduced in NUOL to meet the challenge of the new generation. The NUOL currently offers undergraduates as well as higher diploma and postgraduates programs as mentioned below.

15.3.1 Undergraduate and Higher Diploma

The bachelor's degree program consists of 1 year of basic sciences and 4 years of specialized studies with the exception of the faculty of medical sciences program, which comprises 6 years' specialized studies. The higher diploma program consists of 3 or 4 years of studies in the following four faculties: Engineering, Architecture, Forestry, and Agriculture.

One of the most popular faculties in the NUOL is the Faculty of Economics and Business Administration (FEBM), which was supported by the Japanese Official Development Assistance (ODA) in the past 10 years. Under the Japan International Cooperation Agency (JICA)'s higher education project, professors of Kobe University's Graduate School of International Cooperation Studies provided technical support to the Faculty prior to its establishment in 1998. Technical assistance included curriculum development, teaching materials, establishment of academic journals, and training of junior level academic staff. Furthermore, the Japanese government provided additional support in the form of building construction and equipment supply.

15.3.2 Postgraduate Programs

NUOL offers training in Pediatry and Gynecology at the Faculty of Medical Sciences. It also offers a master's degree program at the Faculty of Engineering through a cooperative program with Hanoi University of Communication and Hanoi Water Resources University. In addition, a master's degree program is offered at FEBM through a cooperative program with Vietnam University. National University has also been conducting in-service training, distance learning programs in English and French, and other professional disciplines within the staff development program. Additionally, there are various activities offered by the centers housed within NUOL. For instance, the Teacher Development Center (TDC), which is attached to the Faculty of Education, provides services and training for teachers and educational administrators for secondary schools. The Population Studies Center (PSC) is funded by the United Nations Population Fund (UNFPA) and is attached to the Office of the President. Its objectives are: (1) to develop and implement curriculum in population studies at NUOL; and (2) to promote and carry out research in the related fields. Table 15.1 provides a list of the different NUOL faculties and the ministries with which they are associated.

The majority of the programs delivered by NUOL are 5-year courses. The first 2 years are carried out in the School of Foundation Studies (SFS), followed by the next 3 years in one of the 10 faculties with the following exceptions:

- Medicine: 2 + 5 years;
- Dentistry: 2 + 4 years;
- Architecture: 2 + 4.5 years; and
- English: 2 + 3.5 years.

Courses are followed under a credit-based system. The standard 5-year program requires 190 credits, while a 6-year program requires 265 credits. The credit value corresponds to the class contact hours, and varies according to the nature of the contact.

Higher education is one of the fastest growing areas in the education system in Lao PDR. Currently, NUOL has two programs of study: the new programs in NUOL and the existing programs in the previous faculties and institutions. NUOL's

Table 15.1 National University of Laos faculties and delegated ministry (UNESCO 2006)

Name of the faculty	Name of the school	Name of the delegated ministry
School of Foundation Studies	Preparatory School for Overseas Studies	Ministry of Education
Faculty of Sciences	Department of Mathematics, Physics, Biology, and Chemistry of University of Pedagogy (IUP)	Ministry of Education
Faculty of Education	Department of Pedagogy and Psychology of IUP	Ministry of Education
Faculty of Social Sciences	Department of Foreign Language, History, Geography, and Political Sciences of IUP	Ministry of Education
Faculty of Economics and Management	Newly established	Ministry of Education
Faculty of Engineering and Architecture	National Polytechnic Institute	Ministry of Education
	Higher Technical College of Electronics and Electrics	Ministry of Communication
	School of Communication Vientiane	Transport, Post and Construction
	School of Irrigation Vientiane	Ministry of Agriculture and Forestry
Faculty of Agriculture	Nabong Agriculture College	Ministry of Agriculture and Forestry
Faculty of Forestry	Forestry College	Ministry of Agriculture and Forestry
Faculty of Medical Sciences	University of Health	Ministry of Health
Faculty of Law and Administration	School of Law and Administration	Ministry of Justice
Faculty of Letters	Newly established from Faculty of Social Sciences, Linguistics and Humanities	Ministry of Education
Faculty of Architecture	Newly established from Faculty of Engineering and Architecture	Ministry of Education

study programs comprise 2 years of foundation studies followed by 3 or more years of professional studies at specific faculties. The foundation studies are carried out at the SFS whose objectives are as follows:

- Initiating students in the process of academic integration with the overall university system;
- Preparing students for their specialized studies at faculties; and
- Training students selected for overseas studies (UNESCO 2006: 79–80).

Moreover, parallel curriculum has been developed in the foundation studies and faculties. A wider variety of programs has been made increasingly available building on previous provisions. These developments fall into the following categories:

- A 3-year higher diploma program for students who have completed upper secondary school; and

- A 4–6-year bachelor's degree program depending on the nature of programs for students who have completed upper secondary school (UNESCO 2006: 80).

In addition to the above programs, some of the institutions offer a middle-level diploma (technician) consisting of 2–3 years for students who have completed upper secondary school.

Research is considered an important university function and was specifically given importance in the decree establishing the National University. However, until recently, research activities have not been visible in the institutions. Private colleges do not currently undertake research. There is incentive for the staff undertaking research activities. It is necessary to seek outside funds, organize institutional exchanges of information, and canvass for topics and funds to support university-based research activities. Moreover, few staff members were qualified to conduct research as they did not have a higher degree. Research was meant for individuals going abroad to pursue higher studies. The following three objectives are at the heart of the overall research strategy at NUOL: (1) encourage and support all academic staff to carry out research; (2) permit competent staff to deliver consulting services in their field of expertise; and (3) establish a Committee for Research Development and Consultancy.

The following two tables show total enrollment and graduation numbers at the NUOL broken down by gender, period, and types of schools. As shown in Table 15.2, the total number of enrollment increased from 9,872 to 22,984 during the period 1996–2005. On the other hand, the enrollment rate fell during 2000/01 and 2002/03. However, the number of female enrollment has increased proportionately each year. The total number of graduates during 1996–2004 is 16,294, among whom 63.38% achieved a bachelor's degree and the rest a higher diploma. The total number of female graduates has increased each year as well. During the period of 1996–2005, as the number of private college/institutions increased, the number of graduates from these institutions also increased. During 2000/01 and 2004/05, the number of students at the National University was 15,372 and 22,984, respectively, while in private colleges the number was 4,187 and 14,371, respectively. This indicates that the rate of enrollment increased in private colleges compared to the National University. However, it is clear that most of the upper secondary school leavers cannot be enrolled in higher institutions for further study.

Table 15.2 Student enrollment in National University of Laos (1996/97–2004/05) (UNESCO 2006)

	Total	Female		Increase	
Academic years	Number	Number	%	Number	%
1996/97	9,872	2,270	22.9		
1997/98	11,250	2,976	26.4	1,378	13.9
1998/99	12,896	3,663	28.4	1,646	14.6
1999/2000	14,570	4,345	29.8	1,674	12.9
2000/01	15,372	4,626	30.1	802	5.5
2001/02	17,820	5,442	31.1	2,448	15.9
2002/03	18,366	6,215	33.8	546	3.1
2003/04	20,230	6,582	32.5	1,864	10.1
2004/05	22,984	7,396	32.1	2,754	13.6

Table 15.3 Number of students enrolled by faculty at National University of Laos (MOE 2006)

	1998	1999	2000	2001	2002	2003	2004	2005
School of Foundation: Female	984	3,175	1,221	1,408	1,702	1,570	863	1,194
School of Foundation: Total	2,839	9,218	3,345	3,622	4,107	3,809	2,156	2,766
Faculty of Language: Female	n.a.	120	1,286	1,334	1,343	1,570	1,337	1,472
Faculty of Language: Total	n.a.	296	3,032	3,187	3,051	3,809	3,202	3,429
Faculty of Science: Female	47	1,114	66	91	98	110	272	417
Faculty of Science: Total	143	3,123	235	259	270	259	706	1,051
Economics & Business: Female	89	162	238	445	634	863	1,260	1,445
Economics & Business: Total	161	291	438	1,412	1,537	2,809	2,938	3,263
Law: Female	21	942	198	151	154	216	494	596
Law: Total	133	1,018	942	656	570	600	1,634	2,205
Faculty of Education: Female	9	36		215	470	877	1,468	1,680
Faculty of Education: Total	32	133		579	1,192	2,042	1,278	3,649
Engineering & Architecture: Female	57	66	111	85	81	78	76	127
Engineering & Architecture: Total	608	764	908	882	859	920	846	1,257
Faculty of Medical: Female	255	252	263	304	390	456	594	659
Faculty of Medical: Total	589	542	537	571	689	765	1,037	1,159
Faculty of Agriculture: Female	32	30	21	26	54	54	79	92
Faculty of Agriculture: Total	205	203	84	118	230	233	248	310
Social Science: Female	n.a.	n.a.	54	75	96	101	141	349
Social Science: Total	n.a.	n.a.	196	219	237	240	312	774
Human Science: Female[a]	1,185	1,212	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Human Science: Total[a]	2,672	2,952	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Forestry: Female[a]	n.a.	n.a.	17	46	40	n.a.	n.a.	n.a.
Forestry: Total[a]	n.a.	n.a.	109	212	137	n.a.	n.a.	n.a.

[a]Human Sciences was merged to Faculty of Literature since 2000, while Forestry was merged to Faculty of Agriculture since 2003
n.a. = not available

Table 15.3 provides information on the number of male and female students enrolled by faculty at NUOL. Most of the faculties in NUOL were occupied by large numbers of students, whereas colleges under private universities had fewer students. There was a big difference between male and female students in the Faculty of Engineering and Architecture, and Faculty of Law in NUOL. In the Faculty of Engineering and Architecture, only 10% of total enrollment was female while less than 30% of the Faculty of Law consisted of female students.

The NUOL has established partnerships with 63 foreign universities, institutions, and organizations in training and students and staff exchanges, joining research and postgraduate programs by cooperating with one university in Australia, one university with Canada, six universities with China, nine universities in France, two universities in Germany, 10 universities/institutions in Japan, eight universities in the Republic of Korea, two universities in Thailand, three universities/institutions in USA, and 11 universities in Vietnam (Boupha 2005).

The Lao-Japan Center for Human Resource Cooperation is funded by JICA. Its objectives are threefold: (1) to offer Japanese language courses; (2) to offer business courses, and; (3) to promote a good understanding between the Lao and Japanese people. The Asian Research Center is attached to the Office of the President and funded by the Korean Foundation for Advanced Studies, Republic of Korea. It aims to promote research among the young staff of NUOL and to

promote better understanding among Asian countries. The Lao-Japan Technical Center is attached to the Faculty of Engineering funded by JICA. The objective is to provide training in the maintenance of computers and related devices. The IT Center is attached to the Office of the President which manages all IT matters at NUOL. The Center for Environment and Development Studies is attached to the Office of the President. It is established as a center for research and Bachelor of Environmental Science and Management. The main objective of the center is to educate graduates to deal with the challenge of the sustainable management of Lao PDR's natural resources in the light of increasing development pressures (Boupha 2005).

15.4 Regionalization of Public Higher Education

After the NUOL was established in 1995, two more regional universities were established in the south and north regions of the country to ensure equal access to higher education for the people of Laos. First, CU was established in 2002 in the south with four faculties: (1) Agriculture; (2) Economics and Management; (3) Engineering; and (4) Education, with the objective to recruit secondary school graduates from the south. Currently, it has a total enrollment of 1,147 students (445 females – 38.7%). On the other hand, SU was established in 2003 in the north with three faculties: (1) Agriculture, (2) Economics and Business Administration, and (3) Education, with the objective to recruit secondary school graduates from the north. It has a total enrollment of 548 students (205 females – 37.4%). Moreover, SU has a Polytechnic School which runs the higher education course on land mapping, with a total enrollment of 120 students (44 females – 36.7%). In addition, Vocational Education Development Center, which is not considered a higher education institution, runs a higher vocational education teacher course with a total enrollment of 47 students (13 females – 27.7%). The MOE is in charge of coordinating this center within its Department of Higher Education.

Besides the normal educational program, all public higher education institutions offer the unofficial educational program in order to provide higher education opportunities to secondary school leavers and generate income to cover the operation costs of the institutions. The Institute of Tropical Medicine relevant to the Ministry of Health was established with French Cooperation, with the objective to recruit some students from French-speaking countries into the master's degree program in tropical medicine. The master's program in Chirurgie was accredited with French Cooperation' Committee of Cooperation with Laos (CCL) (Boupha 2005). Some new Faculties such as Engineering and Architecture at SU were established with the support of the Korean EXIM Bank.

According to the Country Report Lao PDR 2005 (Boupha 2005), the total enrollment of both public and private universities and colleges in Lao PDR is 29,041students (10,650 females and 36.7% of the total enrollment), of which 5,666 students/2,688 females (47.1%) are in private universities. In public universities and higher education institutions, there are 125 students/27 females (22.3%) at the master's degree level, 17,551students/ 7,064 females (40.2%) at the bachelor's

degree level, and 11,490 students/ 3,589 females (31.2%) at the higher diploma level. In all faculties at NUOL, there are 11,360 students/ 6,633 females (58.4%).

Improving the quality of education was greatly emphasized under these policies with a view to progressively raise standards to meet international benchmarks, as well as to increase the relevance of education to family, social, and economic life. The MOE has undertaken all the necessary measures to increase the efficiency of education management in order to improve the quality and access to education. The government has also focused on reforming vocational-technical and higher education to improve skills. In order to respond to the labor market needs, conceptual and feasibility studies have served as the basis for establishing plans, programs, and development projects. The MOE has introduced five development programs to implement this policy: (1) General Education Program; (2) Non-formal Education Program; (3) Teacher Development Program; (4) Vocational, Technical and Higher Education Program; and (5) Administration and Management Program

15.4.1 Ethnic Disparities in Access to Education

Laos is characterized as an ethnically and culturally diverse country. Ethnic equality is declared as a national policy for Lao PDR. However, Lao Lung residents are stronger economically. The other two groups, Lao Theung and Lao Sung, are comparatively weaker both in economic and educational terms. Residents there live in remote areas and have very limited access to education. Table 15.4 shows the enrollment by ethnicity in National Universities. It is very clear that the majority of students who enroll in the NUOL are Lao Lung. Lao Theung and Loa Sung have comparatively very few representations. About 93% of the NUOL students are Lao Lung, while 5% are Lao Sung and 2% are Lao Theung. On the other hand, at SU and CU, students who enroll are Lao Theung and Lao Sung. However, the enrollment number is small since these two universities are new.

There is also a gap between the poor and non-poor in terms of opportunities and access to education. Students from the lowest income families are underrepresented at universities. Students from high income families are more likely to study in faculties such as Engineering and Architecture or Economics and Management, so in either the government sector or private are more accessible to them.

However, those from disadvantaged family backgrounds are more likely to study at the faculties of Agriculture and Education. Moreover, there is still a gap in terms of equal access to higher education between men and women in Laotian society. Furthermore, a gap also occurs among minority and dominant ethnic groups. Ethnic minority students continue to use their native language which is not Lao, even though Lao is officially declared the language for all educational institutes. It is also difficult to recruit teachers of the same ethnicity as the students due to lack of facilities and infrastructure (Bounmy 2003). Thus, we can assume that equal access to education is still very limited in Laos.

In terms of the efforts of the Government of Laos PDR to maintain the quality of education, there has been a recent push to introduce a self-evaluation and external

Table 15.4 Number of students by ethnicity in national universities (Nouansavanh 2007 and MOE data)

	Number of students 2005/06					
	Lao Lung		Lao Theung		Lao Sung	
University/Faculty	Total	Female	Total	Female	Total	Female
National University of Laos (NUOL)						
School of Foundation Studies	2,421	1,123	56	12	232	47
Faculty of Science	840	334	10	5	39	9
Faculty of Education	4,528	706	106	15	349	20
Faculty of Agriculture	861	258	13	2	86	17
Faculty of Medicinal Science	1172	749	116	30	32	15
Faculty of Literature	3,124	1,417	6	2	54	12
Faculty of Engineering	3,351	1,635	128	24	157	25
Faculty of Economics and Business Management	3,158	1,397	16	7	114	20
Faculty of Architecture	738	91	2	1	50	1
Faculty of Law & Administration	2,137	595	39	13	95	16
Faculty of Forestry	1,316	285	22	3	43	2
Faculty of Social Science	697	339	13	0	62	10
Environment Development Center	264	131	2	1	11	1
Total (NUOL)	24,607	9,060	529	115	1,324	195
Souphanouvong University (SU)						
Faculty of Agriculture	n.a.	n.a.	39	13	100	7
Faculty of Architecture	n.a.	n.a.	6	1	1	0
Faculty of Economics and Business Management	n.a.	n.a.	100	n.a	50	n.a
Total (SU)	1,748	705	145	14	151	7
Champasak University (CU)						
Total (CU)	2,547	131	100	30	11	7

n.a. = not available

review system to achieve full transparency and accountability. Enrollment increases in higher education have, on the whole, ignored quality improvements in higher education. To tackle this issue, the MOE has set up a formal accreditation and quality assurance process. The concept of quality includes many factors including governance/management, teachers, teaching and learning programs, research, financial resources, instructional materials and equipment including optimizing the use of information and communication technologies in the overall institutional environment. The MOE has undertaken the following measures to enhance the quality of higher education:

- Improving the admission system to higher education by establishing an entry system based on three criteria: (i) equity and access to disadvantaged groups, (ii) academic performance, and (iii) financial need;
- Increasing the number of programs, in line with the Decree on the Profile of Curriculum issued in 2001, to meet the quality and relevance requirements of higher education;

- Increasing the number of employer studies and career guidance services to improve the relevance of programs to meet the requirements of employers, parents, students, the community, and the labor market; and
- Improving teacher quality to upgrade the quality of higher education.

Previously, higher education curriculum was designed especially for the needs of the concerned ministries. It is necessary to enable academics to develop routes to support further study and progress from one level to another. It is also of importance to develop the pathways between technical education and higher education and to introduce the flexible entry and exit to and from the system of higher education. In relation to this objective, a credit system has been used at NUOL. At present, the MOE and NUOL are taking action on the question of cross-sectoral curriculum coordination and integration, especially in technology- and science-based professional education.

15.5 Private Higher Education Institutions

According to the country report 2005 (Boupha 2005), in the academic year 2003/04 out of 22 universities and colleges, 19 are private. The Government released the Prime Minister's Decree on Private Education in 1995 to promote investment in education and provide a regulatory framework within the context of the national education system. Private education has boomed in the last few years as the enrollments have steadily increased from year to year while the demand for higher education has increased sharply. The decree in August 1995 has promoted an investment in education and established a regulatory framework within the national education system. From 1992 to 2000, there were 14 private colleges registered and by 2005, there were 31 colleges (related to commerce, business, computing, technology, and English language studies). The number of students increased from 101 to 15,301, including 3,893 students pursuing bachelor's degrees.

Private education institutions have imported some educational programs especially in English, business administration, and information communication technology (ICT). They also began awarding diplomas and degrees in August 1995 after the Prime Minister's Decree that authorized the directors of private institutions to sign diplomas and degrees from their educational programs. The private educational programs were monitored and evaluated by the Department of Private Education for quality assurance.

The Prime Minister's Decree on Private Education defined the legal framework for the establishment and operation of private schools. It addressed some of the issues and concerns confronting private education by defining the specific means of support and encouragement that private education could receive. They include the following:

- Teachers in government schools are allowed to work part-time in private schools, under conditions determined by the MOE;
- The Government permits the authorized person or juristic person to loan or rent the school's assets when possible;

Table 15.5 Enrollment of student in private colleges (UNESCO 2006)

Academic years	Number of institutions	Level		Number	
		Bachelor	Diploma	Total	Female
1996/97	2		2,509	2,509	1,207
1997/98	3		2,716	2,716	860
1998/99	4	58	2,770	2,770	893
1999/2000	5	127	3,201	3,201	938
2000/01	7	1,246	4,187	4,187	1,928
2001/02	8	2,639	5,333	5,391	2,423
2002/03	15		4,618	4,745	1,968
2003/04	19		6,122	7,368	3,427
2004/05	31		11,732	14,371	6,557

- Private schools are exempt from business tax, income tax, land-use tax and customs duties for the import of necessary instructional materials;
- The Government supports and encourages private schools to have innovative forms of teaching and learning where possible;
- The MOE will provide in-service training and continuing education for teachers of private schools; and
- The MOE is allowed to obtain aid from international organizations to grant to private schools (UNESCO 2006: 90).

The number of enrolled students in private universities is shown in Table 15.5. There was a steady increase in student enrollment in the diploma degree compared to that in the bachelor's degree. Female students are almost half or one third of the total student population in both programs. As shown in the table, the number of students in private universities has increased significantly since 1998. That number was 2,800 in 1998, which increased to 5,100 in 2005. Nearly 50% of the private university students is female.

15.6 Education Management and Finance

Education in Lao PDR consists of three levels of administrative systems. At the top there are 18 provinces, including the Vientiane Prefecture and one special zone; in the middle, there are 141 districts; and at the lower level, there are 11,795 villages. The central administration consists of 14 ministries and ministry-equivalent committees. The public administration and management for the education sector in Laos PDR also consists of three levels (see Fig. 15.2).

The MOE is responsible for overall policy decision, directions, and control of the quality of education in both the public and private sectors of Lao PDR. Primary and secondary education come under the Department of Primary Education and the Department of Secondary Education, respectively, while the Department of Higher Education and the Department of Technical and Vocational Education are

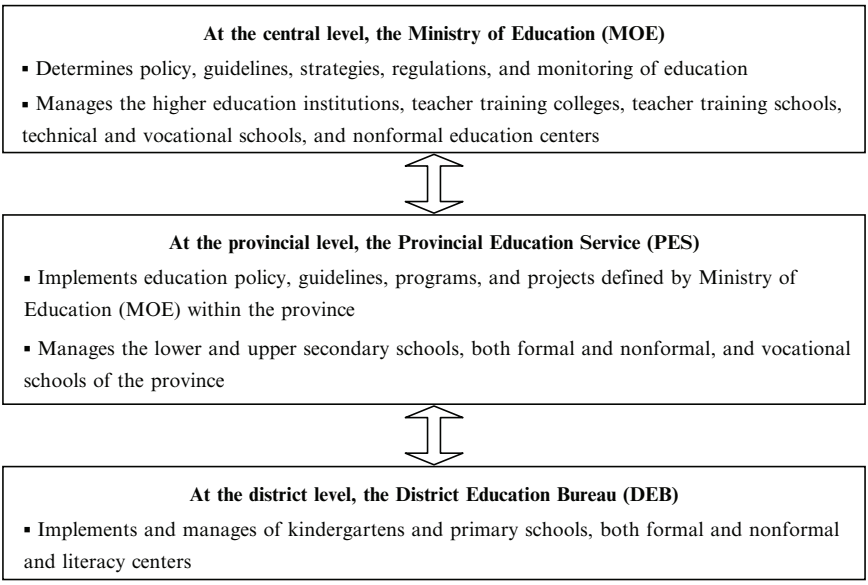

Fig. 15.2 Public administration and management system on education (prepared by the author based on UNESCO 2006)

responsible for higher education, and technical and vocational education, respectively. The financing of general education has been primarily the responsibility of the provinces and districts, which have their own revenue base and negotiate their budgets directly with the Ministry of Finance (MOF). In the case of other ministries that run their own training institutes, the MOE has only to approve the curriculum while other ministries also negotiate their own training budgets with the MOF. Since 1993, the MOE budget has been centralized with two subdivisions; that is, one for the MOE and the second for distribution to the provinces.

The responsibilities of the MOE are policy-making, planning, and implementation of the policies; giving advice and providing recommendations regarding education policies; supervising education activities across the country; developing curriculum; editing and publishing textbooks; compiling and distributing teaching materials; training new teachers; providing in-service training; and administering higher education, education finance, and human resources management within the education system, either directly or indirectly through subordinate organizations. The MOE also has the authority to institute or abolish educational institutions, the authority to determine the organization and functions of the Provincial Education Service and the district education bureau, and the authority to issue regulations, directives, and notices as necessary relating to education. Teacher assignment is carried out through a MOE response to requests by the state and county.

The LPRP, the major policy-making body in the country, plays the key role throughout national policy and planning processes. Generally, other stakeholders at the

central, provincial, and district levels have little direct input into national education policies and participate in very limited ways in policy dialogue. The LPRP holds a national congress every 5 years to discuss major national issues and to pass resolutions that establish the broad economic and social policy framework, sectoral objectives, and sometimes, specific targets for the next 5 or more years.

Recently, there has been a big change in the financial management of NUOL. Though NUOL's budget is small and mostly limited in financial credit, the faculties are permitted to have their own financial management unit with control of their own bank accounts. As of today, the Government can guarantee a regular salary payment for the staff of NUOL. Since salaries are low, the majority of the teaching staff finds parallel or additional jobs outside the university. It is difficult for the universities to assume recurrent costs such as paying guards and cleaners, maintaining buildings and equipment, and buying stationary and consumables, and so forth. To compensate for the low salary and partially resolve the recurrent cost issue, the MOE encourages NUOL to establish "special programs." These programs are held during the evening and students pay a significant amount of tuition to enroll; 75% of the revenue from these programs is kept within the concerned faculty and can be utilized to assume an important part of the operating costs of that faculty.

There was a very substantial increase in the education budget from 1993/94 to 1994/95 in Laos due to the following reasons: (1) international capital increased threefold; and (2) there was a substantial increase in domestic funds, both in recurrent funds and in domestic capital. The increase in domestic recurrent funds came from a large increase in civil service pay. Since that time there have been increases in the education budgets, at least in nominal terms, every year. In real terms, however, budgets have fluctuated, falling in 1995/96, rising in 1996/97, and then falling again (ADB 2000).

The education budget for 1996/97 represented about 2.9% of GDP and 15.8% of the Government budget (Table 15.6). Over the fiscal years 1993/94 and 1997/98, the Government budget for education as a proportion of GDP ranged from 2.2% to 3.4%. Much of the increase can be attributed to changes in civil service salaries in relation to growth in the economy and changes in the rate of inflation. However, Lao PDR has a much larger rate of investment spending as a proportion of total education spending than found in other countries and a lower rate of domestic recurrent spending on education. While education spending as a proportion of GDP is in line with other countries, the distribution of spending between recurrent and capital budgets is quite different elsewhere. Though there are large amounts of spending on investments in education, largely funded by foreign sources, they seem so far

Table 15.6 Public expenditures on education (Asian Development Bank 2000)

Public expenditures on education as % of GNP	Distribution of recurrent expenditure (%)		
	Preprimary and primary	Secondary	Tertiary
2.4	42.2	43.5	3.9

to have relatively little impact on the educational system for at least two related reasons. First, externally funded education projects tend to use a relatively high proportion of the resources made available for the construction of school buildings, and second, there are often insufficient funds in the recurrent budget to support the investments that are made. About 75% of the recurrent budget goes toward general education, the schooling that is administered by the provinces, with the largest amount going toward primary education. Specifically, 4% of that amount is targeted for preschool education; 11% for the upper levels of education administered by MOE, technical and vocational training, teacher training, and higher education; and 9% for overall Administration (ADB 2000). Table 15.6 shows that only 3.9% of the recurrent expenditure was spent at the tertiary level.

Teacher salaries represent only 40% of the recurrent budget for the technical and vocational training, teacher training, and higher education. Compared with general education, these schools have many more nonteaching staff and consequently, a much larger budget for this purpose. Another difference is that a major part of the budget for these higher levels of education is student welfare. These monies fund the bursaries for quota students, who make up about 50% of the total students. In addition to bursaries, most schools provide student dormitories which are heavily subsidized (only nominal fees are charged), and these expenses appear in the operations budgets. Therefore, the total student welfare expenditures are substantial and make up more than 30% of the recurrent budget for postsecondary education. While the largest part of the budget is provided for general education, the largest per student expenditures are for teacher training, technical and vocational training, and higher education. There are two reasons for the large differences in unit costs: (1) far more resources per student are going into the teaching process at the upper level than is the case for general education; and (2) the system is providing substantial levels of financial support – cash and subsidized housing – for a large part of the upper level students (ADB 2000).

15.7 Conclusion

Higher education in Lao PDR has developed significantly in the past decade, especially after the National University of Lao was established in Vientiane, the capital city. In order to better offer public higher education to ethnic minority groups and regionally disadvantaged groups, two more national universities were established in the northern and southern provinces. Private universities have also been established to meet social demand. Recently, due to globalization and the introduction of a knowledge economy, the government has recognized the importance of strengthening its postbasic education with a continuous focus on higher education. Though public expenditure on education is limited, the government has been a fervent supporter of basic education in order to meet the MDGs and EFA targets by 2015. However, the development of postbasic education, including higher education, is considered to be a key factor for the sustainable economic development of the country.

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Conclusion: "Indigenization" of Education Reforms Through Capacity Development

Yasushi Hirosato and Yuto Kitamura

1 Promotion of Quality Basic Education

Generally speaking, we believe that the promotion of high-quality basic education has been considered as the public policy that should be pursued by governments of developing countries. However, the developing countries of today, under the influence of neoliberalism ideology, are in favor of the promotion of decentralization of educational management and finance, and of education reforms through deregulation and privatization based on market forces. Therefore, as a means of diffusing quality basic education, while placing emphasis on the role of government, efficiency is being pursued in the process of diffusing basic education by means of reviewing the roles of central and regional governments, the introduction of market forces, and the law of competition. Above all, it is said that in regard to education management, if authority and finance can be devolved to the regions and if the local government and community actively take part in the decision-making process with the result that these bodies strengthen their capacity in taking on practical responsibilities, then highly cost-effective management and efficient practices would be possible (McGinn and Welsh 1999).

What is more, as Southeast Asian countries including three countries of Indochina comprise multicultural, multiethnic, and multilingual communities, there are regional and/or ethnic differences in attitudes toward education. Therefore, if one tries to impose a policy to promote a uniform basic education, local needs are not met, with the danger that nonefficiency of education management and practices may even result. In this regard, the majority of basic education support involving EFA goals is being conducted in the context of decentralization.

To illustrate, as described in chapters of this book, the World Bank's Primary Education Project for Disadvantaged Children in Vietnam (World Bank 2002) and the Second Education Development Project in Lao PDR (World Bank 2004), the projects are targeted at poor areas with low enrollment levels or ethnic minority areas, and all practical responsibility for the projects are rendered to the local governments or communities.

The demarcation of roles between central and regional governments and the efficient management of schools are open to debate also in the education reforms

of developed countries. One cannot say that proper examination has been made on the effect of the neoliberalism that prizes efficiency, which is what underlies education reforms in developing countries of our era. The developing countries do not have the systemic conditions that would assist the establishment of such thinking. Rather, exclusive competition or selection may accelerate, pushing the vulnerable (the poorest nations or the underprivileged people in developing countries) outside the ring, producing a widening disparity between nations and regions. As the acceleration of globalization is inevitable, it is vital that we be totally aware of its negative aspects.

The other reason why the debate about the division of labor between central and local governments would become more complex is the ambiguity that may arise in defining the relationship between local governments and the different layers of bureaucracy in the central government's education ministry when dealing with the devolution of authority and finance from central government. This will inevitably cause confusion on the local level or in the schools themselves. The other possibility is that even if legislative delineation is clear, implementation thereof may not follow properly. In Vietnam, for instance, the various agencies involved in primary education administration find themselves in "double subordination."[1]

2 Interest in Higher Education and Vocational Education/Training

The international thinking that placed emphasis on basic education that has prevailed since the 1990s came hand in hand with a criticism of higher education and vocational education/training as well as a cutback in government spending in these areas. However, the recent acceleration in globalization, intensification of international competition and the emergence of a knowledge-based society propelled by the advance in information technology have meant that a reappraisal has been made of higher education and vocational education/training in the education sector.[2]

UNESCO hosted the World Conference on Higher Education in 1998 and the World Bank and UNESCO published a joint report in 2000, outlining guidelines aimed at higher education aid tailored to the development stage of that particular developing country (World Bank 2000). The important policy issue in extending this aid is how best to promote the corporatization and privatization of higher education

[1] That is to say, the Ministry of Education and Training of a province is under the guidance and control of the People's Committee of the province but at the same time is subject to the guidance and inspection of the central government's Ministry of Education and Training. The County Education and Training Bureau has to submit to the guidance and control of the County People's Committee while being subject to the guidance and inspection of the provincial ministry of education and training.

[2] According to Chapman and Austin (2002), the success to a certain degree of basic education diffusion have led to increasing pressure toward schooling at postsecondary level, and that in some countries, overemphasis on basic education has brought on limitations in the skills level of the labor force.

institutions. The specific areas for cooperation are wide-ranging, including support toward strategic planning, introduction into universities of competitive budget allocation and fund raising, and reinforcement of assessment and an accreditation system. For example, the World Bank supported the setting up of an assessment and accreditation system of higher education institutions in Cambodia, and the Asian Development Bank (ADB) implemented the Postsecondary Education Rationalization Project in Laos (ADB 1995). This project was a highly strategic one involving support for the amalgamation of the National University of Laos and was aimed at contributing toward infrastructure building in higher education administration and finance.

In the area of vocational education and training, the introduction of market forces and competition are being used to encourage private-sector led implementation closer to the requirements of the demand side of the labor market. In countries of Indochina, quality improvement of private sector training institutions is being reinforced and public bodies are strengthening their liaison with the private sector.

3 New Approach in International Cooperation in Education: Sector Program Support Using SWAp

In this book, we have discussed a relatively new approach in international cooperation in education that would address the above-mentioned issues, i.e., sector program support using the Sector-Wide Approach (SWAp). With a view to attaining the EFA goals while maintaining the balance among the subsectors of education, Sector program support using SWAp attempts to support the education reform process itself (King and Buchert 1999). Learning from the mistakes of a project-type cooperation format that lacked consistency, sector program support through efficient aid coordination and collaboration has been the aim since the 1990s as being the good practice in international cooperation as a whole.[3] More directly underlying this is the fact that the education sector is playing an important role in poverty reduction according to the Poverty Reduction Strategy Paper (PRSP) promoted by the International Monetary Fund and the World Bank. It should be also notable that the UK, Sweden, and the European Union have clearly adopted the stance of creating an efficient aid collaboration system for the purpose of poverty reduction (Ratcliff and Macrae 1999; Sida 2000).

Furthermore, the Sector Budget Support is a form of cooperation that evolved out of sector program support through SWAp. With the tide of decentralization

[3] It was Peter Harold and his associates that first defined the Sector Program. Its distinguishing features are: (1) the entire sector becomes subject; (2) there is an integral and consistent sector policy; (3) the developing country has ownership; (4) all aid agencies take part; (5) the procedures of cooperation are shared; and (6) technical cooperation is minimized. See Harold and Associates (1995). Also, see Buchert (2000), which examines the change from the project type to sector program type cooperation.

becoming firmly established, the financial controls in the developing country receiving aid funding are being transferred from the administration of the ministry in charge of different government sectors to the central government arm in charge of finance (ministry of finance), and from thence they are transferred to the local governments. Although there are prerequisites for the developing government's responsibility and capacity for briefing and the assurance of transparency of aid funding flow, this is a form of cooperation that ultimately aims for the developing country itself to become financially independent through the acceptance of aid funding as part of government finances as a transitional means.

SWAp is being pioneered in the education sector alongside the public health sector. In other words, the advantages of SWAp in the education sector are as follows: the public sector is dominant in the education sector and aid agencies can engage directly in talks with the government of the developing country; the budget level can be forecast as government expenditure; the provision of educational services is the major responsibility area of local governments and authorities; and many aid agencies are giving aid in the education sector as a priority area and there is a support base for SWAp.

In Southeast Asia, Cambodia is the pioneering example of introducing SWAp in education sector. Vietnam and Lao PDR are taking concrete steps to prepare for the introduction of SWAp. In Cambodia, under the Education Sector Development Program approved by the ADB in 2001, the government created a special scheme for Sector Budget Support that supports the current account budget, known as the priority action program (PAP) (ADB 2001). Through funding assistance for PAP, policy and financial support aimed at a balanced development of the education sector as a whole was given. Moreover, the Second Education Sector Development Program, likewise approved by the ADB in 2004, included support for the increasing of secondary education opportunities and basic skills training (ADB 2004a). In these ways, Cambodia has witnessed an expansion in the subject and scope of aid from primary education to secondary education and skills training, with the aim of supporting education reforms that are better balanced and comprehensive.

As a policy to underwrite the realization of quality EFA, the Fundamental School Quality Level (FSQL) concept has been introduced in Vietnam. Under this scheme, the Government of Vietnam and the aid agencies agree on the minimum quality of education to be guaranteed uniformly and nationwide. Then, financial assistance including Sector Budget Support is implemented. The FSQL of primary education is that which was stipulated by the World Bank as the quality of education to be guaranteed by the Ministry of Education and Training in the Primary Education Project for Disadvantaged Children. As for lower secondary education, the condition of financial assistance is the development of an equivalent FSQL by the Ministry of Education and Training in the Second Lower Secondary Education Development Project.

There have been various on-going attempts we can observe as described in chapters of this book; however, in actuality, there is a certain degree of anxiety concerning ownership and partnership, both of which being prerequisites for sector program support through SWAp and Sector Budget Support (King 2004). As mentioned in Chapter 1, ownership and partnership are the key pillars of the

New Development Strategy of OECD/DAC. A tendency that is sometimes seen is the dependency on foreign consultants employed by aid agencies in the very process of drafting sector programs (Samoff 1999). Also, the question arises whether it is possible for a proper partnership to be forged between the developing country and aid agencies or among aid agencies, with more time and labor expended on balancing out their own interests, so that the aid cost reduction envisaged by SWAp cannot be often achieved. Even if SWAp succeeds and the go-ahead is given for Sector Budget Support, it may not be possible to incorporate clearly an exit policy with a specific time frame in mind, and it may well result merely in reinforcing dependency on the aid agencies and foreign consultants. Then, there are too many problems associated with implementing sector program support to enumerate, and despite the initial aim to share and simplify aid protocol, matters may end up becoming just more complicated.

As described in this book, one can also witness the lack of systems or implementation capacity in developing countries and the problems of capacity and lack of experience of aid agencies. In spite of these problems, the inevitable course now being charted is toward sector program support through SWAp and Sector Budget Support. By building up experiences of actual implementation, these would probably continue to evolve as a new approach of international cooperation in education.

4 Potential for Regional Cooperation in Education: The Greater Mekong Subregion (GMS) Program

Another new cooperative approach in Southeast Asia is that of subregional cooperation, which is purported to bring a bigger market, greater economic scale, and more effective division of labor. A foremost example of this is the Greater Mekong Subregion (GMS) Program, which was inaugurated in 1992 with the ADB as coordinator and promoter. GMS encompasses Cambodia, Laos, Myanmar, Thailand, Vietnam, and China (Yunnan Province), an economic bloc of some 250 million people that has a huge capacity for potential growth. The GMS Program is a unique attempt even in Southeast Asia and has become a model of subregional cooperation.[4] The GMS Program entered its second phase in 2001. It comprises ten core projects relating to transport, communications, environment, natural resources management, tourism promotion, and human resources development. Education is treated as one of the subsectors of human resources development (public health and labor being the others). In the second phase, activities in the education sector have been given top priority.

[4] For more information on the GMS Program, see ADB (2000). A similar framework for subregional cooperation is the East ASEAN Growth Area Program involving Brunei, Indonesia, Malaysia, and the Philippines. However, because of the political uncertainties and law and order problems around Mindanao, not much progress has been made.

A little over half the population of GMS is regarded as potential labor, but a large part of it is currently idle and there is a shortage in all sectors of human resources that can keep up with the scale and speed of growth. In addition, the low level of literacy among the young, the inadequate provision of primary and secondary education, and poor health mean that labor productivity cannot be said to be high. Indochina and Myanmar have not yet achieved universal diffusion of primary education, which is one of the reasons for low employment. To provide people with actual employment, more advanced technical education and vocational training are needed. Urgently required are standardization of skills within GMS, creation of skill inspection and evaluation systems, and improvement of labor market information services, amongst other tasks. Besides, though the improvement of primary and secondary education is in principle a domestic task for GMS countries, the common policy issues are decentralization management and improvement in education quality, and therefore, these would be priority projects from now on (ADB 2004b).

5 Importance of Capacity Development

Whether or not we can succeed in the "indigenous" education reform depends on both the governments of developing countries and aid agencies acquiring the capacity needed for promoting such reforms. In short, an appropriate capacity development must occur, as we put high emphasis on our discussion in this book. Above all, in the effort to attain EFA goals under decentralization, new cooperative approaches such as sector program support through SWAp and Sector Budget Support are being introduced. Consequently, the importance of capacity development is mounting on local government and at school levels. To make these efforts successful, while bearing in mind the basic principle of the creation of true ownership and partnership, working-level problems have to be overcome by both parties, namely, system inadequacy and lack of implementation capacity on the developing countries' side, and lack of capacity and experience on the aid agencies' side. Sector program support should rationalize education management; it would have the completely opposite effect if it becomes a damper on the implementation capacity of the developing country or aid agencies. Still, the importance of capacity development is being recognized and it is incorporated in various ways as individual tasks on a country-by-country basis.

Nevertheless, decentralization has dispersed the subjects of capacity development too much asunder or has given rise to reduplication. Oftentimes those who undertake capacity development are foreign consultants employed by aid agencies. Their methodology, by and large, lacks coherence and is not systematically organized. Although on the one hand it is necessary to satisfy capacity development needs in the context of each nation, it is important to identify the methodology or system and mechanism of capacity development common to the Southeast Asian region.

In this sense, the effort toward capacity development under the GMS Program is noteworthy. The Phnom Penh Plan for Development Management has been inaugu-

rated and in collaboration with major education and training institutions within the region, training of administrative officers is being undertaken (ADB 2002). In order to promote subregional cooperation, the emphasis is on a multi-sector approach. For instance, in regard to HIV/AIDS, early childhood care and development, school health, anti-drugs education, and other such training that are related to both education and health are being undertaken. However, education is just one area of the Phnom Penh Plan, and this framework cannot provide a key impetus toward capacity development per se. In future, what is needed is the establishment of a methodology and the creation of a system/mechanism of capacity development specially focused on education, while keeping in liaison with this Phnom Penh Plan.

6 Remaining Future Tasks

In the twenty-first century, what is crucial for a developing country to promote its own education reform aimed at achieving MDGs and EFA goals is for that country to succeed in its own capacity development. This is widely accepted as Chapter 1 of this book described (McGinn 2004; Hirosato 2001). With this fact in mind, we have attempted the creation of an education development framework based on indigenous capacity from the perspectives of a new political economy. However, we have to admit that the conceptual framework presented in Part I was not fully and extensively examined in country case studies presented in Part III, because the framework itself is still in the preliminary stage and needs to be further developed and sophisticated. This remains as our future task.

In its discussion, though in a limited manner, Chapter 2 has provided a conceptual explanation that the improvement of education sector governance through capacity development leads to the improvement of basic education indicators such as the school enrollment rate. The recognition of the importance of capacity development is evident from the fact that an education plan that integrates the six EFA goals and its implementation and management capacity constitutes one of the priority action plans in the *EFA Global Action Plan* adopted by UNESCO (UNESCO 2006). It would be necessary for international support to back up such action and for that support to be executed using an Integrated Framework as suggested in Chapter 1.

Capacity development in the education sector of many developing countries remains as yet chiefly that of policy-making, planning, monitoring, and evaluation at the central level. Although a new cooperative approach of sector program support through PBA is being introduced, actions at local government or school level remain inadequate. The real challenge toward high-quality achievement of the EFA goals lies not only in the quantitative achievement of targets relating to schooling but also to raising the quality of teaching and learning in schools. In other words, the task is to create "a sustainable learning environment with satisfactory quality" (ADB 2001) and to enhance the learning effectiveness on a continuous basis. This means taking fundamental action, to introduce an appropriate curriculum, to conduct teacher training of good quality, to provide satisfactory teaching materials

to schools, to ensure that the teachers can use them effectively, and to manage schools effectively (Smith 2005). Consequently, the achievement of EFA goals centering on basic education development would not depend only on action on the central level. Rather, it would depend greatly on the extent of successful capacity development of people, organizations, and systems at local (state/province, district, community) and school levels. This is why the Integrated Framework suggested in Chapter 1 is intended to be a guideline when considering the way forward for basic education development in this context.

As chapters in Part III have outlined, the countries that make up Indochina are facing various difficulties in the high-quality achievement of EFA goals. Their education sector governance capacity is still inadequate. In particular, the local education administration and school-level planning, implementation, and monitoring capacity is extremely weak and a "sustainable learning environment of satisfactory quality" has not been created. What is more, in many cases the actors responsible for capacity development are still the foreign consultants employed by aid agencies. Their methodology is more often than not lacking in consistency and is disorganized in systematic respects. Because of these weaknesses, while capacity development tailored to the context of each country is needed, it is important to search for the methodology and system/mechanism of capacity development that can be used not only in Indochina but in many other developing countries.

Finally, as a task for the future, there is the need for further investigation into the results of the sector program support that is being provided in many developing countries including those of Indochina for the achievement of EFA goals in a decentralized context. Also, a wide-ranging consideration is needed of the ideal means of capacity development required to bridge the gap with "sustainable learning environment of satisfactory quality" at school level. To back up this effort, the potential of basic education development support based on an Integrated Framework must be pursued further. The more such investigations are carried out, the more contribution can be made to the development of universal aid discourse. That is what we believe and why we continue our efforts.

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